

(Translation)

To All Persons Concerned

August 22, 2005

Name of Listed Company: 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)

Re: Sales of Shares of Taito Corporation

This is to advise you that Kyocera Corporation (the "Company") (headquarters: Kyoto, President: Makoto Kawamura) determined at a meeting of its Board of Directors held today to tender all shares (133,260 shares, approximately 36.02% of outstanding shares) held by it of Taito Corporation ("Taito") (headquarters: Chiyoda-ku, Tokyo, President: Yasuo Nishigaki), an equity method affiliate, engaged in the amusement business, in the tender offer bid for Taito shares by Square Enix Co., Ltd. ("Square Enix") (headquarters: Shibuya-ku, Tokyo, President: Yoichi Wada), one of the leading companies in the game software industry.

Currently, the game amusement industry is facing dramatic changes in industrial structure, along with developments in information and communication technologies. In order to timely and appropriately respond to such structural changes, it is essential to pursue a broad business structure by expanding the product and service line-up.

Under these circumstances, where the industry is experiencing material changes, the Company has been considering ways in which Taito can create new value and continue to develop.

Both Square Enix and Taito are in the game amusement industry, but they do not overlap in terms of their principle businesses and categories of game software, and accordingly can supplement each other. The Company has decided to sell its Taito shares to support these companies' mutual determination that the best way for them to promote their respective advantages is through operation as consolidated group companies, thereby creating new value and increasing their respective capacities to lead the innovations in the structure of the industry.

Kyocera Group will concentrate its management resources on its component business and equipment business, as well as on IT service and software businesses, in order to pursue further development.