Progress on the Medium-term Management Plan "Value Creation26 ver.2.0"

Following strong progress in its first year, we revised the targets of the Medium-term Management Plan "Value Creation26" upward, advancing it into "ver.2.0," with the goal of becoming a company with net sales of 100 billion yen. While 2025 saw a temporary adjustment period due to changes in the external environment, we aim for a steady V-shaped recovery in 2026 through the launch of more than 10 new products in our core Photographic Products business and growth in the surveillance and automotive sectors. Although we will not reach the ambitious targets set in "ver.2.0," we will maintain a level significantly exceeding the initial plan and accelerate our progress toward sustainable growth and transformation.

Quantitative targets

	2023	Medium-term Management Plan 2026	
	Actual	Initial plan	ver.2.0
Net sales	71.4 billion yen	83.0 billion yen	95.0 billion yen
Operating income	13.6 billion yen	15.3 billion yen	20.5 billion yen
Operating margin	19.1%	18.4%	21.6%
EBITDA margin	23.2%	22% or more	24% or more
ROE	16.5%	14% or more	16% or more
Total return ratio*	32.9%	Approx. 60%	Approx. 60%

*2023: Dividend payout ratio = Total return ratio

Actual/Progress

	2024	2025	2026	
	Actual	Actual	Forecast	Compared with Initial MTMP*
Net sales	88.5 billion yen	85.1 billion yen	91.0 billion yen	+8.0 billion yen
Operating income	19.2 billion yen	16.6 billion yen	18.5 billion yen	+3.2 billion yen
Operating margin	21.7%	19.6%	20.3%	+1.9 pts
EBITDA margin	25.2%	23.7%	24.9%	+2.9 pts
ROE	19.0%	14.0%	15.4%	+1.4 pts
Total return ratio*	54.0%	84.1%	60.0%	—

*MTMP: Medium-term Management Plan

Basic policy

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

Reaching "Net sales 100-billion-yen Company"

Business Strategy
- Deepen business portfolio optimization
- Accelerate creation and development of new businesses

Financial Strategy
- Build efficient and stable management
- Enhance shareholder return policy

Building a Sustainable Business Structure

ESG and Sustainability Strategy
- Reform corporate governance structure
- Enhance management infrastructure and human capitall
- Advance carbon neutrality and reduce environmental impact

FY2025 Review — Strengthening Our Foundation and Laying the Groundwork for Recovery Amid Adversity

In 2025, the business environment remained challenging due to ongoing geopolitical risks and uncertainty regarding the future caused by U.S. tariff policies. Against this backdrop, the Company's net sales totaled 85.1 billion yen. While the "Mobility & Healthcare Products, Others" segment continued to see sales growth driven by the expansion of automotive camera lenses, overall performance was dragged down by reduced demand for certain OEM models in our core "Photographic Products" segment and the impact of foreign exchange rates. Regarding operating income, although we made every effort to thoroughly reduce costs and curb SG&A expenses in response to soaring raw material and labor costs, it amounted to 16.6 billion yen due to lower net sales. However, in the fourth quarter, driven by a recovery in our own-brand products and solid demand in the industrial sector, we achieved growth in both net sales and profits across all segments, closing out 2025 on a steady recovery track. We conclude that this was a year in which we seized opportunities for change even amid an uncertain environment and built a solid foundation for our next leap forward.

Strategies for 2026 — Accelerating Strategic Investments and Achieving a "V-Shaped Recovery"

As 2026 marks the final year of our Medium-term Management Plan, "Value Creation26 ver.2.0," we plan to achieve net sales of 91.0 billion yen and operating income of 18.5 billion yen, as we aim to surpass the 90.0 billion yen net sales mark for the first time in our company's history. In the "Photographic Products" segment, in addition to the full-year contribution from new products launched in 2025, we will introduce more than 10 new products to the market. Through this, we aim to achieve a sales recovery in the European and Chinese markets and achieve sales growth that exceeds market growth. In the "Surveillance & FA Lenses" segment, we will firmly capture demand in the FA market following the completion of inventory adjustments, while also launching at least one new product in a new field to accelerate the expansion of our business domain. Furthermore, with the automotive sector, which has reached a scale of 10 billion yen. and the medical sector, which has surpassed 1 billion yen, serving as growth drivers, we will continue to invest in new fields such as life sciences. Under our new Long-term Vision, "Capture, Measure, Connect—Creating a Healthier Future for People and Nature," we will transform the potential of optical technology into social value and achieve sustainable growth in corporate value.

Financial Strategy [Basic Strategy]

Building effective management while ensuring stability

We will seek to maintain the shareholders' equity ratio and on-hand liquidity at appropriate levels through a combination of the effective use of on-hand funds to make aggressive investments and enhanced shareholder returns, while also considering financial security.

Optimize Capital Structure

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 shareholders' equity ratio to around 75%
- ● Maintain a liquidity reserve of approx. 3 months' worth of monthly sales

[Shareholders' 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 a shareholders' 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.

Enhance Shareholder Returns

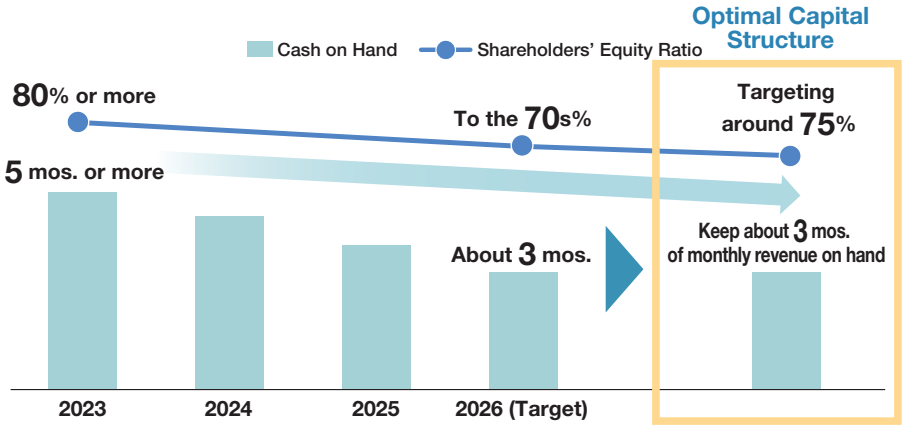
Enhance Shareholder Returns

- ☑ Provide stable shareholder returns and conduct flexible share repurchases
- ☑ Target a total return ratio of around 60%
- ● Set an annual dividend floor of 20 yen and a payout ratio guideline of approx. 40%
  (raised 1.6× under ver.2.0 from the initial MTMP floor of 12.5 yen per share)
- ● Target a total return ratio of approx. 60% and conduct share repurchases flexibly

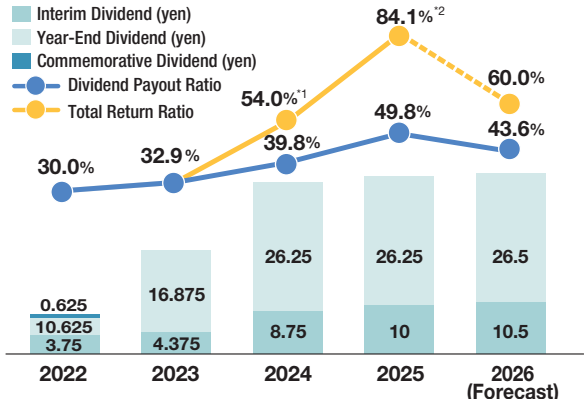
[Expansion of return ratio]
- With a view to sustainable growth, we more than doubled our investment amount compared to the previous medium-term plan period. Taking into account our targeted capital structure and cash and deposit levels, we doubled our shareholder return ratio to a total return ratio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

Optimal Capital Structure



Shareholder Return



Shareholder Return Policy

Dividend payout ratio: approx. 40%
(minimum annual dividend of 20 yen per share as a stable baseline)

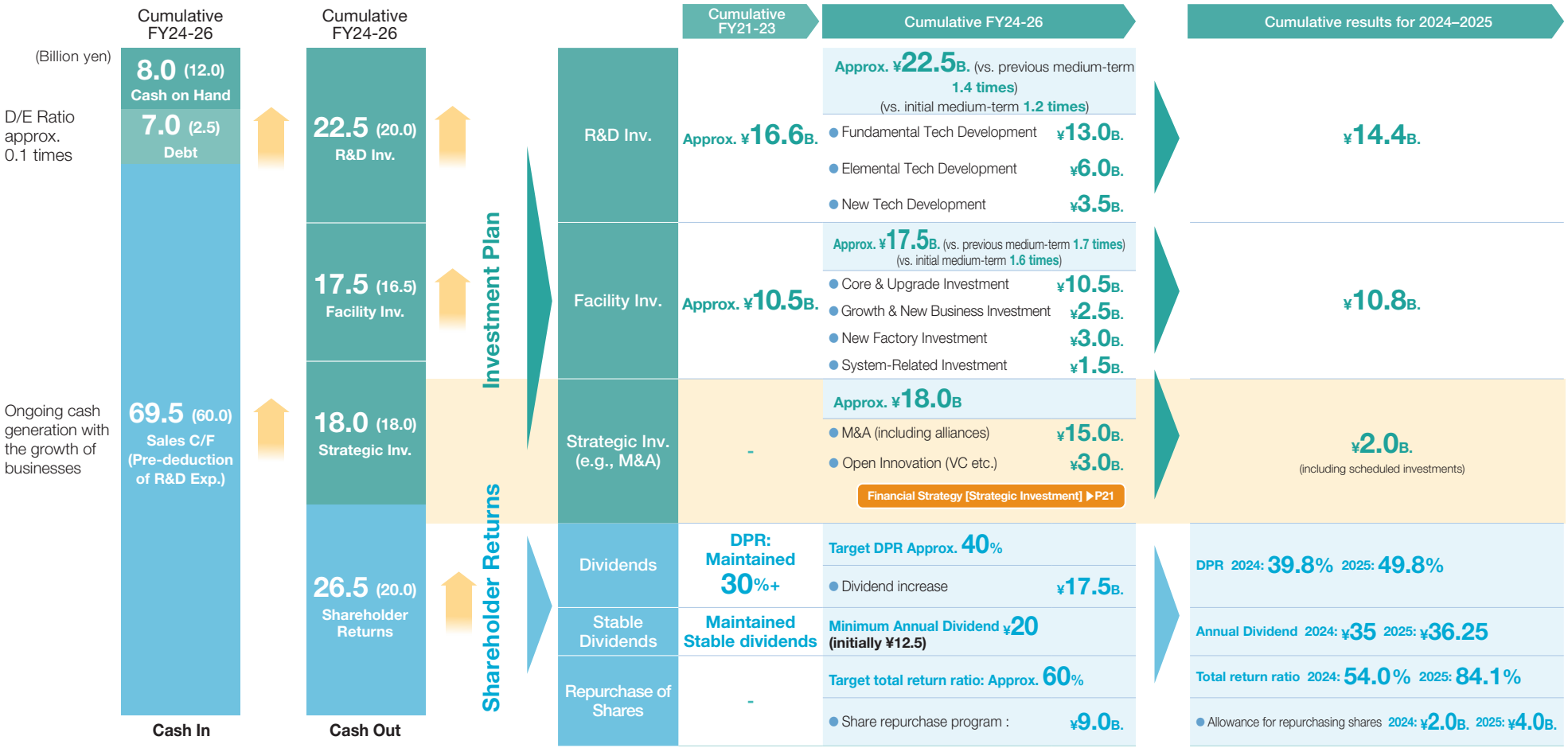
Total return ratio: approx. 60%,
with flexible share repurchases

*1 Repurchase of treasury stock (2.0 Bill.)
*2 Repurchase of treasury stock (4.0 Bill.)
Note: A four-for-one stock split of common shares was conducted, effective July 1, 2025.
Dividends and EPS are presented on a post-split basis.

Financial Strategy [Cash Allocation]

Compared to the previous Medium-term Management Plan period, we plan to more than double investment and double the shareholder return ratio

Under our Medium-term Management Plan, “Value Creation26 ver.2.0,” we are accelerating our efforts by focusing on two key pillars: proactive investment for sustainable growth and expanded shareholder returns. Compared to the previous Medium-term Management Plan, we are significantly increasing R&D expenses by 1.4 times and capital investment by 1.7 times, and we will utilize a strategic investment fund of approximately 18 billion yen to solidify our next-generation revenue base. At the same time, regarding shareholder returns, we plan to set a target total return ratio of approximately 60% and increase the total amount of returns by about 3.5 times compared to the previous Medium-term Management Plan. The cumulative total return ratio for the period from 2024 to 2025 exceeds 60%, ensuring that we reliably deliver the “fruits of growth” we have generated to our shareholders.



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

Financial Strategy [Strategic Investment]

Next Medium-term Management Plan with an eye toward the 2030s and the next 100 years

In addition to strengthening our new business creation functions, we are seeking to expand our executive functions for open innovation, alliances, and M&A.
We will accelerate the commercialization of our core optical technologies and lay the groundwork for achieving one of our long-term goals: “10 billion yen in net sales from new businesses.”

Open innovation up-front investment with an eye toward the 2030s and the next 100 years

Industry-academia-government collaboration

Collaboration and co-creation with companies and research institutions in different fields to generate new technologies

Collaboration with VC

- VC investments (in the medical and healthcare sector starting from 2024)
  - Obtaining cutting-edge technology, information, and business models
  - Investment assessment, internal incentive/system deployment
- Investing in and collaborating with start-up companies
  - The long-term goal includes establishing corporate venture capital (CVC) and expanding internal innovation systems.

Business expansion aimed at contributing to earnings in the next medium-term plan and the 2030s New business creation through M&A

Surveillance & FA Lenses

- FA, New field: Investment for business expansion (e.g., customer acquisition, lineup expansion, partner alliances, cost adaptability acquisition)

Mobility & Healthcare Products, Others

- Medical/Healthcare: Investment for business expansion

New Business

- Technology theme: Investment for commercialization

Strengthen the investment process

- Assess investments from the perspective of validity, financial soundness, etc.
- Investment decisions based on IRR and hurdle rate settings, etc.
- Visualize the capital costs and profitability

Key Strategic Investments

2024

Investment in “MPI-3 Investment Limited Partnership,” a venture capital fund that invests in start-ups developing innovative healthcare components

2025

Establishing a partnership and making an investment in mapry Co., LTD., a geospatial DX platform provider for forest surveying and related fields

Investment in “SBI Venture Fund 2023 Investment Limited Partnership,” a venture capital fund that targets start-ups with cutting-edge technologies

2026

Investment in Light Touch Technology Inc., which developed the world’s first “non-invasive blood glucose sensor that does not require blood sampling” using cutting-edge laser technology

Strategic Investment Results

Investment in Light Touch Technology Inc.

*Left: Mr. Yamakawa, President of LTT;
Right: Mr. Sakuraba, President & CEO of Tamron

Light Touch Technology Inc. (LTT), in which we invested in 2026, is a high-profile start-up that has developed the world’s first “non-invasive blood glucose sensor that does not require blood sampling.”
The number of people with diabetes worldwide is projected to reach approximately 850 million by 2050. Blood glucose monitoring is essential for daily treatment, but needle-based blood sampling places a significant physical and psychological burden on patients, making the practical application of non-invasive sensors highly anticipated. LTT’s high-brightness mid-infrared laser technology enables painless, highly accurate blood glucose measurement in just five seconds. Furthermore, because it does not use needles or test strips, it is environmentally friendly as it generates no medical waste.
Taking this investment as an opportunity, we will explore the potential for creating synergies by combining LTT’s cutting-edge laser technology with our own foundational and core technologies, including our optical technology.

Initiatives for M&A to Drive Business Creation

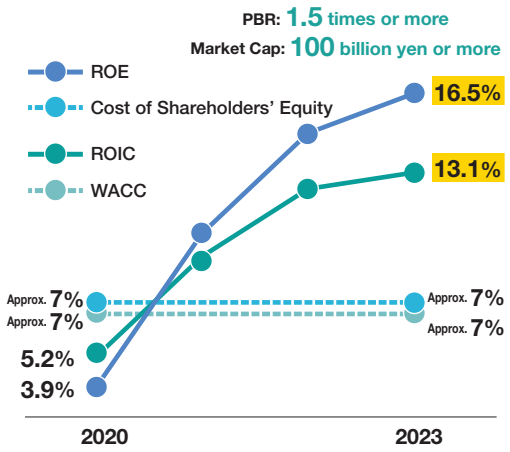
- Formulation of M&A strategies
- Sourcing based on strategy
- Management of long and short lists
- Preliminary validation of synergy hypotheses

Financial Strategy [Management with a Focus on Capital Costs and Stock Prices]

By promoting management with awareness of capital costs, we aim to improve and maximize corporate value by achieving an ROE above 16%, which is double the cost of shareholders' equity

Tamron has been engaged in management with awareness of the cost of capital for some time and has been striving to improve its ROE and corporate value.
We target an ROE of at least 16%—more than double our cost of capital—and an ROIC that significantly exceeds the WACC.
We will continue to improve our corporate value and our PBR and TSR, which are important indicators.

2020–2023



Vision of Value Creation26 ver.2.0

- **Ensure an ROE level more than twice the cost of equity to drive continuous corporate value growth**
- **Improve the PBR and TSR (TSR is evaluated based on a comparative analysis of our growth rate against those of the TOPIX and the TOPIX (Precision Machinery) indices.)**

01 Strengthen growth investments
- Capex: 1.7x previous Medium-term Management Plan
- R&D: 1.4x previous Medium-term Management Plan
- Strategic investment: NEW

02 Enhance shareholder returns
- Raise the return ratio target to 40%
- Maintain stable dividends with a minimum annual dividend of 20 yen per share
- Introduce a share repurchase program
- Target a total return ratio of approx. 60%

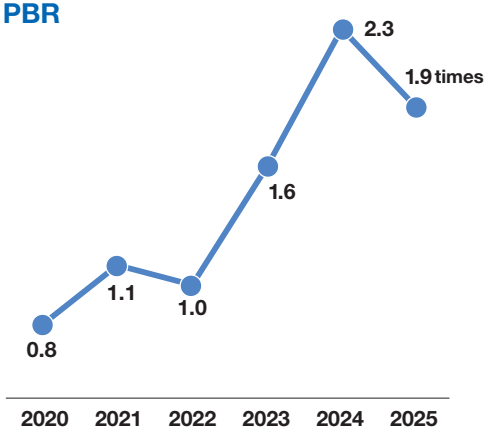
03 Strengthen sustainability initiatives
- Evolve our Environmental Vision
- Advance human capital management
- Enhance human rights due diligence

04 Improve the governance structure
- Shift to a company with Audit and Supervisory Committee
- Majority independent outside directors
- Stronger oversight and internal control
- Faster decision-making

05 Strengthen business portfolio
- Sustain high profitability in core business
- Expand developing businesses
- Accelerate new business creation and growth

06 Activate IR strategies
- Expand retail IR
- Enhance IR materials and integrated reports
- Improve share liquidity and broaden investor base

PBR



Repurchase of shares of common stock

The purpose is to enhance shareholder returns, while improving capital efficiency and ensuring a flexible capital policy.

(1) Number of shares to be repurchased	Up to 1,000,000 shares (Equivalent to 2.40% of outstanding shares, excluding treasury stock)
(2) Total repurchase amount	Up to 4 billion yen
(3) Repurchase period	February 2025
(4) Method of repurchases	Market trading transactions on the Tokyo Stock Exchange

▶ **Conducted for two consecutive years following 2024. Acquisition amount doubled in 2025 compared with 2 billion in 2024.**

(1) Number of shares to be cancelled	3,300,000 shares (7.17% of issued shares before the cancellation)
(2) Scheduled date of cancellation	May 30, 2025

Stock split

The purpose is to improve the liquidity of the Company's stock and expand the investor base by reducing the stock price per investment unit.

(1) Stock split method		Each share of common stock owned by shareholders recorded in the closing register of shareholders on the record date of June 30, 2025, will be split into 4 share per share.
(2) Schedule of the stock split	Public notice of record date	June 13, 2025
	Record date	June 30, 2025
	Effective date	July 1, 2025

▶ **Conducted for two consecutive years following 2024. A two-for-one stock split was conducted in 2024, while in 2025 there was a four-for-one stock split.**

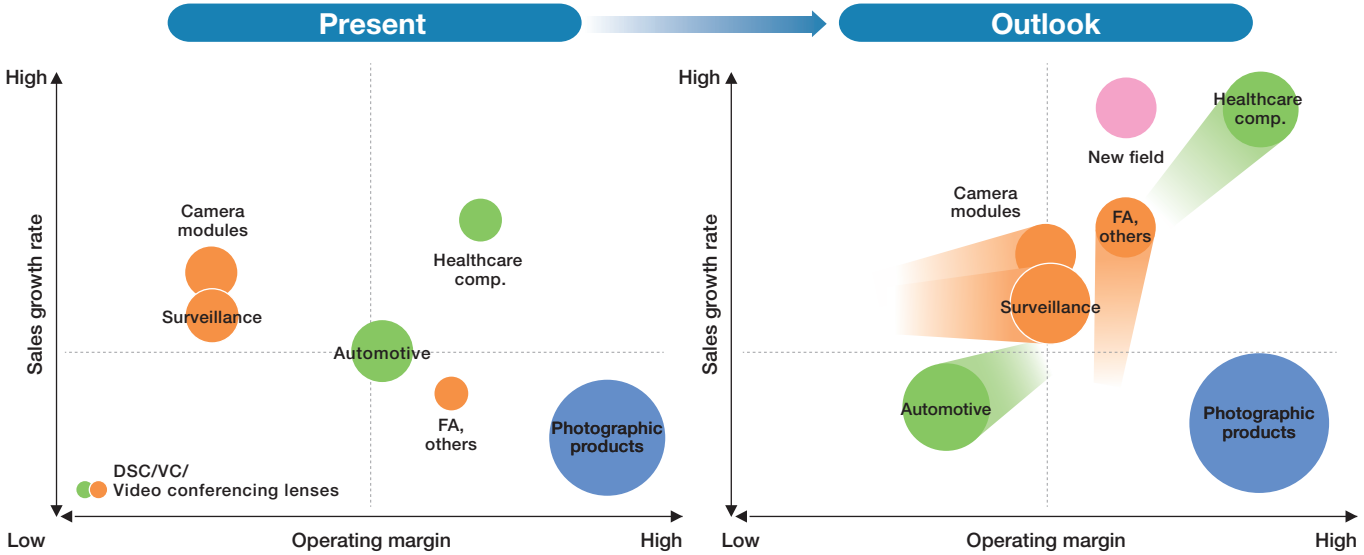
Total shareholder return (TSR)

Investment period	Three-year cumulative return	Five-year cumulative return	10-year cumulative return
Tamron	**302.8%**	**504.6%**	**423.1%**
TOPIX	193.8%	213.2%	278.6%
TOPIX (Precision Machinery)	148.3%	138.6%	293.5%

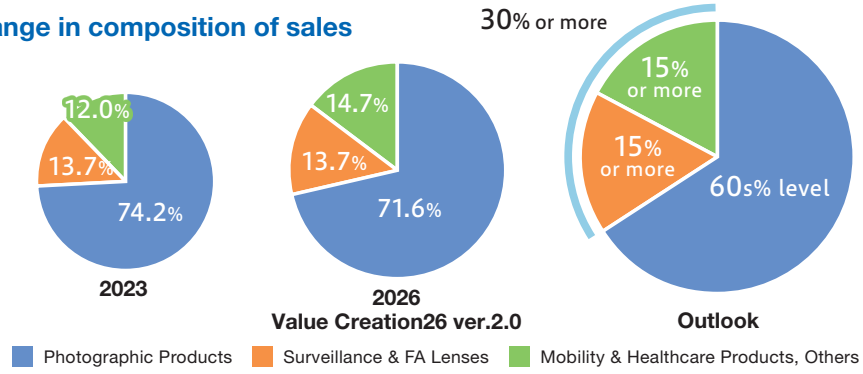
Notes:
1. TSR (total shareholder return) is the total return on investment, combining capital gains and dividends.
2. All indicators include dividends.
3. Created by Tamron based on market data starting from the end of December 2025.
4. After taking into account the stock split effective July 1, 2025

Business Portfolio Transformation

While growing the Photographic Products business into a stable revenue base (cash cow) that supports investment in the next generation, we will strategically allocate resources to the Surveillance & FA Lenses and the Mobility & Healthcare Products, Others business.
We will reduce the share of revenue from the Photographic Products business from the current three-quarters to two-thirds, and increase the share of revenue from the Surveillance & FA Lenses business and the Mobility & Healthcare Products, Others business to at least 15% each, thereby establishing a robust business portfolio that is not dependent on specific market conditions.



Change in composition of sales



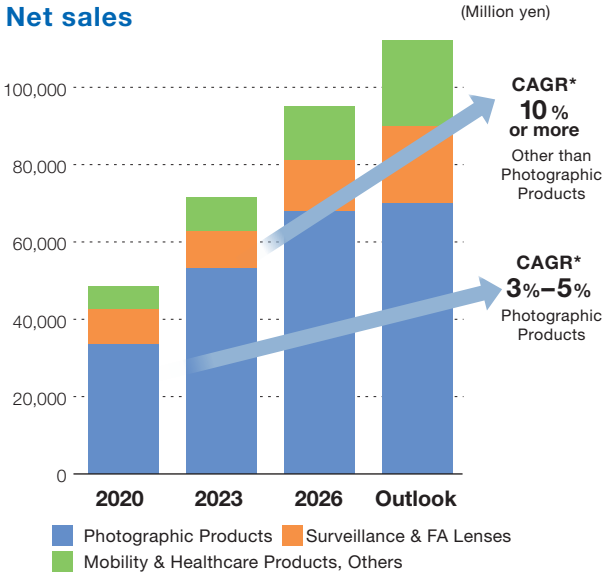
■ Advance the structure of the Photographic Products business as a cash cow

■ Expand scale in both “Surveillance & FA lenses”, and “Mobility & Healthcare Products, Others” business

➡ Target to increase the sales composition ratio of both the “Surveillance & FA Lenses” and “Mobility & Healthcare Products, Others” businesses to 15% or more each.
(Even though their respective ratios remain below 15% in 2026, combined sales increased 1.5-fold compared to 2023.)

➡ Adjust the sales composition ratio of the Photographic Products business from 3/4 to 2/3.
(aiming to approx. 70% in 2026)

Net sales



*Compound Annual Growth Rate

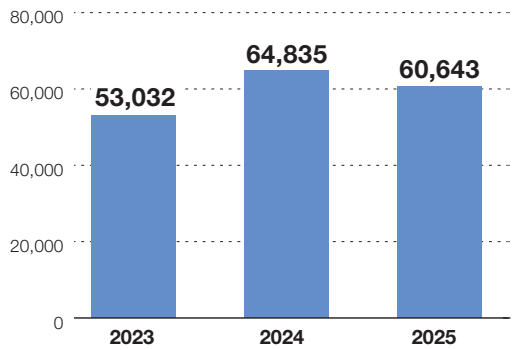
Our Businesses

	 P25 Photographic Products	 P27 Surveillance & FA Lenses	 P29 Mobility & Healthcare Products, Others
Sub-Segments	Own-brand products/OEM products	Network surveillance camera lenses/FA and machine vision lenses/Video conferencing lenses/Camera modules	Automotive lenses/DSC/VC/Drone, others
Main Products	Interchangeable lenses for mirrorless cameras Interchangeable lenses for DSLR cameras	**Network Surveillance Camera Lenses** Mega-pixel vari-focal lenses Fixed-focal lenses Built-in lenses for cameras **FA and Machine Vision Lenses** Industrial/machine vision mega-pixel vari-focal lenses Industrial/machine vision fixed-focal lenses SWIR fixed-focal lenses **Others** Video conferencing lenses Camera modules	**Mobility** Sensing camera lenses/Side and rearview camera lenses/Headlight lenses/LiDAR **Healthcare** Endoscope lenses/Fluorescence filters **Others** Video lenses/Digital camera lenses/Drone lenses/Various optical device units
Key Related Core Technologies P31	Downsizing and weight saving technologies, high-precision evaluation technologies, coating technologies, high sensitivity technologies, actuator/control technologies	Downsizing and weight saving technologies, high-precision evaluation technologies, infrared technologies, coating technologies, high sensitivity technologies, visible light technologies, modularization technologies, high durability technologies, actuator/control technologies, image processing technologies	Downsizing and weight saving technologies, high-precision evaluation technologies, infrared technologies, coating technologies, laser optical technologies, high sensitivity technologies, visible light technologies, image processing technologies, high heat resistance technologies, high durability technologies, high-precision sensing technologies
Main Delivery Destinations	Retail electronics stores, online electronics retailers (own-brand products), major camera manufacturers (OEM products)	Major camera manufacturers and machine tool producers around the world, including Japan, the United States, Europe, South Korea, Taiwan, and China	Automotive parts manufacturers, medical equipment manufacturers, others
Value Provided to Society (Relationship to our Corporate Mission and Long-term Vision)	We offer interchangeable lenses and other products that combine innovative specifications and superior resolution with groundbreaking compact designs and user-friendly operation. We aim to share with society at large the excitement evoked by a single photograph and the joy of sharing that excitement.	We provide products that combine high-resolution, high-quality optical performance with a compact design. As a comprehensive optical manufacturer, we utilize our proven technical expertise and flexible approach to meet our customers' diverse needs, delivering the optimal finished goods to support industrial advancement and ensure the safety and security of society. We are committed to supporting the advancement of industry and the safety and security of society.	We are advancing our optical, sensing, and analysis technologies in the automotive, healthcare, and medical sectors to address pressing societal challenges. By enhancing the safety of autonomous driving, we aim to reduce traffic accidents and support the realization of cutting-edge, minimal invasion medical treatments that minimize the burden on patients.

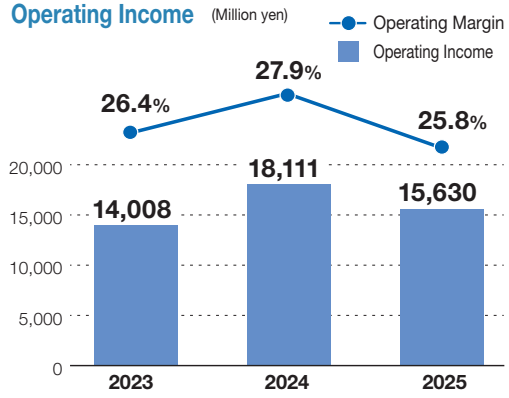
Photographic Products

Summary of Business Results (Actual 2025)

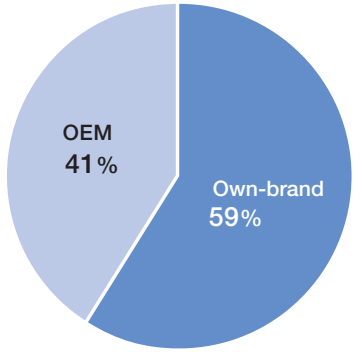
Net Sales (Million yen)



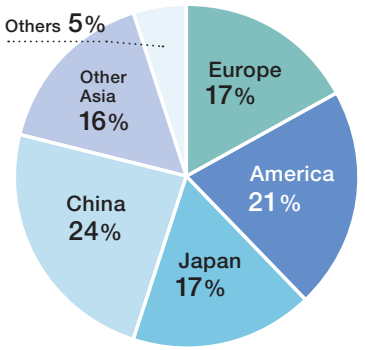
Operating Income (Million yen)



Sales Composition Ratio of Own-Brand Products and OEM Products in 2025



Own-Brand Sales Mix by Region (FY2025, Value Basis)



Medium-term Management Plan “Value Creation26 ver.2.0” Policies

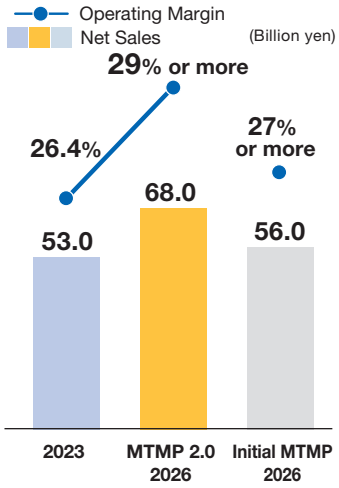
Enhancing profitability as a core business

Strategy	Progress
■ Accelerating own-brand product launches Before 2023: 5 models/year→Initial Medium-term Management Plan target (2026): 6-7 models/year →New Medium-term Management Plan ver.2.0 target (2026): 10 models/year from 2026	FY2024: **7** launches ➡ FY2025: **6** launches ➡ FY2026: **10+** launches
■ Strengthening own-brand market share •Sales recovery in the Americas and Europe •Continued expansion in China and Asia •Expanding into untapped markets (Latin America, Asia, Middle East, and Africa), targeting a 7-8% value share (up from approx. 5% before FY23)	FY2025: **Americas** (Recovered) ➡ FY2026: **Europe** (Expected Recovery) FY2024: **Double-digit** growth ➡ FY2026: **Growth recovery** FY2026: Own-brand on track to achieve sales targets
■ Ongoing support for new formats →Establishing a Four-mount lineup, including Canon RF mount	FY2024: **Our first Canon RF mount product launch**
■ Strengthening partnerships with OEM customers	More development inquiries ➡ Next MTMP contribution

Numerical Targets

	Actual 2023	Initial MTMP* 2026	MTMP 2.0 2026
Net Sales	53.0 billion yen	56.0 billion yen	**68.0 billion yen**
Own-brand	32.8 billion yen	37.0 billion yen	**39.0 billion yen**
OEM	20.2 billion yen	19.0 billion yen	**29.0 billion yen**
Operating Income	14.0 billion yen	15.2 billion yen	**20.0 billion yen**
Operating margin	26.4%	27% or more	**29% or more**

*MTMP: Medium-term Management Plan



Photographic Products

Future Outlook

For our own-brand products, we aim to achieve revenue growth that exceeds market growth by leveraging the full-year contribution of new products launched in 2025 and more than 10 new products scheduled for launch in 2026, while also driving recovery in Europe and China. We will also increase the proportion of new products to improve profitability.
While we anticipate a slight decline in revenue from the OEM business in 2026, we plan to achieve overall revenue and profit growth driven by the growth of our own brand.
With revenue expected to increase by approximately 4% and operating profit by 10%, we will further strengthen the high-profit structure of our core busines.

2025 Results and 2026 Forecast

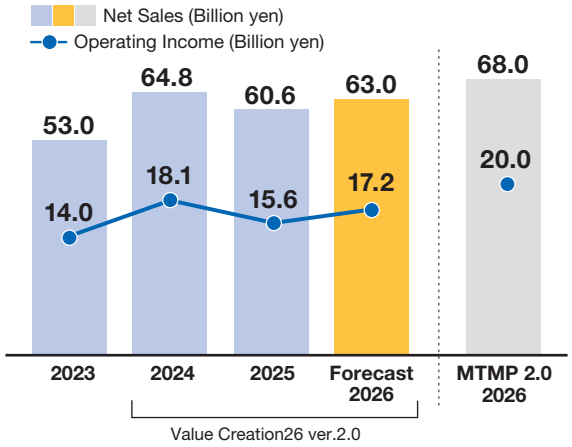
	Actual 2025	Forecast 2026	YoY change
Net Sales (Million yen)	60,643	63,000	+3.9%
Operating Income (Million yen)	15,630	17,200	+10.0%
Operating margin	25.8%	27.3%	—

[Net sales breakdown]

		Actual 2025	Forecast 2026	YoY change
Amount (Billion yen)	Own-brand	35.9 (59%)	39.0 (62%)	+8.5%
	OEM	24.7 (41%)	24.0 (38%)	-2.9%
Volume (1,000 units)	Own-brand	490	520	+5.1%
	OEM	770	720	-6.2%

Figures in parentheses indicate percentage of total sales.

Progress of Medium-term Management Plan



Our Strengths

Our strength lies in our integrated system, which handles everything from planning to after-sales service. In Photographic Products, we set ourselves apart from manufacturers' genuine products by combining a design philosophy focused on practicality with product planning that achieves both compactness and lightness alongside high performance. We have gained strong support through user-centric designs, such as the standardization of filter diameters.
At the heart of our product value lies the original technology we have cultivated as a pioneer in high-magnification zoom lenses. Through the vertical integration of optical, mechanical, and electronic technologies—including high-precision glass-molded (GM) aspherical lens processing technology, coatings with excellent anti-reflective properties, and a high-speed, high-precision linear motor focus mechanism (VXD)—we have achieved a high degree of balance between mobility and imaging performance.
We have transferred the skilled craftsmanship of our main factory in Aomori to our overseas facilities, establishing a global three-pole system spanning Japan, China, and Vietnam. By fusing automation with skilled craftsmanship, we ensure a stable supply of high-quality finished goods and achieve high profitability. Thanks to this robust production base, we have established a leading market share of approximately 60% (including OEM products) in the third-party interchangeable lens market.

Topic

The "25-200mm F/2.8-5.6 Di III VXD G2 (Model A075)," released in November 2025, features a 25mm wide-angle end and an F/2.8 maximum aperture, offering improved image quality, AF speed, and tracking performance.
With a maximum magnification of 1:1.9 at the 25mm wide-angle end, it is capable of half-macro photography and is a next-generation, versatile all-in-one zoom lens supported by a wide range of users, from beginners to professionals.
The "35-100mm F/2.8 Di III VXD (Model A078)," released in March 2026, features an overwhelmingly lightweight and compact design. It delivers high image quality and fast, high-precision AF across the entire zoom range.
Thanks to its excellent portability, you can enjoy everything from portrait photography and snapshots while traveling to close-up shots like tabletop photography, utilizing the minimum focusing distance of 0.22m, all with just this single pocket-sized lens.
It supports a rich video and photography experience through the software "TAMRON Lens Utility™ Ver. 5.0" and the accessory "TAMRON-LINK™."
Functions such as AF/MF switching and focus fine-tuning can be assigned to the lens, allowing for intuitive operation from a smartphone or PC.


25-200mm F/2.8-5.6 Di III VXD G2 (Model A075)


35-100mm F/2.8 Di III VXD (Model A078)

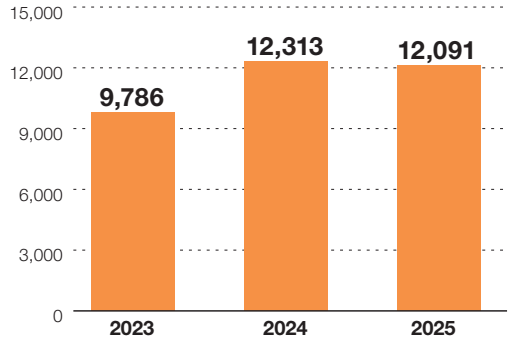
TAMRON-LINK™

Surveillance & FA Lenses

Summary of Business Results (Actual 2025)

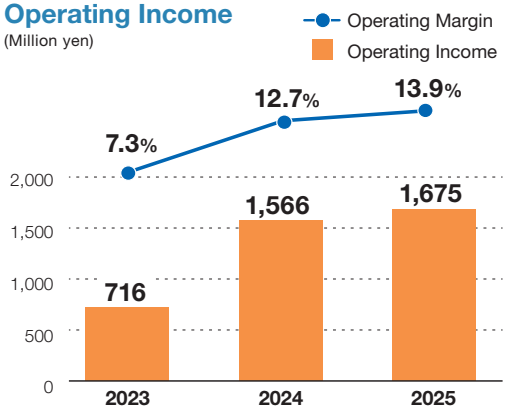
Net Sales

(Million yen)

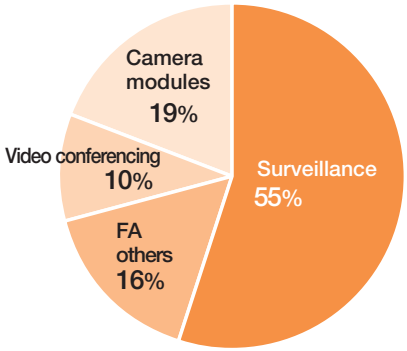


Operating Income

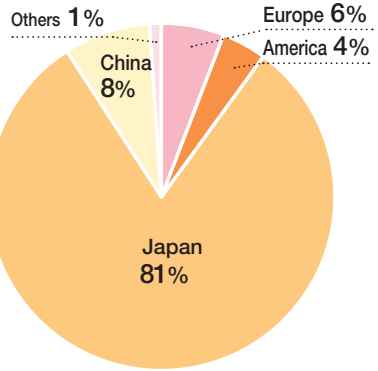
(Million yen)



2025 Sales Composition Ratio



Sales Breakdown by Location (FY2025, Value Basis)



Medium-term Management Plan "Value Creation26 ver.2.0" Policies

Transition to growth businesses, 10%+ operating margin

Strategy

- **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 and 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**

Progress

FY2024: Sales increased **1.2**× YoY; operating margin **12%+ achieved**

FY2025: **Profit target achieved** one year ahead of plan; operating margin improved to **approx. 14%**

FY2026: **Sales and profit targets to be achieved**

FY2024–FY2025: **Strengthening product development** in new business fields

Development of SWIR (short-wave infrared) and NIR light sources for applications in agriculture and food

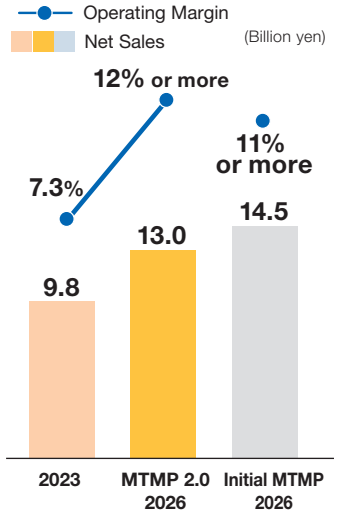
Development of laser processing heads to control high-power laser output

➡ FY2026: Launch at least one **new product in a new business field**

Numerical Targets

	Actual 2023	Initial MTMP* 2026	MTMP 2.0 2026
Net Sales	9.8 billion yen	14.5 billion yen	**13.0 billion yen**
Surveillance	5.9 billion yen	7.4 billion yen	**7.0** billion yen
FA, others	1.6 billion yen	3.6 billion yen	**2.8** billion yen
Camera modules	0.8 billion yen	3.5 billion yen	**3.2** billion yen
Video conferencing	1.5 billion yen	–	–
Operating Income	0.7 billion yen	1.6 billion yen	**1.6 billion yen**
Operating margin	7.3%	11% or more	**12% or more**

*MTMP: Medium-term Management Plan



Surveillance & FA Lenses

Future Outlook

Revenue in the surveillance sector is expected to increase against the backdrop of stable market growth, and revenue in the factory automation sector is also expected to turn positive as customers complete their inventory adjustments.
With a recovery driven by catching up on development delays for new camera module models, we plan for overall revenue growth of approximately 20%.
On the other hand, revenue for camera modules is expected to decline due to sluggish demand.
In terms of profits, driven by sales growth in categories other than video conferencing, and while factoring in increased SG&A expenses associated with growth investments, we aim to maintain an operating income margin in the 13% range and achieve double-digit growth in both revenue and profit.

2025 Results and 2026 Forecast

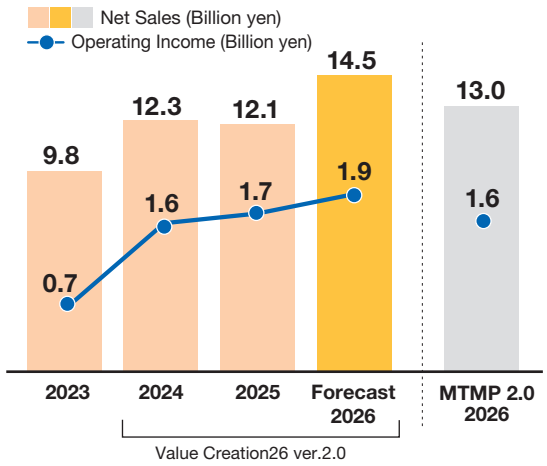
	Actual 2025	Forecast 2026	YoY change
Net Sales (Million yen)	12,091	14,500	+19.9%
Operating Income (Million yen)	1,675	1,900	+13.4%
Operating margin	13.9%	13.1%	—

[Net sales breakdown]

		Actual 2025	Forecast 2026	YoY change
Amount (Billion yen)	Surveillance	6.7 (55%)	8.3 (57%)	+24.2%
	FA, others	2.0 (16%)	3.0 (21%)	+52.4%
	Camera modules	2.2 (19%)	2.7 (19%)	+19.9%
	Video conferencing	1.2 (10%)	0.5 (3%)	-57.9%
Volume (1,000 units)		1,290	1,560	+20.6%

Figures in parentheses indicate percentage of total sales.

Progress of Medium-term Management Plan



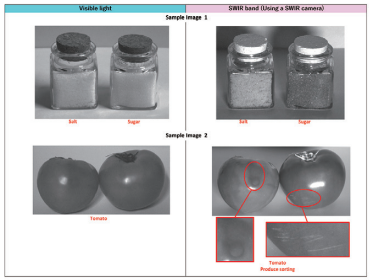
Our Strengths

Our Surveillance & FA Lenses business operates in two main areas: the development and production of industrial lenses for security and FA/machine vision applications, and camera modules that integrate sensors and control boards into lenses. Focusing primarily on security and industrial applications, we offer a product lineup that prioritizes high resolution, compact size, light weight, and cost-effectiveness.
Our strength lies in our high-precision zoom lens technology, which is based on optical design expertise cultivated in our Photographic Products business. Our proprietary zoom lens technology maintains extremely precise focus across the entire zoom range even under harsh conditions, enabling both wide-area surveillance and detailed inspection. It is utilized in a wide variety of settings, including remote monitoring of critical facilities such as airports, borders, and dams, as well as traffic monitoring.
In the wavelength range, we also offer near-infrared (NIR) surveillance lenses that support monitoring at night and in low-light environments. For industrial camera modules, we focus on flexible, customized development tailored to customer applications and rapid product commercialization.
In recent years, we have accelerated development in the sensing field by leveraging technologies that cover the spectrum from visible light to near-infrared (NIR) and short-wave infrared (SWIR). Going forward, we will further expand the scope of our technology into such sectors as agricultural, food, logistics, and infrastructure, while leveraging our existing customer network.

Topic

The Future of Solving Social Issues through SWIR Lenses

In our new Medium-term Management Plan, “Value Creation26 ver.2.0,” we have designated sensing technology utilizing short-wave infrared (SWIR) lenses as a key area for next-generation growth. We view this technology, which visualizes information that cannot be captured by visible light, as the key to achieving both the resolution of social issues and continued corporate growth. One specific application we are particularly hopeful about is our contribution to “smart agriculture.” Because SWIR lenses can non-destructively detect crop moisture content and sugar levels, they contribute to the automatic determination of harvest timing, the advancement of quality control, and ultimately the improvement of agricultural productivity.

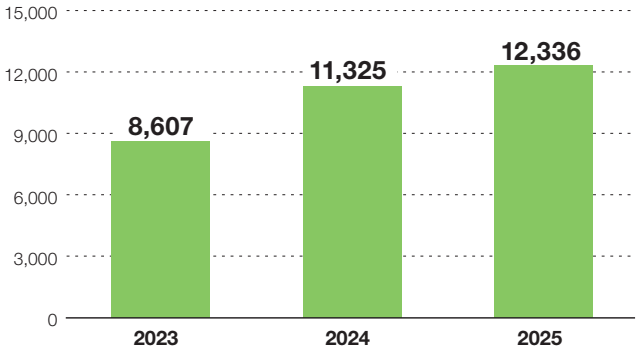


Mobility & Healthcare Products, Others

Summary of Business Results (Actual 2025)

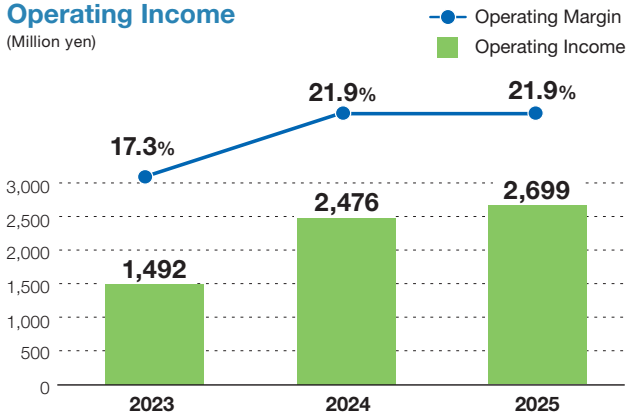
Net Sales

(Million yen)

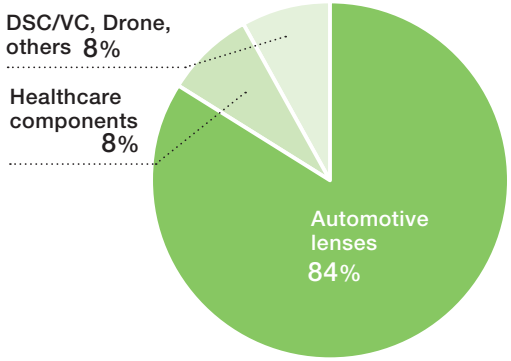


Operating Income

(Million yen)



2025 Sales Composition Ratio



Medium-term Management Plan “Value Creation26 ver.2.0” Policies

Accelerating automotive and healthcare growth and new business creation

Strategy

- 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 yen
- 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 yen (aim for 3.0 billion yen by FY30)
- Continued profit growth, despite margin pressure from upfront investments for new business creation

Progress

FY2024: Sales up approx. **1.3×** YoY; **20%+** profit margin

FY2025: Sales up approx. **1.1×** YoY

FY2026: Targeting a **third consecutive year of revenue growth**

Automotive:
FY2025: Revenue exceeded **10.0 billion yen**
Sensing-related revenue ratio: 85% in FY2024 → **90%** in FY2025

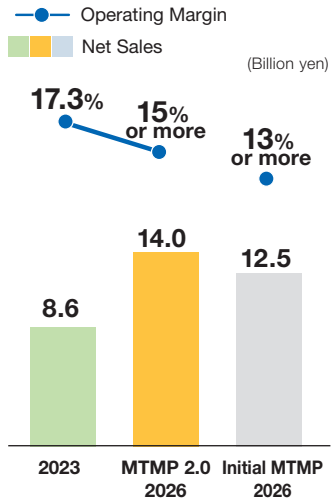
Healthcare Components:
FY2025: Revenue exceeded **1.0 billion yen**

Developed a fluorescent filter to visualize cancer cells

Numerical Targets

	Actual 2023	Initial MTMP* 2026	MTMP 2.0 2026
Net Sales	8.6 billion yen	12.5 billion yen	**14.0 billion yen**
Automotive lenses	7.1 billion yen	10.2 billion yen	**12.2 billion yen**
Healthcare comp.	0.4 billion yen	1.4 billion yen	**1.1 billion yen**
DSC/VC, Drone, others	1.1 billion yen	0.9 billion yen	**0.7 billion yen**
Operating Income	1.5 billion yen	1.7 billion yen	**2.2 billion yen**
Operating margin	17.3%	13% or more	**15% or more**

*MTMP: Medium-term Management Plan



Mobility & Healthcare Products, Others

Future Outlook

The automotive sector is expected to see a 10% increase in revenue driven by growing demand for ADAS, while the medical sector is projected to achieve 20% revenue growth through the expansion of its product lineup, continuing a trend of strong growth.
In terms of profitability, while factoring in increased costs associated with responding to customer requests for cost reductions, nurturing the medical sector, and strengthening the development of elemental technologies for new business areas, we aim to maintain an operating income margin of 18% or higher, thereby balancing growth with profitability.

2025 Results and 2026 Forecast

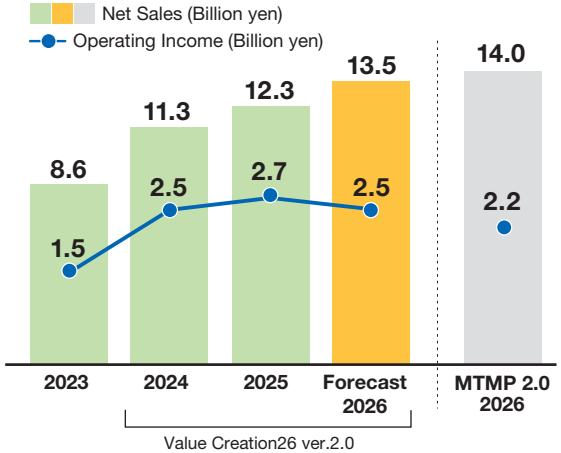
	Actual 2025	Forecast 2026	YoY change
Net Sales (Million yen)	12,336	13,500	+9.4%
Operating Income (Million yen)	2,699	2,500	-7.4%
Operating margin	21.9%	18.5%	—

[Net sales breakdown]

		Actual 2025	Forecast 2026	YoY change
Amount (Billion yen)	Automotive lenses	10.3 (84%)	11.3 (84%)	+9.5%
	Healthcare comp.	1.0 (8%)	1.2 (9%)	+19.9%
	DSC/VC, Drone, others	1.0 (8%)	1.0 (7%)	-1.4%

Figures in parentheses indicate percentage of total sales.

Progress of Medium-term Management Plan



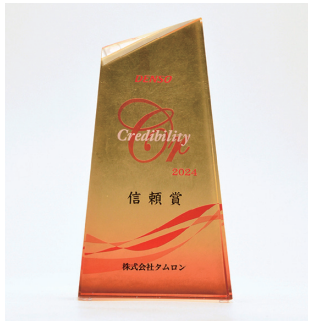
Our Strengths

In our Mobility & Healthcare Products, Others segment, we provide optical products that contribute to advancements in the fields of autonomous driving and the medical sector.
In the field of lenses for automotive applications, anticipating the installation of 10 or more sensors required for “Level 4 autonomous driving,” we pursue high performance, high resolution, and compact, lightweight designs, achieving both precise images free of distortion even at the periphery and miniaturization. We support the reduction of false detections in ADAS through accurate object recognition. Furthermore, we have established a production system that enables both mass production and stable supply while meeting the automotive sector’s strict inspection standards.
In the medical sector, we offer “hard endoscope rigid endoscope lenses” based on precision lens processing technology capable of producing ultra-small lenses with diameters of approximately 1 mm to 4 mm. These lenses enable treatments with minimal invasion through small incisions, eliminating the need for open surgery and dramatically reducing the physical burden on patients. Furthermore, our advanced wavelength control technology—such as “fluorescent filters” used in guided surgery that visualize cancer cells by irradiating them with near-infrared light—contributes to the advancement of medical diagnostics and surgery.
Underpinning all of this is design and production technologies capable of withstanding harsh environments. Our lenses for automotive applications offer exceptional durability, withstanding ambient temperatures of 120℃, severe vibration, and ultraviolet radiation, while our lens units for healthcare components withstand high-temperature, high-pressure sterilization at 140℃.

Topic

At the “FY2025 Supplier Appreciation Ceremony” hosted by DENSO CORPORATION on May 19, 2025, our company received the “Trust Award.” This marks the second time our company has received this award. This award is presented to business partners that have contributed to Denso’s business in areas such as quality, cost, and on-time delivery, and our efforts—including the provision of stable quality for our automotive lens(es), the establishment of a global supply system, and the launch of high-precision lenses for next-generation image sensors—were recognized.
In addition, our Chinese subsidiary, TAMRON OPTICAL (FOSHAN) CO., LTD., received the “Cost Contribution Award.” This award is presented to subsidiaries that have contributed to improving DENSO’s competitiveness in the Chinese region through cost improvements, and we view this as recognition of the continuous improvement activities we have been undertaking.

Sensing Camera Lenses



The Trust Award

Technology Strategy

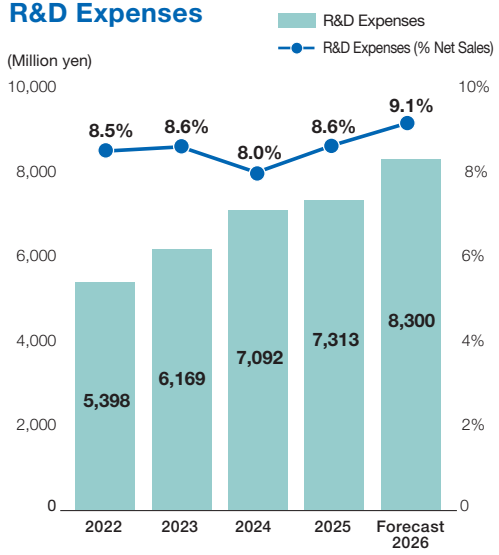
Since our founding, we have refined our mechanical, electronic, and production technologies with optical technology at the core, and have expanded into a wide range of fields, from photography to the security, automotive, and healthcare sectors. In addition to our foundational technologies, we have advanced research and development across a broad spectrum of technical fields, including our core strengths such as downsizing and weight saving technologies, coating technologies, and modularization technologies.

Moving forward, under our new Long-term Vision, “Capture, Measure, Connect—Creating a Healthier Future for People and Nature,” we will “measure” phenomena invisible to the naked eye using infrared technology and “connect” them to optimal solutions through image processing and AI, thereby creating practical solutions in new fields such as healthcare, nature-positive initiatives (nature restoration), agriculture, and infrastructure.

Technological Innovation through Open Innovation

While maintaining our core strengths, we collaborate with outside partners to accelerate the resolution of social issues by promoting a “balance between autonomy and co-creation.” Under our Medium-term Management Plan, “Value Creation26 ver.2.0,” we are accelerating open innovation. As exemplary initiatives, in addition to investing in venture capital firms specializing in healthcare devices and cutting-edge technologies, we have entered into a strategic partnership with mapry Co., LTD., which operates a forest observation platform, and have invested in Light Touch Tech Inc., a developer of non-invasive blood glucose sensors. In particular, with mapry Co., LTD., we regularly hold internal co-creation events involving engineers and volunteer employees from both companies, deepening substantive exchanges aimed at technological convergence and the creation of next-generation solutions.

R&D Expenses



Fundamental technologies

- Optical technologies
- Mechanical technologies
- Electronic technologies
- Production 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
- **Security sector** — Network surveillance camera lenses, infrared lenses/ camera modules
- **Industrial sector** — FA/machine vision 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

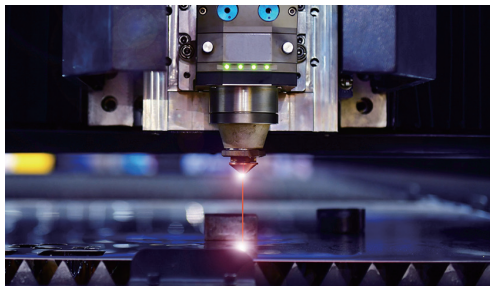
- **Optical communication sector** — Spatial light communications, optical wireless power transfer
- **Nature positive sector** — Environmental monitoring equipment, applications
- **Infrastructure sector** — Building inspections, measurement sensors, optical connectors
- **Healthcare sector** — Nursing, health maintenance/ testing equipment
- **Robotics sector** — Vision/sensors, robot arms
- **Agricultural/ Food products sector** — Observation/ measurement monitoring, testing equipment
- **Logistics sector** — Picking, shape measurement, transportation equipment

Technology Development Case Studies

We maximize the potential of optical technology and provide new value to society through innovative ideas. Our technology, which allows us to freely control the power of light from the visible to the infrared spectrum, is expanding into product development that contributes to solving social challenges such as digital transformation (DX) in manufacturing, beauty, and healthcare management, and ensuring infrastructure safety.

Automation and quality stabilization in welding operations using optical technology

As automation and labor-saving measures advance on the manufacturing floor, the welding industry is also rapidly shifting from conventional arc welding to the more productive “laser welding.”
A key challenge in this evolution is further stabilizing processing quality. Because laser welding concentrates extremely high energy into a narrow area, it requires precise maintenance of irradiation conditions. For example, suppressing spatter—which is generated by the rapid heating of metal—is an essential factor in improving the quality of critical components that require high welding quality.
To address this challenge, we have developed a “laser processing head” that generates a specialized laser beam and a “profile measuring instrument” that quantifies the laser beam shape in real time and instantly verifies that it is the ideal shape.
To maintain high quality, we must “process optimally and accurately measure the results.” By combining these two technologies, we can transform welding—which has traditionally relied on the rule of thumb of skilled craftsmen—into a reliable, data-driven process with high reproducibility.



Revolutionizing non-destructive testing, a light source for compact near-infrared spectrometers

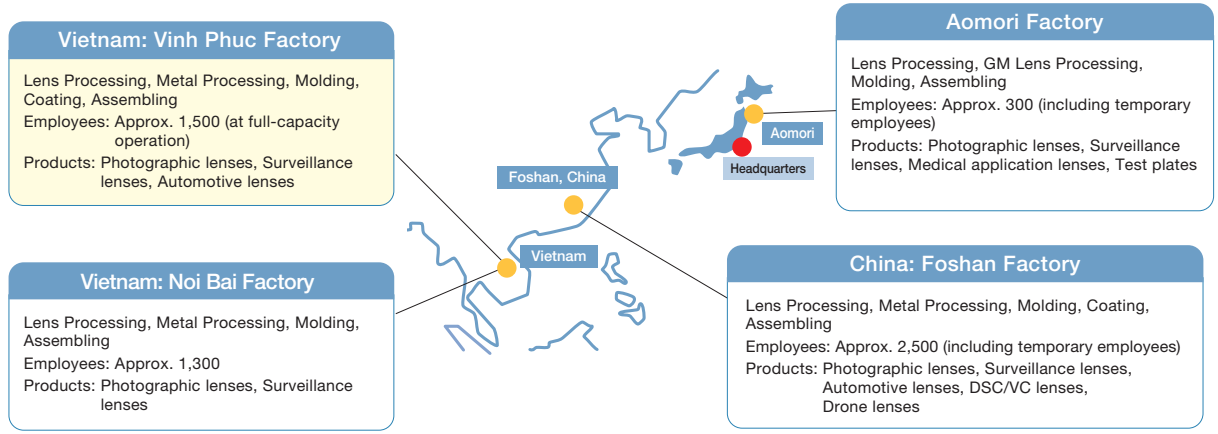
In various fields, including beauty, healthcare, the agricultural sector, and fisheries, there is a need for “non-destructive testing” that measures the composition and structure of objects on-site without damaging them. However, the light sources used in existing measuring instruments have limitations, such as having a single wavelength that restricts the range of analysis, or high power consumption that makes it difficult to achieve miniaturization of the devices, which has imposed constraints on their use in the field.
To address these challenges, we are developing a unique near-infrared light source that is unparalleled anywhere in the world. This proprietary technology overcomes the limitations of conventional light sources, enabling the creation of highly accurate and highly portable measuring instruments.
By providing this light source, we will contribute to improving measurement accuracy across a wide range of fields and streamlining various operations, thereby realizing our long-term vision of “capturing and measuring the invisible world” and “connecting” it to problem-solving.

Designed with a stable supply in mind, 100% chalcogenide far-infrared lenses

To ensure an unwavering and stable supply of our finished goods even amid uncertain social conditions, we have developed and designed lenses for long wavelength infrared cameras that utilize chalcogenide materials in all optical components. While germanium has traditionally been the primary raw material for lenses for long wavelength infrared cameras, in light of recent social conditions and geopolitical risks, we have adopted chalcogenides—which are not dependent on specific producing countries—for our optical systems.
Through optical design based on a thorough understanding of the material’s properties, we have realized an optimal lens for long wavelength infrared cameras composed entirely of chalcogenides. As a result, we have established a system that allows us to consistently provide stable finished goods without being affected by fluctuations in the supply of raw materials.
Furthermore, this design maximizes the excellent temperature characteristics inherent to the material, ensuring high reliability even under harsh outdoor environments such as airports and ports.
Through the development and design of this lens, we will continue to reliably deliver finished goods that meet our high quality standards to our customers, even in a rapidly changing external environment.

The Global Three-pillar Production System

Tamron has been expanding its production bases overseas since 1997. Since then, we have built a global production network with three sites in Japan, China, and Vietnam. Our strength lies in manufacturing under the “Made by TAMRON” concept, which ensures consistent quality regardless of production location. By managing the quality of most key parts in-house, we maintain high quality requirements for suppliers and an advantage in terms of costs. Furthermore, we are advancing the introduction of smart factories, including automation and labor saving, as well as the development of multi-skilled workers. We have also established a flexible production system through stronger cooperation among factories. Through these initiatives, we are building a robust supply system that will support our achievement of becoming a 100-billion-yen company and our sustainable growth beyond that milestone.



Vinh Phuc Factory has commenced operations

To expand production capacity, strengthen our stable supply system, and enhance cost competitiveness, Tamron invested approximately 4 billion yen to construct its second Vietnam factory, Tamron Vietnam Vinh Phuc Factory, which commenced operations in January 2025. The new factory is a mass production facility capable of handling the entire manufacturing process, including lens processing, metal processing, molding, coating, and assembly. The Company plans to begin full-scale mass production by 2026 and achieve full operation by 2028. Upon reaching full capacity, Tamron’s total production capacity is expected to increase to approximately 1.2 times the level in 2024.

As global conditions become increasingly uncertain, strengthening our three-pillar production system is essential for risk diversification. With the start of operations at the Vinh Phuc Factory in Vietnam, we have established a system that allows us to flexibly shift production ratios within the Group.

Reducing Geopolitical and Tariff Risks

We will minimize the impact on management from U.S. tariff policies and geopolitical risks by lowering our dependence on specific regions.

Achieving Optimal Logistics

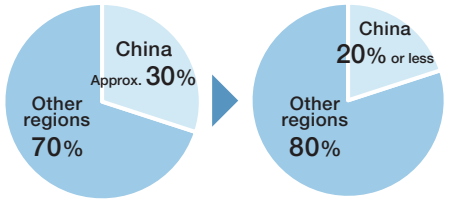
By optimizing production bases and diversifying component procurement sources, we will simultaneously strengthen our global supply chain and optimize logistics costs, thereby maintaining a stable earnings base.

Changes in Production Ratio by Location*

	2023	2026	2028
Vietnam	25%	30%	45%
China	65%	60%	45%
Japan	10%	10%	10%

*Figures are approximate.

Reducing the Parts Procurement Ratio from China



Up to 2024 From 2025 onward

Intellectual Property Strategy

To support the realization of our management and business strategies from an intellectual property perspective, we formulate and execute intellectual property strategies that leverage our IP mix. To expand the technical domains and market segments under the “From Capturing to Measuring” initiative outlined in our Medium-term Management Plan, “Value Creation26 ver.2.0,” and to realize our new Long-term Vision looking toward 2035, the Legal & IP Management Dept. collaborates with each business division and the R&D department to thoroughly implement intellectual property creation activities and risk management that protect products and technologies from multiple angles. Furthermore, we strategically support the development and creation of new businesses by utilizing analytical methods such as IP landscape analysis.

Basic intellectual property policy

Intellectual property policy supporting the transformation into a comprehensive optical and sensing solution provider

We aim to transform into a “comprehensive optical and sensing solution provider” that contributes to solving social issues through the power of optics. We position our IP strategy as a key pillar of this transformation and strategically acquire and utilize intellectual property. We maintain a balanced approach to intellectual property activities, combining “defense” to uphold the competitive advantage of our core businesses with “offense” to support the transformation of our business portfolio. We will enhance corporate resilience from an intellectual property perspective and firmly establish a foundation for medium- to long-term value creation.

Defense

Upholding a competitive advantage in core businesses and risk management

Securing a competitive advantage and maximizing profitability in core businesses

In our Photographic Products and Surveillance & FA Lenses businesses, we pursue high-quality patent applications and comprehensively protect products and technologies that lead to securing a competitive advantage. By creating barriers to entry, we will continue to maximize profitability.

Thorough risk management

Leveraging our strength of handling everything in-house—from planning to development, design, procurement, production, sales, and after-sales service—we minimize risk by respecting third-party rights and conducting thorough investigations from the early stages of development.

The two pillars of our strategy

Key initiatives for “Defense” and “Offense”

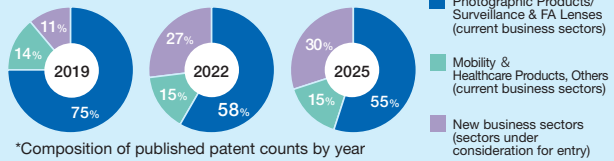
Offense

Supporting the transformation of our business portfolio

Building an IP portfolio with an eye on business portfolio transformation

We will increase the proportion of patent applications in growth sectors such as automotive and medical, as well as in new business areas, to support the creation of businesses that will become the pillars of our next-generation revenue.

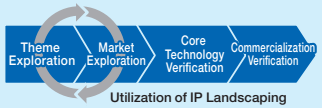
Application area ratios



*Composition of published patent counts by year

Strategic support through enhanced IP analysis

By utilizing IP landscapes, we cross-reference the “market needs” identified by R&D departments with the “patent information” held by the Legal & IP Management Dept. to explore untapped areas where our technological advantages can be leveraged. This enhances the accuracy of decision-making.



Utilization of IP Landscaping

Common Infrastructure

A system that closely collaborates with management strategy and spans the entire company

To directly link management strategy with IP activities, the Legal & IP Management Dept. is positioned within the Corporate Strategy Unit. By establishing a system where the IP department engages across all departments—from R&D to business development—we drive company-wide technological advancement. We aim to build a strong competitive advantage by making rapid decisions in response to market changes from the core of management and executing IP strategies swiftly.