

July 27, 2006

To All Persons Concerned

Name of Company Listed: Kyocera Corporation
Name of Representative: Makoto Kawamura, President and Director
(Code number: 6971, The First Section of the Tokyo Stock Exchange, The First Section of the Osaka Securities Exchange)
Person for inquiry: Akihiko Toyotani
General Manager of Finance Division
(Tel: 075-604-3500)

Transfer of Shares of Kyocera Leasing Co., Ltd.

This is to advise you that Kyocera Corporation ("Kyocera") and Diamond Lease Company Limited ("Diamond Lease") have reached an agreement for the transfer of 100% of the shares of Kyocera Leasing Co., Ltd. ("Kyocera Leasing") from Kyocera to Diamond Lease as of today.

1. Reasons for Transfer of Shares

Kyocera Leasing, a 100% subsidiary of Kyocera, is a non-bank credit institution, which recently has been putting its business emphasis on real estate-related financing, in which it expects improved profitability and loan collection ratio, including without limitation, the extension of short-term loans for residential real estate projects and loans to apartment owners, in addition to its traditional business of leasing office equipment.

In recent years, within the financing industry, active reorganization has been ongoing. Amid such circumstances, Kyocera has been considering improved methods to enable Kyocera Leasing to continue to grow and further develop its businesses.

Diamond Lease is a leading financing company, with strong fund procurement capability and a strong business foundation, and, in addition, it has strong know-how in various types of financing products, such as securitization and factoring. Kyocera Leasing will be able to further expand and grow its businesses by joining the group companies of Diamond Lease and by taking advantage of the business network of such group companies and receiving support from them for its own financing and management skills.

On the other hand, Kyocera's action will enable Kyocera Group to concentrate management resources on its businesses requiring enhancement, and accordingly execution of the share purchase agreement will be the most appropriate method of improving its corporate value.

2. Outline of Subsidiary Subject to Changes

- (1) Name: Kyocera Leasing Co., Ltd.
 (2) Representative: Tsutomu Takahashi
 (3) Location of Headquarters: 2-3-14 Yaesu, Chuo-ku, Tokyo
 (4) Date of Establishment: June 1, 1987
 (5) Principal Business: Financing business and lease business
 (6) Fiscal Year End: March
 (7) Number of Employees: 74
 (8) Principal Offices: Tokyo, Osaka, Sapporo, Sendai, Nagoya, Hiroshima and Fukuoka
 (9) Amount of Capital: 8,575 million yen
 (10) Number of Shares Issued and Outstanding: 331,000 shares
 (11) Principal Shareholders and Shareholding Ratio: Kyocera Corporation 100%
 (12) Performance Trends in Recent Fiscal Years

(Yen in millions)

	Fiscal year ended March 31, 2006	Fiscal year ended March 31, 2005
Revenues	9,898	12,415
Gross profit	3,942	4,268
Profit from operations	2,421	2,894
Recurring profit	2,442	2,923
Net income	2,248	2,727
Total assets	133,635	119,963
Stockholders' equity	16,015	13,771

3. Transferee of Shares

- (1) Name: Diamond Lease Company Limited
 (2) Representative: Naotaka Obata
 (3) Location of Headquarters: 3-3-1 Marunouchi, Chiyoda-ku, Tokyo
 (4) Principal Business: Lease Business
 (5) Relationship with Kyocera: None

4. Number of Shares to be Transferred and Shareholding Before and After Transfer

- (1) Number of Shares Owned Before Transfer: 331,000 shares (Shareholding Ratio 100%)
 (2) Number of Shares to be Transferred: 331,000 shares
 (3) Number of Shares Owned After Transfer: 0 shares (Shareholding Ratio 0%)

5. Schedule Hereafter

Effective Date of Transfer: August 2006

6. Impact on Businesses

The impact from the relevant share transfer on the performance of Kyocera's business for the fiscal year ending March 31, 2007 will be insignificant and there is no change in the forecast announced on April 27, 2006.

Consolidated forecast of Kyocera Group for the year ending March 31, 2007 (fiscal 2007)

(Yen in millions)

	Forecast for fiscal 2007	Result for fiscal 2006
Net sales	1,230,000	1,181,489
Profit from operations	123,000	103,207
Income before income taxes	138,000	121,388
Net income	83,000	69,696

Non-Consolidated forecast of Kyocera Corporation for fiscal 2007

(Yen in millions)

	Forecast for fiscal 2007	Result for fiscal 2006
Net sales	510,000	477,379
Profit from operations	44,000	39,937
Recurring profit	74,000	68,182
Net income	53,000	68,712