

**Tamron Co., Ltd.**  
**FY2019 Financial Results Briefing**  
On Friday, February 7, 2020 at 17:00-18:00

**[Main Questions and Answers]**

**Q1. Roughly what percentage of the sales of Tamron-branded interchangeable lenses came from the models for mirrorless cameras?**

**A1.** For FY2019, it rose to slightly below 40%. For FY2020, all new models to be released will be for mirrorless cameras, and the ratio will be 50% or higher.

**Q2. I feel that your earnings forecast in the Photographic Products segment for FY2020 is conservative. Is there anything behind your cautious outlook?**

**A2.** We do not think that the forecast is particularly conservative, as it is premised on circumstances where the interchangeable lens camera market will continue to shrink. We are planning to focus our sales efforts on high-end models and forecast an increase in sales of Tamron-branded products.

**Q3. There is a significant difference from the projected sales of drones in the Mid-Term Management Plan. Does it mean that you have no intention to step up this business in the future?**

**A3.** We will continue to strengthen it. The sales figure did not reach the planned level and we faced the cancellation of orders we had expected to gain for many models, because the hobby and other markets are mature. However, we are thinking of increasing sales by making fresh efforts together with partner manufacturers to address the market for industrial-use drones and other new markets with growth potential.

**Q4. You explained that you would work to boost sales of surveillance/factory automation lenses in the Chinese market. What particular action will you be taking for this purpose?**

**A4.** We continued to fail to win orders in the Chinese market for several years, despite its expansion. However, as a result of our efforts over the past two years, our products are now being adopted. Of course, there is a price gap with products from Chinese manufacturers, but soaring demand for facial recognition and for high value-added lenses following advances in the performance of surveillance cameras and our superiority in quality management are bringing orders to us.

**Q5. Capital investment was higher in FY2019 than in the past, and it is planned to be yet higher for FY2020. What explains this?**

**A5.** We made investments in introducing facilities for automotive cameras to the factory in China and in boosting the capacity of the Vietnam factory. In recent years, capital investment has been growing in metal molds, following new product development. In addition, we are making intensive efforts in technology development. We will invest in bolstering these efforts.

**Q6. You have forecast a rise in depreciation. Is there any special reason for it?**

**A6.** That is due to the increase in capital investment. The rise of metal molds for new product models is another factor.

<Note>

This material is provided as a reference material for the convenience of those who were unable to attend the financial results briefing. Please note that its content is not an exact copy of what was discussed in the event but that it is a summary made at our discretion.

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