

Notification Concerning Stock Acquisition of Kouyu Kosan Co., Ltd.
(Acquisition in line with the procedures to obtain
company's own stocks from specific shareholders)

This notification is served pursuant to a resolution at Board of Directors meeting held on February 27, 2015 to acquire outstanding stocks of Kouyu Kosan Co., Ltd. (hereinafter referred to as "Kouyu Kosan"), making it to a 100% owned subsidiary of Tamron Co., Ltd. (hereinafter referred to as the "Transaction") subject to approval at the 68th ordinary General Shareholders Meeting scheduled on March 27, 2015.

Kouyu Kosan, the party to acquire the stocks from, is an asset managing company owned by the family of the founder of Tamron Co., Ltd. with the vast majority of its assets being comprised of stocks of the company, and it is under the consideration of Tamron to buy them back at some point in the future to retain as the treasury stock. Under those circumstances and in order to keep fairness to our shareholders and investors while ensuring transparency of the Transaction, it is deemed appropriate to initiate the procedures in a manner equivalent to acquiring the company's own stocks retained by specific shareholders in conformity with the provisions of Paragraph 1 of the Article 156, Paragraph 1 of the Article 160 and the Article 161 of the Companies Act, while making it as a premise to validate the Transaction by means of obtaining a majority vote at the General Shareholders Meeting, excluding those stocks owned by certain individuals related to the shareholders of Kouyu Kosan, aggregated weight of which represents 23.96% of the total voting right retained by the entire shareholders of Tamron Co., Ltd.

For reasons aforementioned, it has been decided to propose the Transaction for approval at the 68th ordinary General Shareholders Meeting to take place on March 27, 2015, then to proceed with the execution after validated by the consent of the shareholders.

1. Background of the stock acquisition

Tamron has been making conscientious efforts to steadily pay dividends to its shareholders commensurate to the business performance, while working on enhancing profitability, solidifying management structure and making strategic investments on R&D as well as plant and equipment that would facilitate development of new businesses, based on the fundamental corporate policy to maintain an optimal profit sharing scheme to the benefit of the shareholders. Namely, about 30% is targeted as a baseline dividend payout ratio on a consolidated basis.

Equally important is the enhancement of capital efficiency by exercising proactive management of equity vividly responding to the ever changing business environment.

Back in November 2014, the founder's family as stated above made a proposal to the company, offering to sell the stocks in possession by Kouyu Kosan. The number of stocks retained as of February 27, 2015 stands at 1,529,826, representing 5.56% of the total number of shares issued by Tamron Co., Ltd.: e.g. 27,500,000. In addition, the offer came with a certain discount rate applicable to the purchase cost of the stocks owned by Kouyu Kosan coupled with the prevailing market value.

In view of the situation, Tamron took a proactive stance to identify an equitable option with its financial position carefully taken into account in order to mitigate potential downfall of the stock value when such substantial number of stocks were put into market in case Tamron were to decline to take the offer, causing an undesirable negative impact to the benefit of the company's shareholders.

After thorough assessment and deliberation, Tamron has reached to a conclusion that it would be best served to acquire stocks of Kouyu Kosan as proposed on the ground that: (1) it is possible to use the Transaction as a leverage for enhancing the stock value for the shareholders by virtue of increasing the earning per share (EPS);

(2) Tamron will be able to buy back its own stocks at a discounted amount relative to the prevailing market value, realizing a lower acquisition cost for our own stocks compared to the regular transaction on the market;

(3) and to accept the proposed offer will result in mitigating the risk of unexpected disadvantage to the shareholders should the stocks owned by Kouyu Kosan be traded in the open market with significant numbers, thus contributing to the benefit of all the shareholders of the company.

As for the fund required to procure the stocks of Kouyu Kosan, Tamron is prepared to allocate the whole amount from the company's own cash on hand. Since the total amount of cash and money in deposit as of December 31, 2014 stood at 15,915 million yen, it will be sufficient to cover the payment in full. In addition, cash-flow to be generated through our regular business operations will be positively accumulated going forward. In view of those circumstances, sanity and stability of the company's financial standing shall remain intact even after completion of the Transaction.

However, as stated above, the Transaction is subject to the premise that the company shall follow the procedures equivalent to cases of acquisition of own stocks from specific shareholders in compliance with Paragraph 1 of the Article 156, the paragraph 1 of the Article 160 and the Article 161 of the Companies Act of Japan and get approved by the majority vote of the company's shareholders with legitimate voting rights to Tamron's stocks (excluding those owned by certain related individuals associated with stocks at Kouyu Kosan).

With respect to disposition of the stocks currently owned by Kouyu Kosan, it is planned to merge Kouyu Kosan with Tamron Co., Ltd., making Tamron as the surviving company after completing acquisition of Kouyu Kosan, then subsequently acquire those for the company own stocks. This is in consideration of the fact that Kouyu Kosan is an asset managing company of the founder's family and its primary business is holding the stocks at this time, although it engaged in commercial activities such as leasing and renting real estate

several years ago. Please be advised that the action plan stated herein is not a final decision at the moment, and a formal announcement shall be made immediately after the determination becomes firm.

In terms of the disposition of the company's own stocks after acquisition, several options are under consideration such as making use for M&A operations and the like. Nevertheless, cancellation of those stocks will be the primary course of action aimed at enhancing of the value for the shareholders and improving the capital efficiency.

Since Mr. Hiroaki Arai, Managing Director of our company, is a shareholder of Kouyu Kosan, he has specific interest associated with this Transaction. Accordingly, he did not participate in the deliberation and resolution concerning this planned Transaction.

2. Outlines of the new subsidiary company (Kouyu Kosan Co., Ltd.)

(1) Company name	Kouyu Kosan Co., Ltd.		
(2) Address	388-3, Higashi-monzen, Minuma-ku, Saitama-shi, Saitama		
(3) Representative, office	Takeo Arai, Representative Director		
(4) Main businesses	Selling/buying of valuable securities		
	Selling, buying, leasing, renting, operation and management of real estate		
(5) Capital	20 million yen		
(6) Established	August 12, 1971		
(7) Main shareholders and their holding ratio	Mr. Takeo Arai, the representative director and his family (total 4) own 100% of issued stocks (excluding common treasury stocks)		
(8) Relationship between the company and listed companies	Capital	5.56% of Tamron stocks owned by the company.	
	Personal	Nothing in particular	
	Transaction	Nothing in particular	
(9) Business performance and financial standing of the company in the last 3 years			
Fiscal term (ended in)	July 2012	July 2013	July 2014
Net asset (million yen)	311	362	418
Gross asset (million yen)	348	366	422
Per-share net asset (yen)	7,649.82	9,132.66	10,583.76
Total sales (million yen)	2	2	3
Operating profit (million yen)	(5)	(5)	(5)
Ordinary profit (million yen)	70	71	71
Current net profit (million yen)	59	59	56
Per-share current net profit (yen)	1,601.57	1,614.12	1,538.08
Per-share dividend (yen)	— yen	250	— yen

3. Outline of the company of which stocks being planned to acquire

(1) Names	Representative director Mr. Takeo Arai and his 3 family members (total 4 individuals)
(2) Relationship between a listed company and related individuals	One of the four related individuals is Mr. Hiroaki Arai, Senior Managing Director of Tamron Co., Ltd.

4. Number of stocks to be acquired, amount involved and disposition of stocks after the acquisition

(1) Number of stocks owned before the change	— stocks (number of voting rights: —) (ratio of voting rights: — %)
(2) Number of stocks to be acquired	36,890 stocks (number of voting rights: 368)
(3) Total amount involved	Ordinary stocks of Kouyu Kosan (approx. amount) 3,686 million yen Advisory expenses, etc. (approx. amount) 6 million yen Total (approx. amount) 3,692 million yen
(4) Number of stocks owned after the change	36,890 stocks (number of voting rights: 368) (ratio of voting rights eligible: 100.0%)

(Remarks)

For valuation of the company's stocks currently retained by Kouyu Kosan, clear and objective indicators should be employed and it is deemed appropriate to reflect a reasonable prevailing market unit price of the common stocks. Weighing the interest of the shareholders benefit as the top priority, the scheme is being laid out to fix the per share value not exceeding the current market price in order to minimize the spill of the assets outside the company.

To be more specific, a scheme is set to compare (1) the value obtained by multiplying 0.93 on the average closing price at Tokyo Stock Exchange Market for the three consecutive months from November 27, 2014 through February 26, 2015, which comes up to Yen 2,155, and (2) the closing price at TSE as of March 26, 2015, namely one day prior to the date of the 68th ordinary General Shareholders Meeting of the company, then adopt the lower of the two, which shall be taken as the per share value of the stocks for acquisition.

For finalizing the total acquisition cost of the stocks at Kouyu Kosan, it is planned to rely on a third-party appraisal valuation for stock assets other than those of Tamron, and the afore-mentioned scheme shall be applied for the stocks of Tamron respectively.

For your information, the approximate acquisition value as stated above is thought to be the approximate evaluated value of stocks Kouyu Kosan has in our company. In this case, the value is obtained by multiplying the average closing price of stocks of our company during three months from November 27, 2014 through February 26, 2015 at TSE.

5. Schedule

(1) Resolution by Board of Directors meeting	February 27, 2015
(2) Date for the contract execution	February 27, 2015
(3) Date to transfer the related stocks	March 31, 2015 (planned date)

The above schedule is subject to approval by our shareholders at the annual General Shareholders Meeting of the company to be held on March 27, 2015.

6. Outlook going forward

The influence of the Transaction to the consolidated business performance of the company for the current fiscal term ending December 31, 2015 is anticipated to be negligible. You shall be promptly informed of the results as soon as becoming known and when a necessity arises.

7. Other remarks

In executing the Transaction, pertinent procedures shall be taken in line with cases equivalent to the acquisition of our own stocks from specific shareholders. As for the evaluated value of stocks of our company held by Kouyu Kosan among its assets, as stated in the remarks of the above paragraph number 4 “Number of stocks to be acquired, amount involved and situations of stocks after the acquisition”, it does not exceed the value obtained by the method specified in the Article 161 of the Companies Act and the Item 1 of the Article 30 of the Ordinance for Enforcement of the Companies Act (namely, the final price of our stocks at the TSE on March 26, 2015, the day before the opening day of the 68th general meeting of shareholders of our company). Accordingly, sellers’ claim right as specified in the Paragraphs 2 and 3 of the Article 160 of the Companies Act will not occur on the side of our shareholders other than the party of this Transaction.

(For your information) State of holding of own stocks as of December 31, 2014

Total number of stocks issued (excluding own stocks)	27,450,636 stocks
Number of own stocks	49,364 stocks