

## Mid-Term Management Plan (Review of the Previous Plan and Introduction of

## New Mid-Term Management Plan)

Tamron's mission lies in contributing to the development of a fulfilling society in which all people experience emotion and reassurance through its corporate activities.

As of 2021, we have launched the new mid-term management plan Vision23, and are aiming to achieve new leaps ahead based on building a sustainable business base.

### Review of the Previous Mid-Term Management Plan (2018 to 2020)

#### Main Achievements

- By achieving higher profitability of core businesses, mid-term targets for profit and ROE were reached a year earlier than expected
- Achieved a large increase in the number of new own-brand interchangeable lens products released- Achieved a large increase in the number of new own-brand interchangeable lens products released
- Achieved high growth in net sales of automotive lenses (1.5 times in three years)
- Launch of the module business and full-scale commercialization
- Entered the health care segment
- Optimized scale of Japanese production locations
- Revised personnel systems and raised awareness of productivity improvements
- Flattened and slimmed Tamron's organization structure
- Obtained outstanding health and productivity management company certification
- Formulated an environment vision

#### Main Issues

- Failed to achieve target for net sales
- Allocating management resources to high growth areas on a priority basis
- Developing new businesses
- Creating new business domains
- Greater shrinkage of digital camera market than anticipated
- Handling the mature B to C drone market

	FY2017 results	2020 mid-term plan	First year progress FY2018 results	Second year progress FY2019 results	Final year FY2020 results
Net sales	60.5 billion yen	72.0 billion yen	61.8 billion yen	63.3 billion yen	48.4 billion yen
Operating income	4.2 billion yen	6.6 billion yen	5.4 billion yen	7.0 billion yen	3.6 billion yen
Operating income margin	7.00%	9.20%	8.80%	11.00%	7.40%
ROE	5.80%	More than 9%	8.60%	10.10%	3.90%
	USD = 110 JPY EURO = 130 JPY		USD = 110.45 JPY EURO = 130.38 JPY	USD = 109.04 JPY EURO = 122.06 JPY	USD = 106.77 JPY EURO = 121.92 JPY

\* Exchange assumption

### Positioning of the New Mid-Term Management Plan

In light of the achievements and issues that emerged from the previous mid-term management plan, in Vision23, our new mid-term management plan, we will adopt the basic policies of executing investments and resource allocations for dramatic progress from a long-term perspective, and steadily

implementing the development of business foundations that will enable sustainable growth. Based on that foundation, we will work to maximize corporate value and achieve real high-quality business growth in the future.

### Launch of Vision23 New Mid-Term Management Plan



### Basic Strategies of Vision23 New Mid-term Management Plan

In order to execute appropriate investments and resource allocations from a long-term perspective, we will also be making some changes to our segments to optimize our business portfolio.

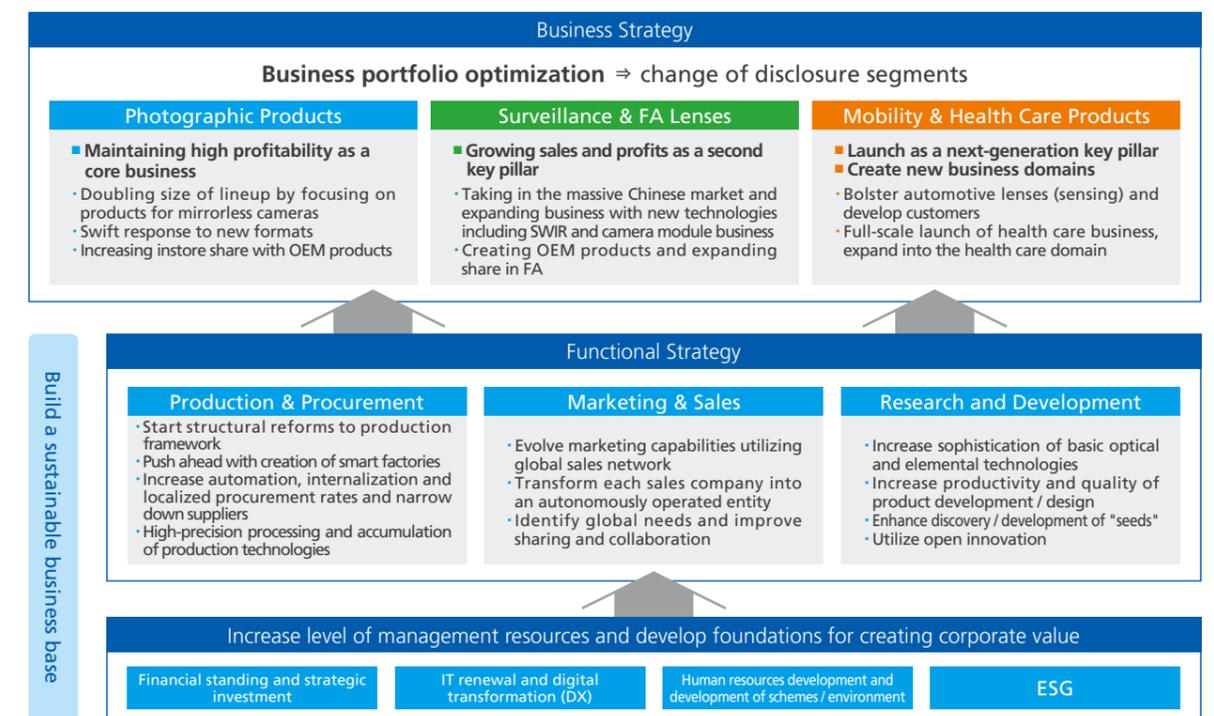
In our core business, the Photographic Products Business, we will maintain our high-profit structure as a key pillar of our revenue base, while focusing on products for mirrorless cameras to increase our market share for both our own-brand products and OEM products.

We have positioned Surveillance & FA Lenses as a second key pillar segment, and will step up to the phase of achieving profit growth. In order to do so, we will focus on the Chinese

market for surveillance products and seek to expand FA-related business with new technologies.

We will launch the Mobility & Health Care Products and Others business segment as a new next generation key segment incorporating the existing drone and automotive lenses segment and the health care segment, seeking to enter new areas in the health care domain.

In terms of capabilities, we will seek to increase the level of business management resources and strengthen various areas of management such as in new business development processes, in order to build a sustainable business base.



### Financial Targets of Vision23 New Mid-Term Management Plan

Our consolidated targets are net sales of 61.0 billion yen (an increase of around 25% from 2020) and operating income of 7.0 billion yen, which will be the highest in the last ten years.

We aim to make a rapid recovery to a highly profitable structure. We also aim to achieve an ROE of more than 9%.

#### New Vision23 Mid-Term Management Plan (2021-2023)

<Consolidated>	FY2020 results	2023 mid-term plan
Net sales	48.4 billion yen	61.0 billion yen
Operating income	3.6 billion yen	7.0 billion yen
Operating income margin	7.4%	11.5%
ROE	3.9%	More than 9%

\* Exchange assumption

USD = 105 JPY  
EURO = 123 JPY

#### Rapid Recovery to Pre-COVID-19 High-Profit Levels

