



FY2025 Financial Results

February 6, 2025

Tamron Co., Ltd. (Stock Code : 7740)



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I . FY2025 Financial Results

I - 1 . Summary

Environment

Economy

- ◆ Continued geopolitical risks and growing uncertainty from U.S. tariff policies
- ◆ Exchange Rate (YoY)
 - Q4: JPY down ¥2 vs. USD, down ¥17 vs. EUR
 - Full year: JPY up ¥2 vs. USD, down ¥5 vs. EUR
- ◆ Rising material costs and labor expenses continue amid persistent inflation

Market Conditions

- ◆ Interchangeable-Lens Camera / Interchangeable Lens Markets:
 - Continued decline in DSLR cameras, while mirrorless cameras remain strong
 - Slight increase in unit volume; value broadly flat year on year
- ◆ Surveillance Market:
 - Transitioned from inventory adjustment phase to stable growth
- ◆ Automotive Camera Market:
 - Despite signs of stagnation in China, growth continues driven by ADAS expansion

Company's Results

- ◆ **Full year: Decline in Sales and Profit**
 - Net Sales
 - Sales increase in Mobility & Healthcare
 - Significant shipment decline in photographic OEM products due to stagnation in the interchangeable-lens market
- ◆ **Q4: Increase in Sales and Profit**
 - Sales and profit increased across all segments

- **Operating Income:**
 - Lower gross profit resulting from substantial sales decline
 - Higher material and utility costs
 - Rising personnel expenses
 - Increased SG&A expenses from enhanced R&D investments

Key Events in FY2025

- ◆ Jan.: Began operations at the second factory in Vietnam.
- ◆ Feb.: **Repurchased ¥4.0 bn in treasury shares** (double the ¥2.0 bn in FY2024)
- ◆ Apr.: **Formed a partnership structure with mapry and acquired an equity stake**
- ◆ May: **Cancelled 3.3 million treasury shares (7.17% of issued shares before cancellation)**
- ◆ Jul.: **Executed a 4-for-1 stock splits** of common shares
- ◆ Jul.-Nov.: **Launched a total of six new own-brand models**
- ◆ **Dividend:** Despite a decline in profit, **the year-end dividend remained unchanged from the initial forecast at ¥26.25 per share.**
Annual dividends amounted to ¥36.25 per share (an increase of ¥1.25 year on year), resulting in **a payout ratio of 49.8%** and **a total shareholder return ratio of approximately 80%.**



I -2. Results

Full-Year Results

◆ Net Sales: Down 4% YoY overall

- Photographic Products : Own-brand sales broadly flat despite delayed recovery in Europe; OEM revenue declined sharply due to order reductions
- Surveillance & FA Lenses: Slightly down YoY due to inventory adjustments and delays in new camera module development
- Mobility & Healthcare, Other: Revenue increased, driven mainly by automotive lenses

◆ Operating Income: Down 13% YoY; operating margin down 2.0 pts

- Gross profit: Down 5% due to lower sales, higher raw material costs, and U.S. tariffs
- Expenses: Higher utility, personnel, and R&D costs reflecting inflation

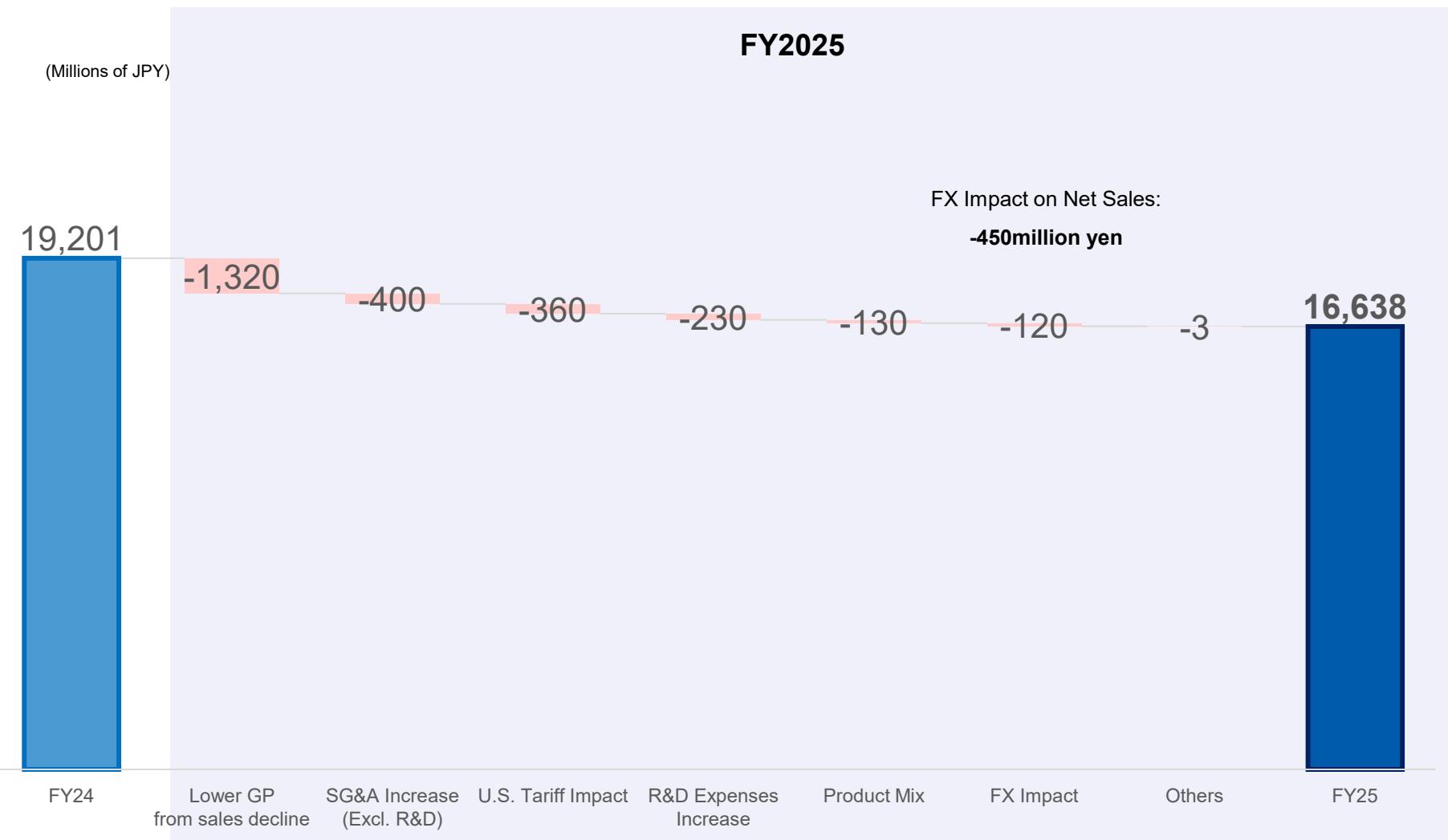
Q4: As a result of revenue and profit growth across all segments, net sales up 10%; operating income up 32% YoY

Q4 (¥ million)	FY24 Actual	FY25 Actual	Change vs. FY24	
			Value	%
Net Sales	20,019	21,967	+1,948	+9.7%
Gross Profit	8,242	9,106	+864	+10.5%
Gross Margin	41.2%	41.5%	+0.3pts	-
SG&A Expenses	5,773	5,854	+81	+1.4%
Operating Income	2,469	3,251	+782	+31.7%
Operating Margin	12.3%	14.8%	+2.5pts	-
Ordinary Income	2,630	3,228	+598	+22.8%
Ord. Income Margin	13.1%	14.7%	+1.6pts	-
Net Income	2,297	1,702	-595	-25.9%
Net Inc. Margin	11.5%	7.7%	-3.8pts	-
USD/JPY	152.38	154.10	+1.72	-
EUR/JPY	162.64	179.45	+16.81	-

Full-Year (¥ million)	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
				Value	%	Value	%
Net Sales	88,475	87,000	85,071	-3,403	-3.8%	-1,928	-2.2%
Gross Profit	39,386	-	37,417	-1,969	-5.0%	-	-
Gross Margin	44.5%	-	44.0%	-0.5pts	-	-	-
SG&A Expenses	20,184	-	20,779	+594	+2.9%	-	-
Operating Income	19,201	18,000	16,638	-2,563	-13.4%	-1,361	-7.6%
Operating Margin	21.7%	20.7%	19.6%	-2.1pts	-	-1.1pts	-
Ordinary Income	19,304	18,200	16,699	-2,604	-13.5%	-1,500	-8.2%
Ord. Income Margin	21.8%	20.9%	19.6%	-2.2pts	-	-1.3pts	-
Net Income	14,526	13,560	11,761	-2,764	-19.0%	-1,798	-13.3%
Net Inc. Margin	16.4%	15.6%	13.8%	-2.6pts	-	-1.8pts	-
USD/JPY	151.69	148.83	149.63	-2.06	-	+0.80	-
EUR/JPY	164.09	168.24	169.24	+5.15	-	+1.00	-



I - 3 . Factors Affecting Operating Income



I -4. Segment Results ①Photographic Products

- Own-brand products: Declined in H1, turned to growth from Q3; exceeded ¥10.0 billion in Q4; broadly flat year on year
 - Japan / India: Sales growth outpaced the market
 - U.S.: Turned to growth from Q2; double-digit growth for the full year
 - China: Down in H1 due to last year's strong growth; flat in H2; down for the full year
 - Europe: Revenue decline narrowed, but recovery remained slow
- OEM: In line with the revised plan announced on Nov. 6, revenue fell sharply YoY due to sluggish sales of certain ordered models
- Operating income: Down on revenue decline from delayed recovery in some own-brand regions and lower gross profit from sharply reduced OEM revenue

Q4 (¥ million)	FY24 Actual	FY25 Actual	Change vs. FY24	
	Value	%	Value	%
Net Sales	14,510	15,529	+1,019	+7.0%
O.P.	2,868	3,301	+433	+15.1%
O.P. Margin	19.8%	21.3%	+1.5pts	-

Full-Year (¥ million)	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
	Value	%	Value	%	Value	%	Value
Net Sales	64,835	62,000	60,643	-4,192	-6.5%	-1,356	-2.2%
O.P.	18,111	16,800	15,630	-2,481	-13.7%	-1,169	-7.0%
O.P. Margin	27.9%	27.1%	25.8%	-2.1pts	-	-1.3pts	-

Sales Breakdown

Q4	FY24 Actual	FY25 Actual	Change vs. FY24	
			Value	%
Value	Own- Brand	9.2	10.0	+0.8 +9.1%
(¥ Billion)	OEM	5.3	5.5	+0.2 +3.5%
Units	Own- Brand	12	13	+1 +7.9%
(10K)	OEM	18	17	-1 -6.3%

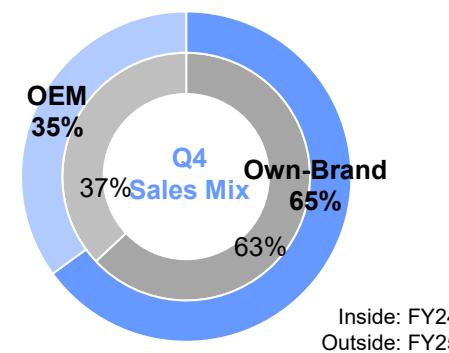
Full-Year	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
				Value	%	Value	%
Value	Own- Brand	36.0	37.3	35.9	-0.0 -0.1%	-1.4	-3.6%
(¥ Billion)	OEM	28.8	24.7	24.7	-4.2 -14.4%	+0.0	+0.0%
Units	Own- Brand	47	52	49	+2 +5.3%	-3	-4.8%
(10K)	OEM	92	79	77	-15 -16.3%	-2	-2.8%

Annual FX Impact (vs. Prior-Year Rates) (¥ million)

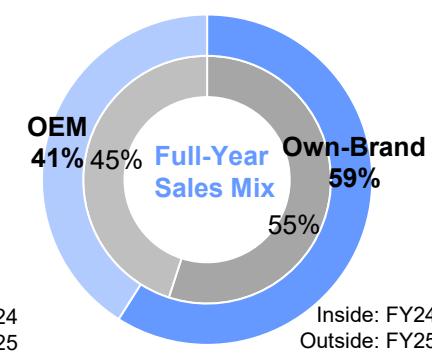
Net Sales	-350
O.P.	-140

FY25 Market Environment (YoY)

	Q4		Full-year	
	Qty	Value	Qty	Value
SLR cameras	-43%	-48%	-31%	-36%
Mirrorless cameras	+12%	+3%	+13%	+3%
ILC total	+3%	-0%	+6%	+1%
IL (lenses)	+4%	+5%	+3%	-0%



Inside: FY24
Outside: FY25



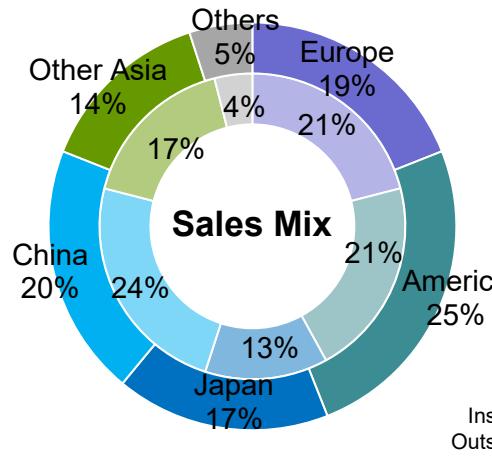
Inside: FY24
Outside: FY25

I -4. Segment Results ①Photographic Products

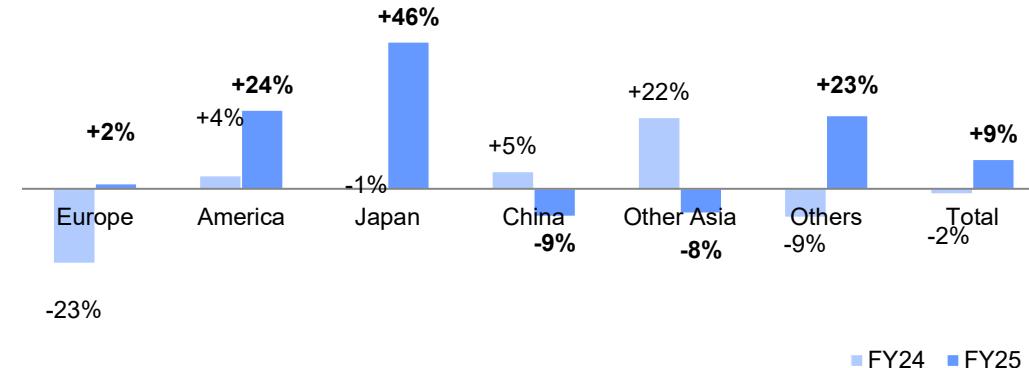


Q4 Own-Brand Sales by Region

Sales Mix (Value Basis)



Sales Growth Rate (YoY, Yen Basis)



Interchangeable Lens Market (Q4)

Market Share

(Value Basis)	FY24	FY25
Europe	24%	25%
America	26%	20%
Japan	10%	10%
China	18%	22%
Other Asia	17%	18%
Others	5%	5%
Total	100%	100%

Shipment Growth Rate

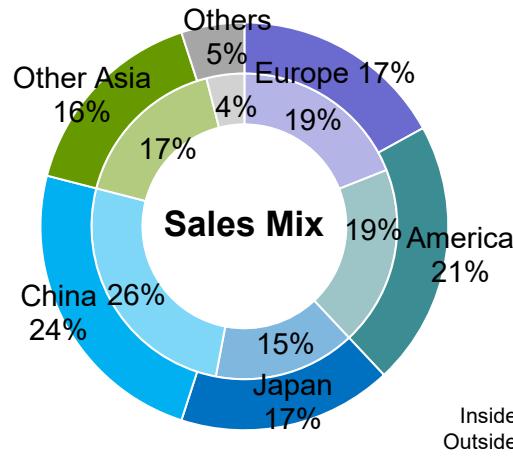
	FY24 (YoY)		FY25 (YoY)	
	Qty	Value	Qty	Value
Europe	+16%	+0%	-2%	+10%
America	+0%	+3%	-1%	-17%
Japan	+5%	-0%	-6%	+5%
China	+16%	-13%	+18%	+25%
Other Asia	+21%	+23%	+9%	+10%
Others	+14%	+17%	+16%	+3%
Total	+11%	+2%	+4%	+5%

I -4. Segment Results ①Photographic Products

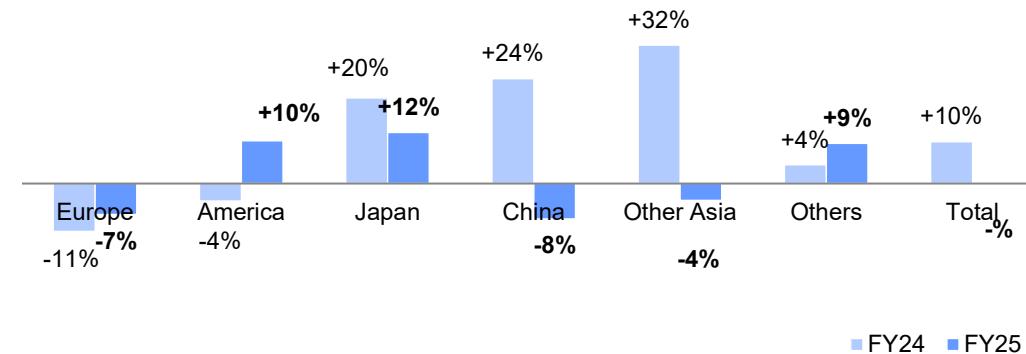


Full-Year Own-Brand Sales by Region

Sales Mix (Value Basis)



Sales Growth Rate (YoY, Yen Basis)



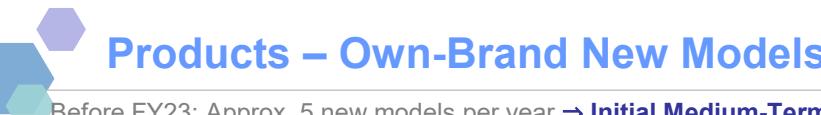
Interchangeable Lens Market (Full-Year)

Market Share

(Value Basis)	FY24	FY25
Europe	21%	23%
America	24%	23%
Japan	11%	10%
China	24%	23%
Other Asia	15%	16%
Others	5%	5%
Total	100%	100%

Shipment Growth Rate

	FY24 (YoY)		FY25 (YoY)	
	Qty	Value	Qty	Value
Europe	-2%	-4%	+2%	+8%
America	+3%	+5%	+2%	-4%
Japan	+10%	+18%	-15%	-10%
China	+20%	+21%	+11%	-4%
Other Asia	+14%	+21%	+4%	+5%
Others	+3%	+20%	+17%	+10%
Total	+7%	+11%	+3%	-0%



Products – Own-Brand New Models

Before FY23: Approx. 5 new models per year ⇒ **Initial Medium-Term Management Plan: Target of 6-7 launches per year**

⇒ **FY24: 7 launches achieved; FY25: 6 launches achieved** ⇒ **New Medium-Term Management Plan: Targeting 10 new model launches per year by FY26**

	FY23 (5 models)		FY24 (7 models)			FY25 (6 models)		
SONY E-mount Total: 21 models	Oct.	Oct.	Jun.	Aug.	Oct.	Jul.		Nov.
								
	17-50mm F/4 VXD (A068)	70-180mm F/2.8 VC VXD G2 (A065)	50-300mm F/4.5-6.3 VC VXD (A069)	28-300mm F/4-7.1 VC VXD (A074)	90mm F/2.8 VXD (F072)	16-30mm F/2.8 VXD G2 (A064)		25-200mm F/2.8-5.6 VXD G2 (A075)
FUJIFILM X-mount Total: 4 models	May							
								
	11-20mm F/2.8 RXD (B060)							
NIKON Z-mount Total: 9 models	Sep.	Oct.	Apr.	Sep.	Oct.	Aug.	Aug.	Oct.
								
	35-150mm F/2-2.8 VXD (A058)	150-500mm F/5-6.7 VC VXD (A057)	28-75mm F/2.8 VXD G2 (A063)	50-400mm F/4.5-6.3 VC VXD (A067)	90mm F/2.8 VXD (F072)	16-30mm F/2.8 VXD G2 (A064)	18-300mm F/3.5-6.3 VC VXD (B061)	70-180mm F/2.8 VXD G2 (A065)
CANON RF-mount Total: 2 models					Dec.		Sep.	
								
						11-20mm F/2.8 RXD (B060)	18-300mm F/3.5-6.3 VC VXD (B061)	

I -4. Segment Results ②Surveillance & FA Lenses

- Surveillance: Market remained solid driven by demand for higher resolution, higher definition, and diversified applications, **sustaining revenue growth**
- FA: Revenue declined due to inventory adjustments at customers
- Video Conferencing: Revenue remained in line with the previous year, supported by orders for existing models despite a sluggish market
- Camera Modules: Revenue slightly declined due to delays in new model development
- Operating income: **Increased** driven by improved gross margin and tighter SG&A control

Q4 (¥ million)	FY24 Actual	FY25 Actual	Change vs. FY24	
	Value	%		
Net Sales	2,899	3,053	+154	+5.3%
O.P.	121	424	+302	+248.4%
O.P. Margin	4.2%	13.9%	+9.7pts	-

Full-Year (¥ million)	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
	Value	%	Value	%	Value	%	Value
Net Sales	12,313	12,400	12,091	-222	-1.8%	-308	-2.5%
O.P.	1,566	1,600	1,675	+109	+7.0%	+75	+4.7%
O.P. Margin	12.7%	12.9%	13.9%	+1.2pts	-	+1.0pts	-

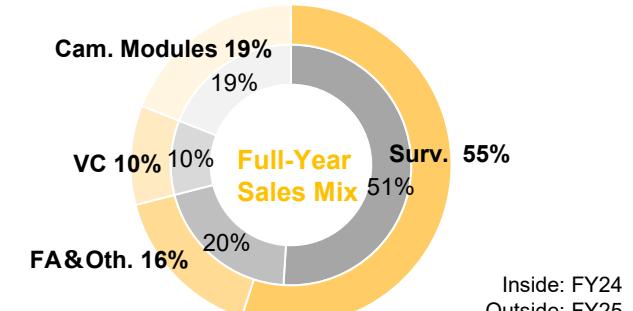
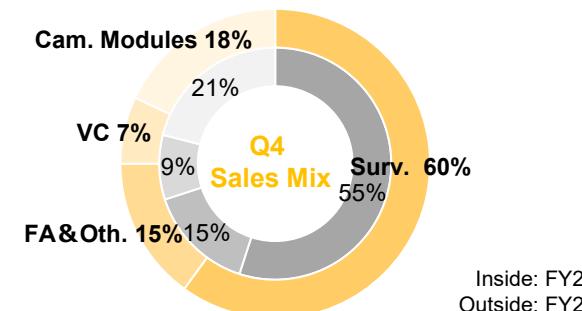
Sales Breakdown

Q4	FY24	FY25	Change vs. FY24	
	Actual	Actual	Value	%
Value	Surv.	1.6	1.9	+0.3 +15.1%
(¥ Billion)	FA & Oth.	0.4	0.5	+0.1 +9.0%
	VC	0.3	0.2	-0.1 -14.1%
	Cam. Modules	0.6	0.5	-0.1 -14.2%
Units	Segment Total	30	35	+5 +17.0%
(10K)				

Full-Year	FY24	FY25	Change vs. FY24		Change vs. Fcst.	
	Actual	Fcst. (Nov. 6)	Actual	Value	%	Value
Value	Surv.	6.3	7.0	6.7	+0.4 +5.8%	-0.3 -4.5%
(¥ Billion)	FA & Oth.	2.4	2.0	2.0	-0.4 -18.4%	-0.0 -1.6%
	VC	1.2	1.0	1.2	+0.0 +0.1%	+0.2 +18.8%
	Cam. Modules	2.4	2.4	2.2	-0.2 -6.2%	-0.2 -6.2%
Units	Segment Total	115	128	129	+14 +12.7%	+1 +1.0%
(10K)						

Note) Surv: Surveillance Lenses, VC: Video Conference Lenses, Cam. Modules: Camera Modules

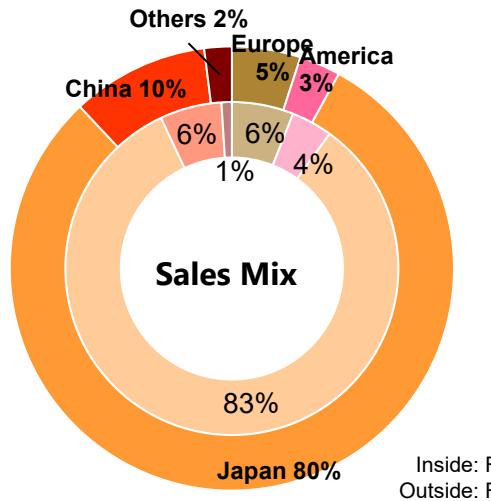
Annual FX Impact (vs. Prior-Year Rates) (¥ million)	
Net Sales	-70
O.P.	+20



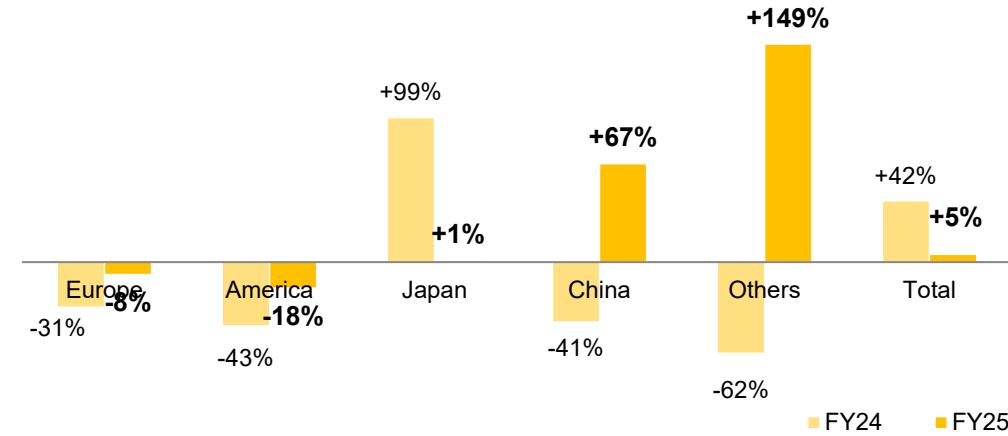
I -4. Segment Results ②Surveillance & FA Lenses



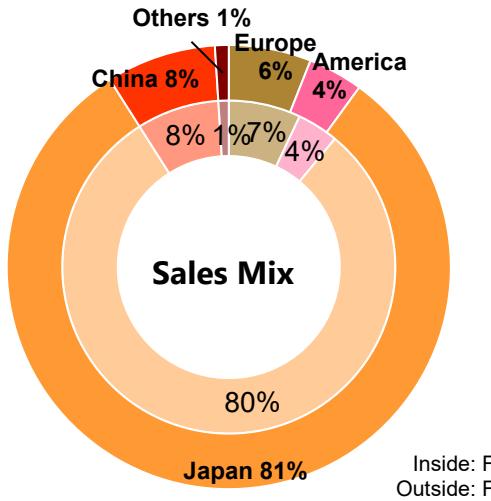
Q4 Sales Mix by Branch (Value Basis)



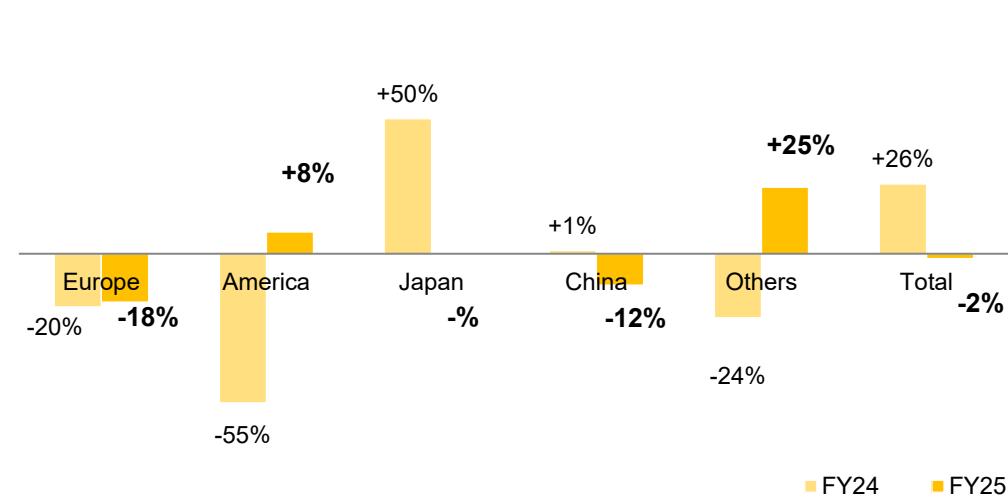
Q4 Sales Growth Rate By Branch (YoY, Yen Basis)



Full Year Sales Mix by Branch (Value Basis)



Full-Year Sales Growth Rate By Branch (YoY, Yen Basis)



I -4. Segment Results ③ Mobility & Healthcare Products, Other

- Automotive: Revenue **exceeded ¥10.0 billion**, continuing growth **beyond last year's high-growth phase**, driven by rising demand from ADAS expansion
- Healthcare Components: Revenue grew **~1.5x year on year, exceeding ¥1.0 billion**, driven by an expanded product lineup
- Operating Income: **Profit increased** on higher gross profit, with SG&A held flat year on year through R&D expense deferrals

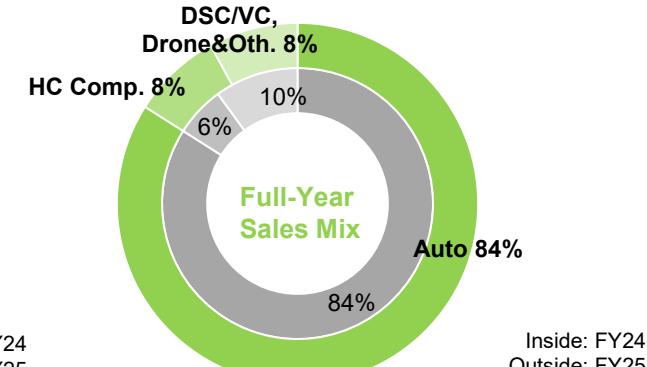
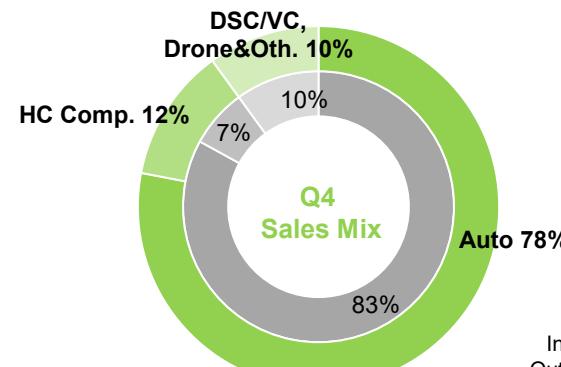
Q4 (¥ million)	FY24 Actual	FY25 Actual	Change vs. FY24		Full-Year (¥ million)	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
			Value	%					Value	%	Value	%
Net Sales	2,609	3,384	+774	+29.7%	Net Sales	11,325	12,600	12,336	+1,010	+8.9%	-263	-2.1%
O.P.	371	636	+264	+71.2%	O.P.	2,476	2,700	2,699	+223	+9.0%	-0	-0.0%
O.P. Margin	14.2%	18.8%	+4.6%	-	O.P. Margin	21.9%	21.4%	21.9%	- pts	-	+0.5pts	-

Sales Breakdown

Q4	FY24 Actual	FY25 Actual	Change vs. FY24		Full-Year	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.		
			Value	%					Value	%	Value	%	
Value	Auto	2.1	2.7	+0.6	+22.6%	Value	9.5	10.6	10.3	+0.8	+8.3%	-0.3	-2.6%
(¥ Billion)	HC Comp.	0.2	0.4	+0.2	+127.6%	(¥ Billion)	0.67	1.0	1.0	+0.3	+49.3%	+0.0	+0.1%
	DSC/VC, Drone/Oth.	0.3	0.3	+0.0	+21.6%		1.1	1.0	1.0	-0.1	-10.2%	+0.0	+1.4%

Note) Auto: Automotive Lenses, HC Comp. : Healthcare Component

Annual FX Impact (vs. Prior-Year Rates) (¥ million)	
Net Sales	-30
O.P.	+0





II. FY2026 Forecast & Medium-Term Management Plan (MTMP) “Value Creation 26 ver. 2.0” Progress Update

II-1. Group Total ①FY26 Financial Forecast

Environment

Economy

- ◆ While the economy is on a moderate recovery trend, uncertainty remains high due to prolonged geopolitical risks, concerns over a slowdown in the Chinese economy, and uncertainty surrounding U.S. trade and industrial policies.

Market

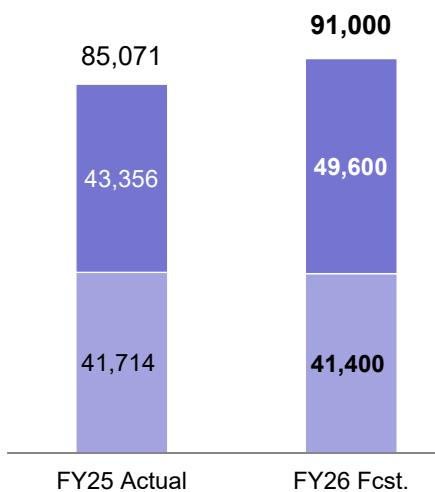
- ◆ **Interchangeable-Lens Cameras & Lenses:** Unit volumes remained flat, while revenue increased supported by strong demand for high value-added products
- ◆ **Surveillance:** Market shifted to stable growth driven by solid security demand, including urban surveillance
- ◆ **Automotive:** Market continued to perform well, supported by growth in ADAS adoption

Company's Forecast

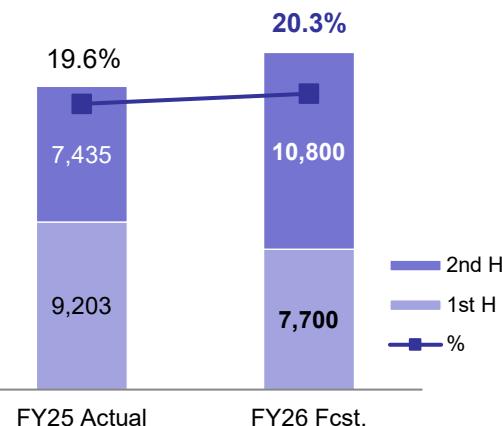
- ◆ **Assumptions:** Weaker yen compared with FY25. Despite cost increases from higher raw material prices and more proactive investments and R&D spending, the Group expects to absorb these impacts and **achieve revenue and profit growth**
- ◆ **Targets:** Aim to reach **over ¥90.0 billion in net sales for the first time**, achieve **double-digit operating profit growth**, and maintain an **operating margin of 20% or higher**

(¥ million)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
Net Sales	85,071	91,000	+5,928	+7.0%
Operating Income	16,638	18,500	+1,861	+11.2%
Operating Margin	19.6%	20.3%	+0.7pts	-
Ordinary Income	16,699	18,500	+1,800	+10.8%
Ord. Income Margin	19.6%	20.3%	+0.7pts	-
Net Income	11,761	13,690	+1,928	+16.4%
Net Inc. Margin	13.8%	15.0%	+1.2pts	-
USD/JPY	149.63	148.00	-1.63	-
EUR/JPY	169.24	175.00	+5.76	-

Net Sales
(Millions of JPY)



Operating Income
(Millions of JPY)



II -1. Group Total ②MTMP Progress Update

Value Creation 26 ver. 2.0

- Following the achievement of all initial targets in the first year (FY24), the Company announced **ver. 2.0**, featuring a significant upward revision of targets
- Ver. 2.0 represents a phase of growth and transformation** toward achieving **¥100.0 billion in net sales** and **¥20.0 billion or more in operating profit**

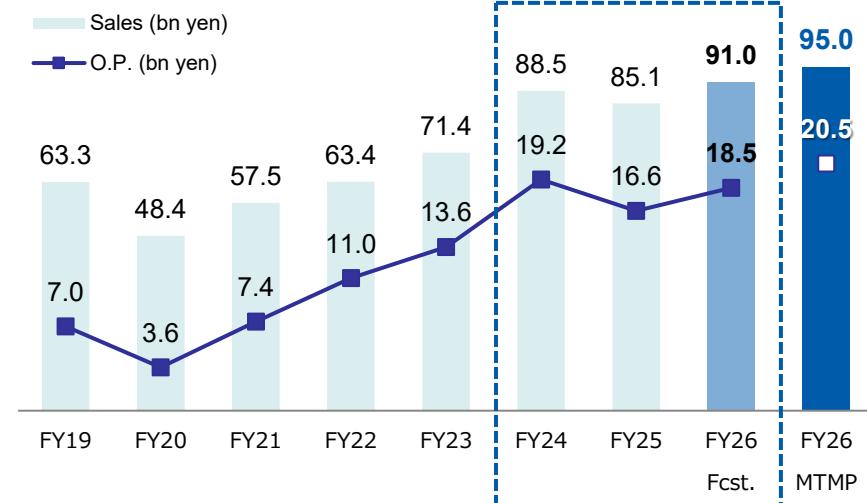
	MTMP FY26				
	FY23	Actual	Initially	ver2.0	vs FY23
Net Sales	¥71.4 bn	¥83.0 bn	¥95.0 bn	1.3x+	
Operating Income	¥13.6 bn	¥15.3 bn	¥20.5 bn	1.5x+	
Operating Margin	19.1%	18.4%	21.6%	20%range	
USD/JPY	140.68	140.00	145.00	+ 4.32	
EUR/JPY	152.17	152.00	155.00	+ 2.83	

Progress

- FY25:** OEM order declines and delayed recovery in Europe weighed on the photographic business
- FY26:** **10 new own-brand launches**, stable growth in **surveillance & automotive**, targeting **V-shaped recovery**

	FY24	FY25	FY26
	Actual	Actual	Fcst.
Net Sales	¥88.5 bn	¥85.1 bn	91.0 bn
Operating Income	¥19.2 bn	¥16.6 bn	18.5 bn
Operating Margin	21.7%	19.6%	20.3%
USD/JPY	151.69	149.63	148.00
EUR/JPY	164.09	169.24	175.00

	MTMP FY26			
	FY21-23	Avg.	Initially	ver2.0
EBITDA Margin (%)	21%range	22%+		24%+
ROE	13%range	14%+		16%+
Shareholder Returns	Dividend Payout Ratio: 30% range	Total Payout Ratio approx. 60%	Total payout ratio approx. 60%	



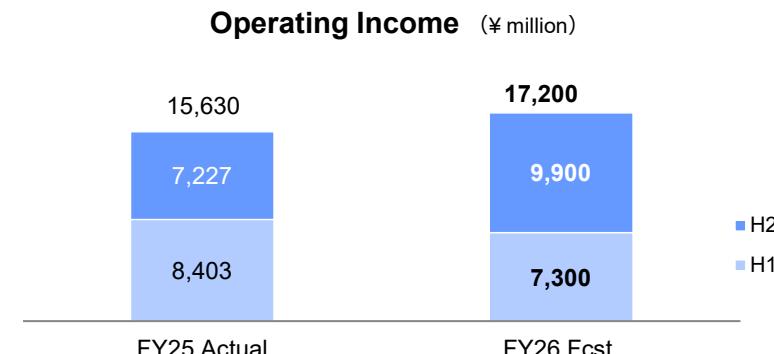
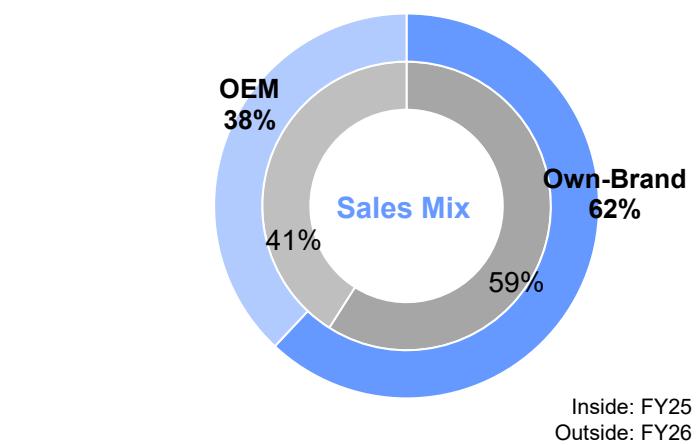
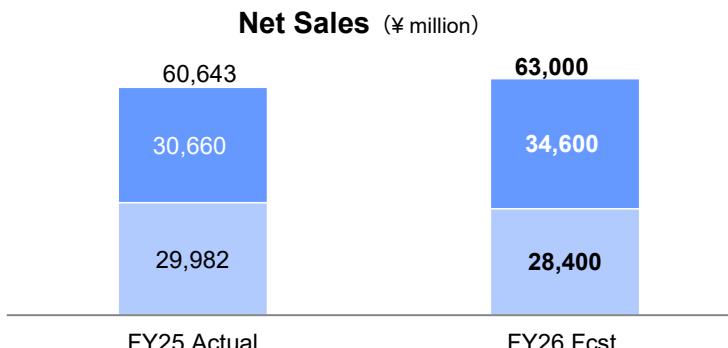
II -2. Photographic Products ①FY26 Financial Forecast

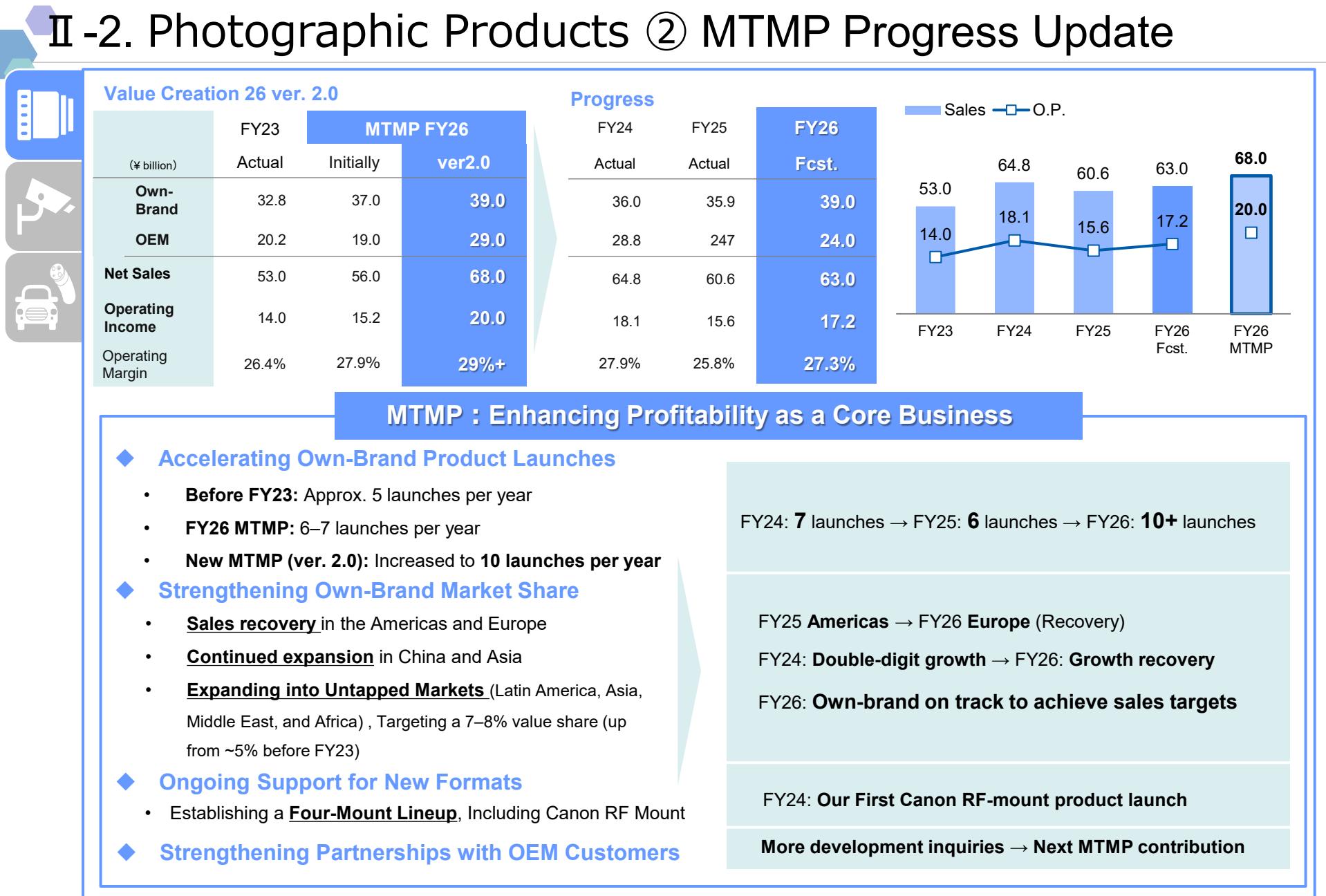
- Own-brand: Revenue expected to grow **above market growth**, driven by the **launch of 10 new models** and sales recovery in Europe and China
- OEM: Forecast reflects a required adjustment based on market conditions and recent order trends
- Operating Income: Despite higher SG&A expenses, including advertising, increased gross profit from higher sales and absorption through productivity improvements and cost reductions are expected to result in **double-digit operating profit growth**

(¥ million)	FY25		Change vs. FY25	
	Actual	Fcst.	Value	%
Net Sales	60,643	63,000	+2,356	+3.9%
O.P.	15,630	17,200	+1,569	+10.0%
O.P. Margin	25.8%	27.3%	+1.5pts	-

Sales Breakdown

	FY25		Change vs. FY25	
	Actual	Fcst.	Value	%
Value (¥ Billion)	Own-Brand	35.9	39.0	+3.1
	OEM	24.7	24.0	-0.7
Units (10K)	Own-Brand	49	52	+3
	OEM	77	72	-5





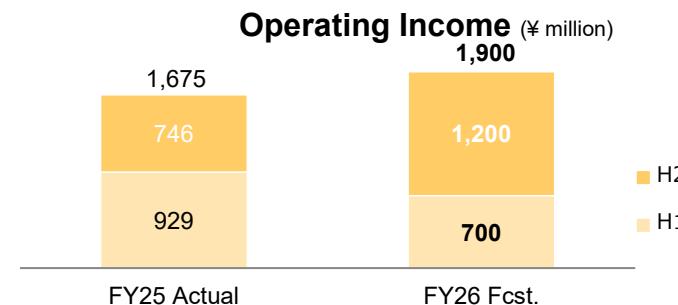
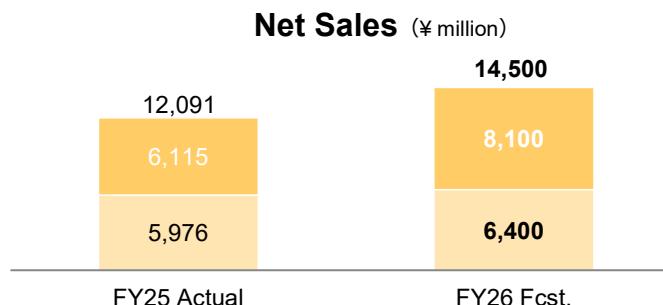
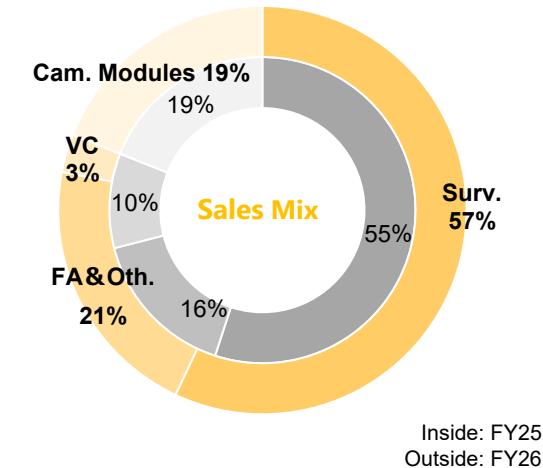
II -3. Surveillance & FA Lenses ①FY26 Financial Forecast

- Surveillance: Revenue increased on stable market conditions supported by solid security demand for urban and office surveillance
- FA: Revenue increased following the completion of inventory adjustments
- Camera Modules: Revenue increased due to catch-up from delays in new product development in the previous fiscal year
- Video Conferencing: Revenue declined due to weak demand
- Operating Income: **Double-digit growth** in revenue and profit, driven by sales growth in all categories except video conferencing

(¥ million)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
Net Sales	12,091	14,500	+2,408	+19.9%
O.P.	1,675	1,900	+224	+13.4%
O.P. Margin	13.9%	13.1%	-0.8pts	-

Sales Breakdown

	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
Value (¥ Billion)	Surv.	6.7	8.3	+1.6 +24.2%
	FA & Oth.	2.0	3.0	+1.0 +52.4%
	VC	1.2	0.5	-0.7 -57.9%
	Cam. Modules	2.2	2.7	+0.5 +19.9%
Units (10K)	Segment Total	129	156	+27 +20.6%



II -3. Surveillance & FA Lenses ② MTMP Progress Update



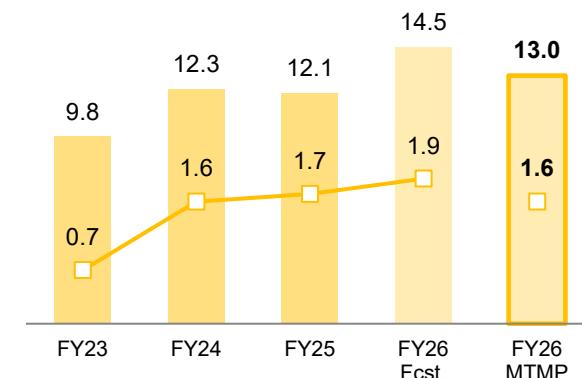
Value Creation 26 ver. 2.0

(¥ billion)	FY23	MTMP FY26	
	Actual	Initially	ver2.0
Surv.	5.9	7.4	7.0
FA & Oth.	1.6	3.6	2.8
Cam. Modules	0.8	3.5	3.2
VC	1.5	-	-
Net Sales	9.8	14.5	13.0
Operating Income	0.7	1.6	1.6
Operating Margin	7.3%	11%+	12%+

Progress

FY24	FY25	FY26
Actual	Actual	Fcst.
6.3	6.7	8.3
2.4	2.0	3.0
2.4	2.2	2.7
1.2	1.2	0.5
12.3	12.1	14.5
1.6	1.7	1.9
12.7%	13.9%	13.1%

Sales O.P.



MTMP : Transition to Growth Businesses, 10%+ Operating Margin

- ◆ **Surveillance Market: Shift to a two-pronged strategy**
 - High value-added products + stronger focus on the volume segment
- ◆ **FA and New Business Fields: Customer Base Expansion**
 - FA lineup expansion: OEM order growth; SWIR & FA zoom development
 - New MTMP (ver. 2.0): Entry into new business fields (Laser processing head market, Near-infrared (NIR) light source market, Multi-purpose camera market)
- ◆ **Camera Modules: Lineup Expansion**
 - 4K / high magnification / compact design
 - Expand sales through both OEM and own-brand products
 - New MTMP (ver. 2.0): Development of thermal zoom camera modules
 - Portfolio optimization and restructuring
- ◆ **Strengthening development, production, and sales capabilities in China**

FY24: Sales increased to 1.2x YoY; operating margin 12%+ achieved

FY25: Profit target achieved **one year ahead of plan**; operating margin improved to ~14%

FY26: **Sales and profit targets to be achieved**

FY24–FY25: Strengthening product development in new business fields

Development of **SWIR** (short-wave infrared) and **NIR light sources** for applications in **agriculture and food**
Development of **laser processing heads** to control high-power laser output

⇒**FY26: Launch at least one new product** in new business fields

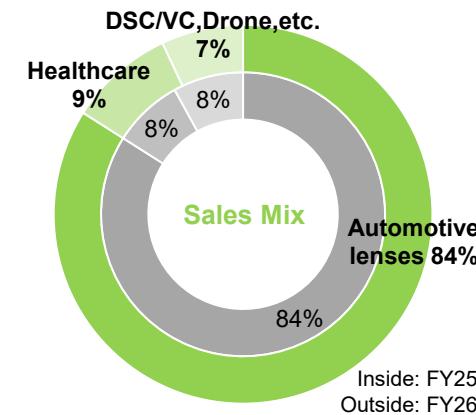
II -4. Mobility & Healthcare Products, Others ①FY26 Financial Forecast

- Automotive: Approx. **10% revenue growth**, supported by strong demand driven by ADAS expansion
- Healthcare components: Approx. **20% revenue growth**, driven by lineup expansion and continued steady high growth
- Operating Income: **Operating margin of 18% or higher maintained**, despite responding to customer cost-down requests, investment in the medical field, and strengthened development of core technologies for new business fields

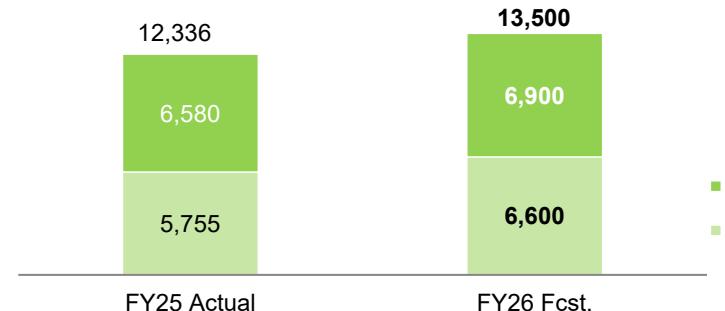
(¥ million)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
	Value	%		
Net Sales	12,336	13,500	+1,163	+9.4%
O.P.	2,699	2,500	-199	-7.4%
O.P. Margin	21.9%	18.5%	-3.4pts	-

Sales Breakdown

(¥ billion)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
	Value	%		
Auto	10.3	11.3	+1.0	+9.5%
HC Comp.	1.0	1.2	+0.2	+19.9%
DSC/VC, Drone/Oth.	1.0	1.0	-0.0	-1.4%



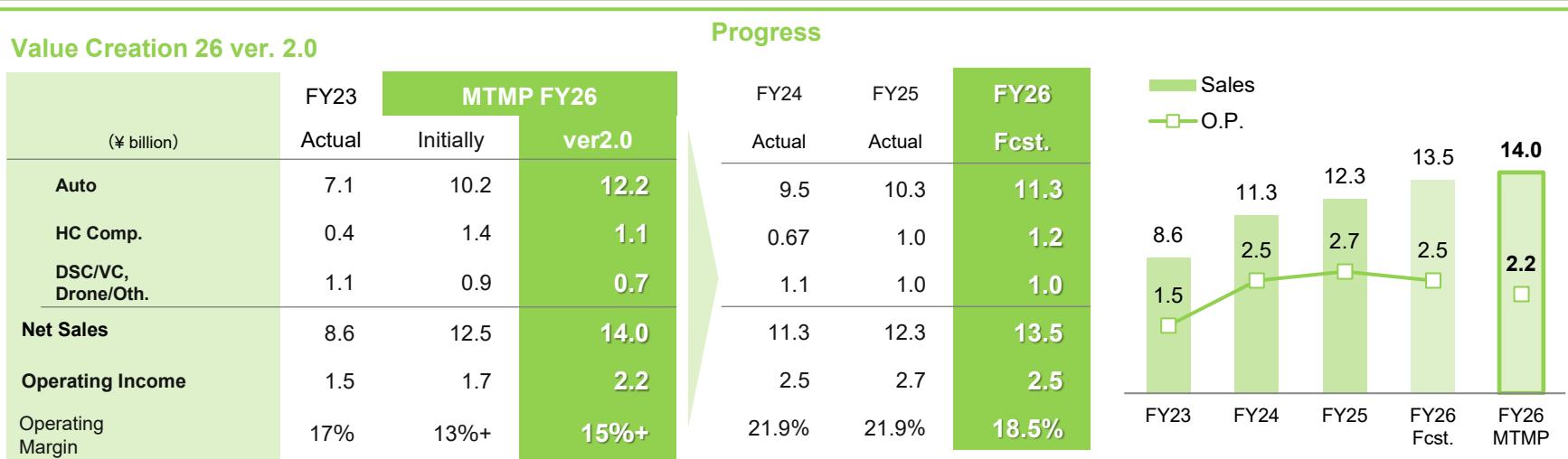
Net Sales (¥million)



Operating Income (¥million)



II -4. Mobility & Healthcare Products, Others ② MTMP Progress Update



MTMP: Accelerating Automotive & Healthcare Growth and New Business Creation

- ◆ **Focus on sensing applications** driven by ADAS advancement
- ◆ **Establish a next-generation cost structure** to enhance cost competitiveness
- ◆ **Build reliability technologies**, including high resolution, durability, and heat resistance
- ◆ **Transform order acquisition**, with earlier involvement from the planning and concept stage
 - New MTMP (ver. 2.0): Grow the automotive business to ¥12.0 billion
- ◆ **Further step-up of the rigid endoscope business**
- ◆ **Full-scale entry into surgical microscopes and life science fields**
 - Target: Grow the healthcare business to ¥1.0 billion (*Aim for ¥3.0 billion by FY30*)
- ◆ **Continued profit growth**, despite margin pressure from upfront investments for new business creation

FY24: Sales up **~1.3× YoY**; **20%+ profit margin**

FY25: Sales up **~1.1× YoY**

FY26: **Targeting a third consecutive year of revenue growth**

Automotive:

FY25: Revenue exceeded **¥10.0 billion**

Sensing-related revenue ratio: 85% in FY24 → **90% in FY25**

Healthcare Components:

FY25: Revenue exceeded **¥1.0 billion**

Developed a Fluorescent filter to visualize cancer cells

III. Renewal of the Long-Term Vision

Capture, Measure, Connect —Creating a Healthier Future for People and Nature

Having refined light-capturing technologies while delivering emotion and reassurance to society for more than 75 years, TAMRON will steer that legacy and those technologies toward a future of beneficial coexistence between people and nature.

Our mandate: to capture and measure an unseen world, and connect it with solutions. Capturing and measuring information about the body, such as the condition of cells and blood, connects with advances in medicine and healthcare. Capturing and measuring changes in ecosystems, such as our forests, water quality and the air we breathe, connects with activities to restore a rich natural environment. To achieve this, we will connect our accumulated optical technologies with sensing and analysis technologies, taking those combined capabilities to the next level.

To us at TAMRON, “to connect” means to bring together diverse types of value that will give rise to new possibilities. It means forging connections between people, between companies, and between technologies and sensibilities, connecting people with nature, and connecting the present with the future.

As a comprehensive optical and sensing solution provider, we will champion a beneficial coexistence between people and nature, and secure the future of a fulfilling society that offers joy, emotion and reassurance.

III-2. Positioning of “Value Creation26 ver.2.0”

Our Vision for Future

With the strong progress in the first year
of the new Medium-Term Management Plan “Value Creation26,”
we have evolved it into “Value Creation26 ver.2.0”

Long-Term Vision

Our Vision

Capture, Measure, Connect
– Creating a Healthier Future
for People and Nature

New Medium-Term
Management Plan
“Value Creation26 ver.2.0”
2024～2026

A ¥100 billion net sales company
¥10 billion in new business sales

Medium-Term
Management Plan
“Vision23”
2021～2023

Building on the achievement of “Vision23,”
we will address challenges and pursue new initiatives
to achieve high-quality growth and maximize corporate value

- ◆ Optimized the portfolio
- ◆ Developed & grew new business
- ◆ Established functional strategies
- ◆ Developed human resources & activated the organization

Medium-Term
Management Plan
2018～2020

- ◆ Improved profitability in core business
- ◆ Expanded business in growth areas
- ◆ Strengthened corporate fundamentals

Driving sustainable corporate value growth

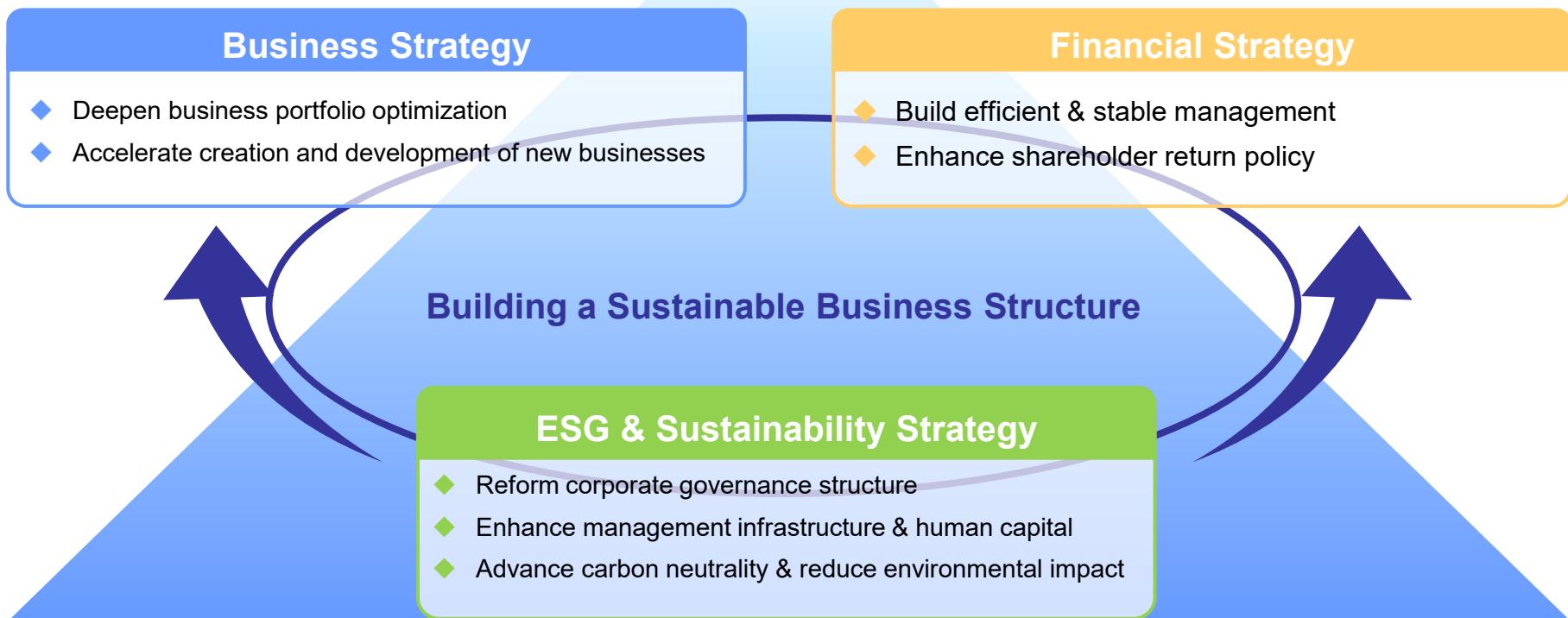


III-3. "Value Creation 26 ver. 2.0": Outline and Basic Policy

"Value Creation26 ver.2.0"

**We will address challenges and pursue new initiatives
to achieve high- quality growth and maximize corporate value**

Reach the long-term vision of a "¥100 billion net sales company"
in the next Medium-Term Management Plan



Build efficient management while ensuring stability

Optimize Capital Structure

- Maintain ROE at 16% or higher**
- Secure ROE at more than twice the cost of equity**
 - ◆ Achieve efficient management by utilizing cash on hand while ensuring financial stability
 - ◆ Gradually reduce the equity ratio to around 75%
 - ◆ Maintain a liquidity reserve of approx. 3 months' worth of monthly sales

Enhance Shareholder Returns

- Provide stable shareholder returns & conduct flexible share repurchases**
- Target a total payout ratio of around 60%**
 - ◆ Set an annual dividend floor of ¥20 & a payout ratio guideline of approx. 40%
(raised 1.6× under Ver. 2.0 from the initial MTMP floor of ¥12.5 per share)
 - ◆ Target a total payout ratio of approx. 60% & conduct share repurchases flexibly

<Equity Ratio>

- Due to the high technological innovation risk in the precision equipment industry and to maintain a financial structure capable of obtaining an A- credit rating, we target an equity ratio of around 75%.

<Liquidity on hand>

- As a globally operating manufacturer, we need to be prepared for unforeseen events, including geopolitical risks. Therefore, we set a liquidity reserve equivalent to approximately three months of monthly sales as a guideline for cash on hand.

<Expansion of return ratio>

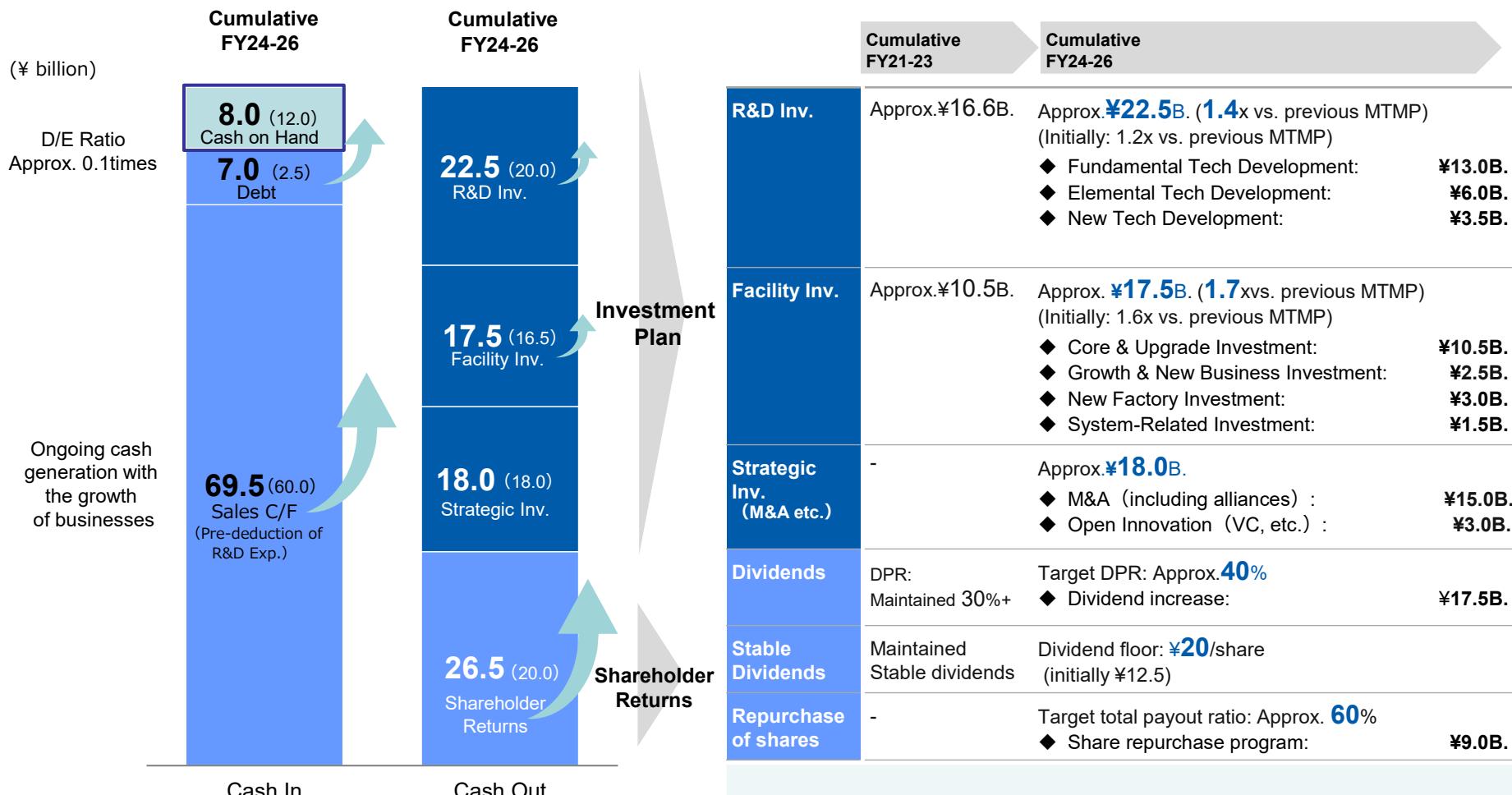
- With a view to sustainable growth, we more than doubled our investment amount compared to the previous medium-term plan period. Taking into account our targeted capital structure and cash and deposit levels, we doubled our shareholder return ratio to a total payout ratio of 60%.
- In addition, after increasing the dividend payout ratio to 40%, we set the total payout ratio in order to improve the flexibility of our capital policy.

<Stable dividend>

- While maintaining a high shareholder return ratio in line with business performance, we will provide stable and continuous dividends even during periods of weaker performance, within the range supported by our financial position.
- As a guideline for stable dividends, we set a dividend floor with a DOE (dividend on equity) of 3% or higher.

III-4. ②Capital allocation

Compared to the previous Medium-Term Management plan period, we plan to **more than double investment** and **double the shareholder return ratio**.

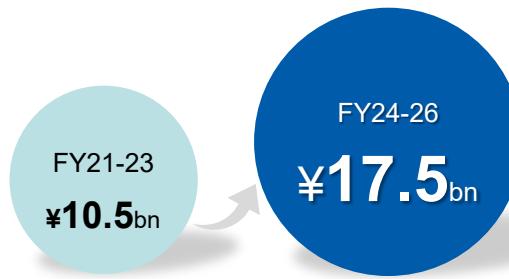


Note1) The above figures: announced in Feb. 2025

Note2) () :Originally announced in Feb. 2024 (initial medium-term management plan)

III-4. ③Investments toward becoming a 100-Year Company (2030s)

Expansion of Capital Expenditures



TOPICS

New Factory: Vietnam Second Plant (Vinh Phuc) – Construction & Capacity Expansion

⇒Global three-pole production (Japan–China–Vietnam):

Capacity to support ¥100bn sales and stronger resilience to geopolitical and tariff risks



- FY24: **Construction**
- FY25: **Start of operations**
- FY28: **Full operation (planned)**

Group production capacity

1.2X (vs. current)

Changes in Value based Production Mix

	Up to FY23	FY24-26	FY28
Vietnam	~25%	→ ~30%	→ ~45%
China	~65%	→ ~60%	→ ~45%
Japan	~10%	→ ~10%	~10%

Reducing parts procurement from China

Up to FY24
~30%

FY25 onward
≤20%

Expansion of Strategic Investments



TOPICS

Accelerating Open Innovation and Upfront Investments

⇒Strengthening the foundation to achieve ¥10.0 billion in new business revenue, and accelerating upfront investments toward realizing the new long-term vision

FY24

- Invested in **MPI Fund No. 3**, a VC fund targeting ventures developing innovative medical devices

FY25

- Established a strategic partnership and made an equity investment in **mapry Co., Ltd.**, a geospatial DX platform provider for surveying forests and other natural environments
- Invested in **SBI Venture Fund 2023**, a VC fund focusing on ventures with advanced technologies driving innovation in high-growth markets

FY26

- Invested in **Light Touch Technology, Inc.**, which developed the world's first non-invasive blood glucose monitoring sensor using advanced laser technology

Foundation for Innovation and New Business Creation: R&D Investment

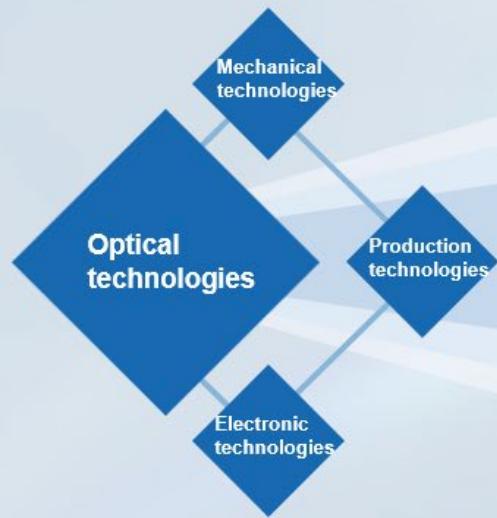
FY21-23
¥16.6bn

FY24-26
¥22.5bn

Making technologies that are next-generation solutions

TAMRON contributes to the realization of a fulfilling society that offers joy, emotion and reassurance, while championing a beneficial coexistence between people and nature

Fundamental technologies



Core element technologies

Downsizing and weight saving technologies	Modularization technologies
High-precision evaluation technologies	High heat resistance technologies
Infrared technologies	High durability technologies
Coating technologies	Metasurface technologies
Laser optical technologies	Spectroscopic technologies
High sensitivity technologies	High-precision sensing technologies
Visible light technologies	Actuator/control technologies
Image processing technologies	AI technology (machine learning)

Sectors in which Tamron is currently active

Home electronics sector

Interchangeable lenses for mirrorless and DSLR cameras, compact digital cameras lenses, video camera lenses

Industrial sector

FA/machine vision lenses, camera modules

Security sector

Network surveillance camera lenses, infrared lenses/camera modules

Mobility sector

Automotive camera lenses, drone lenses

Medical sector

Endoscope lenses, surgical microscope lenses

Sectors Tamron is considering entering in the future

Optical communication sector

Spatial light communications, optical wireless power transfer

Logistics sector

Picking, shape measurement, transportation equipment

Agricultural/Food products sector

Observation/measurement monitoring, testing equipment

Nature positive sector

Environmental monitoring equipment, applications

Infrastructure sector

Building inspections, measurement sensors, optical connectors

Robotics sector

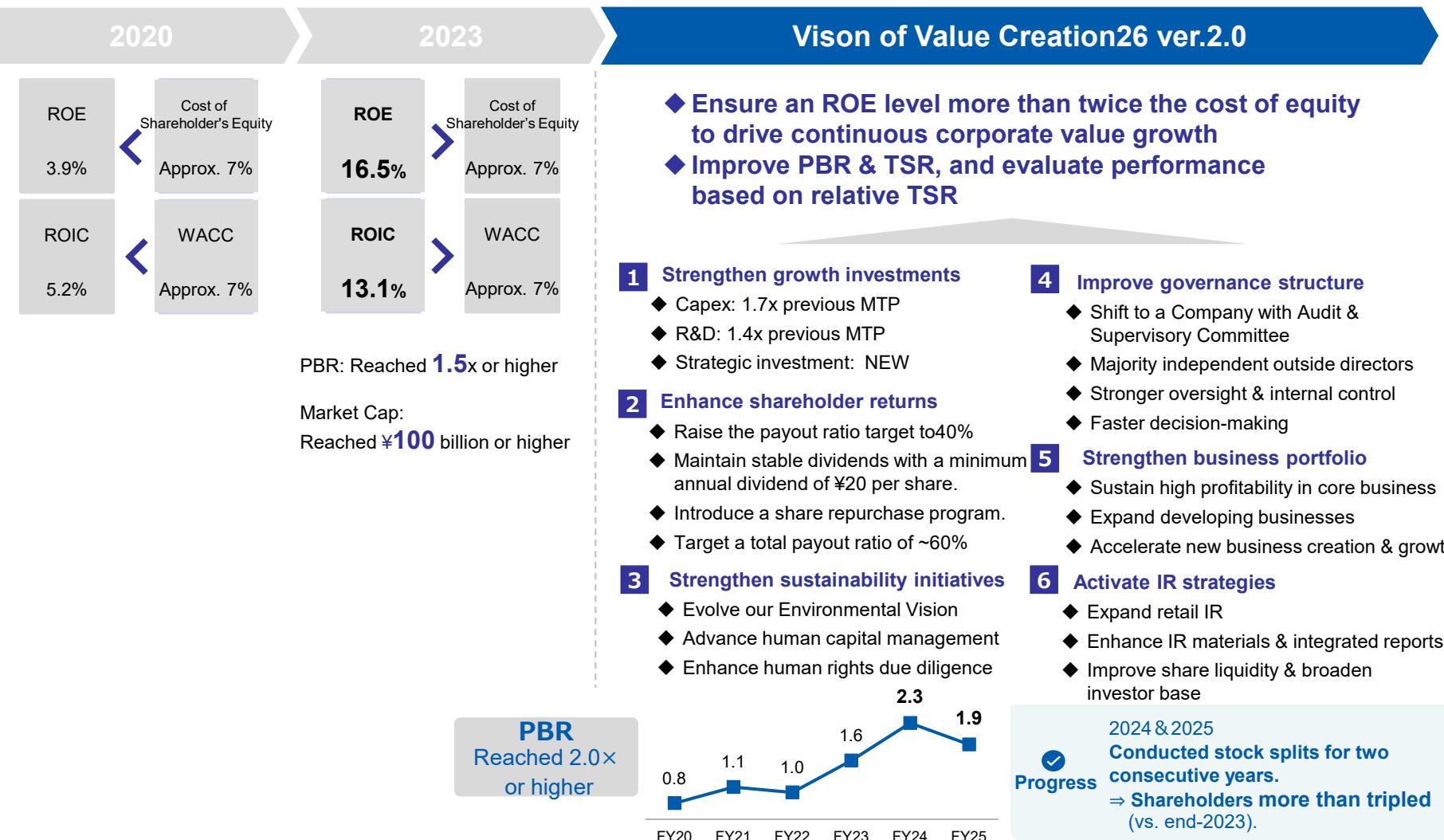
Vision/sensors, robot arms

Healthcare sector

Nursing, health maintenance/testing equipment

III-4. ⑤ Management Initiatives focused on Cost of Capital & Share Price

By continuously promoting management focused on capital costs, we have set our ROE target at 16% or higher—more than twice our estimated cost of equity (approximately 7%)—to enhance and maximize corporate value.



III-5. "Value Creation 26 Ver. 2.0": ESG / Sustainability Strategy



Carbon Neutrality & Environmental Impact Reduction

Advance & Evolve Environmental Vision 2050

- ◆ **Reduce GHG emissions**
 - Scope1&2
 - 2026: **-18%** vs. 2015
 - 2030: **30% reduction**
 - 2050: **Net zero** emissions
 - Scope3
 - Set measurement methods & targets
- ◆ **Enhance contribution to a circular economy**
 - Evolve toward a circular economy
- ◆ **Promote initiatives toward a nature-positive society**
 - Strengthen biodiversity conservation & sustainable use
- ◆ **Improve CDP rating**

Examples of Initiatives

- CO2 emissions:
 - 15% in 2024 & -22% in 2025 (vs. 2015)
- Introduced recycled plastic materials
- Created new businesses toward nature-positive
- Improved CDP rating to B



Human capital, DE&I & Employee engagement

Advance human capital management

- ◆ **Promote DE&I**
 - Female managers: **12%+**
 - Mid-career hires: **60%+**
 - Male parental leave: **80%+**
 - Enhance HR program (recruitment, development, evaluation, etc.)
- ◆ **Enhance human capital investment**
 - Double training budget
 - Upgrade & expand HR systems
 - Strengthen engineer development (increase R&D expenses)
- ◆ **Enhance human right due diligence**
 - Conduct SAQ to assess risks & drive improvements
- ◆ **Promote health & productivity management**
- ◆ **Expand engagement activities**

Examples of Initiatives

- Expand learning & challenge program
- Introduce ESOP
- Leverage SharePoint
- Open "TAMRON Square"
- Launch engagement survey & talent management system



Corporate Governance Reform

Strengthen oversight & speed up decision-making

- ◆ **Transition to a Company with an Audit & Supervisory Committee**
 - Stronger oversight & speed up decision-making
- ◆ **Increase the ratio of outside directors**
 - Ensure a majority
- ◆ **Improve Board effectiveness evaluation**
 - Third-party involvement in the evaluation
 - Stronger oversight by each committee
- ◆ **Enhance Board advisory committees**
 - Strengthen transparent processes
- ◆ **Enhance execution functions**
 - Promote delegation of authority
- ◆ **Strengthen internal control systems**
- ◆ **Improve corporate culture**

Examples of Initiatives

- Smooth transition to Audit & Supervisory Committee structure
- Outside directors: 55%
- ESG metrics added to performance evaluation
- Stronger Nomination Committee effectiveness
- Recurrence prevention measures: completed
⇒Operational phase; oversight ongoing

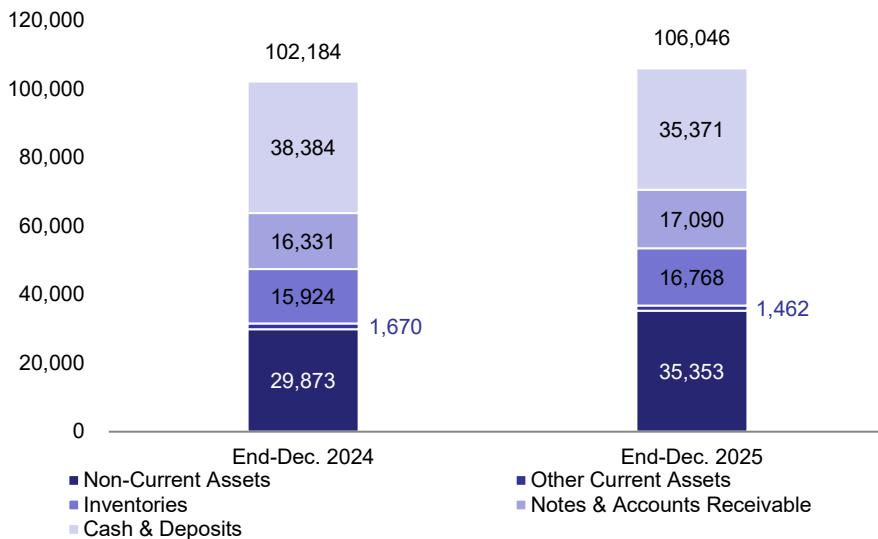
IV. Reference Data



IV- 1 . Financial Position

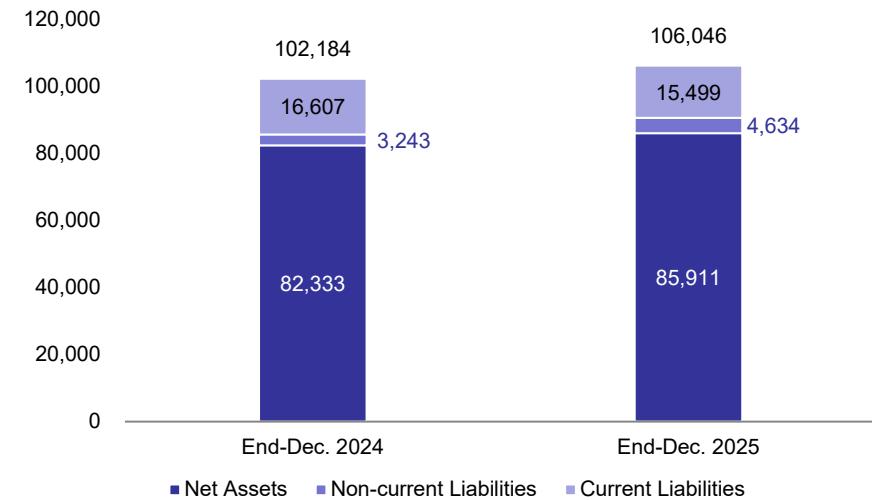
Assets

(¥ million)

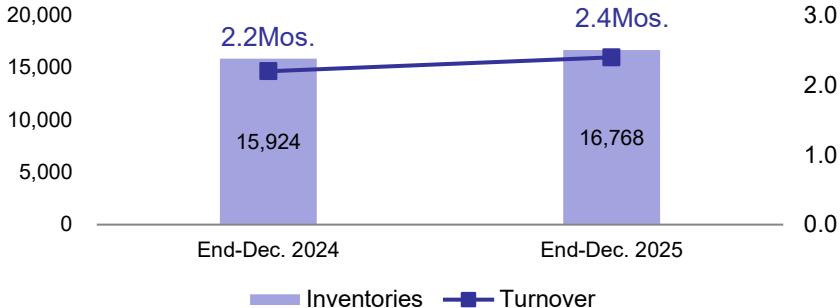


Liabilities / Net Assets

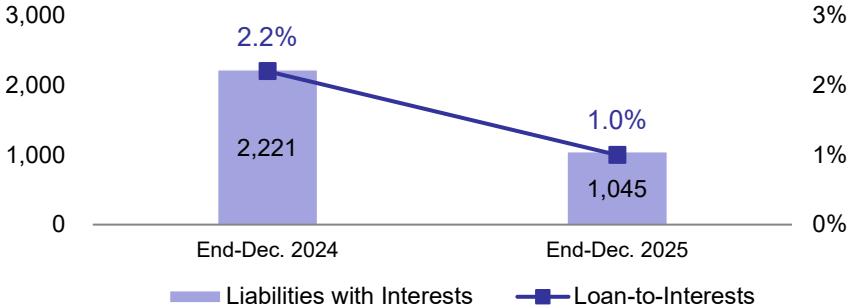
(¥ million)



Inventories

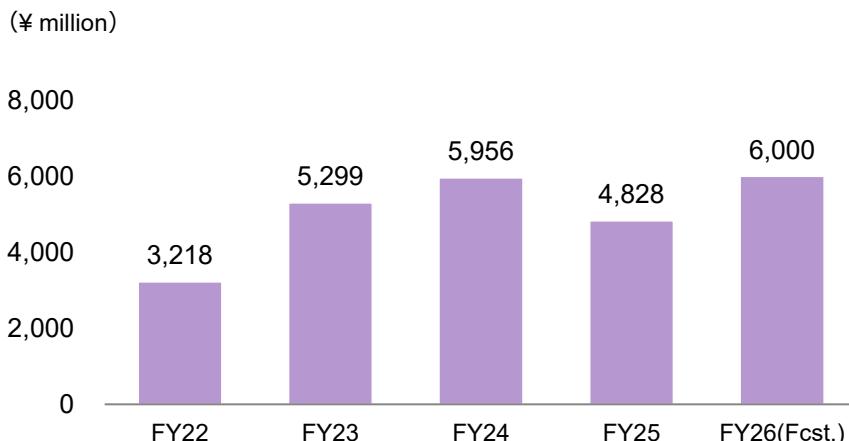


Liabilities with Interests

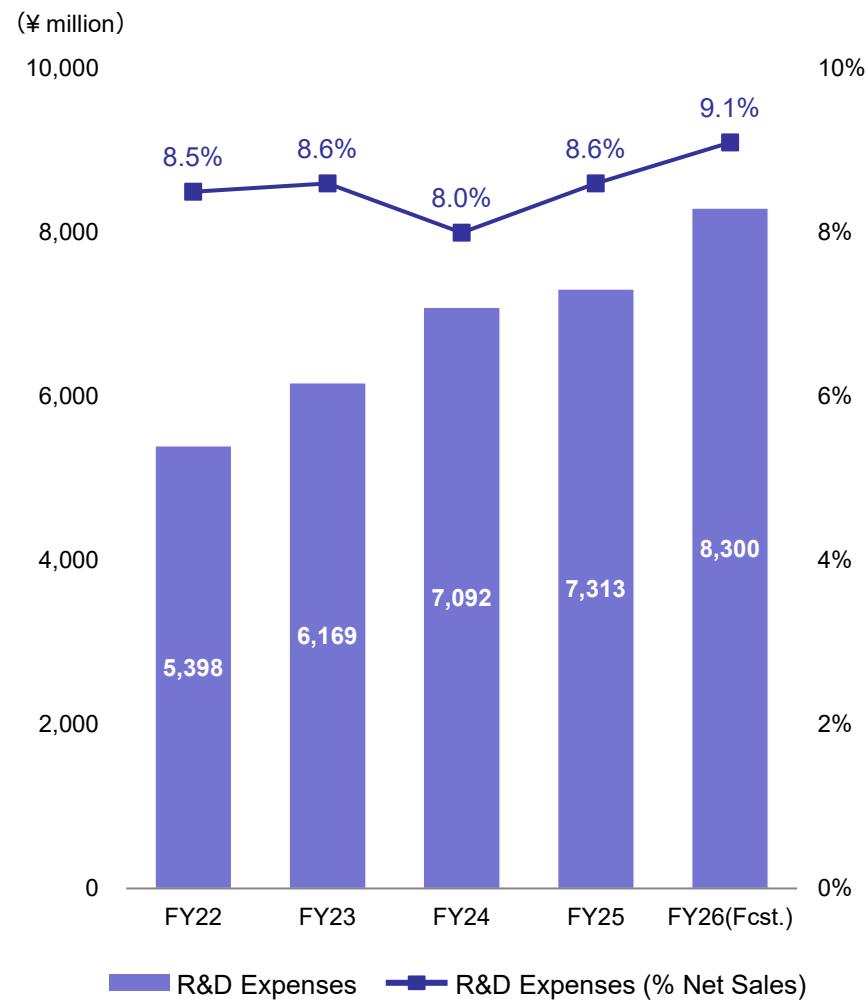


IV-2. Cap Expenditures, Depreciation, and R&D Expenses

Capital Expenditures

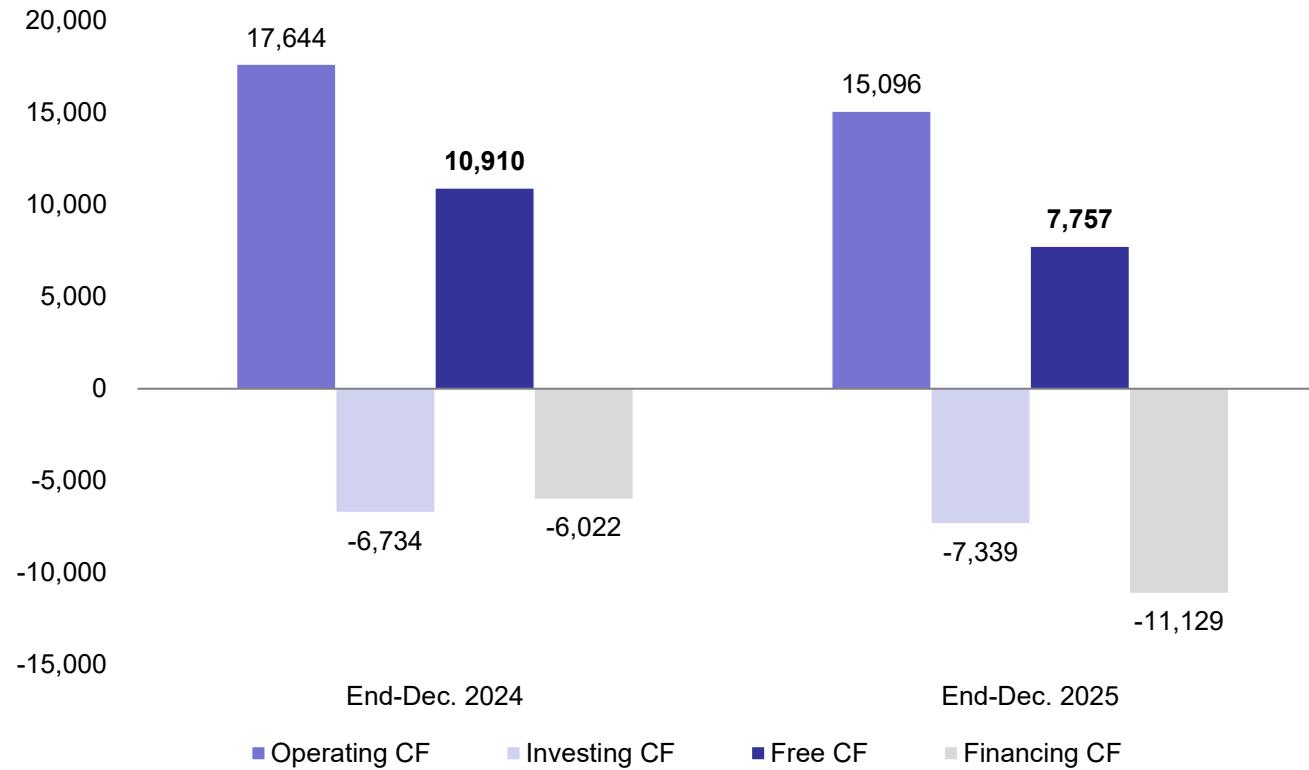


R&D Expenses



IV-3. Cash Flows

(¥ million)

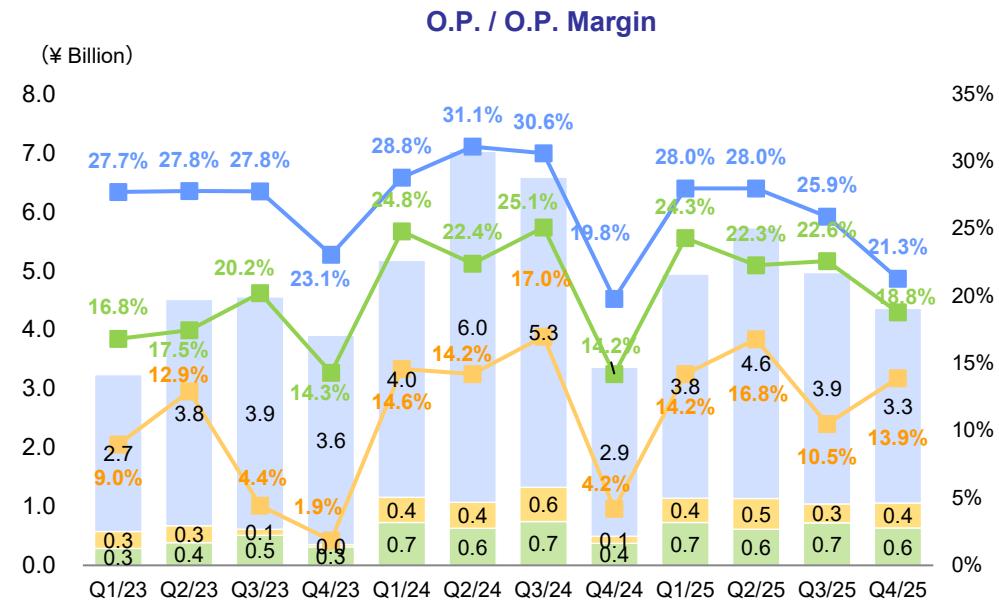
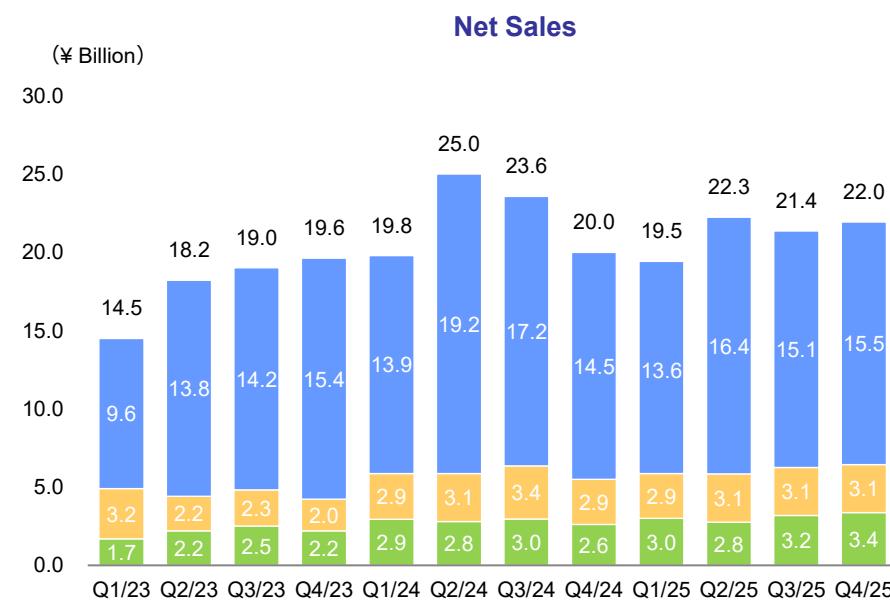


	End-Dec. 2024	End-Dec. 2025
Operating Activities CF	17,644	15,096
Investing Activities CF	-6,734	-7,339
Free CF	10,910	7,757
Financing Activities CF	-6,022	-11,129
Cash & Cash Equivalents at the End of Period	38,384	35,371



IV-4. Quarterly Result Trends

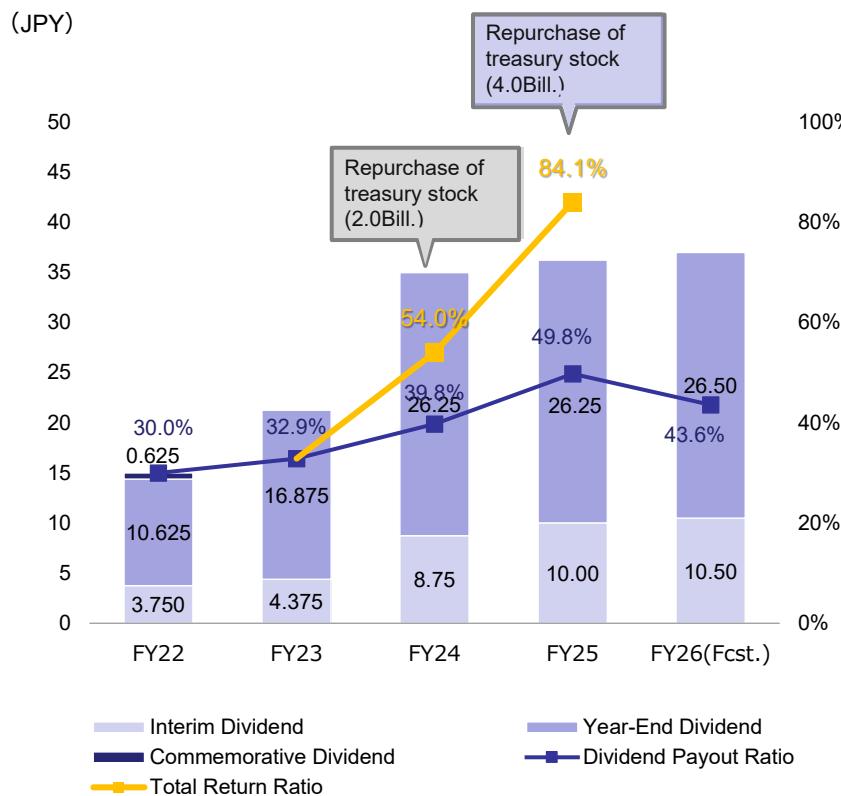
(\$ million)		Q1 FY24	YoY (%)	Q2 FY24	YoY (%)	Q3 FY24	YoY (%)	Q4 FY24	YoY (%)	Q1 FY25	YoY (%)	Q2 FY25	YoY (%)	Q3 FY25	YoY (%)	Q4 FY25	YoY (%)
		Net Sales	13,944	+45.0	19,152	+38.7	17,228	+21.3	14,510	-5.8	13,569	-2.7	16,413	-14.3	15,131	-12.2	15,529
Photographic Products	O.P.	4,019	+50.8	5,959	+55.2	5,263	+33.3	2,868	-19.3	3,803	-5.4	4,599	-22.8	3,925	-25.4	3,301	+15.1
	Net Sales	2,939	-8.6	3,072	+38.6	3,403	+47.2	2,899	+42.0	2,878	-2.1	3,098	+0.8	3,061	-10.0	3,053	+5.3
Surveillance & FA Lenses	O.P.	428	+48.4	437	+52.6	578	+462.2	121	+222.6	409	-4.5	520	+18.9	321	-44.4	424	+248.4
	Net Sales	2,935	+73.6	2,809	+27.5	2,970	+18.3	2,609	+18.5	3,003	+2.3	2,751	-2.0	3,195	+7.6	3,384	+29.7
Mobility & Healthcare Products, Others	O.P.	729	+156.3	630	+63.8	745	+46.8	371	+18.0	729	+0.0	613	-2.8	721	-3.2	636	+71.2
	Net Sales	19,819	+36.5	25,034	+37.3	23,602	+24.0	20,019	+1.9	19,451	-1.9	22,263	-11.1	21,389	-9.4	21,967	+9.7
Consolidated Financial Results	O.P.	4,547	+72.9	6,292	+63.6	5,892	+59.1	2,469	-27.9	4,235	-6.9	4,967	-21.1	4,183	-29.0	3,251	+31.7
	Net Sales	19,819	+36.5	25,034	+37.3	23,602	+24.0	20,019	+1.9	19,451	-1.9	22,263	-11.1	21,389	-9.4	21,967	+9.7



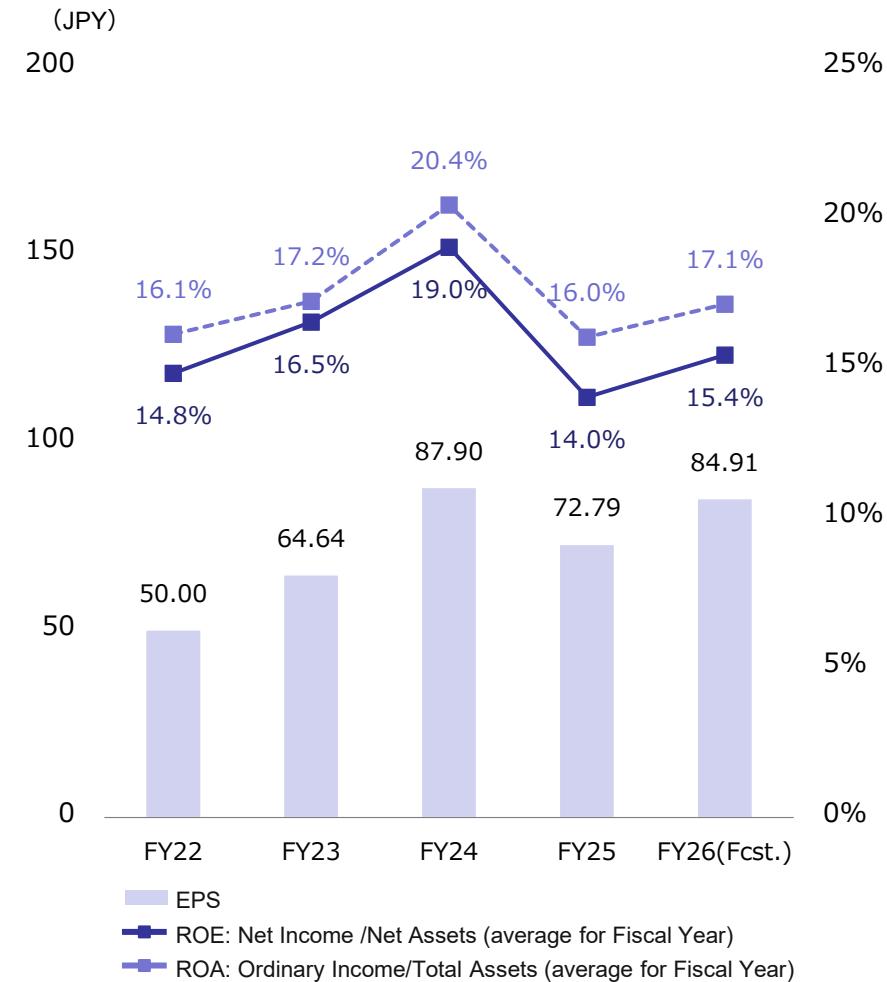


IV-5. Dividends and Key Performance Indicators

Dividends



Key Performance Indicators



Shareholder Return Policy

- ◆ **Dividend payout ratio: approx. 40%**
(minimum annual dividend of **¥20 per share** as a stable baseline)
- ◆ **Total return ratio: approx. 60%,** with flexible share repurchases

(Note) A 4-for-1 stock split of common shares was conducted, effective July 1, 2025.
Dividends and EPS are presented on a post-split basis.



IV-6. FX Impacts

FX Impact in FY25

	FY24	FY25	Impact (¥ million)	
			Net Sales	Operating Income
USD/JPY	151.69	149.63	-450	-130
EUR/JPY	164.09	169.24	+240	+200
Others	-	-	-240	-190
Total	-	-	-450	-120

(FX Impact vs. Previous FY Results)

FX sensitivity in FY26

FX Assumption 2026	Impact of ¥1 Appreciation (¥ million)		
	Net Sales	Operating Income	
USD/JPY	-350	-30	
EUR/JPY	-60	-50	



Disclaimer

1. The purpose of this material is to provide information on the actual results for FY2025 and the company's future business strategies. It does not constitute, and should not be construed as, an offer or solicitation to buy or sell securities.
2. The information herein is based on data available at the time of publication and on assumptions deemed reasonable by the company. Actual results may differ from the forecasts contained in this material due to various factors.
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