

Kyocera Corporation Company Presentation

(Code Number: 6971, TSE Prime Market)

May 31, 2023

Hiroaki Chida
Executive Officer,
Senior General Manager of
Corporate Management Control Group



1 Corporate Profile

2 Medium-Term Management Plan

3 Shareholder Returns

1 Corporate Profile

2 Medium-Term Management Plan

3 Shareholder Returns

Established in

1959

Location of Head Office

Kyoto

Group Companies

298

(Including Kyocera Corporation;
as of Mar. 31, 2023)

Group Employees

81,209

(As of Mar. 31, 2023)

Shares Listed on
Prime Market,
Tokyo Stock Exchange

Market Capitalization
Approx. **2.9** Trillion Yen

(Closing price, as of May 26, 2023)

Annual Sales Revenue

Approx. **2** Trillion Yen

(Results for FY Mar. 2023)

Overseas Sales Ratio

Approx. **70%**

(Results for FY Mar. 2023)



Chairman of the Board and
Representative Director
Goro Yamaguchi



President and
Representative Director
Hideo Tanimoto

Corporate Motto

敬天愛人

“Respect the Divine and Love People”

Preserve the spirit to work fairly and honorably, respecting people, our work, our company and our global community.

Management Rationale

To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.

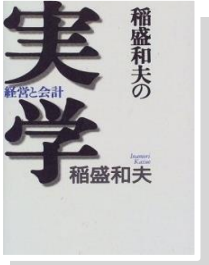
1) Unique Philosophy and Management Methods

Kazuo Inamori's Practical Study of Management and Accounting

Amoeba Management



Management methods to operate small group called “amoeba” in a financially independent manner.



Practical accounting principals based on fairness and transparency.

Amoeba Management **Kyocera's Accounting Principles**

The Kyocera Philosophy (Management Philosophy)

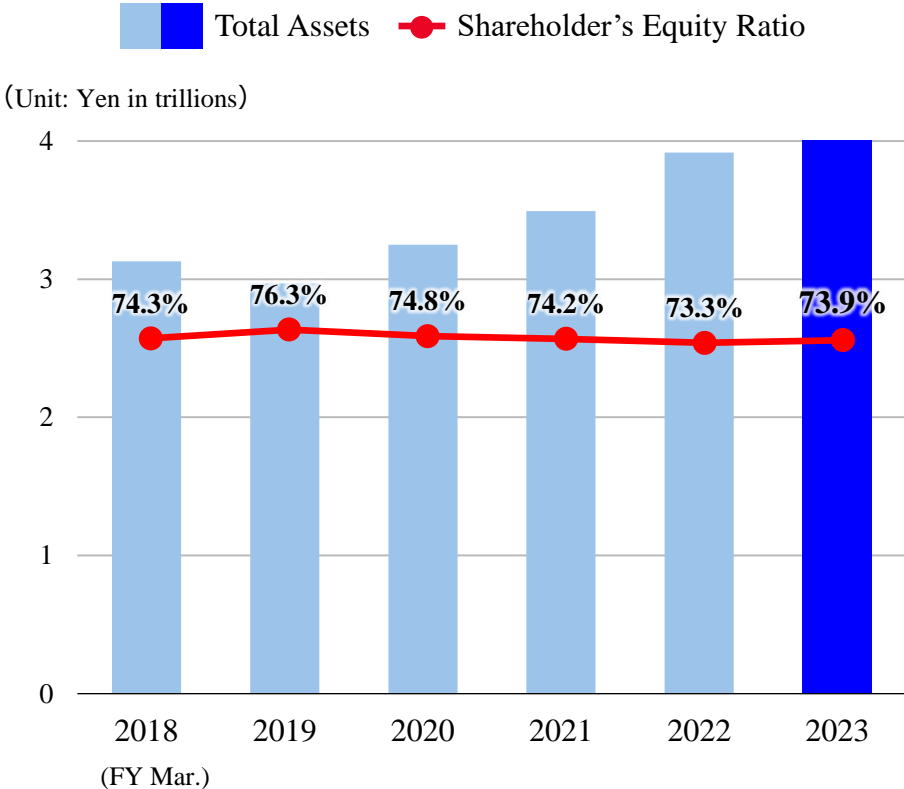
Kyocera Philosophy



A guiding principle based on a criterion “Do what is right as a human being” to realize the management rationale.

2) Strong Financial Base

(As of March 31, 2023)



Total Assets
Approx. **4** Trillion Yen

Shareholder's Equity Ratio
Approx. **74** %



Strong financial base and high shareholder's equity ratio enables sustainable management

3) Various Elemental Technologies and Global Business Operations

Fine Ceramic Technologies



Kyocera offers wide range of products for the markets such as the industrial, electronics, automotive and renewable energy, by utilizing core technology fostered from the start of business.

Wireless Communication Technologies



In addition to communication terminals and various communication modules, Kyocera provides engineering business such as base station construction.

Broad Business Domains and Global Business Operations



Kyocera operates production, sales and R&D activities globally to support various customers world-wide.

What are Fine Ceramics?

Ceramics are non-metallic, inorganic substances that are manufactured through a process of exposure to high temperature, such as pottery, glass, cement. Fine ceramics are type of ceramics in which the chemical composition has been precisely adjusted and manufactured in well-controlled production process and possess high material property as well as dimensional precision.

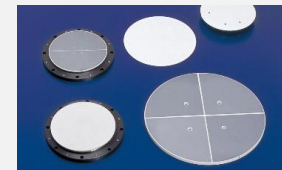


A Key Components for the Manufacturing Equipment of Semiconductors, the Essential Components for Smartphones and Automobiles

Fine ceramic components are used in semiconductor processing equipment, particularly in harsh processes that generates plasmas, which metal etc. would be corroded.



Domes, Chambers



Electrostatic Chucks



Focus Rings

Forecasts to reach a record high sales revenue for the third consecutive year (2.1 trillion yen)

(Unit: Yen in trillions)

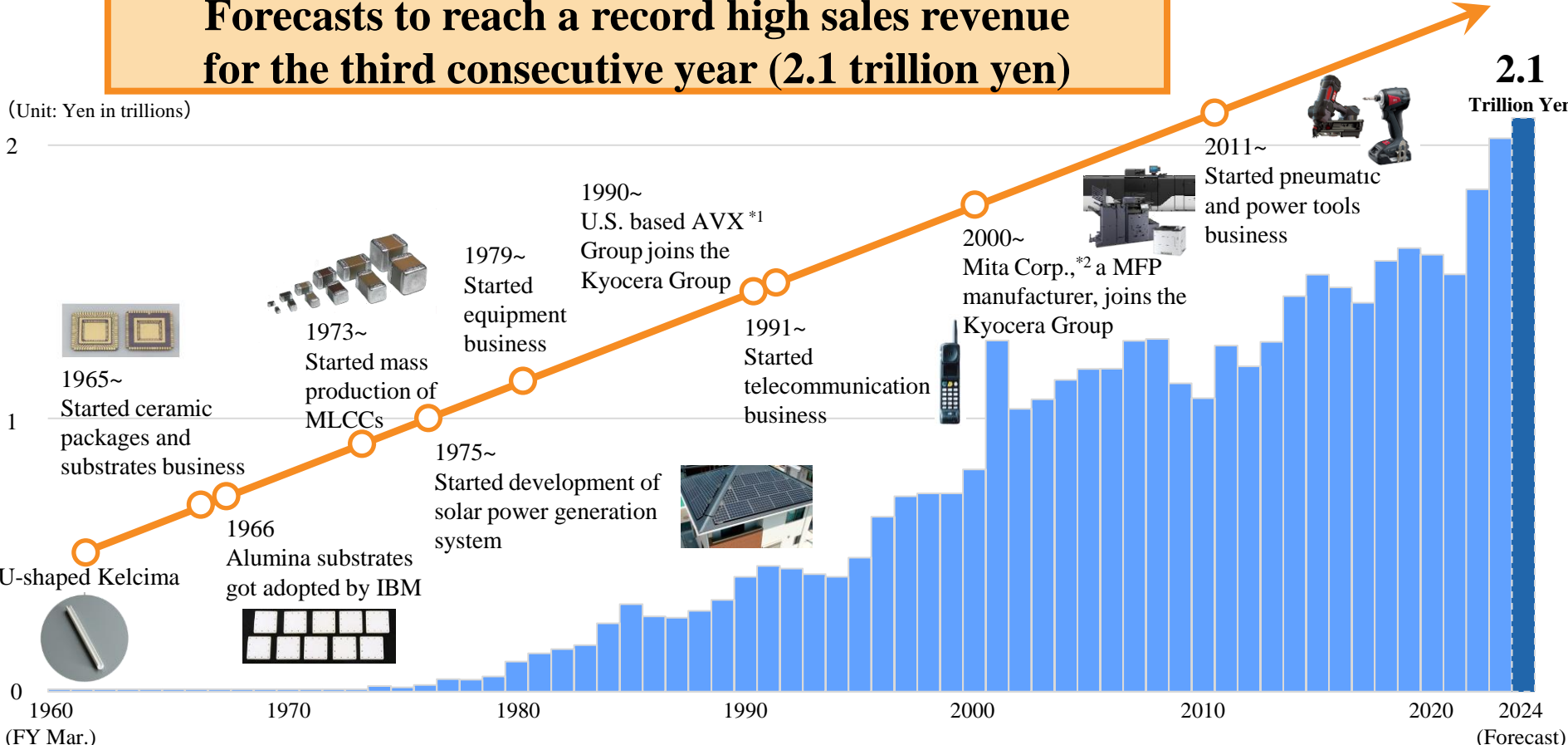
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(FY Mar.)

2.1
Trillion Yen

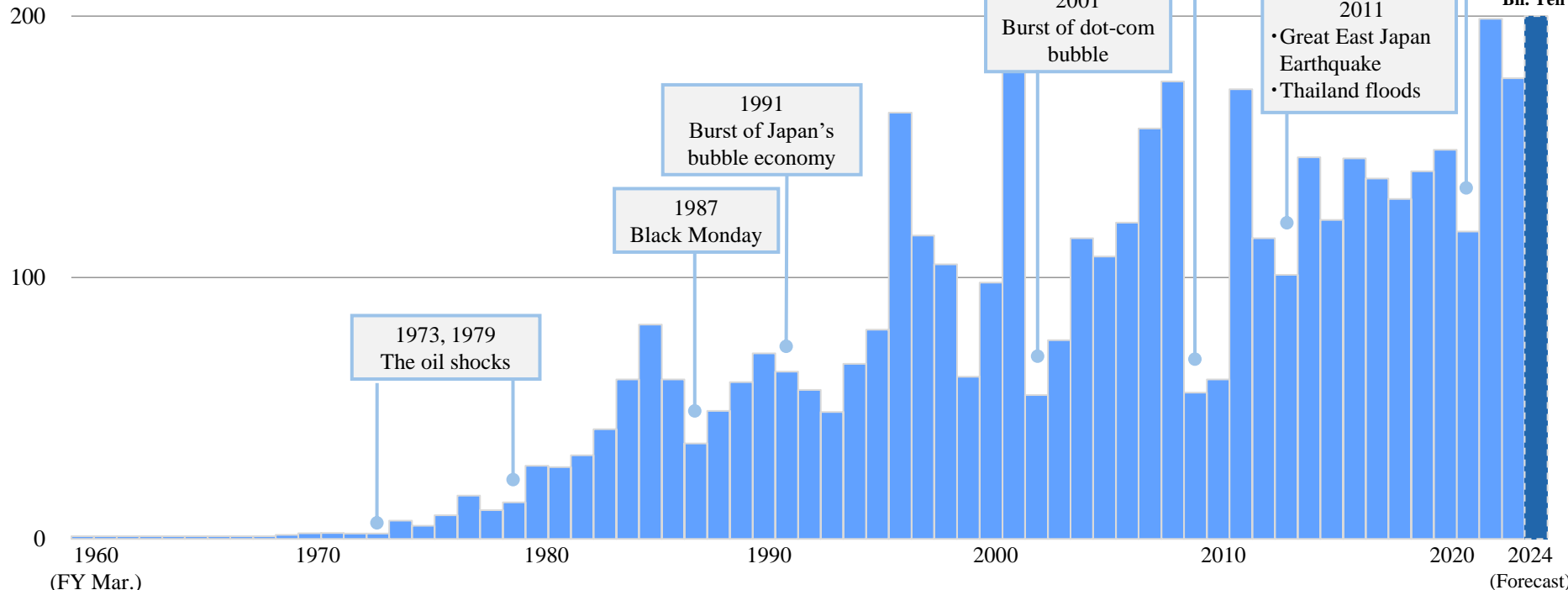


*1 Currently Kyocera AVX Components Corporation ("KAVX")

Path of Growth (2) Profit Before Income Taxes

Continuing to post profit every year since establishment

(Unit: Yen in billions)



*2001: Including the impact of the increase in the equity interest of Kyocera in the amount of 174.1 billion yen due to the formation of KDDI following the merger of predecessor companies of KDDI.

Solutions Business

Solutions Business provides wide-range of equipment and systems such as pneumatic and power tools for general and industrial use, MFPs and printers, mobile phones, and residential electricity storage systems as well as solutions-based services.



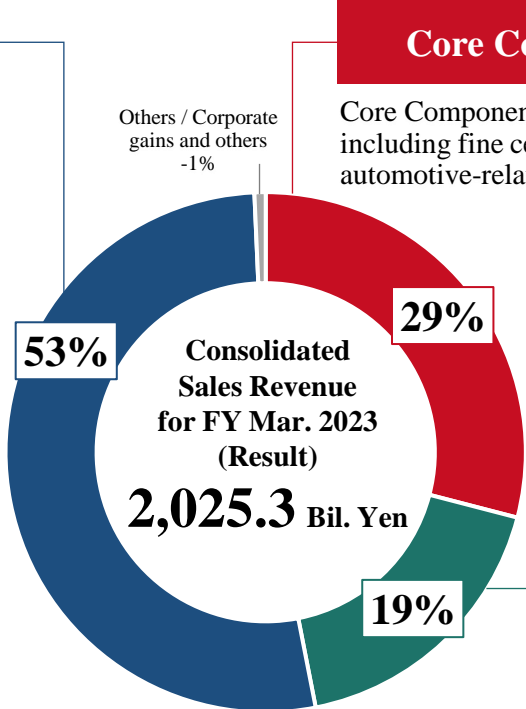
Core Components Business

Core Components Business provides various components, including fine ceramics, our founding business, for the industrial, automotive-related and information and communication markets.



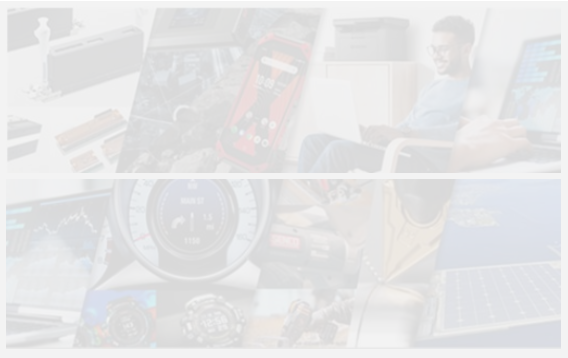
Electronic Components Business

Electronic Components Business provides various electronic components and devices to information and communication, automotive-related and consumer markets.



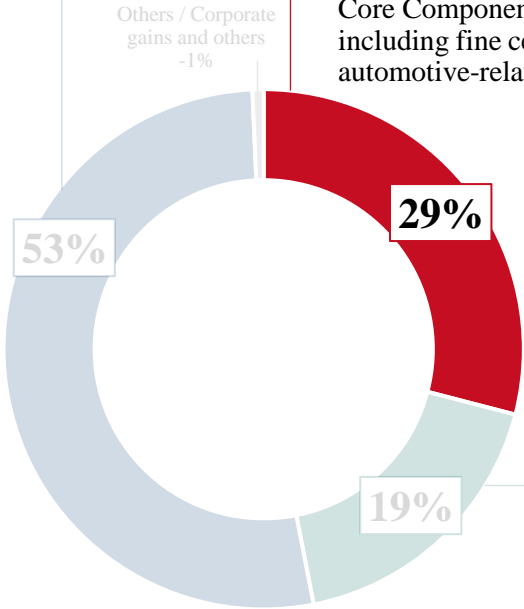
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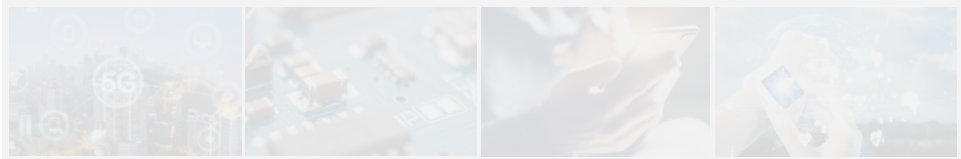
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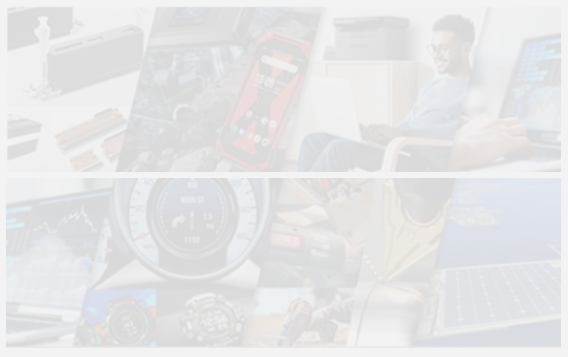
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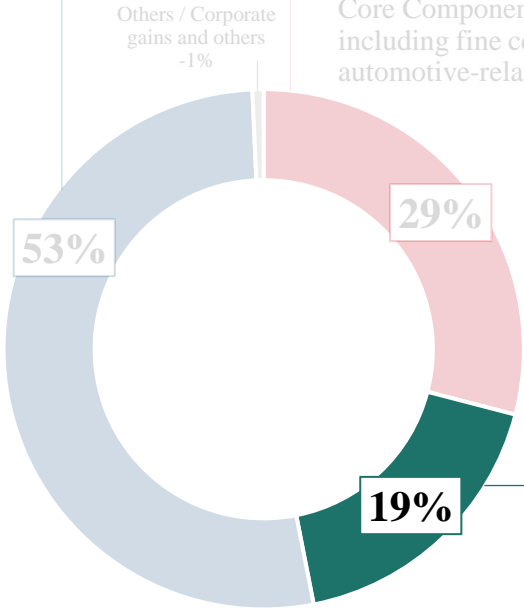
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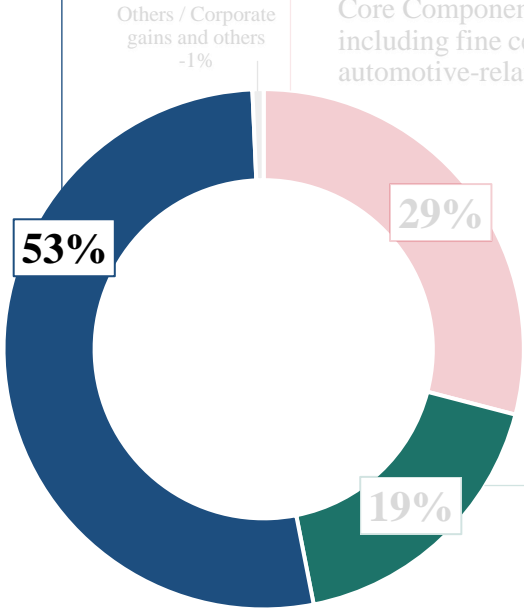
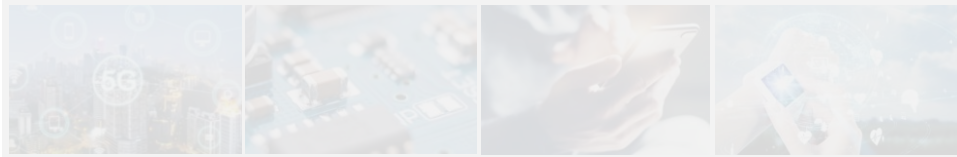
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1 Corporate Profile

2 Medium-Term Management Plan

3 Shareholder Returns

1. Realization of our Management Rationale

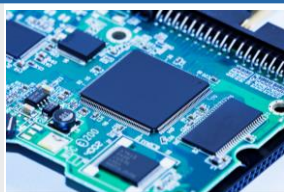
To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.

2. Practice of High-Profit Management

Maximize revenues and minimize expenses.

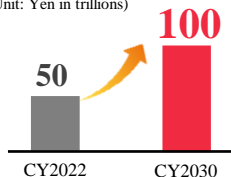
**Return to the basics of our management philosophy
in formulating the Medium-Term Management Plan**

Medium- to long-term expansion of semiconductor market



Size of Semiconductor Market

(Unit: Yen in trillions)



How we contribute

Supply components that address the recent industry-wide semiconductor shortage

Full-scale application of AI, 5G, ADAS and other new technologies



How we contribute

Supply components and equipment to automotive and electronic equipment markets to meet growing demand due to digitalization

Growing global environmental awareness



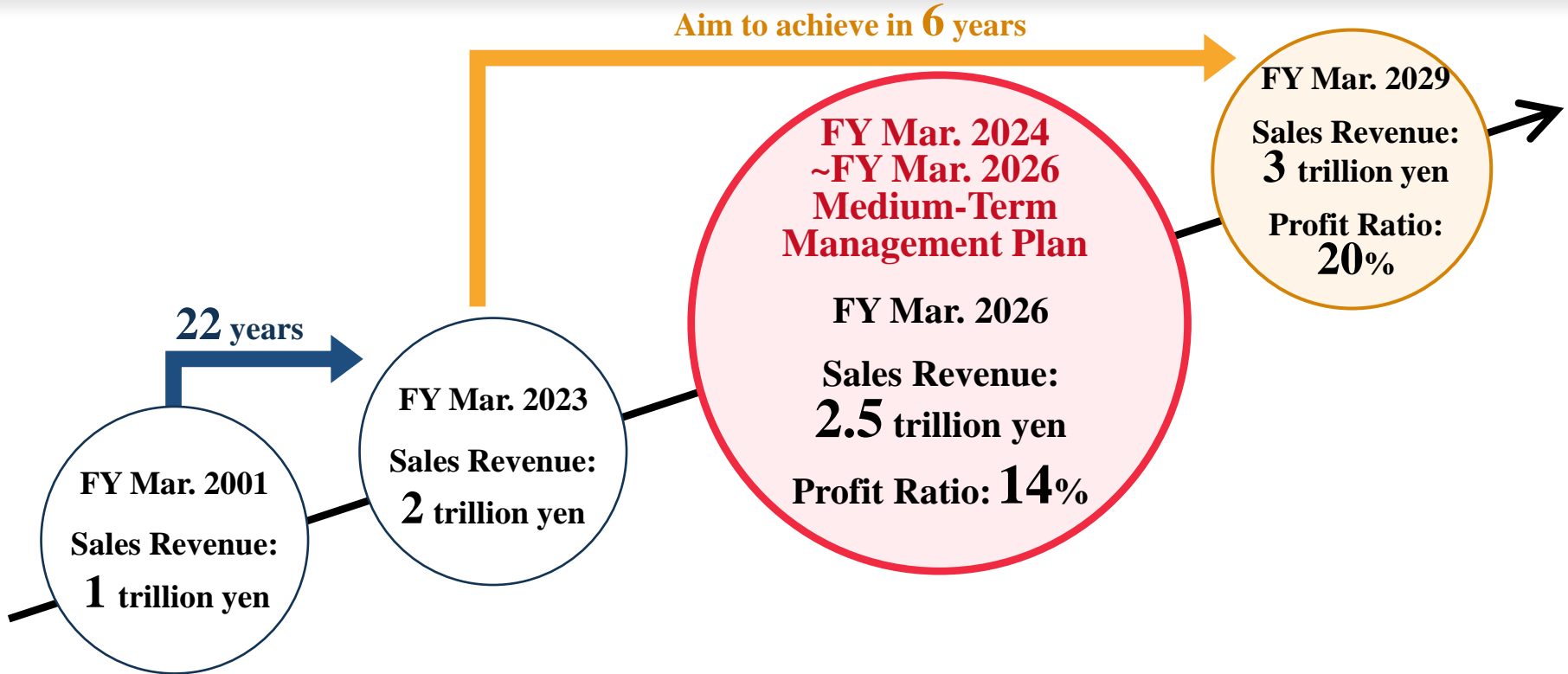
Digital textile printing system



How we contribute

Provide eco-friendly products and solutions that address social issues

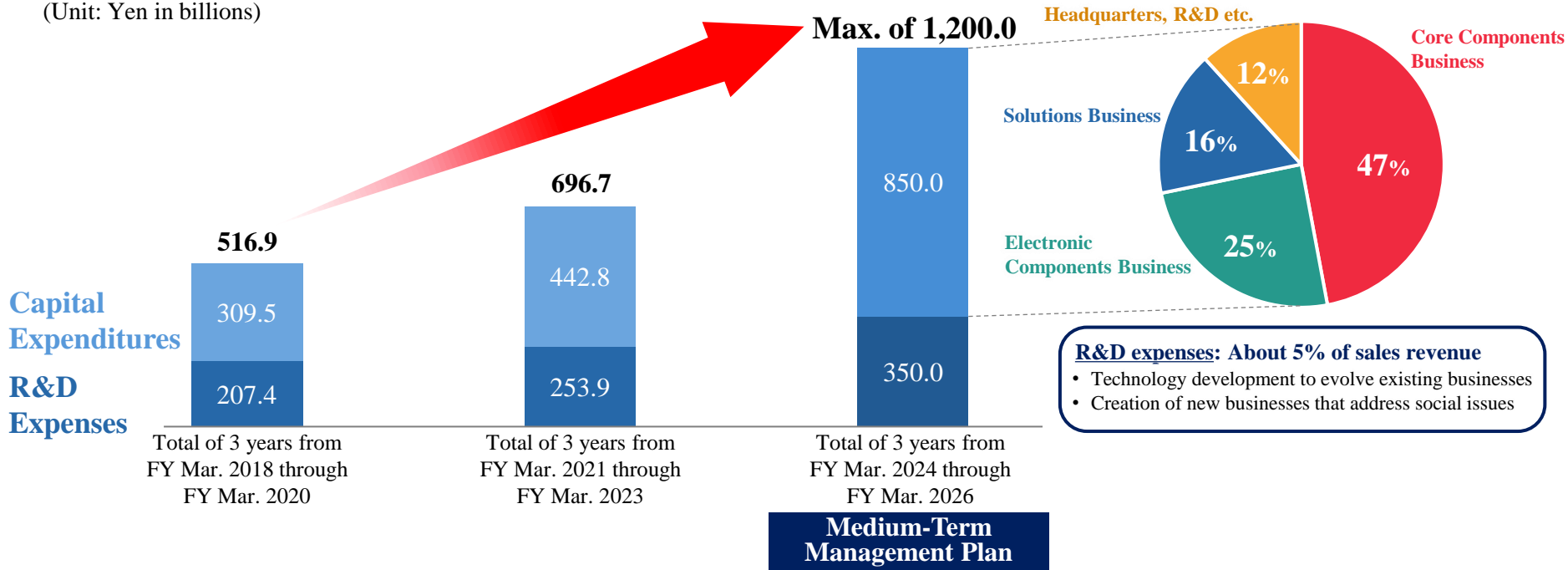
Practice high-growth, high-profit management by solving issues facing society and humankind through our technologies and products



Regain our challenging spirit by returning to a growth trajectory

Trend of Capital Expenditures and R&D Expenses

(Unit: Yen in billions)



Prioritize investment in markets and products with high growth potential

Numerical Targets (Kyocera Group Consolidated)



(Unit: Yen in billions)

	FY Mar. 2023
Sales Revenue	2,025.3
Profit Before Income Taxes	176.2
Profit Ratio	8.7%
ROE	(Result) 4.3%
Capital Expenditures	173.9
R&D Expenses	94.3

Medium-Term Management Plan		
	FY Mar. 2024	FY Mar. 2026
	2,100.0	2,500.0
	200.0	350.0
	9.5%	14.0%
	(Target) 5.0% or more	(Target) 7.0% or more
	Maximum of 850.0 for 3 years	
	Maximum of 350.0 for 3 years	

Leverage the collective strengths of the Kyocera Group to achieve targets

Group-wide

- Continue proactive investment on a record scale
- Realize high growth by concentrating internal resources into areas of competitive advantage
- Enhance profitability by maximizing use of digital technology
- Allocate management resources optimally by expediting decision-making on business continuity/withdrawal

Core Components Business

- Focus on components for high-growth potential semiconductor-related markets
- Make aggressive capital investment to increase production and productivity

Electronic Components Business

- Increase market share by maximizing synergies between Kyocera and KAVX
- Focus on capacitors and timing devices

Solutions Business

- Expand eco-friendly products and businesses that address social issues
- Enhance profitability through structural reforms in Communications Unit and energy business

Medium-Term Target by Reporting Segment (FY Mar. 2026)

Core Components Business

FY Mar. 2026

Sales Revenue: **780.0** bil. yen

Business Profit: **140.4** bil. yen

Profit Ratio: **18.0%**

Electronic Components Business

FY Mar. 2026

Sales Revenue: **500.0** bil. yen

Business Profit: **100.0** bil. yen

Profit Ratio: **20.0%**

Solutions Business

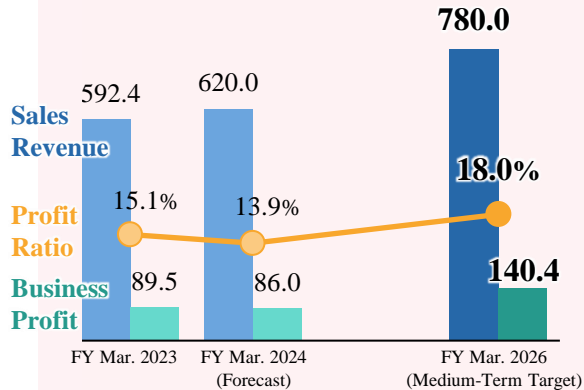
FY Mar. 2026

Sales Revenue: **1,250.0** bil. yen

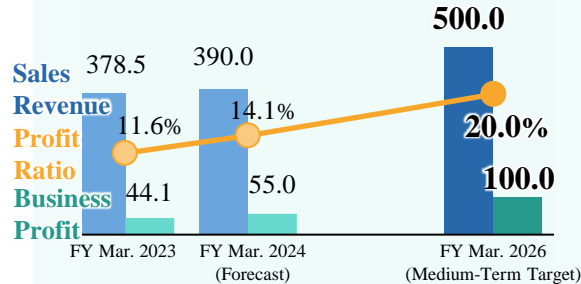
Business Profit: **125.0** bil. yen

Profit Ratio: **10.0%**

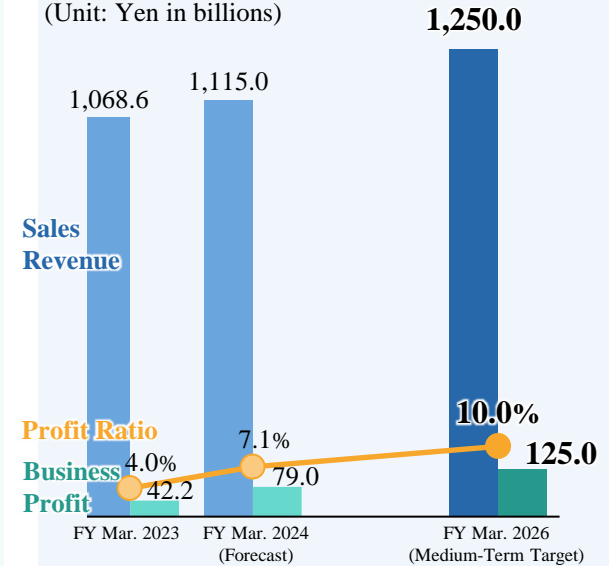
(Unit: Yen in billions)



(Unit: Yen in billions)

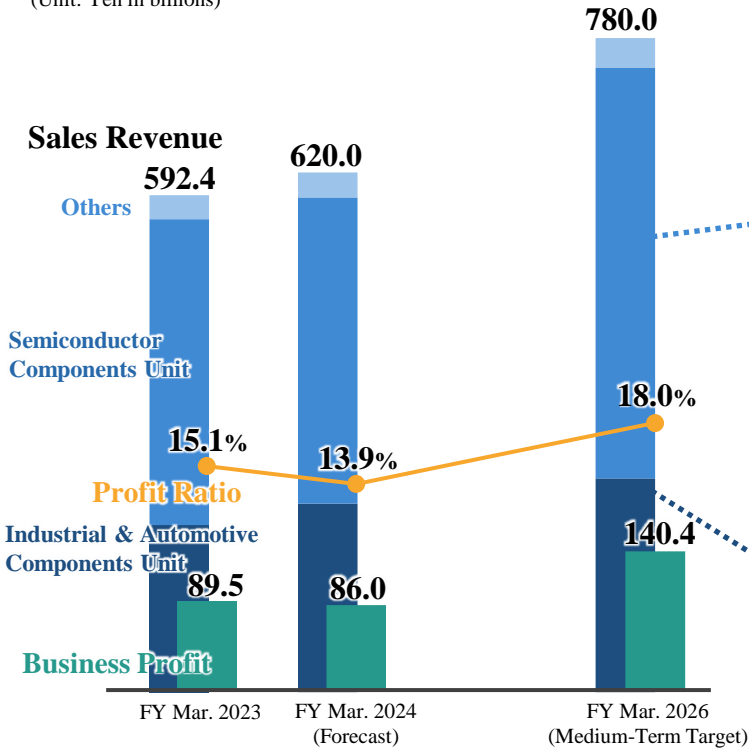


(Unit: Yen in billions)



Core Components Business
Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

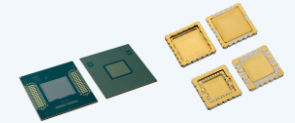
Take advantage of increasing demand over medium to long term to expand business, particularly in areas of competitive advantages

Semiconductor Components Unit

FY Mar. 2023 Sales Revenue 364.6 bil. yen
 FY Mar. 2026 Sales Revenue 490.0 bil. yen

- ✓ Expand production of **organic packages and boards and ceramic packages for information and communications-related markets**
- ✓ Focus on high-value-added products
- ✓ Enhance production technology for highly complex products

+34%

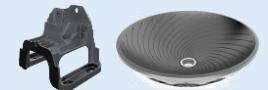


Industrial & Automotive Components Unit

FY Mar. 2023 Sales Revenue 199.2 bil. yen
 FY Mar. 2026 Sales Revenue 255.0 bil. yen

- ✓ Increase production of **fine ceramic components for semiconductor processing equipment of cutting-edge semiconductors**
- ✓ Capture demand in fields related to automotive ADAS and EVs

+28%



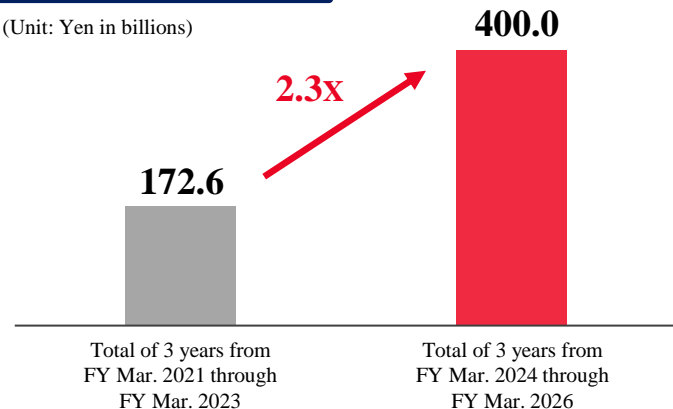
Basic Policy

Accelerate investment to expand production

- **Further enhancement of preparatory investment by working closely with customers**
- **Early preparation for constructing new buildings and plants as a response to prolonged material procurement and construction period**

Capex Plan

(Unit: Yen in billions)



Major Capital Expenditures

◆ **Increase capacity via new facilities in view of long-term demand growth**

- Fine ceramic components: Kagoshima Kokubu Plant and Shiga Yohkaichi Plant
- Ceramic packages: Vietnam Plant and Kagoshima Sendai Plant
- Organic packages and boards: Kyoto Ayabe Plant and Kagoshima Sendai Plant

◆ **Scrap and build existing facilities by utilizing new facilities**

Location and planned timing for commencement of production in new buildings



**Long-Term Goal:
Production expansion target**

Organic packages and boards
2.4 x

Fine ceramic components
1.8 x

Ceramic packages
1.4 x

Make record capital investment to meet growing medium- to long-term demand

Acquire land for new factory in Isahaya, Nagasaki

Overview

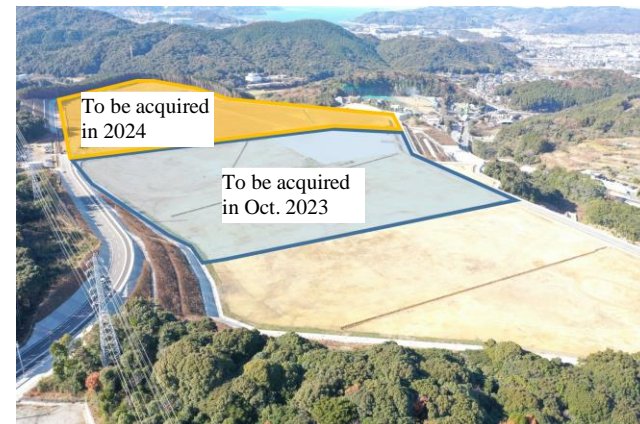
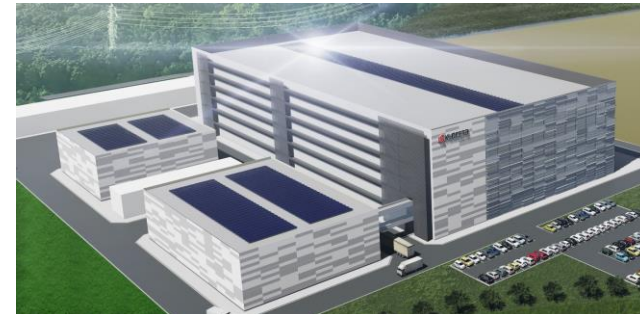
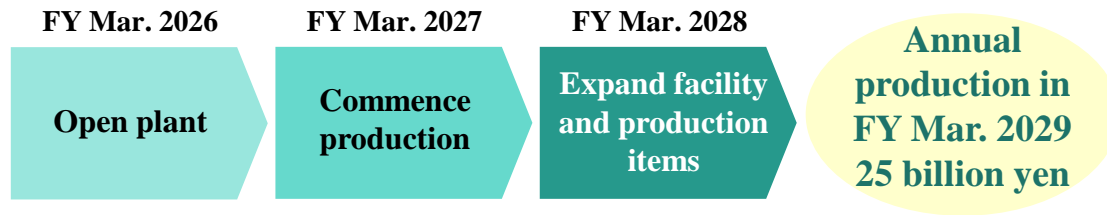
- **Name:** Nagasaki Isahaya Plant (tentative name), Kyocera Corporation
- **Location:** Minami Isahaya Industrial Park, Oguri District, Isahaya City, Nagasaki Pref.
- **Investment:** Approx. 62 billion yen (through FY Mar. 2029)
- **Total area:** Approx. 150,000m²
- **Main structure:** Steel-framed 6-story building
(Planned to start construction in FY Mar. 2024)

Production Items

Fine ceramic components for semiconductor processing equipment, ceramic and organic packages, etc.

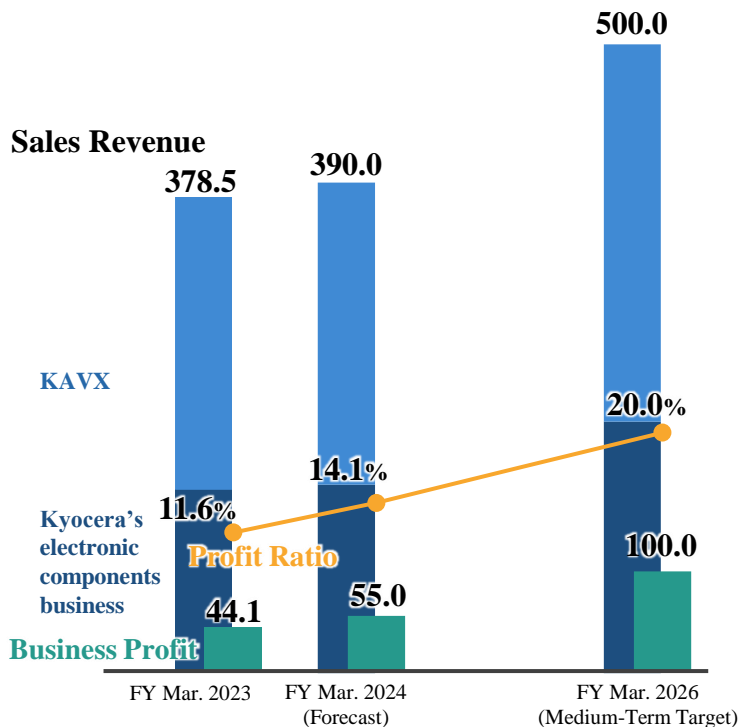


Production Plan



Electronic Components Business
Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

Focus on areas of expertise and leverage synergies between Kyocera and KAVX to expand market share and enhance profitability

<Sales>

Utilize KAVX's **global sales network** and **strong relationships with key customers** to expand sales of Kyocera's electronic components business

<Production>

Incorporate Kyocera's **labor-saving and high-efficiency production technology** to KAVX's production sites to increase productivity

<Target market share based on synergy effects>

Tantalum Capacitors



FY Mar. 2023 FY Mar. 2026

30% → 40%

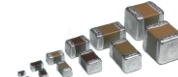
Timing Devices



FY Mar. 2023 FY Mar. 2026

10% → 20%

MLCCs



FY Mar. 2023 FY Mar. 2026

5% → 10%

Connectors



FY Mar. 2023 FY Mar. 2026

2% → 5%

Leverage synergies to achieve faster-than-market growth

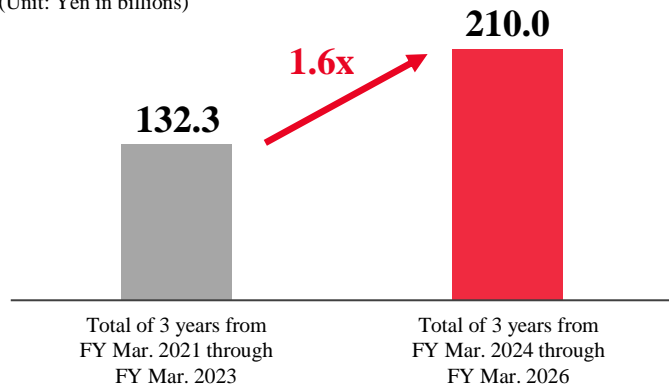
Basic Policy

Optimize production sites of
Kyocera and KAVX

- Building global production structure for future expansion of production capacity
- Proactive adoption of digital technologies necessary for automation and labor saving

Capex Plan

(Unit: Yen in billions)



Major Capital Expenditures

- ◆ Expand production capacity by creating new plants and buildings
 - New Thai plant: Realize collaboration between Kyocera and KAVX as a production base for MLCCs and tantalum capacitors
 - Kagoshima Kokubu Plant: Introduce cutting-edge labor-saving and automation technology
 - El Salvador Plant: Make maximum use of strong labor pool as a production base for MLCCs and tantalum capacitors
- ◆ Introduce automated lines in existing KAVX facilities



KAVX new Thai Plant

From Nov. 2022



New building at Kagoshima Kokubu Plant

From May 2024

Long-Term Goal:
Production expansion target

MLCCs

1.9x

Timing Devices

1.8x

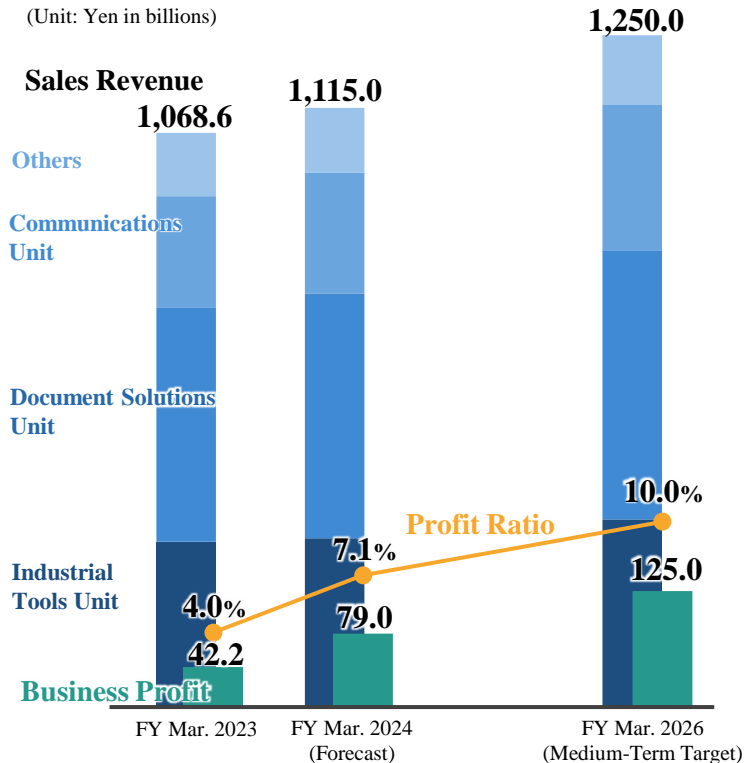
Tantalum Capacitors

1.4x

Promote capital expenditures to create a system for enhanced production and global optimization of production sites, and digitalization to boost productivity

Solutions Business Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

1. Expand existing businesses

Industrial Tools Unit:

Increase global market share of cutting tools and pneumatic and power tools



Document Solutions Unit:

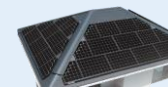
Maintain profitability of MFPs and printers and expand business domain to commercial inkjet printers and ECM and document BPOs



2. Promote structural reforms

Communications Unit:

Discontinue consumer smartphone business



Energy business:

Swiftly achieve profitability in three energy equipment businesses (solar power generating system, storage battery and fuel cells) by doubling productivity and reducing costs, and expand renewable energy power services



3. Create new businesses



Reform Theme

Fundamentally transform business structure

- Selection and concentration of products and categories
- Focus on corporate solutions business

Business Plan

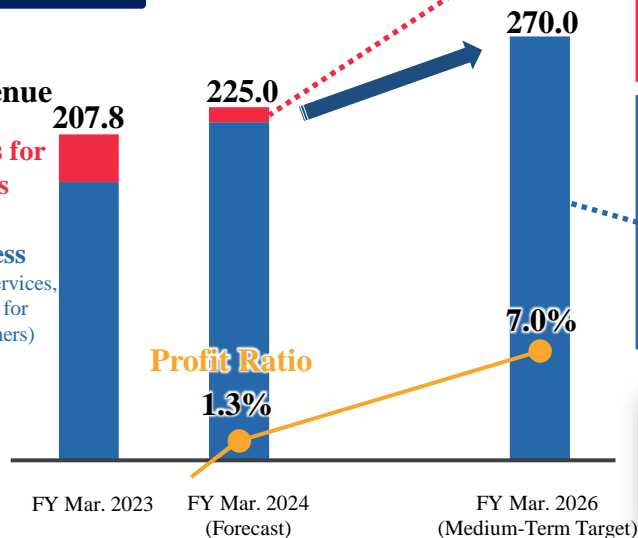
(Unit: Yen in billions)

Sales Revenue

Smartphones for consumers

B2B Business

(Equipment, ICT services, engineering etc. for corporate customers)

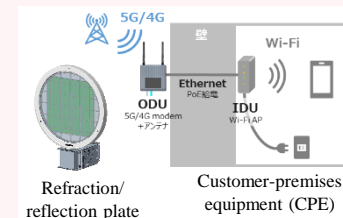


Discontinue consumer smartphone business

- ◆ Ended new product development in FY Mar. 2023
- ◆ End supply and sales of products in FY Mar. 2025



Focus resources for development on infrastructure-related business to further promote adoption of millimeter-wave 5G communication



Continue and expand communication terminal business and telecommunication services business for corporate customers

- ◆ Shift to developing high-profit custom devices and providing telecommunication services for corporations
- ◆ Expand existing ICT service and engineering business

Transform to telecommunications solutions business and infrastructure-related business for corporate customers

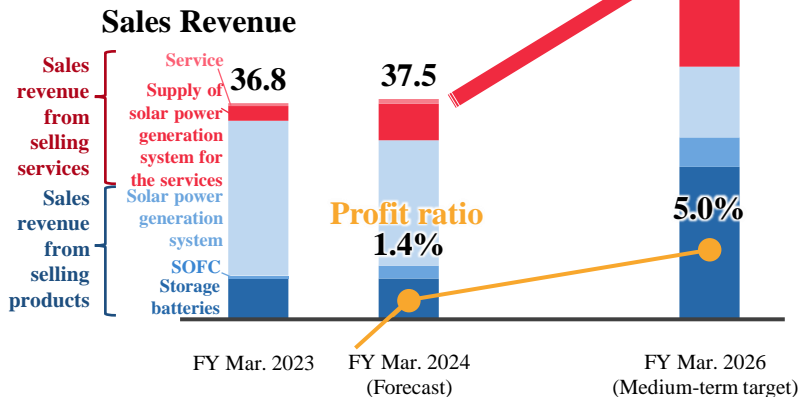
Reform Theme

Expand corporate renewable energy selling business that address increasing demand of renewable energy and rising energy costs

- Double productivity and cost reduction
- Transform to selling renewable energy business (Shift from selling “products” to “services”)

Business Plan

(Unit: Yen in billions)



Business model of renewable energy selling service we aim

Power generation and storage system



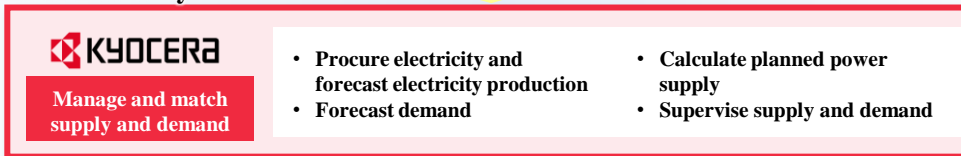
Sell equipment

Sources of solar-generated electricity



Surplus power

Sales of electricity



Renewable energy



Improve renewable energy ratio of Kyocera Group

Renewable energy



Proactively expand sales to other companies

Clarified capital allocation for the three years based on the medium-term management plan

【Capital Allocation from FY Mar. 2024 through FY Mar. 2026】

(Unit: Yen in billions)

Funding Policy

- Plan to raise funds by borrowings to meet future funding needs, such as active investment and for maintenance and improvement of shareholder returns
- Use KDDI shares as collateral to reduce borrowing costs in anticipation of future increases in interest rates



Proactive investment for business growth
Focus on investments to increase production capacity and improve productivity of the Semiconductor Components Unit and the Electronic Components Business

Proactive investment in R&D activities
Continue investments necessary for expansion of the Solutions Business and the creation of new businesses

Shareholder Return Policy
Maintain current dividend policy

Other Policies

- Consider M&A with an emphasis on synergy
- Conduct share repurchases when appropriate

Adopt a numerical target to further reduce its shareholdings

Reducing its shareholdings from the past, at appropriate timing



Set a numerical target to clarify the immediate policy to further reduce its shareholdings

- **Conduct an annual review of all individual shareholdings, considering the need to maintain the business relationship and/or efficiency in use of assets**
- **Conduct assessment by the Board of Directors whether the Company's holding of the relevant shares is appropriate**

<Reference: Number of its shareholdings of listed company stocks in Japan>

FY Mar. 2017: 37 → FY Mar. 2023: 17

Target

Amount of reduction:

At least 5% on a book value basis

Period: By FY Mar. 2026

(Within the time frame of the medium-term management plan)

- **Updated the Corporate Governance Report and specified the above-mentioned target**

Environment

- **Endorsed TCFD (From Mar. 2020)**



- **Set and achieve long-term environmental goals**

1. **Reduce** greenhouse gas emissions (Scope 1, 2, 3) by **46%** by FY Mar. 2031 (vs. FY Mar. 2020)
2. Increase renewable energy use by **20x** by FY Mar. 2031 (vs. FY Mar. 2014)
3. Become **carbon neutral** by FY Mar. 2051

- ✓ Promote introduction of renewable energy
- ✓ Implement company-wide energy-saving initiatives

Human Capital etc.

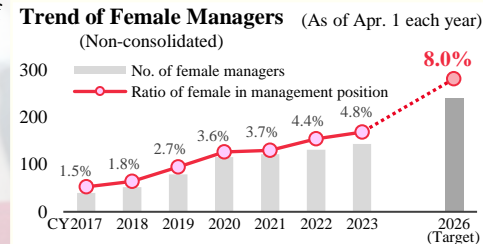
- **Respect human rights**

- ✓ Joined the Responsible Business Alliance (RBA)
- ✓ Conduct human rights due diligence for Kyocera and its suppliers
- ✓ Provide training to eliminate harassment and discrimination

- **Create pleasant work environment and sites**

- ✓ Enhance employee engagement
- ✓ Pursue diversity

- Promote the active participation of female employees
- Support plans for balance work with childcare, nursing care, medical care, etc.
- Promote male employees' engagements in childcare
- Foster understanding of LGBTQ+



Implement Business Strategy

- **Strategic investments in areas of competitive advantage**

Core Components Business

Active investment for components for semiconductor-related markets

Electronic Components Business

Focus on capacitors and timing devices by maximizing synergies between Kyocera's electronic components business and KAVX

- **Promote expansion of existing businesses as well as restructuring**

Solutions Business

- Industrial Tools Unit/Document Solutions Unit:
Expand market shares
- Communications Unit/Energy business:
Fundamentally transform business structure

Strengthen Management Foundation

- **Capital strategies**

Procure fund by effectively combining capital assets and borrowings

- **Corporate governance initiatives**

Reducing cross-holding of shares

- **Promotion of sustainable management**

- Environment:
Initiatives to achieve carbon neutrality
- Human capitals etc.:
Recruitment strategies, respect for human rights, diversity, and increased employee engagement



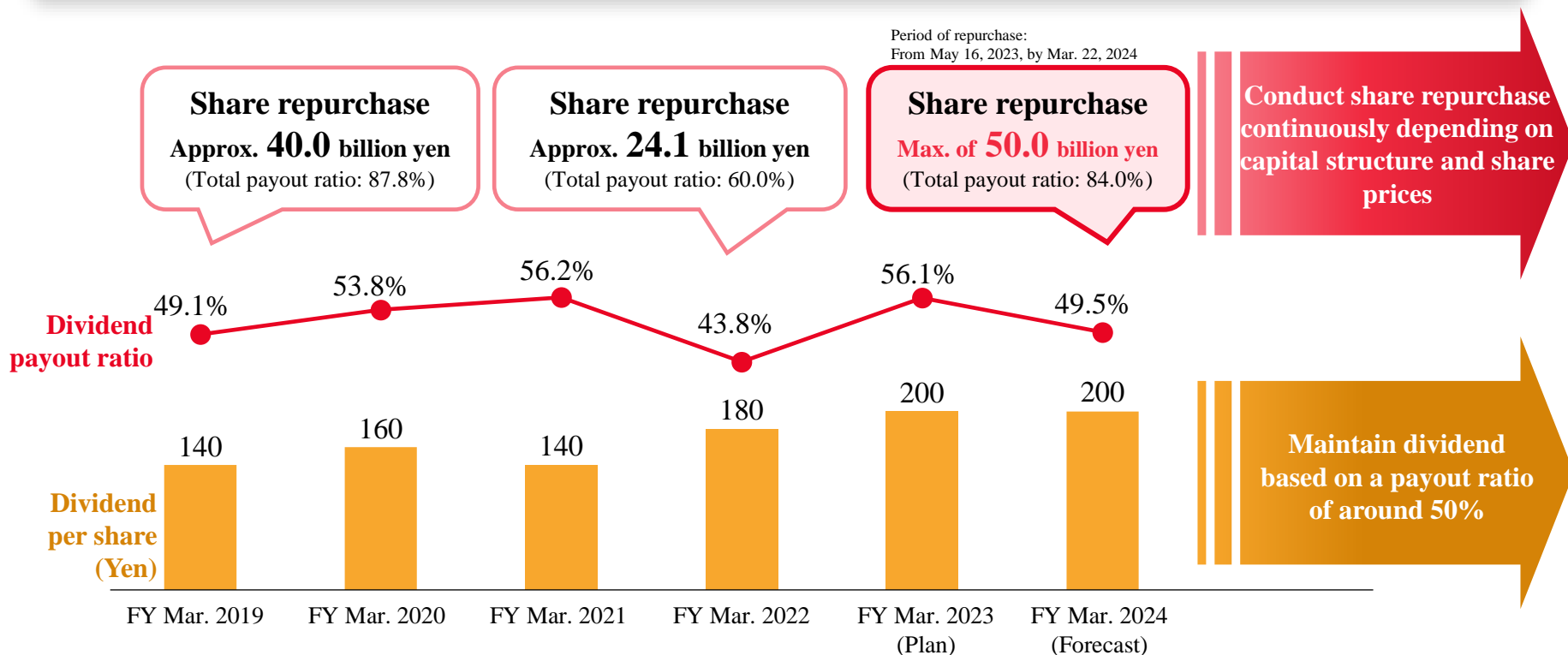
Aim to continuously increase ROE and improve PBR

1 Corporate Profile

2 Medium-Term Management Plan

3 Shareholder Returns

Enhancing shareholder returns through a combination of dividends and share repurchases



Offers shareholders products and services of Kyocera Group at special prices and in special programs

Examples

Offers jewelry, kitchen appliances, power tools, garden equipment, cleaning tools, MFPs and printers at special prices



Offers gift certificates to shareholders who installed Kyocera's solar power generation systems or electricity storage systems



Provides shareholder exclusive plans and back-order gourmet foods of Hotel Nikko Princess Kyoto and Hotel Kyocera

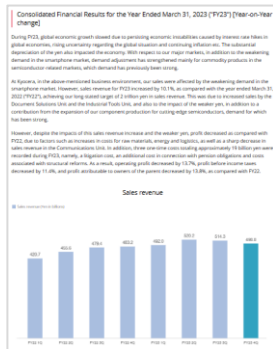


- We send a new catalog regarding shareholder benefits in late June and early December to all shareholders on our shareholder list at the end of March and September.
- Details and period of shareholder benefits vary depending on the time of announcement.

IR Website

Financial highlights and corporate profile video etc. are available on the website.

● Financial Highlights



● Corporate Profile Video & Brochure



Please have a look and subscribe !



**“To Individual Investors”
website**

<https://global.kyocera.com/ir/individual/advantage/index.html>

IR News Mail Service

We share latest IR news such as earnings release and press release by email.



**IR news mail service
subscription form**

https://global.kyocera.com/ir/mail_magazine.html

Appendix

Front page of the IR website

Real time share prices are available on the IR website.

The screenshot shows the KYOCERA Global Investor Relations page. At the top, there is a navigation bar with 'Products', 'About', 'News', 'Sustainability', and 'Support'. A search bar and a 'GLOBAL' link are also present. The main content area features a large banner with the text 'Investor Relations' and a background image of a modern skyscraper. A red dashed box highlights the 'Share price (Real time)' section, which displays the following information:

Share price (Real time)
TSE (6971)
Last ¥ 7,890.0
Change +94.0 (+1.21%)
> Chart

Below the banner, there is an 'IR News' section with a 'More News' link. Two news items are listed:

- Jun. 01, 2023 - Others - The 69th Ordinary General Meeting of Shareholders of Kyocera Corporation to be held on June 27, 2023
- May. 16, 2023 - Earnings - Financial Presentation for the Year Ended March 31, 2023

On the right side of the page, there is a vertical menu with links to 'Investor Relations', 'IR Library', 'Stock Information', and 'Financial Information'. A QR code is located to the right of the share price information.



https://global.kyocera.com/irs_info/chart.html

Financial Forecasts for the Year Ending March 31, 2024 (1)



(Unit: Yen in millions)

	Year Ended March 31, 2023	Year Ending March 31, 2024	Change	
			Amount	%
Sales Revenue	2,025,332	2,100,000	74,668	3.7%
Operating Profit	128,517 (6.3%)	147,000 (7.0%)	18,483	14.4%
Profit Before Income Taxes	176,192 (8.7%)	200,000 (9.5%)	23,808	13.5%
Profit Attributable to Owners of the Parent	127,988 (6.3%)	145,000 (6.9%)	17,012	13.3%
EPS (Basic-yen)	356.60	404.00		
Average Exchange Rate	US\$ 135 yen	125 yen		
	Euro 141 yen	130 yen		

Notes: Figures in parentheses represents percentages to sales revenue.

Forecast of EPS (Basic-yen) for the Year ending March 31, 2024 is calculated using the average number of shares outstanding during the Year ended March 31, 2023.

Financial Forecasts for the Year Ending March 31, 2024 (2)



(Unit: Yen in millions)

	Year Ended March 31, 2023	Year Ending March 31, 2024	Change	
			Amount	%
Capital Expenditures	173,901 (8.6%)	275,000 (13.1%)	101,099	58.1%
Depreciation Charge of Property, Plant and Equipment	108,757 (5.4%)	123,000 (5.9%)	14,243	13.1%
R&D Expenses	94,277 (4.7%)	115,000 (5.5%)	20,723	22.0%

Note: Figures in parentheses represents percentages to sales revenue.

Sales Revenue Forecasts by Reporting Segment for the Year Ending Mar. 31, 2024



(Unit: Yen in millions)

Sales Revenue by Reporting Segment	Year Ended March 31, 2023		Year Ending March 31, 2024		Change	
	Amount	Component Ratio	Amount	Component Ratio	Amount	%
Core Component Business	592,376	29.2%	620,000	29.5%	27,624	4.7%
Industrial & Automotive Components Unit	199,194	9.8%	225,000	10.7%	25,806	13.0%
Semiconductor Components Unit	364,579	18.0%	365,000	17.4%	421	0.1%
Others	28,603	1.4%	30,000	1.4%	1,397	4.9%
Electronic Components Business	378,536	18.7%	390,000	18.6%	11,464	3.0%
Solutions Business	1,068,597	52.8%	1,115,000	53.1%	46,403	4.3%
Industrial Tools Unit	308,406	15.2%	315,000	15.0%	6,594	2.1%
Document Solutions Unit	434,914	21.5%	455,000	21.7%	20,086	4.6%
Communications Unit	207,793	10.3%	225,000	10.7%	17,207	8.3%
Others	117,484	5.8%	120,000	5.7%	2,516	2.1%
Others	23,403	1.2%	20,000	0.9%	-3,403	-14.5%
Adjustments and Eliminations	-37,580	-1.9%	-45,000	-2.1%	-7,420	—
Sales Revenue	2,025,332	100.0%	2,100,000	100.0%	74,668	3.7%

Business Profit (Loss) Forecasts by Reporting Segment for the Year Ending Mar. 31, 2024



(Unit: Yen in millions)

Business Profit by Reporting Segment	Year Ended March 31, 2023		Year Ending March 31, 2024		Change	
	Amount	% to Sales Revenue	Amount	% to Sales Revenue	Amount	%
Core Components Business	89,475	15.1%	86,000	13.9%	-3,475	-3.9%
Industrial & Automotive Components Unit	24,743	12.4%	32,000	14.2%	7,257	29.3%
Semiconductor Components Unit	67,702	18.6%	53,000	14.5%	-14,702	-21.7%
Others	-2,970	—	1,000	3.3%	3,970	—
Electronic Components Business	44,064	11.6%	55,000	14.1%	10,936	24.8%
Solutions Business	42,239	4.0%	79,000	7.1%	36,761	87.0%
Industrial Tools Unit	23,279	7.5%	26,000	8.3%	2,721	11.7%
Document Solutions Unit	33,706	7.8%	40,000	8.8%	6,294	18.7%
Communications Unit	-11,729	—	3,000	1.3%	14,729	—
Others	-3,017	—	10,000	8.3%	13,017	—
Others	-28,795	—	-45,000	—	-16,205	—
Total Business Profit	146,983	7.3%	175,000	8.3%	28,017	19.1%
Corporate Gains and Others	29,209	—	25,000	—	-4,209	-14.4%
Profit Before Income Taxes	176,192	8.7%	200,000	9.5%	23,808	13.5%

Cautionary Statements with respect to Forward-Looking Statements

Certain of the statements made in this document are forward-looking statements, which are based on our current assumptions and beliefs in light of the information currently available to us. These forward-looking statements involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors include, but are not limited to the following:

- (1) General conditions in the Japanese or global economy;
- (2) Unexpected changes in economic, political and legal conditions in countries where we operate or export;
- (3) The effect of foreign exchange fluctuations on our results of operations;
- (4) Intense competitive pressures to which our products are subject;
- (5) Fluctuations in the price and ability of suppliers to provide the required quantity of raw materials for use in our production activities;
- (6) Manufacturing delays or defects resulting from outsourcing or internal manufacturing processes;
- (7) The possibility that future initiatives and in-process research and development may not produce the desired results;
- (8) Companies or assets acquired by us not produce the returns or benefits, or bring in business opportunities;
- (9) Inability to secure skilled employees;
- (10) Damages on our information security systems from cyberattacks, etc. and significant costs in order to recover and maintain the systems;
- (11) Insufficient protection of our trade secrets and intellectual property rights including patents;
- (12) Expenses associated with licenses we require to continue to manufacture and sell products;
- (13) Unintentional conflict with laws and regulations or newly enacted laws and regulations;
- (14) Environmental liability and compliance obligations by tightening of environmental laws and regulations;
- (15) Inability to respond to global climate change problems or delay in such response, which may lead to increased costs and negatively impact our corporate brands;
- (16) Our market or supply chains being affected by plague, infectious diseases, terrorism, wars or similar events;
- (17) Earthquakes and other natural disasters affecting our headquarters and major facilities as well as our suppliers and customers;
- (18) Credit risk on trade receivables;
- (19) Fluctuations in the value of financial instruments held by us;
- (20) Impairment losses on property, plant and equipment, goodwill and intangible assets;
- (21) Uncertainty over income tax and deferred tax assets; and
- (22) Changes in accounting standards.

Due to such risks, uncertainties and other factors, our actual results, performance, achievements or financial condition may be substantially different from any future results, performance, achievements or financial condition expressed or implied by these forward-looking statements.

We undertake no obligation to publicly update any forward-looking statements included in this document.

THE NEW VALUE FRONTIER



KYOCERA Corporation