

**Tamron Co., Ltd.**  
**FY2023 Financial Results Briefing**  
On Thursday, February 8, 2024 at 16:00-17:00

**[Main Questions and Answers]**

**Q1. You explained that, under the new medium-term management plan, you will enhance your shareholder return policy and set a target total return ratio of 60%. Doesn't the repurchase of treasury stock through market trading transactions involve the risk of a decline in stock liquidity?**

**A1.** As we announced today, we also plan a stock split and will concurrently take measures to improve the liquidity.

**Q2. Will you repurchase treasury stock from the market in the future or do you also plan to repurchase it from specific shareholders? Could you give details of the way you will repurchase treasury stock?**

**A2.** We plan to repurchase it from the market instead of specific shareholders.

**Q3. You explained that you will conduct M&A (including alliance) worth 18.0 billion yen under the new medium-term management plan. I think there are various purposes to the M&A, such as the acquisition of technological capabilities, sales channel, and suppliers.**

**What is the main objective of the M&A?**

**A3.** The acquisition of technological capabilities will be effective, but we believe that basically, the M&A will be linked to sales and profits as it should. After all, we need to increase the top line for FA and in new fields, and our first targets will be companies which will enable us to supplement or acquire products and sales channels.

**Q4. If you cannot find any company to acquire during the three years under this medium-term management plan, will you use the 18.0 billion yen for any other purpose or use it for the distribution of profit?**

**A4.** Even if we don't use it during the three years under this medium-term management plan, we don't know what investment possibilities will remain three years from now. We would like to decide what to do in light of the situation prevailing at the time.

**Q5. In the Photographic Products Business, the unit price has continued rising due to the product mix improvement. Will you set higher prices than before for future new products, or is there a possibility that you will revise prices set for existing products in light of the weak yen or suchlike?**

**A5.** Regarding pricing policy, we will appropriately reflect factors including soaring raw material costs, higher personnel costs, and impact of exchange rate in prices set for new products. We plan to continue with this policy.

**Q6. Regarding the Photographic Products Business, I feel that the new medium-term management plan is modest considering the growth it has achieved to date. What was your assumption about the market when you formulated the plan?**

**A6.** We believe that in 2023, the environment began to return to the normal state, with the COVID-19 pandemic having eased and people having become active again. We believe that the photography market will remain stable. We forecast that, until 2026, conventional SLR cameras will continue to decline, resulting in a slight decrease in terms of quantity, but will grow in monetary terms because companies have launched high-value added products into the market.

**Q7. I think you have launched Tamron brand lenses for Sony mounts, those for Nikon mounts, and those for Fujifilm mounts. Are the lenses for Canon mounts factored into the latest medium-term management plan?**

**A7.** We will continue to offer lenses for specific mounts, but I will refrain from giving detailed comments.

**Q8. You have changed the policy on the distribution of profit significantly and show various indicators including a payout ratio of 40%, a total return ratio of 60%, and allowance for repurchasing shares at 6.5 billion yen. Which one do you attach the greatest importance to?**

**A8.** As shown in Cash Allocation, we will first increase investment in future growth significantly in light of cash on hand, but we have also decided to increase shareholder returns. As a means of achieving this, we will first increase the payout ratio surely and also repurchase shares to give agility to our future capital policy as a measure to enhance shareholder returns. We deem all of these measures, rather than specific ones, as important for us.

**Q9. Is the 2.0 billion yen for repurchasing shares, which was disclosed this time, included in the 6.5 billion yen as allowance for repurchasing shares under the new medium-term management plan?**

**A9.** Yes, it is. Basically, we assume an annual amount of around 2.0 billion yen.

**Q10. Operating income from Mobility & Healthcare is forecast to decrease in 2024. Am I correct in understanding that the factor for the decline is the cost for new business? Am I correct in thinking that while sales from the automotive business will increase, resulting in growth in marginal profit as well, you forecast a decline in operating income because the cost for new business will increase by 400 million yen to 500 million yen or more?**

**A10.** We expect expenses for strengthening the creation of new fields where we will undertake development efforts. In addition, our policy in the automotive field is to develop basic technologies more earnestly than ever to be more active in seeding in the future. Accordingly, we expect a decline in operating income on net sales.

<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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