

October 11, 2007

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)

**Basic Agreement relating to Transfer of Mobile Phone Business of SANYO Electric Co., Ltd.**

This is to advise you that Kyocera Corporation (Headquarters: Kyoto, Japan, President: Makoto Kawamura) ("Kyocera") and SANYO Electric Co., Ltd. ("SANYO"), following resolutions of the Boards of Directors of each company, have executed a Basic Agreement regarding transfer of the mobile phone business of SANYO to Kyocera, under which Kyocera is granted priority in negotiations with SANYO and both companies agree to continue negotiation concerning such business transfer.

1. Objective of the Transfer

Kyocera recognizes the telecommunication equipment related business as one of its principal businesses and considers it vital to further enhance such business in both domestic and overseas mobile communications markets.

2. Targeted Business Contents for the Transfer

Mobile Phone Business (Excluding Tottori SANYO Electric Co., Ltd. and Telecom SANYO Co., Ltd.), PHS handsets, PHS base station and radio system business (to become WiMAX base station business)

3. Outline of SANYO Electric Co., Ltd.

Company Name	SANYO Electric Co., Ltd.
Location of Headquarters	5-5, Keihan-Hondori 2-chome, Moriguchi City, Osaka
Representative	Seiichiro Sano
Incorporation	April 1950
Capital	322,242 million yen
Accounting Period	March
Employees	94,906 (Consolidated)
Business Contents	Consumer equipment, commercial equipment, components and others
Net Sales	2,215,434 million yen (consolidated result for the year ended March 2007)
Relationship between the Parties	No capital / personnel relationship

4. Forecast with respect to the Procedures

We will proceed with the negotiation to conclude a final agreement following completion of due diligence regarding the relevant business.