



(Translation)

To All Persons Concerned

August 20, 2003

Name of Listed Company: Kyocera Corporation  
Name of Representative: Yasuo Nishiguchi, President and Representative Director  
(Code number: 6971)  
Person for inquiry: Hideki Ishida, Managing Executive Officer  
(TEL: 075-604-3550)

Notice relating to Allocation of Stock Options (Stock Acquisition Rights)

This is to advise you that the meeting of the Board of Directors of the Company held on August 20, 2003 has decided the definitive terms and conditions of the issuance of the stock acquisition rights for the purpose of granting stock options under Articles 280-20 and 280-21 of the Commercial Code of Japan, as approved by the 49th Ordinary General Shareholder's Meeting of the Company.

The amount to be paid in upon exercise of stock acquisition rights and other outstanding conditions are scheduled to be decided on September 1, 2003, the date of issuance of the stock acquisition rights.

1. Issue date of stock acquisition rights:  
September 1, 2003 (Scheduled)
2. Number of stock acquisition rights to be issued:  
10,701  
(One stock acquisition right will entitle the holder thereof to acquire 100 shares of Common Stock of the Company.)
3. Issue price of stock acquisition rights:  
None
4. Kind and aggregate number of shares to be issued upon exercise of stock acquisition rights:  
1,070,100 shares of Common Stock of the Company
5. Amount to be paid in upon exercise of stock acquisition rights (Exercise Price):  
Not yet decided  
(The Exercise Price to be paid in upon exercise of each stock acquisition right shall be the amount of the acquisition price per share (Payment Amount) multiplied by the number of shares to be issued upon exercise of each stock acquisition right.)



The Payment Amount shall be whichever is the higher of (i) the average of the closing price of the shares of the Common Stock of the Company at the Tokyo Stock Exchange (regular way) on each day (excluding any day on which there is no closing price of the shares of the Company) during the month immediately preceding the month in which the issuance date of the stock acquisition rights belongs, multiplied by 1.1 and rounded up to the nearest one yen and (ii) the closing price of the shares of Common Stock of the Company on the issuance date of the stock acquisition rights (if there is no closing price of shares of the Company on such date, the closing price immediately preceding to such date).

6. Exercise period of stock acquisition rights:  
From October 1, 2003 to September 30, 2008
7. Conditions for exercise of stock acquisition rights:
  - (i) In order to exercise stock acquisition rights, the person who has been allocated such stock acquisition rights (the "Acquisition Rights Holder") must be a Director, Corporate Auditor, Executive Officer or employee of the Company or a subsidiary thereof at the time of exercise.
  - (ii) In the event of the death of the Acquisition Rights Holder, the heir(s) thereof may exercise inherited stock acquisition rights for a period of 6 months (or until the date of expiration of the exercise period thereof, if such date comes earlier), up to the maximum number of stock acquisition rights the deceased could have exercised at the time of death.
  - (iii) Upon approval by the Bonus Committee of the Company, the exercise of stock acquisition rights may be permitted under conditions different from those described in (i) and (ii) above.
  - (iv) Other terms and conditions shall be provided for in "Agreement relating to the Allocation of Stock Acquisition Right" between the Company and each Acquisition Rights Holder.
8. The amount out of issue price of new shares to be accounted as paid-in capital of the Company:  
Not yet decided  
(The amount out of issue price of new shares to be accounted as paid-in capital is equal to the amount of the exercise price multiplied by 0.5, and any fraction less than one yen as a result of this calculation shall be rounded up to the nearest one yen.)



9. Parties to whom stock acquisition rights will be allocated:

Directors, Corporate Auditors, Executive Officers and employees of the Company:	999
Directors, Corporate Auditors and employees of the subsidiaries of the Company in Japan:	259
Directors, officers and employees of the subsidiaries of the Company overseas:	132
Total	1,390

(Remarks)

- (1) Date of resolution at the meeting of the Board of Directors for submission to the Ordinary Shareholder's Meeting:  
April 25, 2003
- (2) Date of resolution adopted at the Ordinary Shareholder's Meeting:  
June 25, 2003