

August 1, 2022

Financial Presentation

(For the Three Months Ended June 30, 2022)

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President and Representative Director

Note: This is an English translation of the Japanese original. This translation is prepared for the reference and convenience solely for those who do not use Japanese. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

1. Financial Results for the Three Months Ended June 30, 2022

Note: Effective from the three months ended March 31, 2022, certain sales of by-products generated by each reporting segment, which was included in “Others,” has been recorded into respective reporting segments due to their materiality in terms of amount. This change has been applied to sales revenue by reporting segment for the year ended March 31, 2022.

Financial Results for Q1 of FY Mar. 2023 (1)

(Unit: Yen in millions)

	Three Months Ended June 30,		Change	
	2021	2022	Amount	%
Sales revenue	420,712	491,954	71,242	16.9%
Operating profit	32,376 (7.7%)	41,428 (8.4%)	9,052	28.0%
Profit before income taxes	54,476 (12.9%)	68,711 (14.0%)	14,235	26.1%
Profit attributable to owners of the parent	40,760 (9.7%)	49,974 (10.2%)	9,214	22.6%
Average exchange rate	US\$ 109 yen	130 yen	(Reference) Foreign currency fluctuation effect on sales revenue and PBIT* for Q1 of FY Mar. 2023 compared with the previous same period. Sales revenue: Approx. + 44.0 billion yen PBIT*: Approx. + 11.5 billion yen	
	Euro 132 yen	138 yen		

* PBIT: Profit before income taxes

Sales revenue marked a quarterly record high

Financial Results for Q1 of FY Mar. 2023 (2)

(Unit: Yen in millions)

	Three Months Ended June 30,		Change	
	2021	2022	Amount	%
Capital expenditures	34,199 (8.1%)	44,367 (9.0%)	10,168	29.7%
Depreciation charge of property, plant and equipment	20,510 (4.9%)	25,310 (5.1%)	4,800	23.4%
R&D expenses	20,106 (4.8%)	22,425 (4.6%)	2,319	11.5%

Sales Revenue by Reporting Segment for Q1 of FY Mar. 2023

(Unit: Yen in millions)

Sales Revenue by Reporting Segment	Three Months Ended June 30,				Change	
	2021		2022		Amount	%
	Amount	% of sales revenue	Amount	% of sales revenue		
Core Components Business	118,980	28.3%	141,521	28.8%	22,541	18.9%
Industrial & Automotive Components Unit	40,590	9.7%	46,938	9.5%	6,348	15.6%
Semiconductor Components Unit	72,068	17.1%	87,909	17.9%	15,841	22.0%
Others	6,322	1.5%	6,674	1.4%	352	5.6%
Electronic Components Business	76,779	18.3%	95,401	19.4%	18,622	24.3%
Solutions Business	228,019	54.2%	258,003	52.4%	29,984	13.1%
Industrial Tools Unit	61,882	14.7%	81,897	16.6%	20,015	32.3%
Document Solutions Unit	86,036	20.5%	101,177	20.6%	15,141	17.6%
Communications Unit	55,257	13.1%	47,501	9.6%	-7,756	-14.0%
Others	24,844	5.9%	27,428	5.6%	2,584	10.4%
Others	3,637	0.8%	5,884	1.2%	2,247	61.8%
Adjustments and eliminations	-6,703	-1.6%	-8,855	-1.8%	-2,152	—
Sales revenue	420,712	100.0%	491,954	100.0%	71,242	16.9%

Sales revenue increased by double digits in all reporting segments

Business Profit (Loss) by Reporting Segment for Q1 of FY Mar. 2023

(Unit: Yen in millions)

Business Profit by Reporting Segment	Three Months Ended June 30,				Change	
	2021		2022		Amount	%
	Amount	% to sales revenue	Amount	% to sales revenue		
Core Components Business	11,006	9.3%	20,754	14.7%	9,748	88.6%
Industrial & Automotive Components Unit	4,229	10.4%	4,502	9.6%	273	6.5%
Semiconductor Components Unit	7,351	10.2%	17,074	19.4%	9,723	132.3%
Others	-574	—	-822	—	-248	—
Electronic Components Business	11,456	14.9%	16,007	16.8%	4,551	39.7%
Solutions Business	15,324	6.7%	14,721	5.7%	-603	-3.9%
Industrial Tools Unit	7,833	12.7%	8,812	10.8%	979	12.5%
Document Solutions Unit	6,637	7.7%	6,870	6.8%	233	3.5%
Communications Unit	2,100	3.8%	-746	—	-2,846	—
Others	-1,246	—	-215	—	1,031	—
Others	-3,473	—	-6,159	—	-2,686	—
Total business profit	34,313	8.2%	45,323	9.2%	11,010	32.1%
Corporate gains and others	20,163	—	23,388	—	3,225	16.0%
Profit before income taxes	54,476	12.9%	68,711	14.0%	14,235	26.1%

Core Components Business and Electronic Components Business saw a significant increase in business profits, and it drove overall growth.

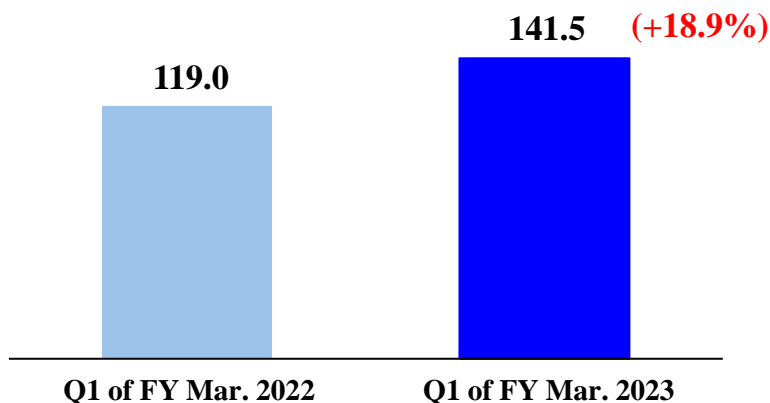
Financial Results by Reporting Segment for Q1 of FY Mar. 2023

(1) Core Components Business

Sales revenue

(Unit: Yen in billions)

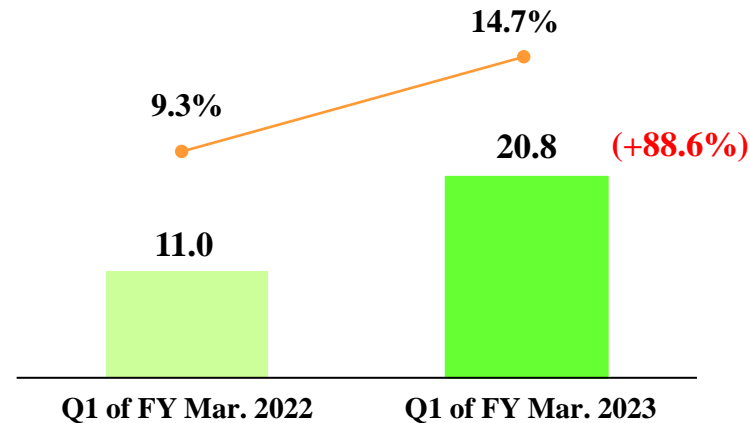
() Change from the previous same period



Business profit

(Unit: Yen in billions)

● Business profit ratio () Change from the previous same period



<Major reasons for changes: Q1 of FY Mar. 2023 compared with Q1 of FY Mar. 2022 >

Increase in demand for

- ceramic packages and organic packages and boards for the information and communication-related markets including 5G in the Semiconductor Components Unit
- fine ceramic components for semiconductor processing equipment in the Industrial & Automotive Components Unit

Significant increase in profit due to

- increase in demand for high-value-added products, made possible by aggressive capital expenditures
- improvement in profitability and the effect of weaker yen in the Semiconductor Components Unit

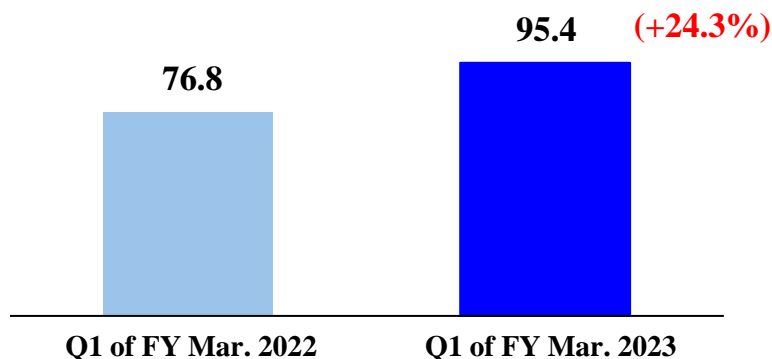
Financial Results by Reporting Segment for Q1 of FY Mar. 2023

(2) Electronic Components Business

Sales revenue

(Unit: Yen in billions)

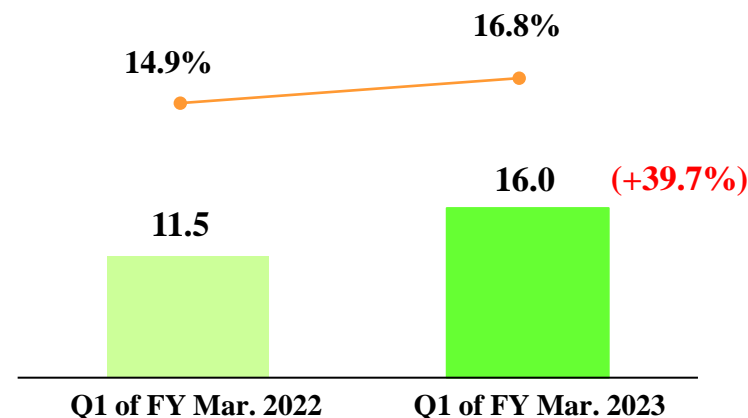
() Change from the previous same period



Business profit

(Unit: Yen in billions)

—●— Business profit ratio () Change from the previous same period



<Major reasons for changes: Q1 of FY Mar. 2023 compared with Q1 of FY Mar. 2022 >

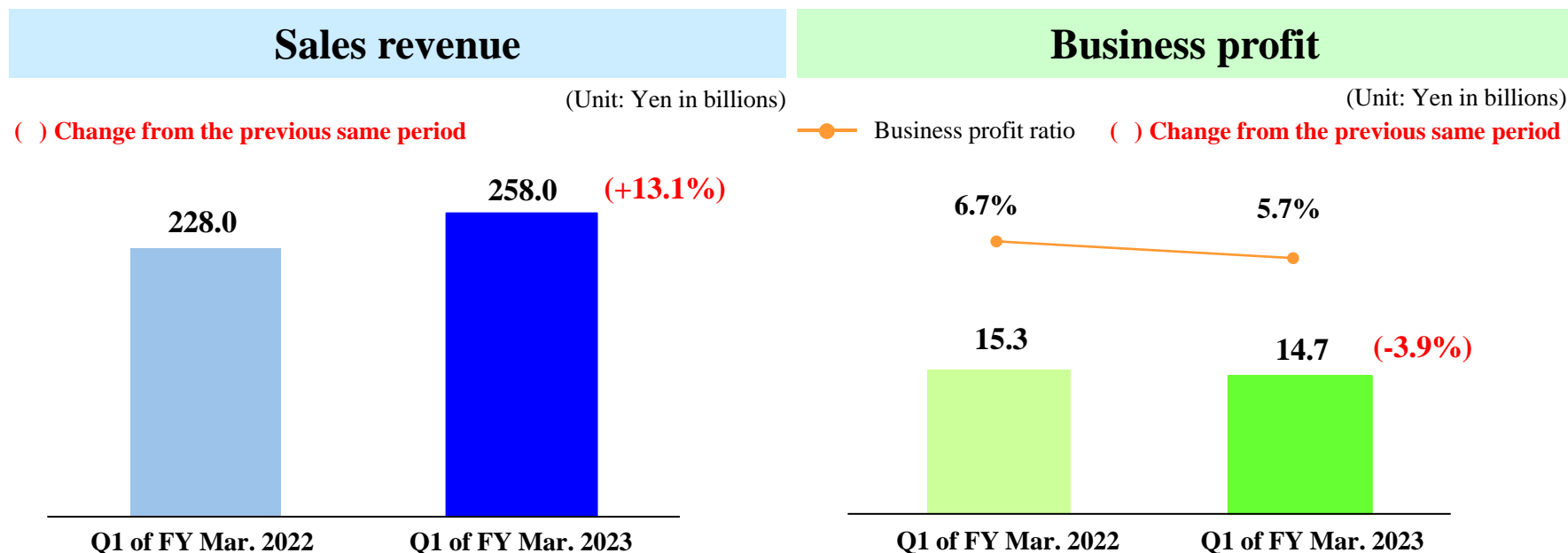
- Increase in sales of components such as capacitors mainly in the industrial market as well as 5G and semiconductor-related markets
- The effect of weaker yen

- Increase in profit due to
 - increased sales of high-value-added products
 - improvement in profitability and the effect of weaker yen

Notes: Business profit represents profit before income taxes of each reporting segment.
Changes from the previous same period and business profit ratio are calculated based on millions of yen.

Financial Results by Reporting Segment for Q1 of FY Mar. 2023

(3) Solutions Business



<Major reasons for changes: Q1 of FY Mar. 2023 compared with Q1 of FY Mar. 2022 >

- Increase in sales of major products in the Industrial Tools Unit and the Document Solutions Unit
- The effect of weaker yen

- Decrease in profit mainly due to a drop in mobile phone sales volume in Japan in the Communications Unit

Notes: Business profit represents profit before income taxes of each reporting segment.
Changes from the previous same period and business profit ratio are calculated based on millions of yen.

2. Financial Forecasts for the Year Ending March 31, 2023

Financial Forecast for the Year Ending March 31, 2023 (1)

(Unit: Yen in millions)

	Year ended March 31, 2022	Year ending March 31, 2023	Change	
		Forecast unchanged*	Amount	%
Sales revenue	1,838,938	2,000,000	161,062	8.8%
Operating profit	148,910 (8.1%)	174,000 (8.7%)	25,090	16.8%
Profit before income taxes	198,947 (10.8%)	220,000 (11.0%)	21,053	10.6%
Profit attributable to owners of the parent	148,414 (8.1%)	154,000 (7.7%)	5,586	3.8%
EPS (Basic-yen)	411.15	429.09		
Average exchange rate	US\$ 112 yen	115 yen		
	Euro 131 yen	125 yen		

* No revision from the April 2022 forecast

Notes: Figures in parentheses represents percentages to sales revenue.

Forecast of EPS (Basic-yen) is calculated using the average number of shares outstanding for the three months ended June 30, 2022.

Please refer to "Cautionary Statements with respect to Forward-Looking Statements" on the last page.

Financial Forecast for the Year Ending March 31, 2023 (2)

(Unit: Yen in millions)

	Year ended March 31, 2022	Year ending March 31, 2023	Change	
		Forecast unchanged*	Amount	%
Capital expenditures	151,771 (8.3%)	200,000 (10.0%)	48,229	31.8%
Depreciation charge of property, plant and equipment	90,229 (4.9%)	120,000 (6.0%)	29,771	33.0%
R&D expenses	84,123 (4.6%)	95,000 (4.8%)	10,877	12.9%

* No revision from the April 2022 forecast

Note: Figures in parentheses represents percentages to sales revenue.

Please refer to "Cautionary Statements with respect to Forward-Looking Statements" on the last page.

Sales Revenue Forecast by Reporting Segment for FY Mar. 2023

(Unit: Yen in millions)

Sales Revenue by Reporting Segment	Year ended March 31, 2022		Year ending March 31, 2023		Change	
	Amount	% of sales revenue	Forecast unchanged*		Amount	%
			Amount	% of sales revenue		
Core Components Business	527,933	28.7%	582,000	29.1%	54,067	10.2%
Industrial & Automotive Components Unit	172,908	9.4%	201,000	10.1%	28,092	16.2%
Semiconductor Components Unit	327,746	17.8%	351,000	17.6%	23,254	7.1%
Others	27,279	1.5%	30,000	1.4%	2,721	10.0%
Electronic Components Business	339,102	18.4%	370,000	18.5%	30,898	9.1%
Solutions Business	983,689	53.5%	1,061,000	53.1%	77,311	7.9%
Industrial Tools Unit	251,062	13.7%	265,000	13.3%	13,938	5.6%
Document Solutions Unit	366,691	19.9%	400,000	20.0%	33,309	9.1%
Communications Unit	262,306	14.3%	271,000	13.6%	8,694	3.3%
Others	103,630	5.6%	125,000	6.2%	21,370	20.6%
Others	17,817	1.0%	24,000	1.2%	6,183	34.7%
Adjustments and eliminations	-29,603	-1.6%	-37,000	-1.9%	-7,397	—
Sales revenue	1,838,938	100.0%	2,000,000	100.0%	161,062	8.8%

* No revision from the April 2022 forecast

Please refer to "Cautionary Statements with respect to Forward-Looking Statements" on the last page.

Business Profit (Loss) Forecast by Reporting Segment for FY Mar. 2023

(Unit: Yen in millions)

Business Profit by Reporting Segment	Year ended March 31, 2022		Year ending March 31, 2023		Change	
	Amount	% to sales revenue	Forecast unchanged*		Amount	%
			Amount	% to sales revenue		
Core Components Business	61,640	11.7%	82,000	14.1%	20,360	33.0%
Industrial & Automotive Components Unit	19,872	11.5%	29,000	14.4%	9,128	45.9%
Semiconductor Components Unit	44,239	13.5%	54,000	15.4%	9,761	22.1%
Others	-2,471	—	-1,000	—	1,471	—
Electronic Components Business	47,896	14.1%	55,500	15.0%	7,604	15.9%
Solutions Business	68,730	7.0%	87,000	8.2%	18,270	26.6%
Industrial Tools Unit	27,211	10.8%	31,000	11.7%	3,789	13.9%
Document Solutions Unit	33,334	9.1%	42,000	10.5%	8,666	26.0%
Communications Unit	15,288	5.8%	11,000	4.1%	-4,288	-28.0%
Others	-7,103	—	3,000	2.4%	10,103	—
Others	-14,649	—	-24,500	—	-9,851	—
Total business profit	163,617	8.9%	200,000	10.0%	36,383	22.2%
Corporate gains and others	35,330	—	20,000	—	-15,330	-43.4%
Profit before income taxes	198,947	10.8%	220,000	11.0%	21,053	10.6%

* No revision from the April 2022 forecast

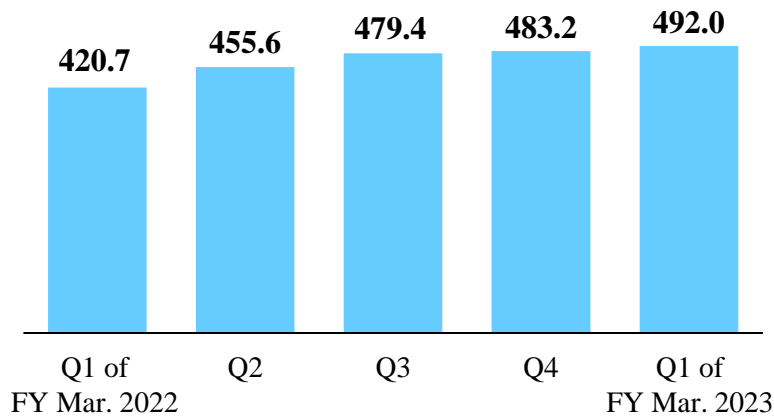
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Appendix: Quarterly Trends of Financial Results

Quarterly Trends of Financial Results

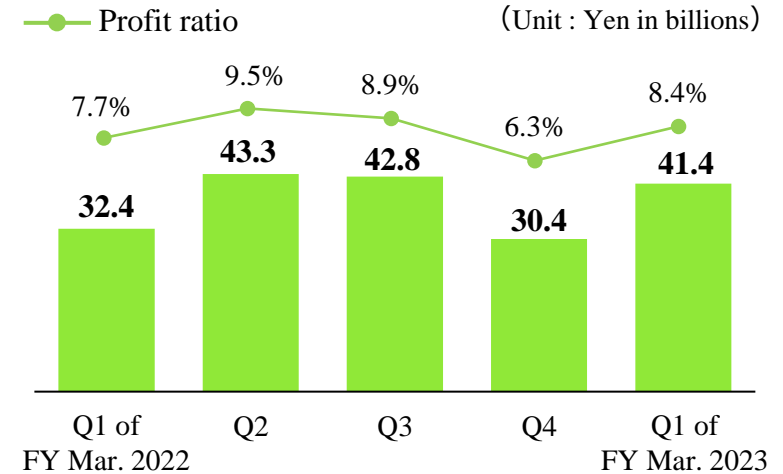
Sales revenue

(Unit : Yen in billions)



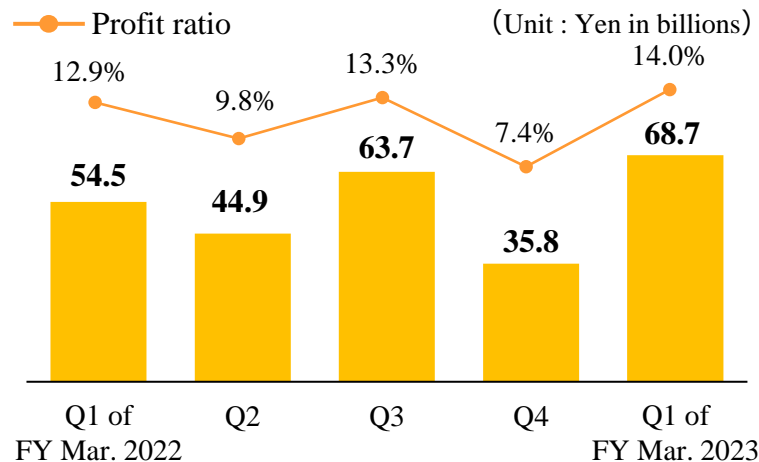
Operating profit

(Unit : Yen in billions)



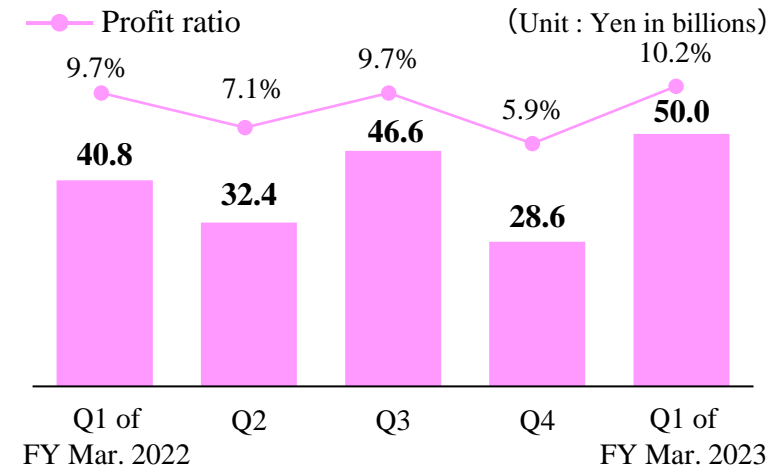
Profit before income taxes

(Unit : Yen in billions)



Profit attributable to owners of the parent

(Unit : Yen in billions)

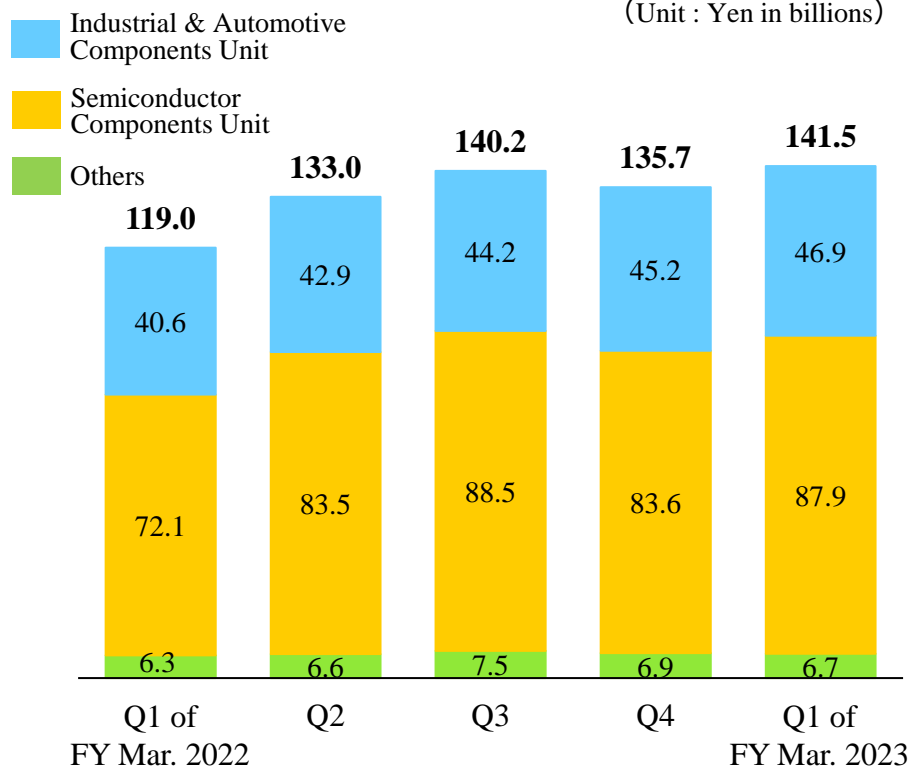


Quarterly Trends of Financial Results by Reporting Segment

(1) Core Components Business

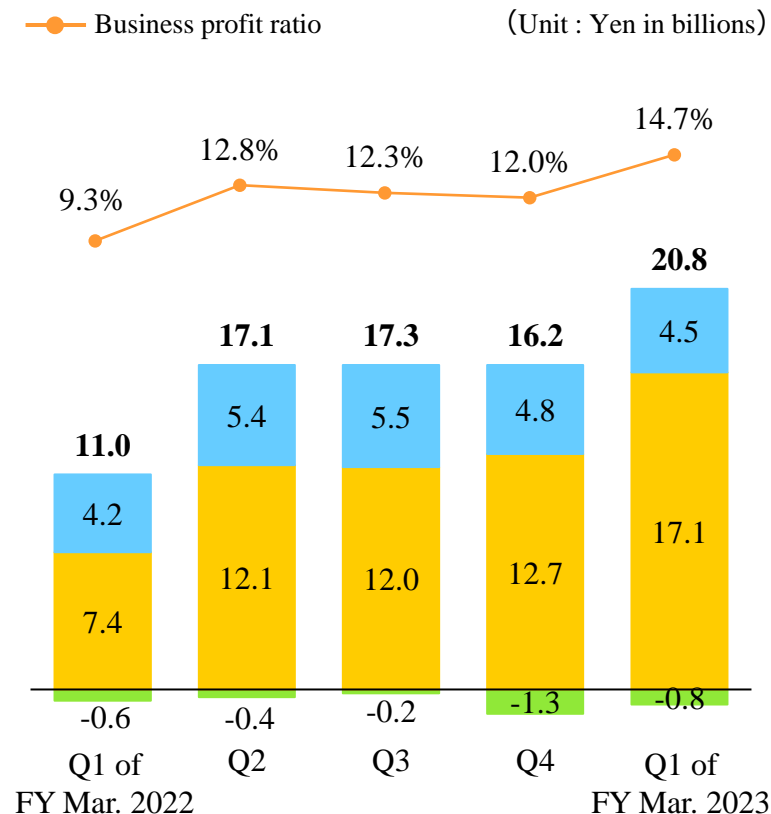
Sales revenue

(Unit : Yen in billions)



Business profit

(Unit : Yen in billions)



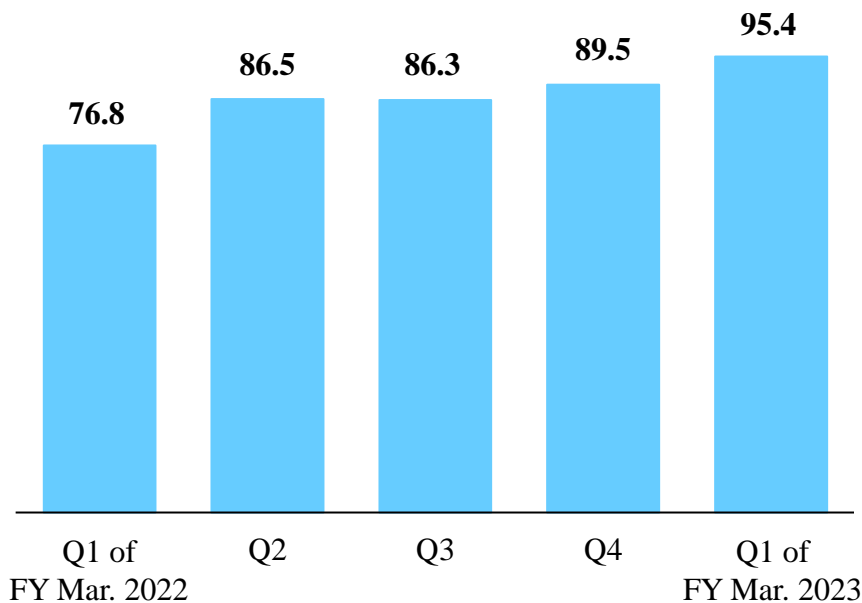
Notes: Business profit represents profit before income taxes of each reporting segment.
Business profit ratio is calculated based on millions of yen.

Quarterly Trends of Financial Results by Reporting Segment

(2) Electronic Components Business

Sales revenue

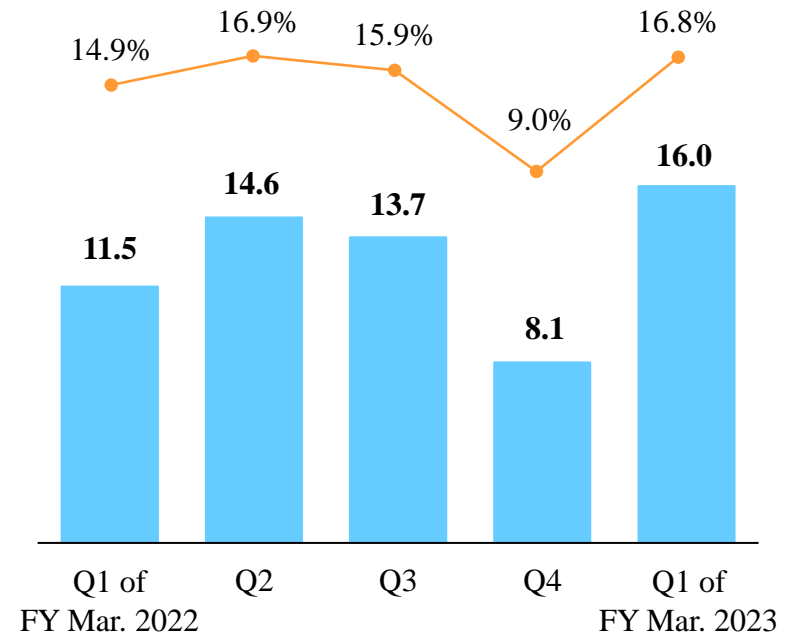
(Unit : Yen in billions)



Business profit

● Business profit ratio

(Unit : Yen in billions)



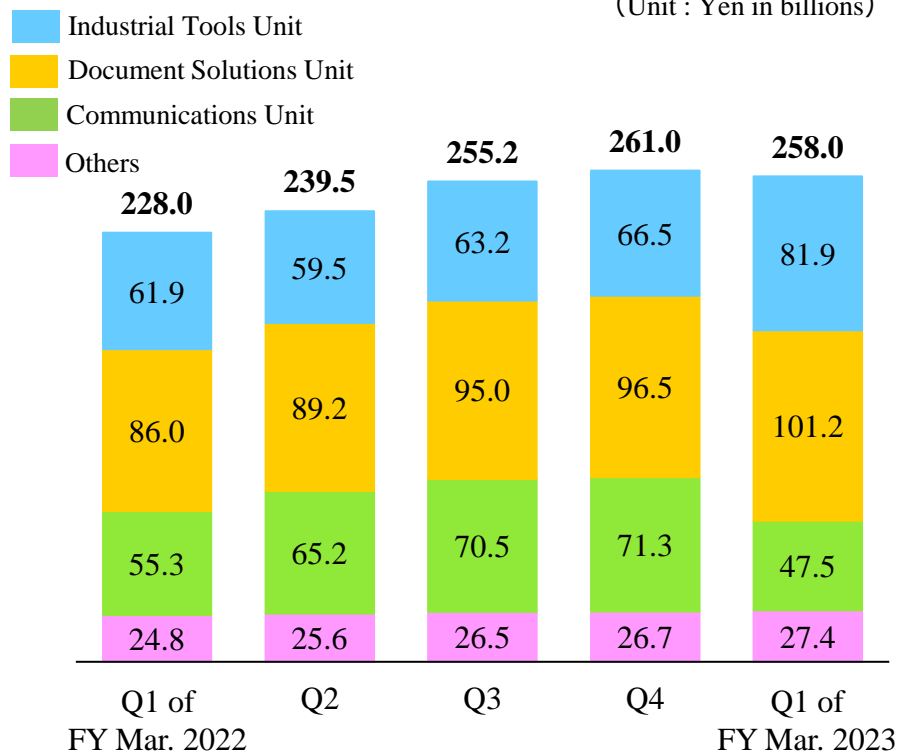
Notes: Business profit represents profit before income taxes of each reporting segment.
Business profit ratio is calculated based on millions of yen.

Quarterly Trends of Financial Results by Reporting Segment

(3) Solutions Business

Sales revenue

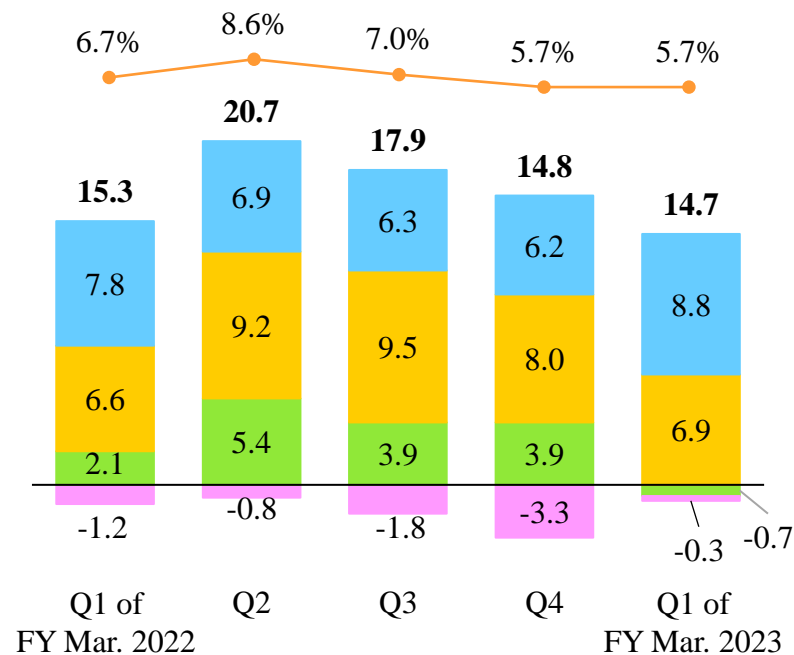
(Unit : Yen in billions)



Business profit

Business profit ratio

(Unit : Yen in billions)



Notes: Business profit represents profit before income taxes of each reporting segment.
Business profit ratio is calculated based on millions of yen.

Cautionary Statements with respect to Forward-Looking Statements

Certain of the statements made in this document are forward-looking statements, which are based on our current assumptions and beliefs in light of the information currently available to us. These forward-looking statements involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors include, but are not limited to the following:

- (1) General conditions in the Japanese or global economy;
- (2) Unexpected changes in economic, political and legal conditions in countries where we operate or export;
- (3) The effect of foreign exchange fluctuations on our results of operations;
- (4) Intense competitive pressures to which our products are subject;
- (5) Fluctuations in the price and ability of suppliers to provide the required quantity of raw materials for use in our production activities;
- (6) Manufacturing delays or defects resulting from outsourcing or internal manufacturing processes;
- (7) The possibility that future initiatives and in-process research and development may not produce the desired results;
- (8) Companies or assets acquired by us not produce the returns or benefits, or bring in business opportunities;
- (9) Inability to secure skilled employees;
- (10) Damages on our information security systems from cyberattacks, etc. and significant costs in order to recover and maintain the systems;
- (11) Insufficient protection of our trade secrets and intellectual property rights including patents;
- (12) Expenses associated with licenses we require to continue to manufacture and sell products;
- (13) Unintentional conflict with laws and regulations or newly enacted laws and regulations;
- (14) Environmental liability and compliance obligations by tightening of environmental laws and regulations;
- (15) Inability to respond to global climate change problems or delay in such response, which may lead to increased costs and negatively impact our corporate brands;
- (16) Our market or supply chains being affected by plague, infectious diseases, terrorism, wars or similar events;
- (17) Earthquakes and other natural disasters affecting our headquarters and major facilities as well as our suppliers and customers;
- (18) Credit risk on trade receivables;
- (19) Fluctuations in the value of financial instruments held by us;
- (20) Impairment losses on property, plant and equipment, goodwill and intangible assets;
- (21) Uncertainty over income tax and deferred tax assets; and
- (22) Changes in accounting standards.

Due to such risks, uncertainties and other factors, our actual results, performance, achievements or financial condition may be substantially different from any future results, performance, achievements or financial condition expressed or implied by these forward-looking statements. We undertake no obligation to publicly update any forward-looking statements included in this document.

THE NEW VALUE FRONTIER



KYOCERA Corporation