



**TAMRON**

Focus on the Future

# **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	-

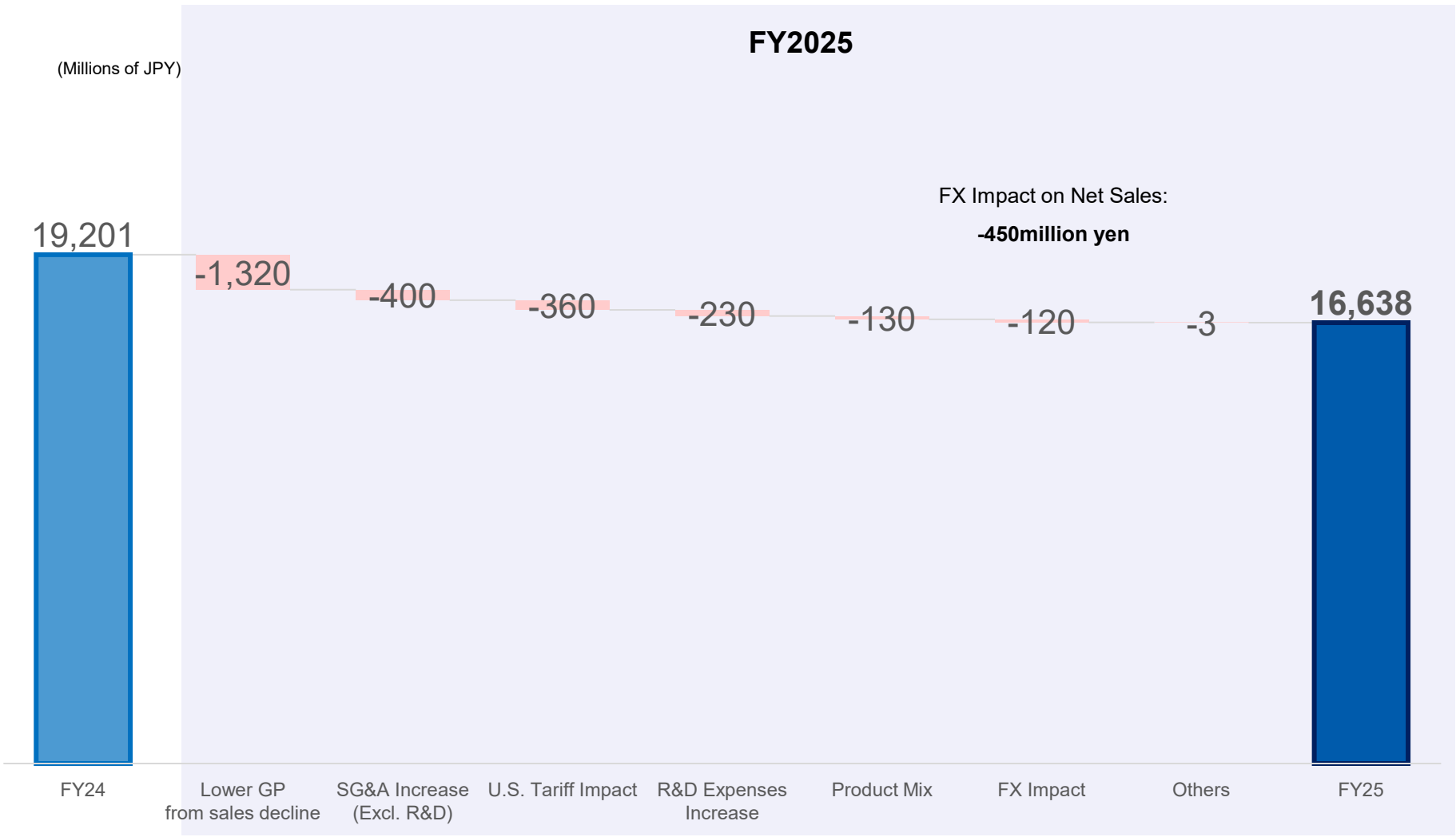
## Full-Year

(¥ 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	FY24		FY25		Change vs. FY24	
	Actual		Actual			
	Value		Value		%	
(¥ million)						
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	FY24		FY25		FY25		Change vs. FY24		Change vs. Fcst.	
	Actual		Fcst. (Nov. 6)		Actual					
	Value		Value		Value		%		Value	
(¥ million)										
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		FY25		Change vs. FY24	
	Actual		Actual			
	Value		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		FY25		FY25		Change vs. FY24		Change vs. Fcst.	
	Actual		Fcst. (Nov. 6)		Actual					
	Value		Value		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%

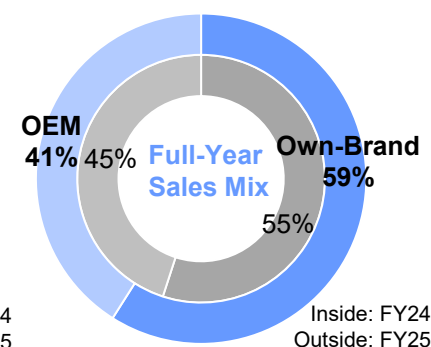
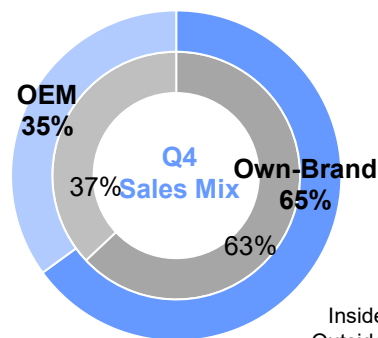
## Annual FX Impact

(vs. Prior-Year Rates) (¥ million)

Net Sales	-350
O.P.	-140

## FY25 Market Environment (YoY)

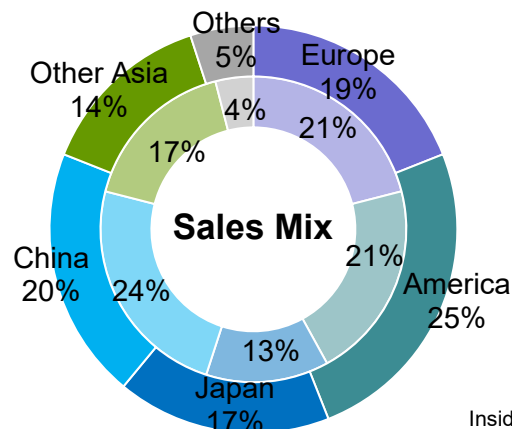
		Q4		Full-year	
		Qty	Value	Qty	Value
	SLR cameras	-43%	-48%	-31%	-36%
	Mirrorless cameras	+12%	+3%	+13%	+3%
ILC total		+3%	-0%	+6%	+1%
IL (lenses)		+4%	+5%	+3%	-0%



# I -4. Segment Results ①Photographic Products

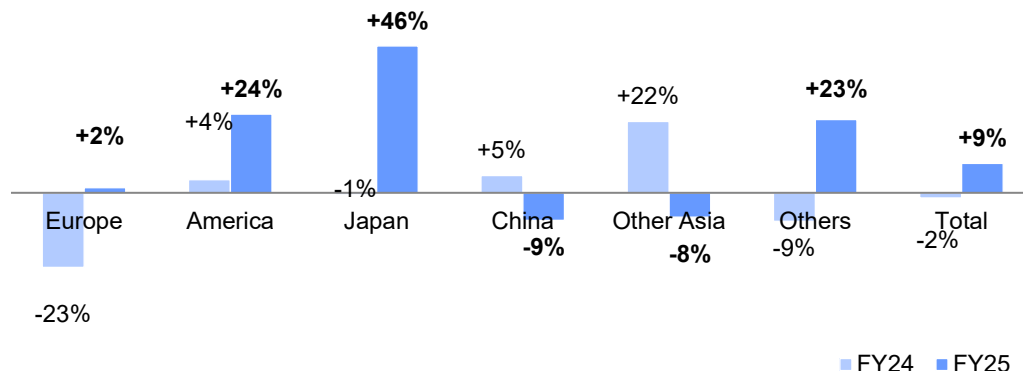
## Q4 Own-Brand Sales by Region

Sales Mix (Value Basis)



Inside: FY24  
Outside: FY25

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%

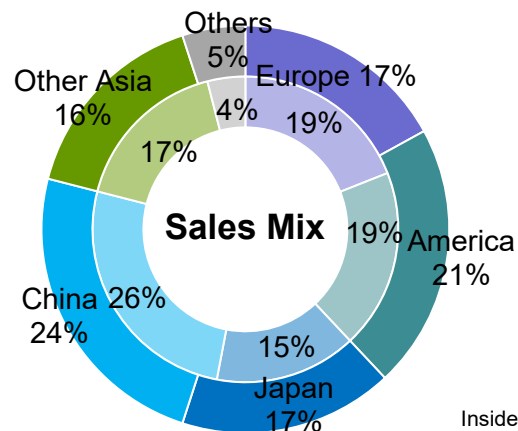
Shipment Growth Rate		FY24 (YoY)		FY25 (YoY)	
		Qty	Value	Qty	Value
Europe		+16%	+0%	-2%	+10%
America		+0%	+3%	-1%	-17%
Japan		+5%	-0%	-6%	+5%
China		+16%	-13%	+18%	+25%
Other Asia		+21%	+23%	+9%	+10%
Others		+14%	+17%	+16%	+3%
Total		+11%	+2%	+4%	+5%



# I -4. Segment Results ①Photographic Products

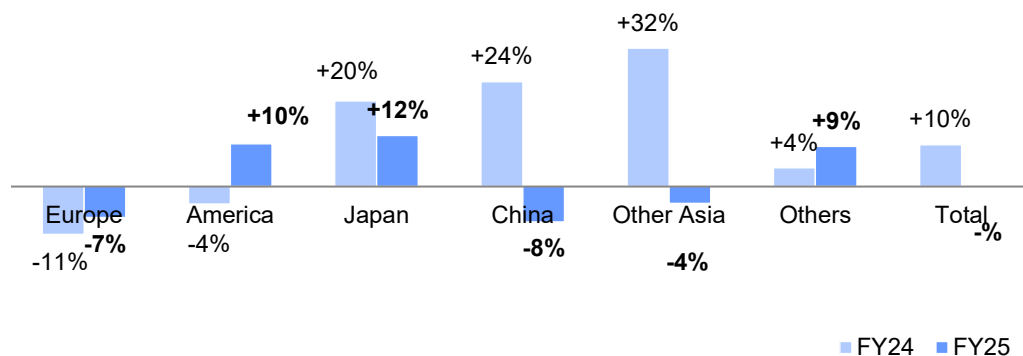
## Full-Year Own-Brand Sales by Region

Sales Mix (Value Basis)



Inside: FY24  
Outside: FY25

Sales Growth Rate (YoY, Yen Basis)



■ FY24 ■ FY25

## 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)		
	Oct.	Oct.	Jun.	Aug.	Oct.	Jul.		Nov.
<b>SONY</b> E-mount  Total: 21 models	 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)
<b>FUJIFILM</b> X-mount  Total: 4 models	May  11-20mm F/2.8 RXD (B060)							
<b>NIKON</b> Z-mount  Total: 9 models	Sep.  35-150mm F/2-2.8 VXD (A058)	Oct.  150-500mm F/5-6.7 VC VXD (A057)	Apr.  28-75mm F/2.8 VXD G2 (A063)	Sep.  50-400mm F/4.5-6.3 VC VXD (A067)	Oct.  90mm F/2.8 VXD (F072)	Aug.  16-30mm F/2.8 VXD G2 (A064)	Aug.  18-300mm F/3.5-6.3 VC VXD (B061)	Oct.  70-180mm F/2.8 VXD G2 (A065)
<b>CANON</b> RF-mount  Total: 2 models					Dec.  11-20mm F/2.8 RXD (B060)		Sep.  18-300mm F/3.5-6.3 VC VXD (B061)	

# I -4. Segment Results ② Surveillance & 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		Full-Year (¥ million)	FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
			Value	%					Value	%	Value	%
Net Sales	2,899	3,053	+154	+5.3%	Net Sales	12,313	12,400	12,091	-222	-1.8%	-308	-2.5%
O.P.	121	424	+302	+248.4%	O.P.	1,566	1,600	1,675	+109	+7.0%	+75	+4.7%
O.P. Margin	4.2%	13.9%	+9.7pts	-	O.P. Margin	12.7%	12.9%	13.9%	+1.2pts	-	+1.0pts	-

## Sales Breakdown

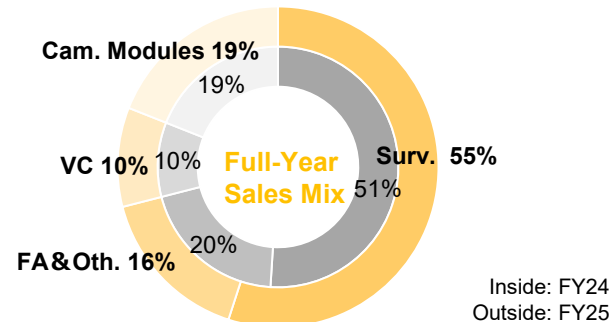
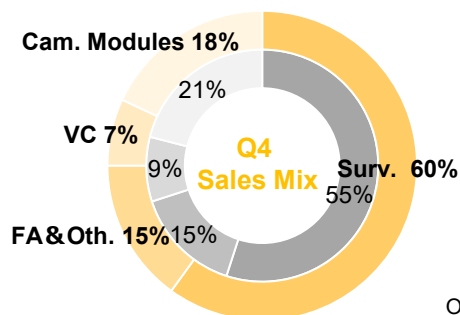
Q4		FY24 Actual	FY25 Actual	Change vs. FY24		Full-Year		FY24 Actual	FY25 Fcst. (Nov. 6)	FY25 Actual	Change vs. FY24		Change vs. Fcst.	
				Value	%						Value	%	Value	%
Value	Surv.	1.6	1.9	+0.3	+15.1%	Value	Surv.	6.3	7.0	6.7	+0.4	+5.8%	-0.3	-4.5%
(¥ Billion)	FA & Oth.	0.4	0.5	+0.1	+9.0%	(¥ Billion)	FA & Oth.	2.4	2.0	2.0	-0.4	-18.4%	-0.0	-1.6%
	VC	0.3	0.2	-0.1	-14.1%		VC	1.2	1.0	1.2	+0.0	+0.1%	+0.2	+18.8%
	Cam. Modules	0.6	0.5	-0.1	-14.2%		Cam. Modules	2.4	2.4	2.2	-0.2	-6.2%	-0.2	-6.2%
Units	Segment Total	30	35	+5	+17.0%	Units	Segment Total	115	128	129	+14	+12.7%	+1	+1.0%
(10K)						(10K)								

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

## Annual FX Impact

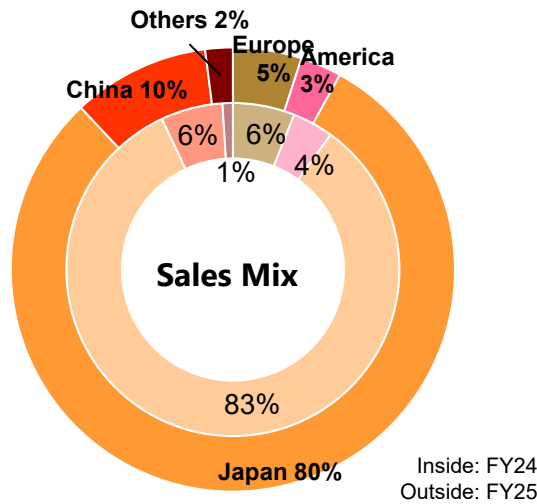
(vs. Prior-Year Rates) (¥ million)

Net Sales	-70
O.P.	+20

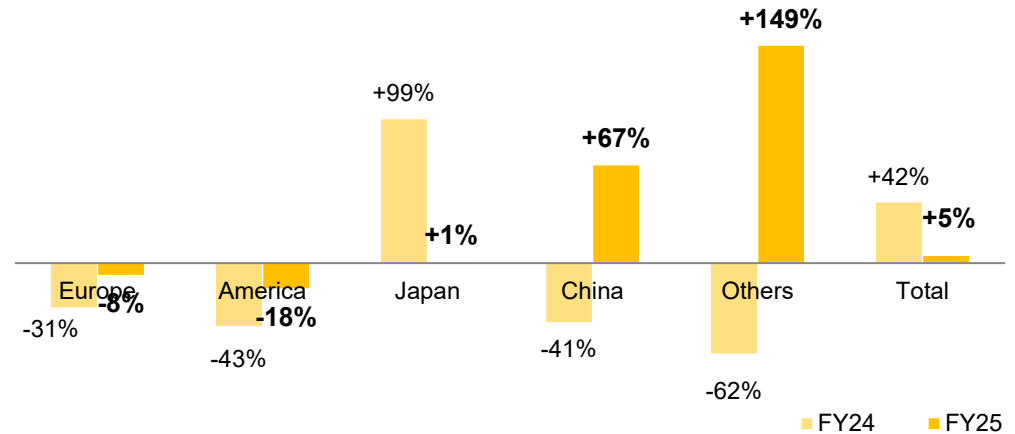


# I -4. Segment Results ② Surveillance & FA Lenses

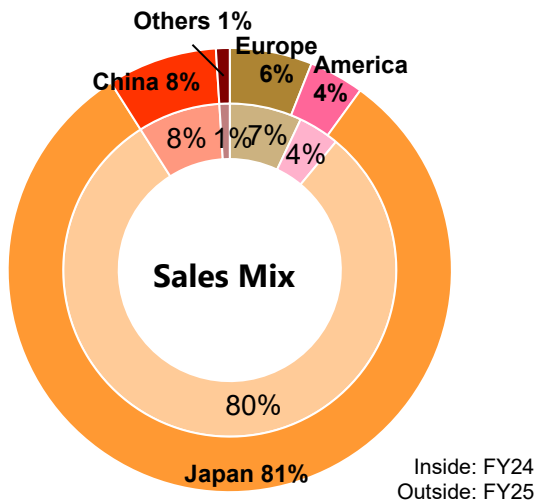
Q4 Sales Mix by Branch (Value Basis)



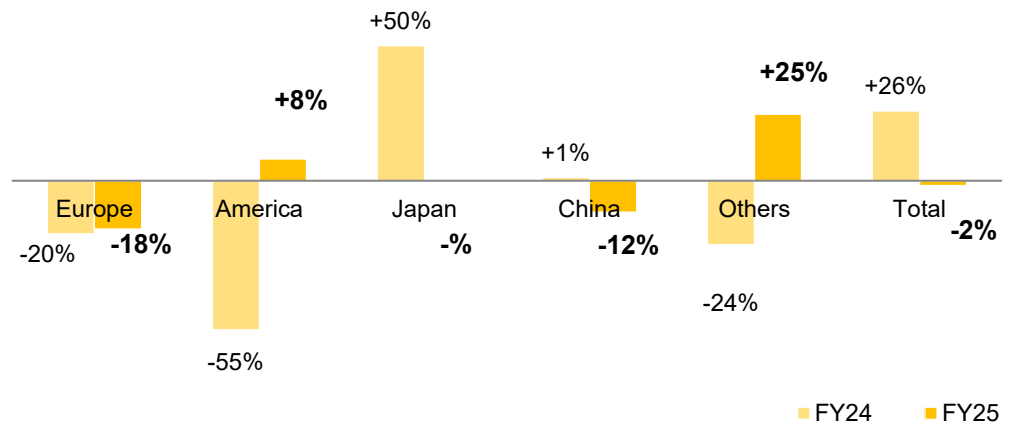
Q4 Sales Growth Rate By Branch (YoY, Yen Basis)



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		FY24	FY25	Change vs. FY24		Full-Year		FY24	FY25	FY25	Change vs. FY24		Change vs. Fcst.	
(¥ million)		Actual	Actual	Value	%	(¥ million)		Actual	Fcst. (Nov. 6)	Actual	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	-

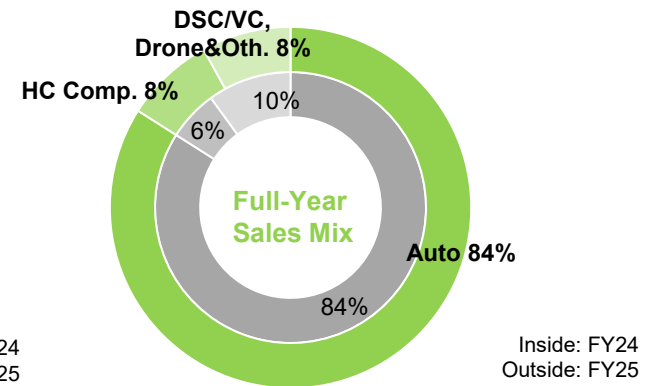
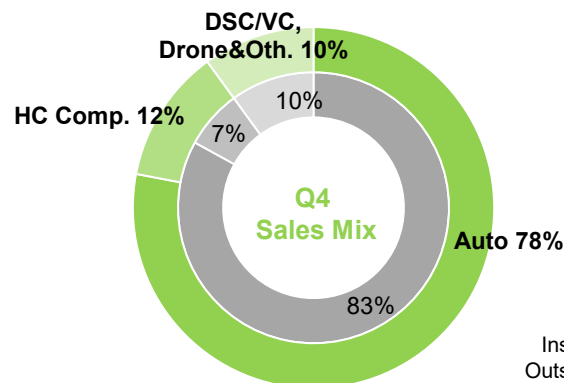
## Sales Breakdown


Q4		FY24	FY25	Change vs. FY24		Full-Year		FY24	FY25	FY25	Change vs. FY24		Change vs. Fcst.	
		Actual	Actual	Value	%			Actual	Fcst. (Nov. 6)	Actual	Value	%	Value	%
Value	Auto	2.1	2.7	+0.6	+22.6%	Value	Auto	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)	HC Comp.	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%		DSC/VC, Drone/Oth.	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

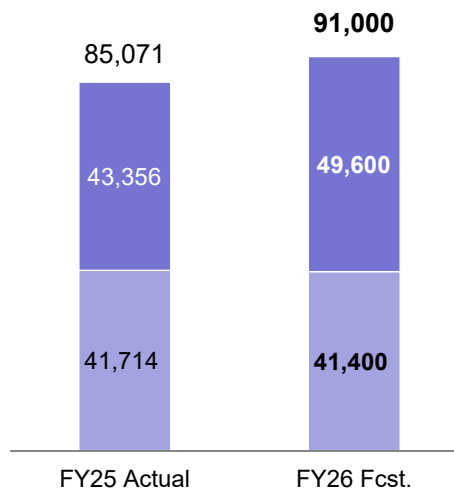
- ◆ **Interchangeable-Lens Cameras & Lenses:** Unit volumes remained flat, while revenue increased supported by strong demand for high value-added products
- ◆ **Surveillance:** Market shifted to stable growth driven by solid security demand, including urban surveillance
- ◆ **Automotive:** Market continued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

## Company's Forecast

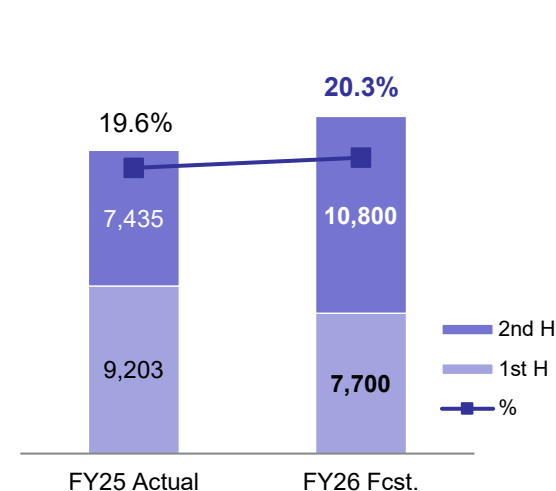
- ◆ **Assumptions:** Weaker yen compared with FY25. Despite cost increases from higher raw material prices and more proactive investments and R&D spending, the Group expects to absorb these impacts and **achieve revenue and profit growth**
- ◆ **Targets:** Aim to reach **over ¥90.0 billion in net sales 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	%
<b>Net Sales</b>	<b>85,071</b>	<b>91,000</b>	<b>+5,928</b>	<b>+7.0%</b>
<b>Operating Income</b>	<b>16,638</b>	<b>18,500</b>	<b>+1,861</b>	<b>+11.2%</b>
Operating Margin	19.6%	20.3%	+0.7pts	-
<b>Ordinary Income</b>	<b>16,699</b>	<b>18,500</b>	<b>+1,800</b>	<b>+10.8%</b>
Ord. Income Margin	19.6%	20.3%	+0.7pts	-
<b>Net Income</b>	<b>11,761</b>	<b>13,690</b>	<b>+1,928</b>	<b>+16.4%</b>
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**

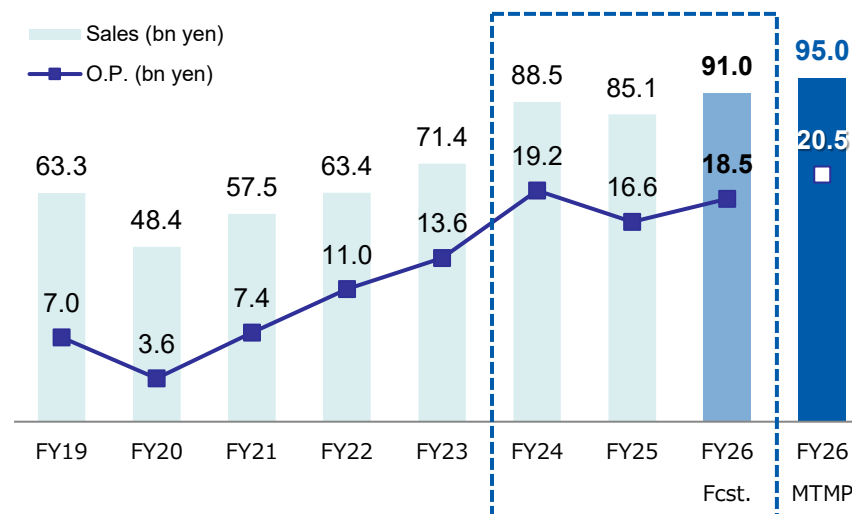
	FY23	MTMP FY26		
	Actual	Initially	ver2.0	vs FY23
<b>Net Sales</b>	¥71.4 bn	¥83.0 bn	<b>¥95.0 bn</b>	1.3x+
<b>Operating Income</b>	¥13.6 bn	¥15.3 bn	<b>¥20.5 bn</b>	1.5x+
Operating Margin	19.1%	18.4%	<b>21.6%</b>	20%range
USD/JPY	140.68	140.00	<b>145.00</b>	+ 4.32
EUR/JPY	152.17	152.00	<b>155.00</b>	+ 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.
<b>Net Sales</b>	¥88.5 bn	¥85.1 bn	<b>91.0 bn</b>
<b>Operating Income</b>	¥19.2 bn	¥16.6 bn	<b>18.5 bn</b>
Operating Margin	21.7%	19.6%	<b>20.3%</b>
USD/JPY	151.69	149.63	<b>148.00</b>
EUR/JPY	164.09	169.24	<b>175.00</b>

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





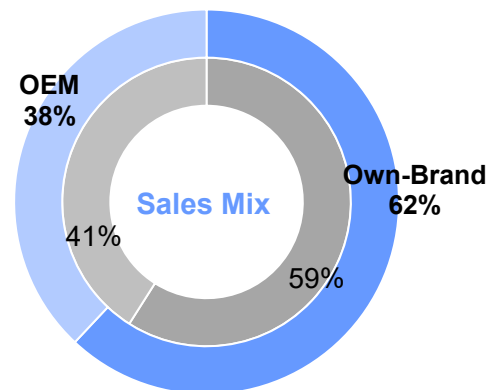
## II -2. Photographic Products ①FY26 Financial Forecast

- ◆ 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**

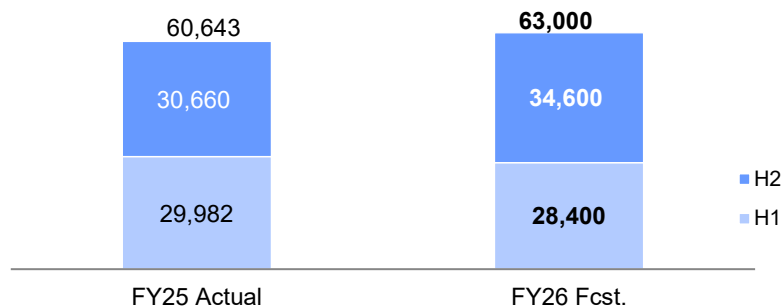
(¥ million)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
<b>Net Sales</b>	<b>60,643</b>	<b>63,000</b>	<b>+2,356</b>	<b>+3.9%</b>
<b>O.P.</b>	<b>15,630</b>	<b>17,200</b>	<b>+1,569</b>	<b>+10.0%</b>
O.P. Margin	25.8%	27.3%	+1.5pts	-

### Sales Breakdown

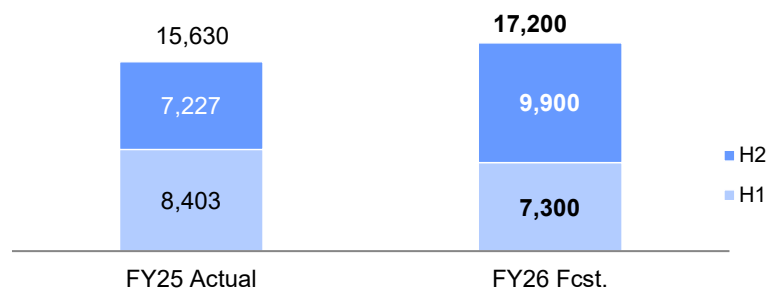
		FY25 Actual	FY26 Fcst.	Change vs. FY25	
				Value	%
<b>Value</b> (¥ Billion)	<b>Own-Brand</b>	<b>35.9</b>	<b>39.0</b>	<b>+3.1</b>	<b>+8.5%</b>
	<b>OEM</b>	<b>24.7</b>	<b>24.0</b>	<b>-0.7</b>	<b>-2.9%</b>
<b>Units</b> (10K)	<b>Own-Brand</b>	<b>49</b>	<b>52</b>	<b>+3</b>	<b>+5.1%</b>
	<b>OEM</b>	<b>77</b>	<b>72</b>	<b>-5</b>	<b>-6.2%</b>



### Net Sales (¥ million)



### Operating Income (¥ million)



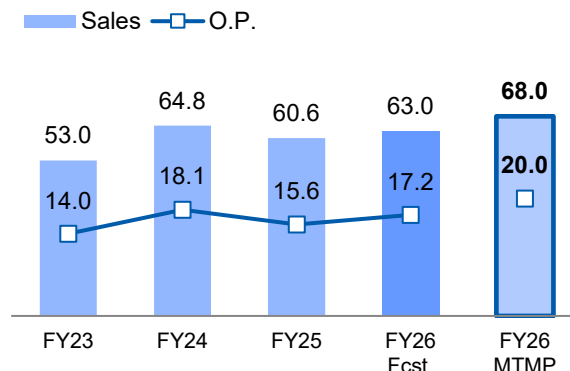
## Ⅱ-2. Photographic Products ② MTMP Progress Update

### Value Creation 26 ver. 2.0

	FY23	MTMP FY26	
(¥ billion)	Actual	Initially	ver.2.0
<b>Own-Brand</b>	32.8	37.0	<b>39.0</b>
<b>OEM</b>	20.2	19.0	<b>29.0</b>
<b>Net Sales</b>	53.0	56.0	<b>68.0</b>
<b>Operating Income</b>	14.0	15.2	<b>20.0</b>
<b>Operating Margin</b>	26.4%	27.9%	<b>29%+</b>

### Progress

	FY24	FY25	FY26
	Actual	Actual	Fcst.
<b>Own-Brand</b>	36.0	35.9	<b>39.0</b>
<b>OEM</b>	28.8	24.7	<b>24.0</b>
<b>Net Sales</b>	64.8	60.6	<b>63.0</b>
<b>Operating Income</b>	18.1	15.6	<b>17.2</b>
<b>Operating Margin</b>	27.9%	25.8%	<b>27.3%</b>



### MTMP : Enhancing Profitability as a Core Business

#### ◆ Accelerating Own-Brand Product Launches

- **Before FY23:** Approx. 5 launches per year
- **FY26 MTMP:** 6–7 launches per year
- **New MTMP (ver. 2.0):** Increased to **10 launches per year**

#### ◆ 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 ~5% before FY23)

#### ◆ Ongoing Support for New Formats

- Establishing a **Four-Mount Lineup**, Including Canon RF Mount

#### ◆ Strengthening Partnerships with OEM Customers

FY24: **7** launches → FY25: **6** launches → FY26: **10+** launches

FY25 **Americas** → FY26 **Europe** (Recovery)

FY24: **Double-digit growth** → FY26: **Growth recovery**

FY26: **Own-brand on track to achieve sales targets**

FY24: **Our First Canon RF-mount product launch**

**More development inquiries** → Next MTMP contribution

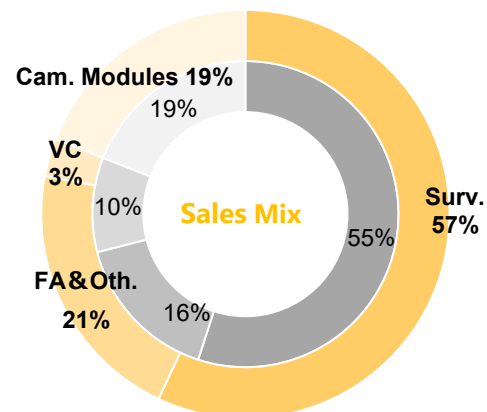
## II -3. Surveillance & FA Lenses ①FY26 Financial Forecast

- ◆ 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	-

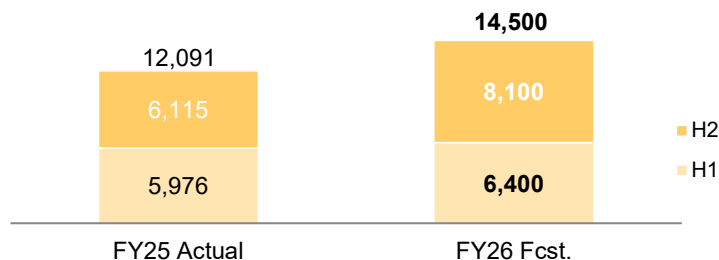
### Sales Breakdown

		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%

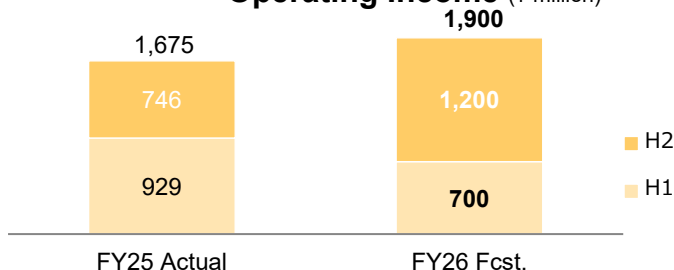


Inside: FY25  
Outside: FY26

### Net Sales (¥ million)



### Operating Income (¥ million)



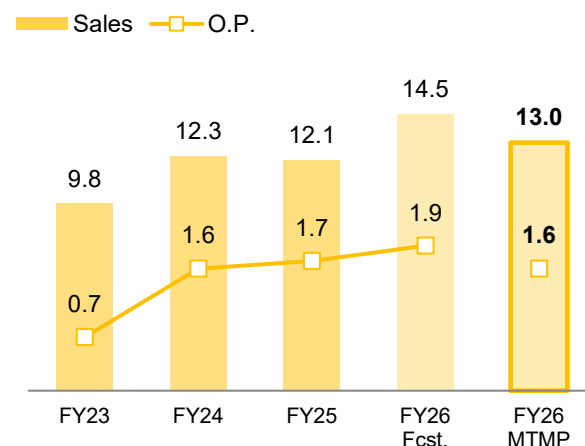
## II -3. Surveillance & FA Lenses ② MTMP Progress Update

### 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
		Fcst.
Actual	Actual	
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%



### 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 **1.2× 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

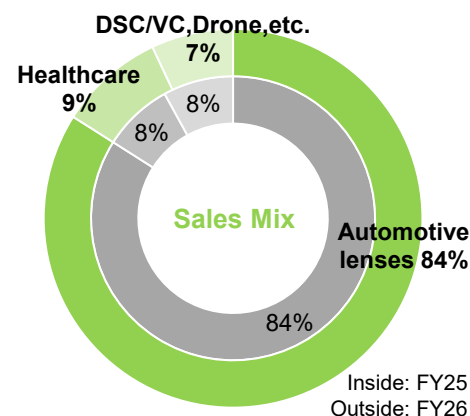
## II -4. Mobility & Healthcare Products, Others ①FY26 Financial Forecast

- ◆ 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

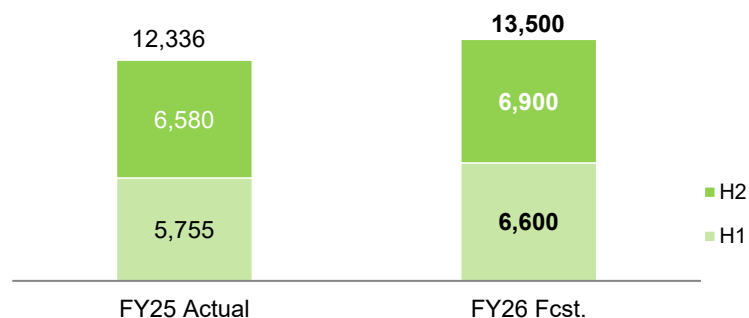
(¥ million)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
Net Sales	12,336	13,500	+1,163	+9.4%
O.P.	2,699	2,500	-199	-7.4%
O.P. Margin	21.9%	18.5%	-3.4pts	-

### Sales Breakdown

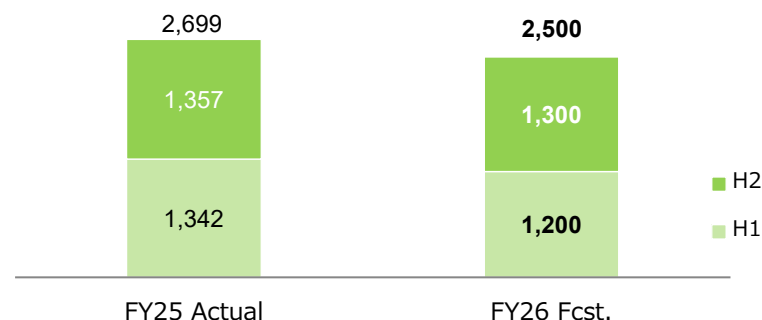
(¥ billion)	FY25 Actual	FY26 Fcst.	Change vs. FY25	
			Value	%
Auto	10.3	11.3	+1.0	+9.5%
HC Comp.	1.0	1.2	+0.2	+19.9%
DSC/VC, Drone/Oth.	1.0	1.0	-0.0	-1.4%



### Net Sales (¥million)



### Operating Income (¥million)



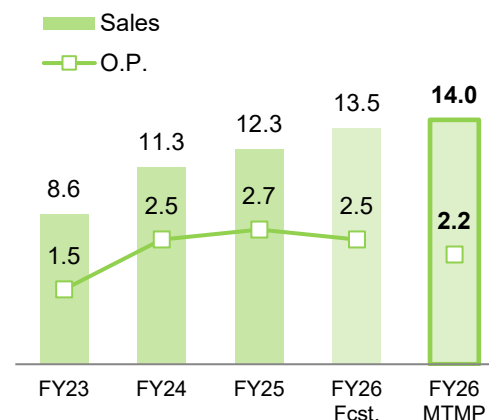
## II-4. Mobility & Healthcare Products, Others ② MTMP Progress Update

### Value Creation 26 ver. 2.0

(¥ billion)	FY23	MTMP FY26	
	Actual	Initially	ver2.0
<b>Auto</b>	7.1	10.2	<b>12.2</b>
<b>HC Comp.</b>	0.4	1.4	<b>1.1</b>
<b>DSC/VC, Drone/Oth.</b>	1.1	0.9	<b>0.7</b>
<b>Net Sales</b>	8.6	12.5	<b>14.0</b>
<b>Operating Income</b>	1.5	1.7	<b>2.2</b>
Operating Margin	17%	13%+	<b>15%+</b>

### Progress

	FY24	FY25	FY26
	Actual	Actual	Fcst.
<b>Auto</b>	9.5	10.3	<b>11.3</b>
<b>HC Comp.</b>	0.67	1.0	<b>1.2</b>
<b>DSC/VC, Drone/Oth.</b>	1.1	1.0	<b>1.0</b>
<b>Net Sales</b>	11.3	12.3	<b>13.5</b>
<b>Operating Income</b>	2.5	2.7	<b>2.5</b>
Operating Margin	21.9%	21.9%	<b>18.5%</b>



### 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**

## III-1. Long-Term Vision

### Vision for 2035

# 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.

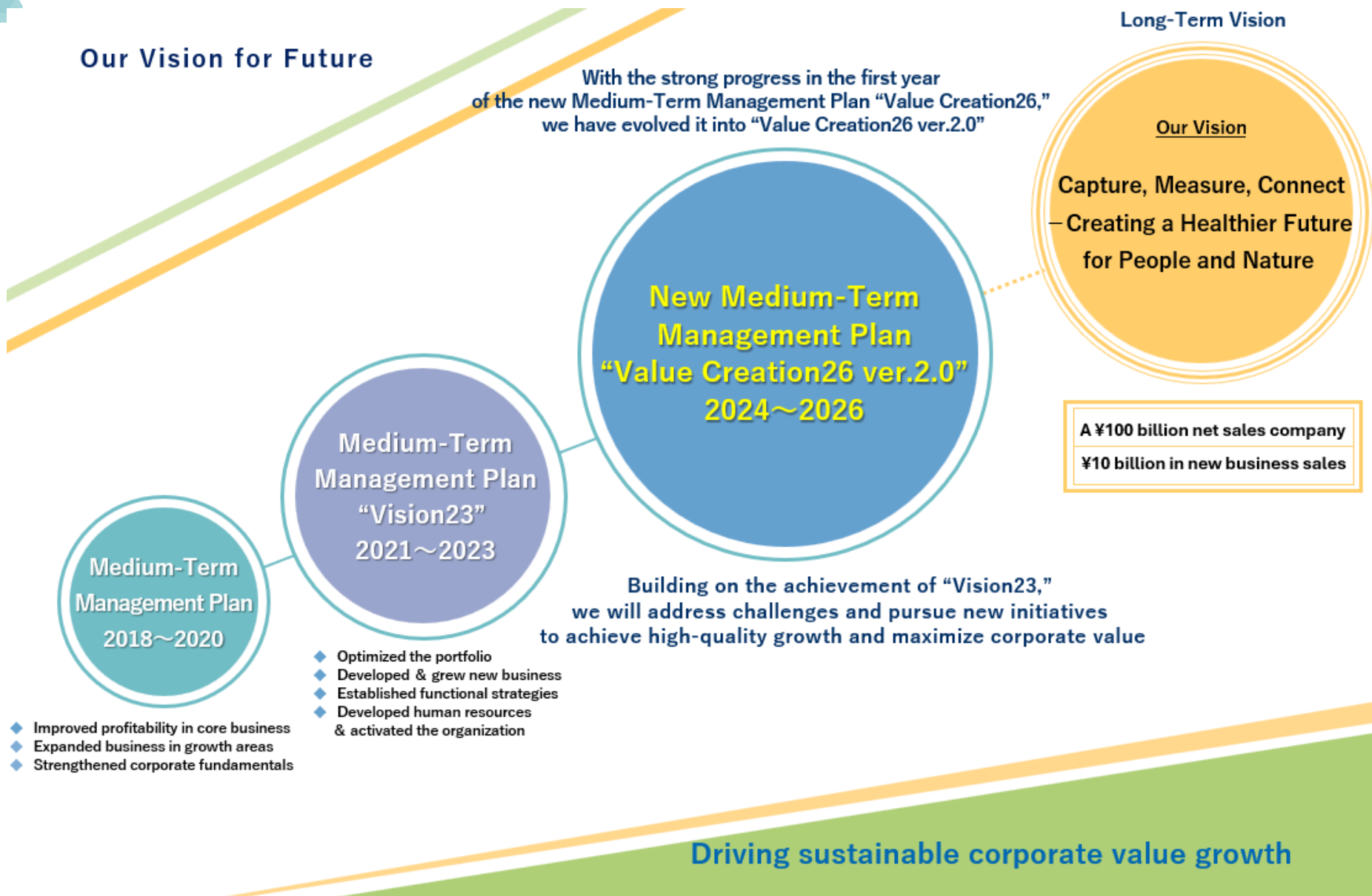
Our mandate: to capture and measure an unseen world, and connect it with solutions. Capturing and measuring information about the body, such as the condition of cells and blood, connects with advances in medicine and healthcare. Capturing and measuring changes in ecosystems, such as our forests, water 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.



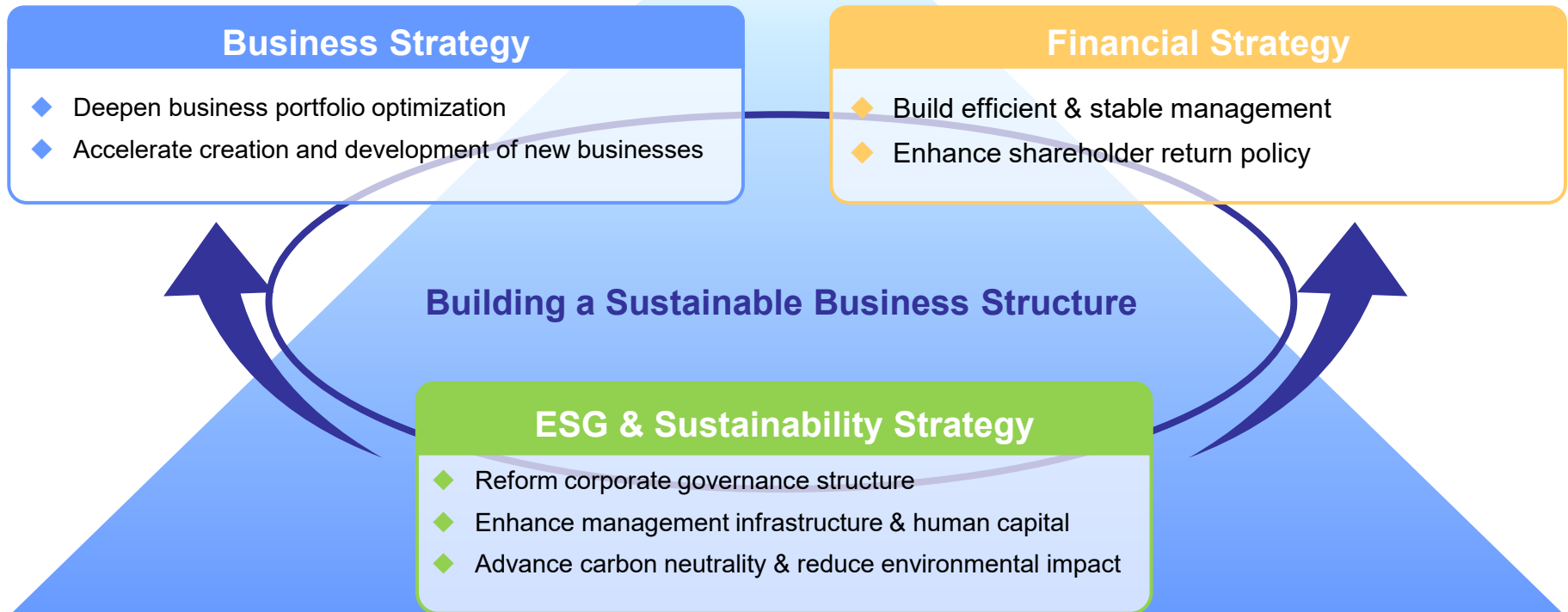
## III-2. Positioning of “Value Creation26 ver.2.0”



## “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

#### <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.

### 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

#### <Expansion of return ratio>

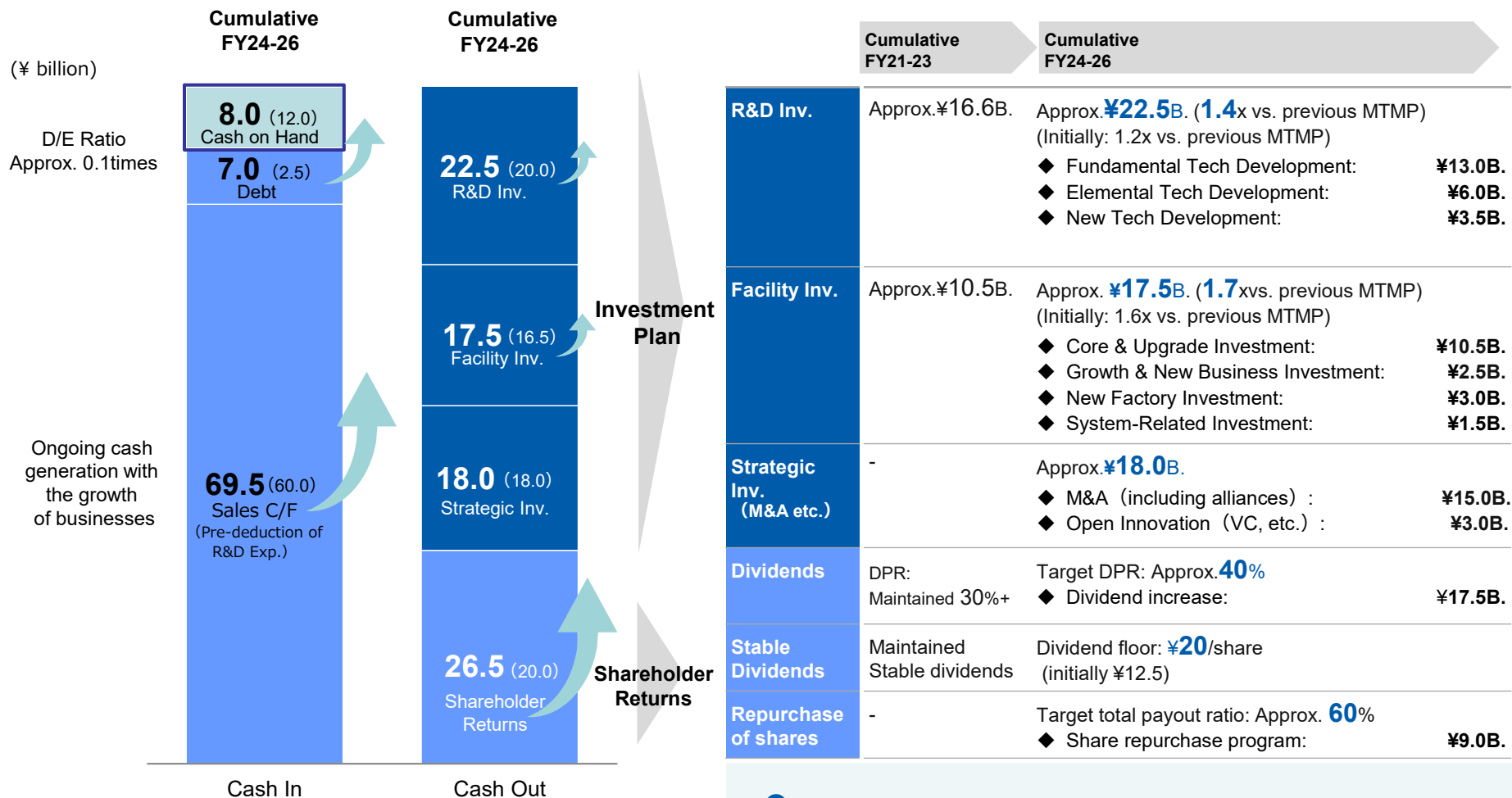
- With a view to sustainable growth, we more than doubled our investment amount compared to the previous medium-term plan period. Taking into account our targeted capital structure and cash and deposit levels, we doubled our shareholder return ratio to a total payout ratio of 60%.
- In addition, after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



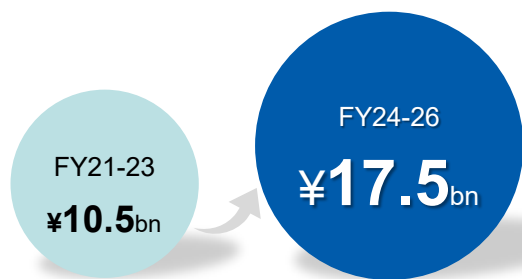
✓ **Progress** 2024-2025 **Total Payout Ratio: 60% or More**

Note1) The above figures: announced in Feb. 2025

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

# Ⅲ-4. ③ Investments 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**

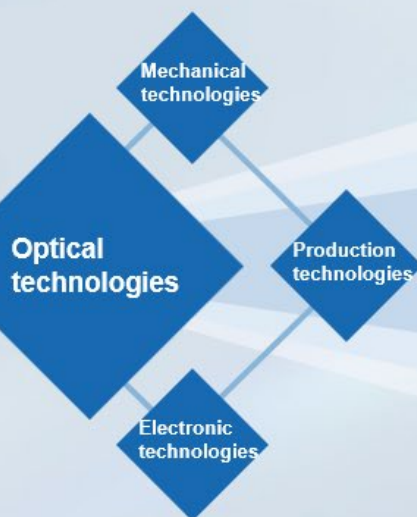


# III-4.④ Strategic Investments – Technology Strategy ver. 2.0

## 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

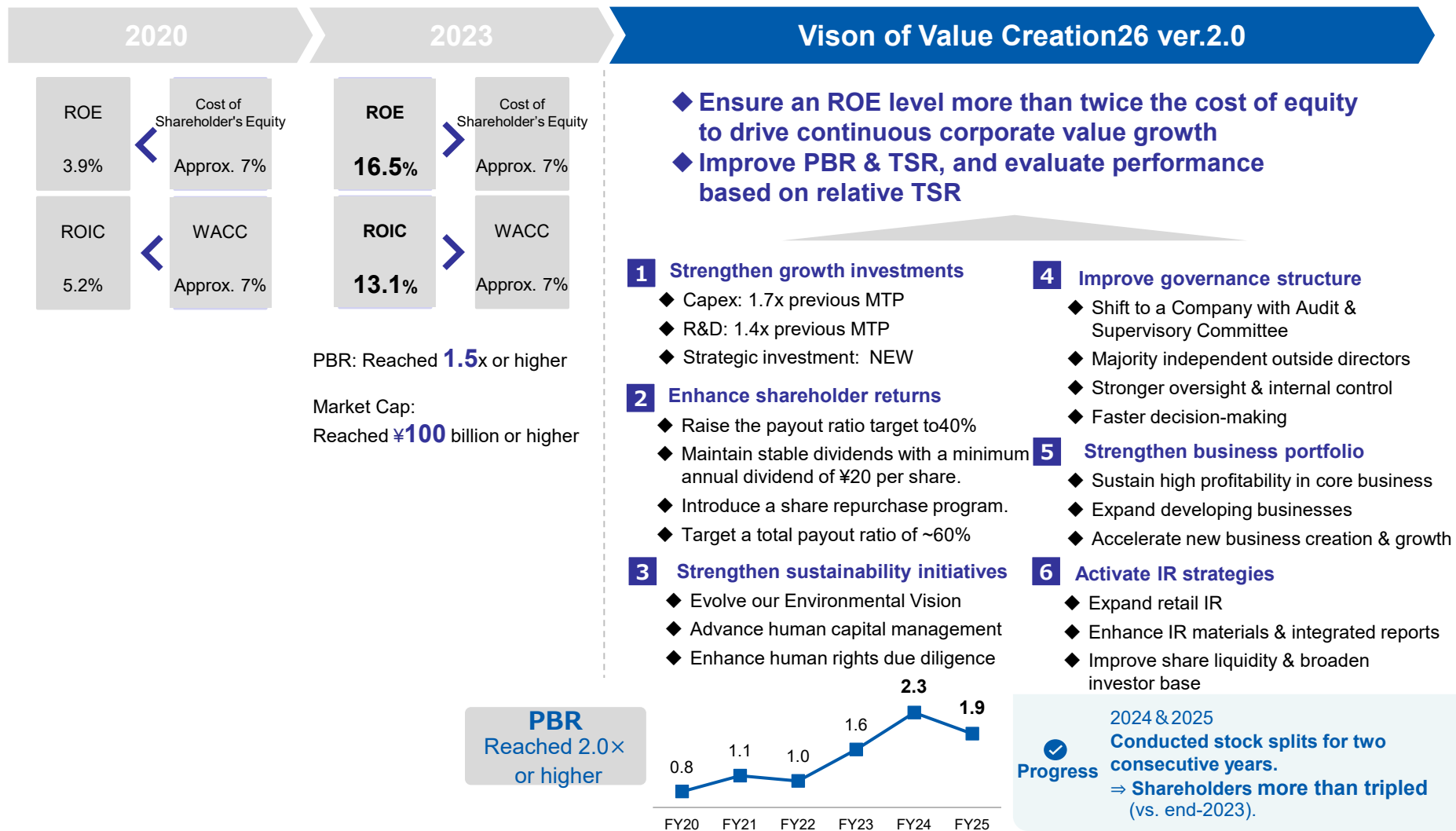
Vision/sensors, robot arms

#### 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



**E**nvironment

## 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



**S**ocial

## 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



**G**overnance

## 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



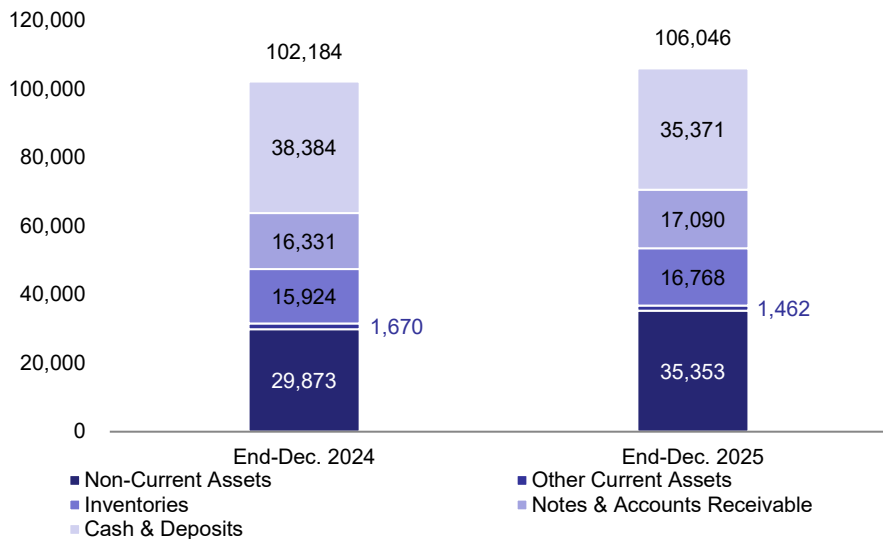
## **IV. Reference Data**



# IV- 1 . Financial Position

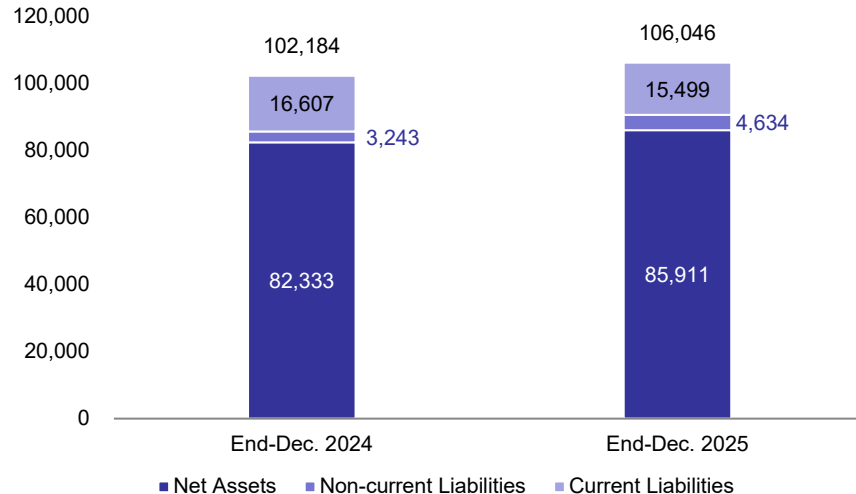
## Assets

(¥ million)

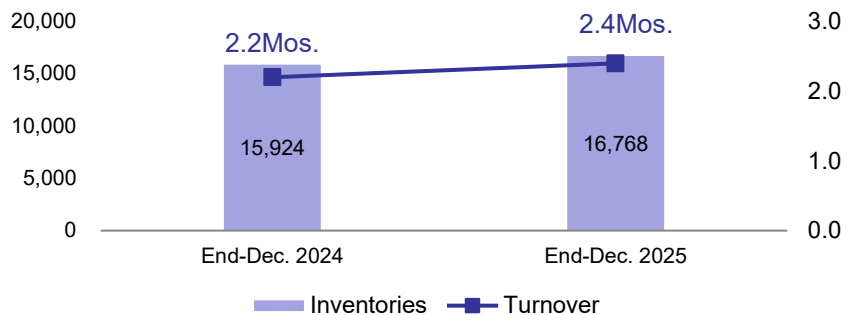


## Liabilities / Net Assets

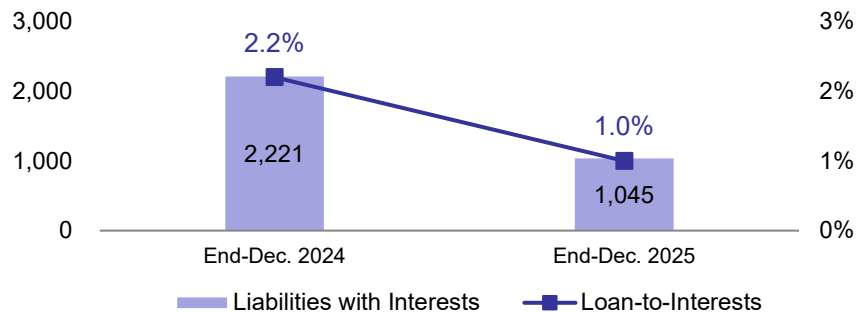
(¥ million)



## Inventories



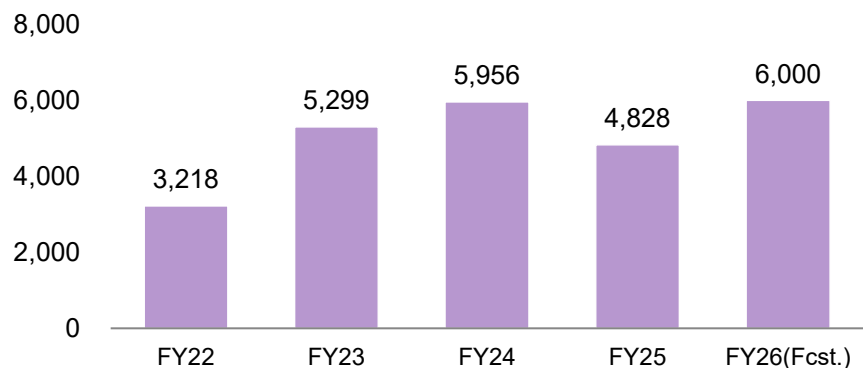
## Liabilities with Interests



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

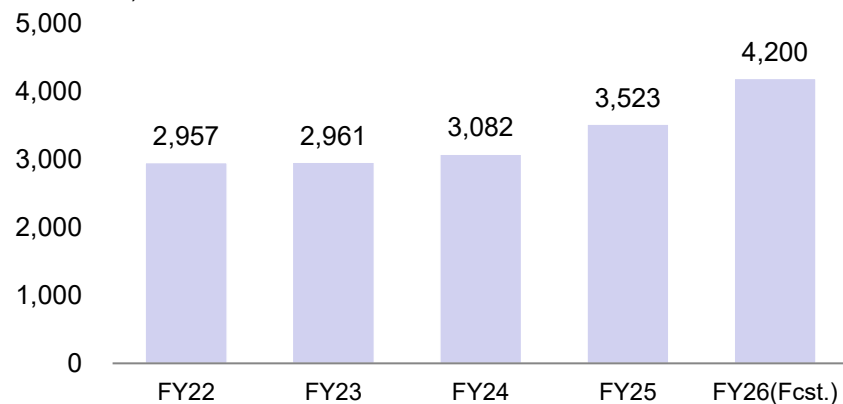
### Capital Expenditures

(¥ million)



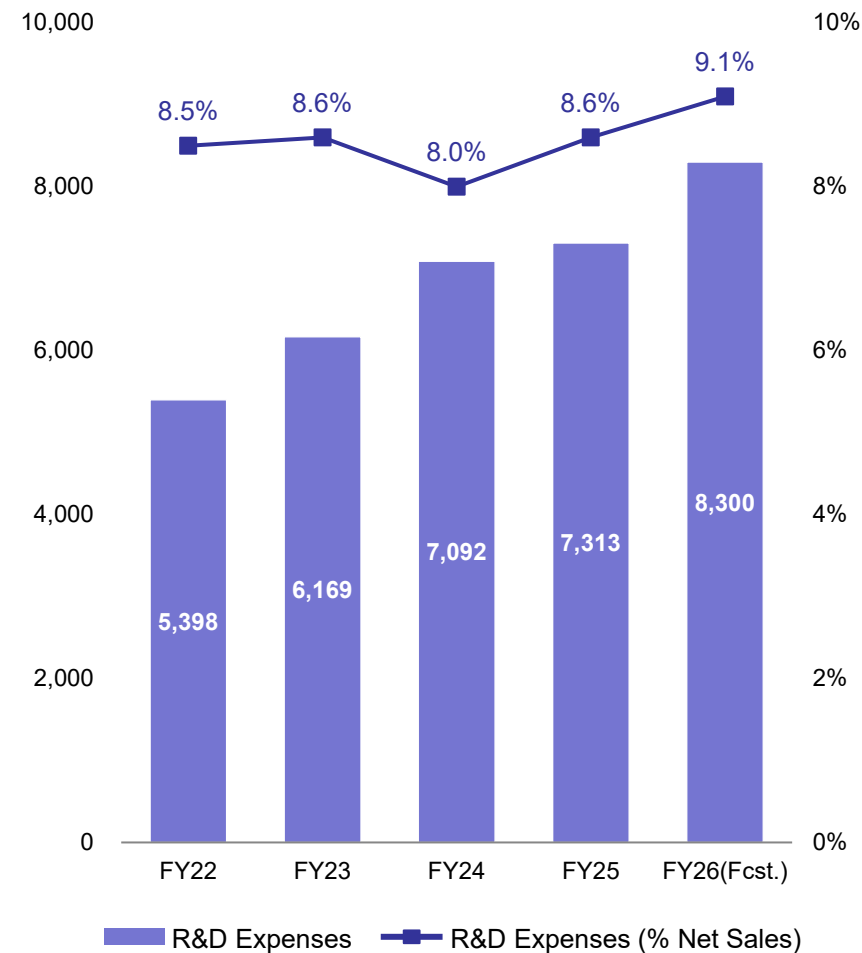
### Depreciation

(¥ million)



### R&D Expenses

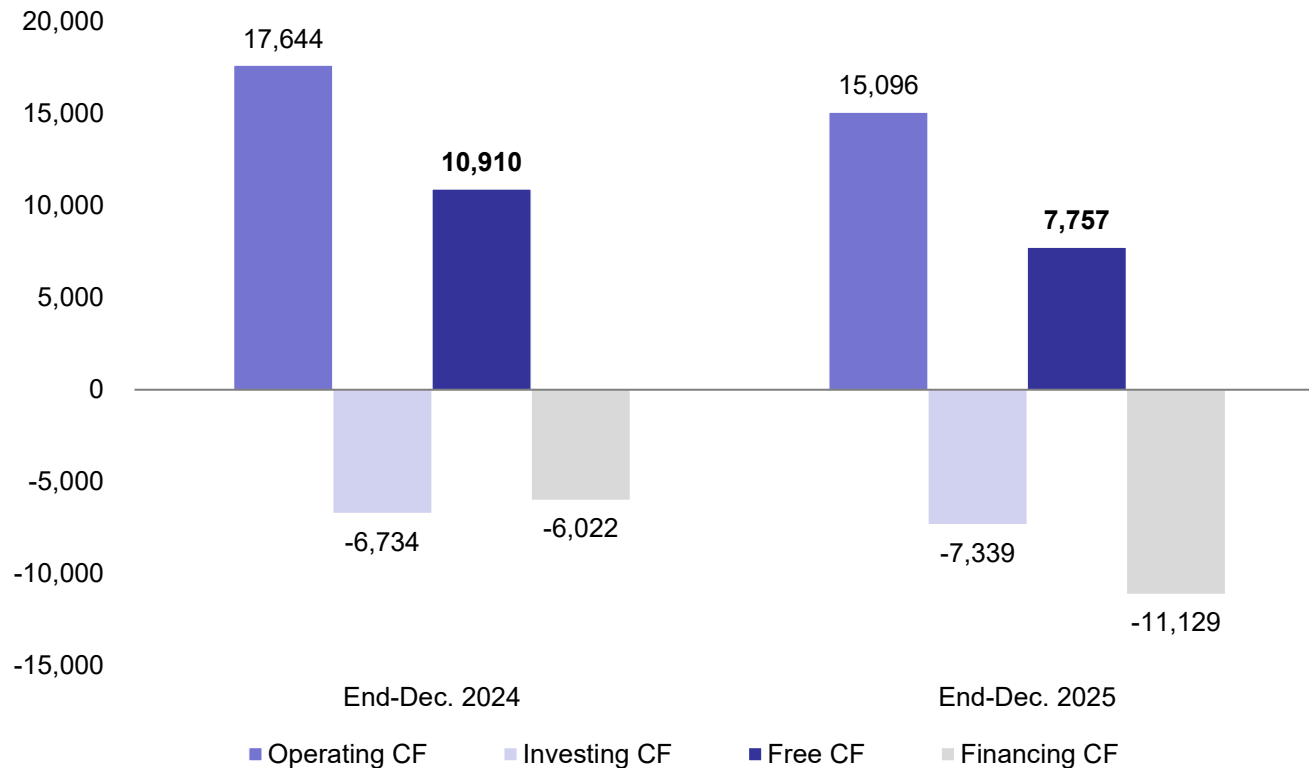
(¥ million)





## IV-3. Cash Flows

(¥ million)



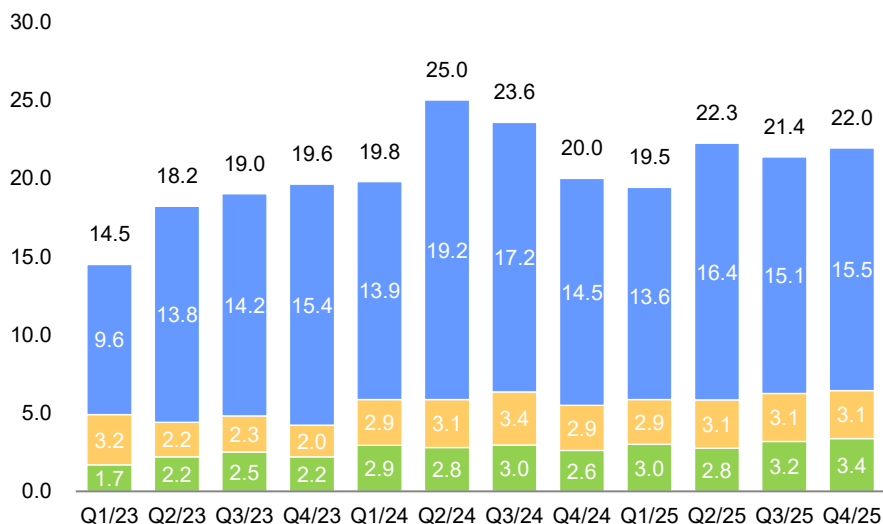
	End-Dec. 2024	End-Dec. 2025
Operating Activities CF	17,644	15,096
Investing Activities CF	-6,734	-7,339
<b>Free CF</b>	<b>10,910</b>	<b>7,757</b>
Financing Activities CF	-6,022	-11,129
Cash & Cash Equivalents at the End of Period	38,384	35,371

## 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 (%)
Photographic Products	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	+7.0
	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
Surveillance & FA Lenses	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
	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
Mobility & Healthcare Products, Others	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
	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
Consolidated Financial Results	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
	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

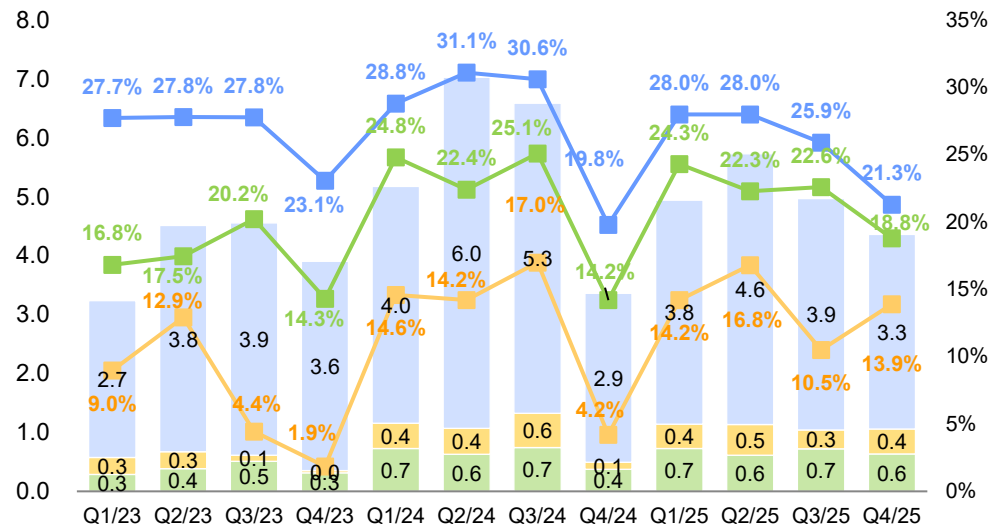
Net Sales

(¥ Billion)



O.P. / O.P. Margin

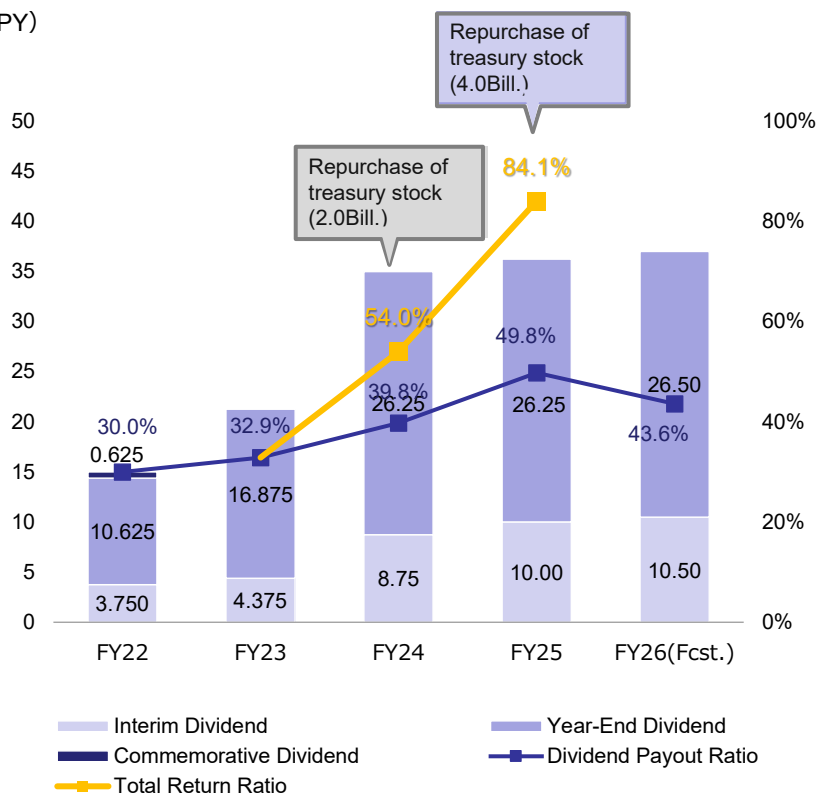
(¥ Billion)



# IV-5. Dividends and Key Performance Indicators

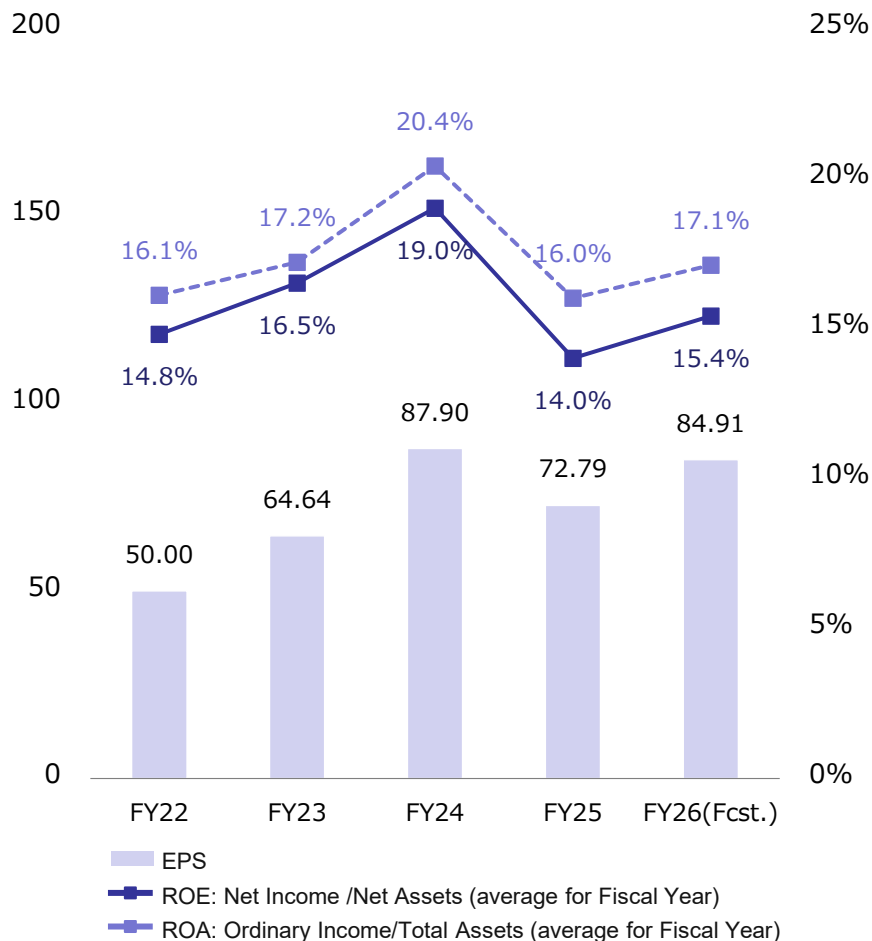
## Dividends

(JPY)



## Key Performance Indicators

(JPY)



## 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	148.00	-350	-30
EUR/JPY	175.00	-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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