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President, Makoto Kawamura

<Consolidated Results for the Nine Months Ended December 31, 2007>

I will explain the consolidated financial results for the nine months ended December 31, 2007 (this “nine months”). Please look at the table on page 3 of the financial results handout

Consolidated net sales for this nine months amounted to ¥966.2 billion, an increase of 1.1% compared with the nine months ended December 31, 2006 (the “previous nine months”). This result was a new record high for the nine-month period.

Depreciation costs for this nine months increased by ¥4.6 billion compared with the previous nine months. This figure includes the effect of a comprehensive review of depreciation methods for property, plant and equipment, triggered by a tax revision in Japan. Even including this increase in costs, profit from operations increased by 8.6% compared with the previous nine months to ¥110.1 billion. The ratio of profit from operations to sales was 11.4%. Income from continuing operations before income taxes (“pre-tax income”) totaled ¥132.0 billion, an increase of 13.6% compared with the previous nine months. The ratio of pre-tax income to sales was 13.7%.

Let’s look at performance in each business segment for this nine months. The Components Business recorded an increase in sales but a slight decrease in operating profit, while the Equipment Business recorded a decrease in sales but a substantial increase in operating profit, as compared with the previous nine months.

Although sales increased steadily on the whole in the Components Business, operating profit declined due primarily to an increase of ¥7.7 billion in depreciation costs compared with the previous nine months. Depreciation costs of the Components Business include a negative effect of the change in accounting method of ¥7.6 billion.

In the Equipment Business, sales in the Telecommunications Equipment Group decreased compared with the previous nine months. Enhanced profitability in both reporting segments of this business – the Telecommunications Equipment Group and the Information Equipment Group contributed to a significant increase in operating profit.

Net income for this nine months amounted to ¥83.5 billion, up 5.3%. Due to the absence of one-off gains recorded in the previous nine months, namely, gain on sales of shares of Kyocera Leasing Co., Ltd., the percentage increase was modest compared with the increase in profit from operations and pre-tax income. The net income ratio was 8.6%.

Diluted earnings per share stood at ¥440.56.
Let’s turn to average exchange rates for this nine months as shown in two lines at the bottom of the table. The yen depreciated ¥1 against the U.S. dollar to ¥117, and ¥15 against the Euro to ¥163 for this nine months as compared with the previous nine months. As a result, net sales and pre-tax income after translation into yen were, for calculation purposes only, pushed up by approximately ¥22.1 billion and ¥9.9 billion, respectively.

Next, I will explain the results by reporting segment. The tables on page 7 and 8 of the financial results handout show net sales and operating profit by reporting segment respectively.

First, I will explain the results of the Components Business. Sales in this business in this nine months increased by 4.4% compared with the previous nine months to ¥510.0 billion. Operating profit decreased by 1.7% to ¥77.0 billion due mainly to an increase in depreciation costs. The operating profit ratio was 15.1%. Operating profit for the three months ended December 31, 2007, compared with the previous three months period, increased for the Applied Ceramic Products Group and the Semiconductor Parts Group, but decreased for the Fine Ceramic Parts Group and the Electronic Device Group.

Next, I will explain the financial results for this nine months in each reporting segment.
Sales in the Fine Ceramic Parts Group for this nine months increased by 2.7% to ¥61.8 billion compared with the previous nine months. This result was due to sales gains in dielectric ceramic parts for base stations and sapphire substrates for LEDs, supported by growth in the mobile phone market as well as an increase in sales of parts for diesel engines for automobiles. However, operating profit decreased by 23.0% to ¥9.0 billion due to a continued slump in demand for components for semiconductor production equipment and to an increase in expenses such as depreciation costs. The operating profit ratio was 14.5%.

In the Semiconductor Parts Group, sales of ceramic packages, a core product line in this reporting segment, increased steadily from the first quarter (three months ended June 30, 2007) to the third quarter (three months ended December 31, 2007). As a result, overall segment sales for this nine months stood at ¥113.9 billion, roughly on a par with the high level posted in the previous nine months. Operating profit decreased, however, by 17.4% to ¥14.7 billion due to decreased demand for optical communication device packages after entering the second half of this fiscal year, and also due to the increased depreciation costs. The operating profit ratio was 12.9%. The organic package business, which is included in this reporting segment, achieved profitability in the third quarter due to the improved profit in line with the expanded production volume. In addition to the profit improvement in the organic package business, profit ratio for ceramic package business also improved; as a result, the operating profit ratio of this reporting segment in the third quarter improved significantly compared with the first quarter and second quarter (three months ended September 30, 2007).

Both sales and operating profit in the Applied Ceramic Products Group increased substantially for this nine months compared with the previous nine months, due to steady growth in sales of new products in the cutting tool business combined with significant growth in sales in the solar energy business. Overall sales in this reporting segment for this nine months increased by 10.6% to ¥108.7 billion, and operating profit increased significantly by 44.1% to ¥22.8 billion compared with the previous nine months. The operating profit ratio was 21.0%.

Sales in the Electronic Device Group for this nine months increased by 5.2% to ¥225.6 billion compared with the previous nine months, due to higher sales at AVX and to growth in sales of ceramic capacitors for flat-panel TV sets and game consoles, and sales of timing devices for mobile phone handsets. Due to increase in depreciation costs and decrease in operating profit at AVX compared with previous nine months, operating profit decreased by 7.7% to ¥30.5 billion. The operating profit ratio was 13.5%.

Let’s move on to the results for the Equipment Business.
Sales in the Equipment Business for this nine months decreased by 2.2% to ¥375.2 billion compared with the previous nine months, while operating profit increased significantly by 25.0% to ¥31.5 billion. The operating profit ratio was 8.4%.

Sales in the Telecommunications Equipment Group for this nine months decreased by 10.6% to

¥168.6 billion compared with the previous nine months due to the decreased sales at Kyocera Wireless Corporation (KWC), based overseas. On the other hand, operating profit increased considerably in the third quarter due to enhanced profitability in the domestic PHS related business, to achieved profitability at KWC, and to efforts to reduce costs in the domestic mobile phone handset business through the integration of development, production and sales processes.

Sales in the Information Equipment Group for this nine months increased by 6.0% to ¥206.6 billion compared with the previous nine months due to steady growth in sales of color printers and MFPs, particularly in Europe. Operating profit stood at ¥28.4 billion, an increase of 15.2%. The operating profit ratio was 13.7%.

Finally, let's look at the Others segment. Despite a decrease in sales in the optical related business, overall sales in this reporting segment for this nine months remained on a par with the previous nine months at ¥99.9 billion due to an increase in sales at Kyocera Communication Systems Co., Ltd. Operating profit increased considerably, by 57.2% compared with the previous nine months to ¥6.7 billion due sales growth at Kyocera Communication Systems. The operating profit ratio was 6.7%.

"Corporate", four lines from the bottom of the table, increased by 26.5% to ¥10.9 billion for this nine months compared with the previous nine months due to an increase in interest and dividend income.

Taking "Equity in earnings of affiliates and unconsolidated subsidiaries" into account, consolidated pre-tax income for this nine months increased by 13.6% compared with the previous nine months.

<Consolidated Forecasts for the Year Ending March 31, 2008>

I will now explain consolidated financial forecasts for the year ending March 31, 2008 (this fiscal year), so please turn to the tables on page 11 of the financial results handout.

There are currently fears of a global economic downturn stemming from the rising cost of crude oil coupled with the effect of the sub-prime mortgage crisis on personal consumption in the United States. In light of increasing uncertainty in the market environment outlook over the short term and based on business results for the nine months, we have made the following revisions to consolidated financial forecasts for this fiscal year.

New full-year consolidated projections are net sales of ¥1,290.0 billion, up 0.5% over the previous fiscal year (ended March 31, 2007), and profit from operations of ¥140.0 billion, up 3.6% over the previous fiscal year. The forecast for pre-tax income remains unchanged at ¥166.0 billion, up 6.0% compared with the previous fiscal year. The forecast for net income also remains unchanged at ¥103.0 billion, down 3.3% compared with the previous fiscal year.

With regard to financial forecasts by reporting segment, sales projections are shown in the table at the bottom of page 12 of the financial results handout and operating profit projections are shown on page 13.

First, let’s look at sales projections on page 12. Sales in the Components Business for this full fiscal year, shown in the fifth line from the top of the table, are forecast at ¥677.0 billion, revised down by ¥18.0 billion compared with the previous forecast of ¥695.0 billion.

Sales in the Equipment Business for this full fiscal year, shown in the fourth line from the bottom of the table, are forecast at ¥500.0 billion, revised down by ¥12.0 billion compared with the previous forecast of ¥512.0 billion.

Moving on one line, sales in the Others segment for this full fiscal year are forecast at ¥138.0 billion, revised down by ¥4.0 billion from the previous forecast of ¥142.0 billion.

Let’s look at operating profit forecasts on page 13. Operating profit in the Components Business, shown in the fifth line from the top, for this full fiscal year is forecast at ¥96.0 billion, revised down by ¥12.0 billion from the previous forecast of ¥108.0 billion in accordance with the revised sales forecast.

Operating profit in the Equipment Business for this full fiscal year is forecast at ¥43.0 billion, revised up by ¥20.0 billion relative to the previous forecast in the amount of ¥41.0 billion due to enhanced profitability in the Telecommunications Equipment Group.

Operating profit in the Others segment for this full fiscal year is forecast at ¥9.0 billion, revised up by ¥3.0 billion from the previous forecast in the amount of ¥6.0 billion.

Kyocera aims to achieve sustainable sales growth with high profitability. Recently, there are

adjustments in demand for components due in part to seasonality. We forecast, however, that demand for components will be recovered and grow steadily until the Beijing Olympics.
Under such projection, Kyocera will strive to enhance fundamentals of each business segment by the ongoing implementation of the “Amoeba Management” system, and by further strengthening strategic businesses.

Executive Officer and General Manager of Corporate Financial and Accounting Group, Shoichi Aoki

<Consolidated Statements of Income>

I will now begin with a summary of the Consolidated Statements of Income, so please turn to page 17 of the financial results handout.

Net sales in this nine months, the first line item, amounted to ¥966.2 billion, an increase of 1.1% compared with the previous nine months, due to solid sales in the Components Business, which was more than to offset a decrease in sales in the Equipment Business.

The second line item, cost of sales, stood at ¥655.1 billion for this nine months, a decrease of 0.6% compared with the previous nine months. The cost of sales ratio improved by 1.3 percentage points from 70.1% in the previous nine months to 68.8%. The improvement was due mainly to the absence of warranty costs for solar related products recorded in the previous nine months in the amount of ¥3.8 billion, which was more than enough to offset an increase in depreciation costs in line with a revision to the accounting method for depreciation.

Skipping one line item, selling, general and administrative expenses (“SG&A expenses”) for this nine months increased by ¥6.3 billion compared with ¥184.7 billion in the previous nine months, to ¥191.0 billion. This was due primarily to currency exchange difference on costs at European sales companies on account of the weak yen, and an increase in depreciation costs.

As a result, profit from operations for this nine months amounted to ¥110.1 billion, with a profit ratio of 11.4%. This result marks an increase of ¥8.8 billion, or 8.6%, compared with ¥101.4 billion recorded in the previous nine months.

The revision of accounting method for depreciation affected cost of sales by ¥8.7 billion and SG&A expenses by ¥0.9 billion, resulting in a total effect in the amount of ¥9.6 billion.

Next, let’s look at other income and expenses.

Interest and dividend income for this nine months totaled ¥15.7 billion, an increase of ¥3.6 billion from the previous nine months. This increase was due mainly to increases in dividends from KDDI Corporation (“KDDI”) and in interest income in Kyocera Corporation and a U.S. subsidiary.

Skipping two line items, equity in earnings of affiliates and unconsolidated subsidiaries for this nine months increased significantly to ¥5.8 billion from ¥0.2 billion in the previous nine months due mainly to the contribution of improved performance at WILLCOM, Inc. to Kyocera’s equity holding therein. As a result, total other income and expenses for this nine months increased by ¥7.0 billion compared with the previous nine months to ¥21.8 billion.

Accordingly, pre-tax income for this nine months totaled ¥132.0 billion, representing double-digit growth of 13.6% from the previous nine months. The profit ratio was 13.7%.

After subtracting income taxes in the amount of ¥43.1 billion and minority interest in the amount of ¥5.3 billion from pre-tax income, we are left with net income for this nine months in the amount of ¥83.5 billion, an increase of 5.3% from the previous nine months. The profit ratio was 8.6%.

Please note that gain on sale of shares in Kyocera Leasing Co., Ltd. in the amount of ¥5.2 billion was included in income from discontinued operations in the previous nine months.

That concludes my presentation on the Consolidated Statements of Income. I will now explain the Consolidated Balance Sheets, so please turn back 2 pages to page 15.

<Consolidated Balance Sheets>

First, let’s look at assets. The figures in the left column are those as of the end of the previous fiscal year ended March 31, 2007 (the “previous fiscal year end”), the figures in the middle are those as of the end of this nine months ended December 31, 2007 and the figures in the right column show a comparison of those two figures. I will explain figures as of the end of this nine months by making comparisons with previous fiscal year end figures.

Consolidated total assets, shown at the bottom, amounted to ¥2,115.1 billion as of the end of this nine months, a decrease of ¥15.4 billion from ¥2,130.5 billion as of the previous fiscal year end.

Total current assets amounted to ¥1,103.6 billion as of the end of this nine months, an increase of ¥57.1 billion compared with the previous fiscal year end.

Total non-current assets amounted to ¥1011.4 billion as of the end of this nine months, a decrease of ¥72.5 billion compared with the previous fiscal year end.

Let’s look at current assets. The first item, cash and cash equivalents, decreased by ¥30.1 billion to ¥252.1 billion as of the end of this nine months compared with the previous fiscal year end.

Cash outflow took place in connection with the acquisition of American Technical Ceramics Corp. (“ATC”) by AVX Corporation (“AVX”), a U.S. subsidiary, in September last year, and this, together with the deposit by Kyocera Corporation of negotiable certificates of deposit, led to this decrease in cash and cash equivalents.

Short-term investments, the next line item, increased by ¥77.0 billion to ¥290.5 billion as of the end of this nine months, as compared with the previous fiscal year end. This increase was due primarily to the deposit of negotiable certificates of deposit from cash and cash equivalents at Kyocera Corporation.

Skipping four line items, inventories as of the end of this nine months increased by ¥4.5 billion from the previous fiscal year end, to ¥213.7 billion. Despite a decrease in inventory in Kyocera Mita Group and Kyocera Corporation, inventory in AVX Group increased due to the acquisition of ATC.

Skipping one line item, other current assets as of the end of this nine months increased by ¥15.5 billion to ¥56.3 billion compared with the previous fiscal year end, due primarily to an increase in advance payment for raw materials purchase agreements, and an increase resulting from a change in U.S. accounting standards related to reserve for taxation.

Next, let’s look at non-current assets. Total investments and advances totaled ¥602.6 billion, a decrease of ¥98.0 billion compared with the previous fiscal year end. The primary reasons for this decrease were a decrease in the market value of KDDI shares and the sale of certain securities held by Kyocera Corporation, which are recorded in securities and other investments.

The next line item, property, plant and equipment, at cost, net of accumulated depreciation, increased by ¥3.6 billion as of the end of this nine months, as compared with the previous fiscal year end.

Consolidated capital expenditures for this nine months totaled ¥53.7 billion, and depreciation costs totaled ¥55.8 billion, including ¥9.6 billion in impact from the revision in the accounting method for depreciation.

Goodwill as of the end of this nine months amounted to ¥41.9 billion, an increase of ¥9.0 billion compared with the previous fiscal year end. Intangible assets, the next line item, totaled ¥33.5 billion as of the end of this nine months, an increase of 8.8 billion compared with the previous fiscal year end. These increases were due primarily to the impact of the acquisition of ATC by AVX. That concludes my explanation of assets.

Let’s move on one page to page 16 and I will explain total liabilities, minority interests and stockholders’ equity.

Total liabilities, around the middle of the page, decreased by ¥49.4 billion to ¥499.6 billion as of the end of this nine months, as compared with the previous fiscal year end. One line item below, minority interests in subsidiaries, which consist primarily of interests in AVX held by investors other than Kyocera Corporation, increased by ¥3.1 billion as of the end of this nine months from the previous fiscal year end, to ¥70.1 billion.

Total stockholders’ equity, two lines from the bottom, increased by ¥30.8 billion as of the end of this nine months to ¥1,545.4 billion. I will explain the reason for this later.

Total current liabilities decreased by ¥20.5 billion to ¥285.7 billion as of the end of this nine months, as compared with the previous fiscal year end.

Accrued income taxes as of the end of this nine months decreased by ¥20.3 billion to ¥16.1 billion compared with the previous fiscal year end due to payment of income taxes.

Skipping three line items, non-current liabilities as of the end of this nine months decreased by

¥28.9 billion compared with the previous fiscal year end to ¥213.9 billion.
This was a result of the decrease of ¥31.4 billion in deferred income taxes to ¥175.5 billion due to a decrease in deferred income tax liabilities in line with a decrease in the market value of KDDI shares.

Next, let's look at stockholders' equity. Retained earnings, around the middle, amounted to ¥1,120.1 billion as of the end of this nine months. This represents an increase of ¥64.8 billion from the previous fiscal year end after deducting cash dividends in the amount of ¥22.7 billion paid during this nine months from, and adding ¥4.0 billion gained on account of a change in accounting standards for tax reserves to, net income in the amount of ¥83.5 billion.

The next line item, accumulated other comprehensive income, decreased by ¥40.9 billion to ¥162.1 billion as of the end of this nine months, as compared with the previous fiscal year end. The breakdown of this decrease is shown in the footnotes. Net unrealized gains on securities as of the end of this nine months decreased by ¥40.1 billion compared with the previous fiscal year end to ¥144.6 billion, due primarily to a decrease in the market value of KDDI shares.

As a result, the total stockholders' equity ratio was 73.1% as of the end of this nine months, an increase of 2.0 percentage points from 71.1% as of the end of the previous fiscal year end.

That concludes my brief presentation on the Consolidated Balance Sheets.