



Financial Presentation

for the Six Months Ended September 30, 2024

October 30, 2024

Hideo Tanimoto
President and Representative Director



1**Financial Results for 1H of Fiscal 2025****2****Financial Forecasts for Fiscal 2025****3****Progress of Medium-term Management Plan and Future Direction****4****Change in Policy Regarding “Cross-shareholdings”****5****Management Reforms to Enhance Corporate Value**

Notes: 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.

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

In this document, the year ended March 31, 2024 is referred to as “Fiscal 2024”, the year ending March 31, 2025 is referred to as “Fiscal 2025”, six months ended/ending September 30 is referred to as “1H,” three months ended/ending June 30 is referred to as “1Q.” Other fiscal years, half-year and quarterly periods are referred to in a corresponding manner.

1 Financial Results for 1H of Fiscal 2025

2 Financial Forecasts for Fiscal 2025

3 Progress of Medium-term Management Plan and Future Direction

4 Change in Policy Regarding “Cross-shareholdings”

5 Management Reforms to Enhance Corporate Value

Note: Kyocera decided to change the classification of Energy Solutions Business, which was included in “Others,” and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in “Corporate gains and others,” to “Others” under “Solutions Business” from fiscal 2025. With this change, the business results for fiscal 2024 have been reclassified in the same manner.

Financial Results for 1H of Fiscal 2025 (1)



(Unit: Yen in millions)

| | Fiscal 2024 1H | Fiscal 2025 1H | Change | |
|--|-------------------|-------------------|---------|--------|
| | | | Amount | % |
| Sales Revenue | 985,290 | 998,588 | 13,298 | 1.3% |
| Operating Profit | 54,002 (5.5%) | 37,876 (3.8%) | -16,126 | -29.9% |
| Profit Before Income Taxes | 77,867 (7.9%) | 51,820 (5.2%) | -26,047 | -33.5% |
| Profit Attributable to Owners of the Parent | 56,487 (5.7%) | 36,078 (3.6%) | -20,409 | -36.1% |

| | | | |
|----------------|------|---------|---------|
| Average | US\$ | 141 yen | 153 yen |
| Exchange Rates | Euro | 153 yen | 166 yen |

Note: Figures in parentheses represent percentages to sales revenue.

Sales revenue increased compared to 1H of fiscal 2024; however, profits decreased mainly due to lower utilization ratio which resulted from slowdown of component orders as well as an increase in labor costs etc.

Financial Results for 1H of Fiscal 2025 (2)

(Unit: Yen in millions)

| | Fiscal 2024 1H | Fiscal 2025 1H | Change | |
|--|-------------------|-------------------|--------|-------|
| | | | Amount | % |
| Capital Expenditures | 65,963 (6.7%) | 68,933 (6.9%) | 2,970 | 4.5% |
| Depreciation Charge of Property, Plant and Equipment | 54,077 (5.5%) | 57,154 (5.7%) | 3,077 | 5.7% |
| R&D Expenses | 50,757 (5.2%) | 57,932 (5.8%) | 7,175 | 14.1% |

Note: Figures in parentheses represent percentages to sales revenue.

Depreciation charge of property, plant and equipment increased due mainly to capital investment made in fiscal 2024, and R&D expenses increased mainly in the Telecommunication Infrastructure Equipment-related Business etc.

Sales Revenue by Reporting Segment for 1H of Fiscal 2025



(Unit: Yen in millions)

| Sales Revenue by Reporting Segment | Fiscal 2024 1H | | Fiscal 2025 1H | | Change | |
|---|----------------|-----------------|----------------|-----------------|---------------|--------------|
| | Amount | Component Ratio | Amount | Component Ratio | Amount | % |
| Core Components Business | 282,402 | 28.7% | 281,678 | 28.2% | -724 | -0.3% |
| Industrial & Automotive Components Unit | 109,165 | 11.1% | 113,857 | 11.4% | 4,692 | 4.3% |
| Semiconductor Components Unit | 158,916 | 16.1% | 151,741 | 15.2% | -7,175 | -4.5% |
| Others | 14,321 | 1.5% | 16,080 | 1.6% | 1,759 | 12.3% |
| Electronic Components Business | 174,758 | 17.7% | 180,923 | 18.1% | 6,165 | 3.5% |
| Solutions Business | 537,094 | 54.5% | 546,187 | 54.7% | 9,093 | 1.7% |
| Industrial Tools Unit | 159,622 | 16.2% | 160,810 | 16.1% | 1,188 | 0.7% |
| Document Solutions Unit | 212,891 | 21.6% | 232,222 | 23.2% | 19,331 | 9.1% |
| Communications Unit | 105,045 | 10.7% | 105,480 | 10.6% | 435 | 0.4% |
| Others | 59,536 | 6.0% | 47,675 | 4.8% | -11,861 | -19.9% |
| Others | 9,749 | 1.0% | 8,079 | 0.8% | -1,670 | -17.1% |
| Adjustments and Eliminations | -18,713 | -1.9% | -18,279 | -1.8% | 434 | - |
| Sales Revenue | 985,290 | 100.0% | 998,588 | 100.0% | 13,298 | 1.3% |

Business Profit (Loss) by Reporting Segment for 1H of Fiscal 2025

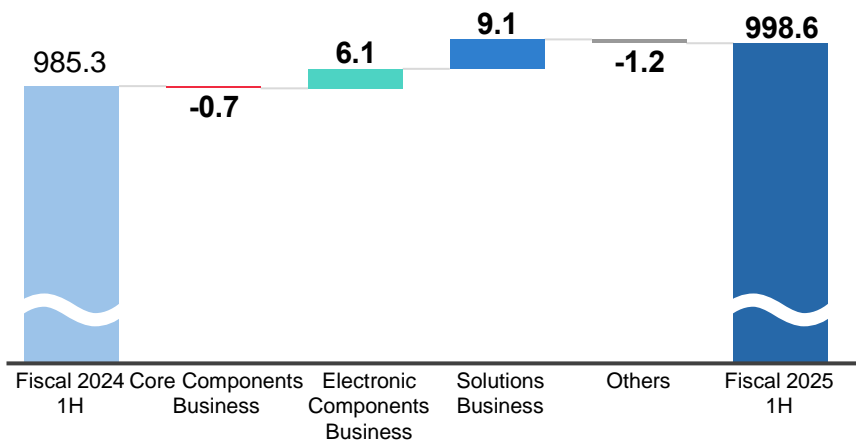


(Unit: Yen in millions)

| Business Profit by Reporting Segment | Fiscal 2024 1H | | Fiscal 2025 1H | | Change | |
|---|----------------|--------------------|----------------|--------------------|----------------|---------------|
| | Amount | % to Sales Revenue | Amount | % to Sales Revenue | Amount | % |
| Core Components Business | 30,466 | 10.8% | 17,295 | 6.1% | -13,171 | -43.2% |
| Industrial & Automotive Components Unit | 11,737 | 10.8% | 10,983 | 9.6% | -754 | -6.4% |
| Semiconductor Components Unit | 18,767 | 11.8% | 5,634 | 3.7% | -13,133 | -70.0% |
| Others | -38 | - | 678 | 4.2% | 716 | - |
| Electronic Components Business | 9,860 | 5.6% | 47 | 0.0% | -9,813 | -99.5% |
| Solutions Business | 31,377 | 5.8% | 33,299 | 6.1% | 1,922 | 6.1% |
| Industrial Tools Unit | 9,212 | 5.8% | 9,434 | 5.9% | 222 | 2.4% |
| Document Solutions Unit | 19,352 | 9.1% | 21,491 | 9.3% | 2,139 | 11.1% |
| Communications Unit | 593 | 0.6% | 1,119 | 1.1% | 526 | 88.7% |
| Others | 2,220 | 3.7% | 1,255 | 2.6% | -965 | -43.5% |
| Others | -20,130 | - | -23,023 | - | -2,893 | - |
| Total Business Profit | 51,573 | 5.2% | 27,618 | 2.8% | -23,955 | -46.4% |
| Corporate Gains and Others | 26,294 | - | 24,202 | - | -2,092 | -8.0% |
| Profit Before Income Taxes | 77,867 | 7.9% | 51,820 | 5.2% | -26,047 | -33.5% |

Sales Revenue

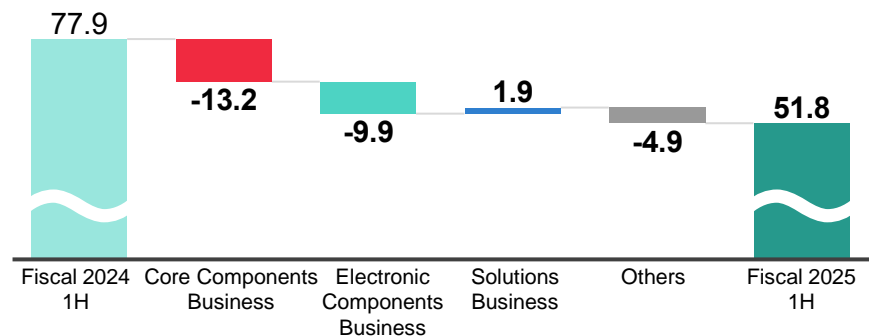
(Unit: Yen in billions)



The sales revenue increased as a result of increased sales of the Electronic Components Business and the Solutions Business mainly by weaker yen. Sales of the Core Component Business remained flat.

Profit Before Income Taxes

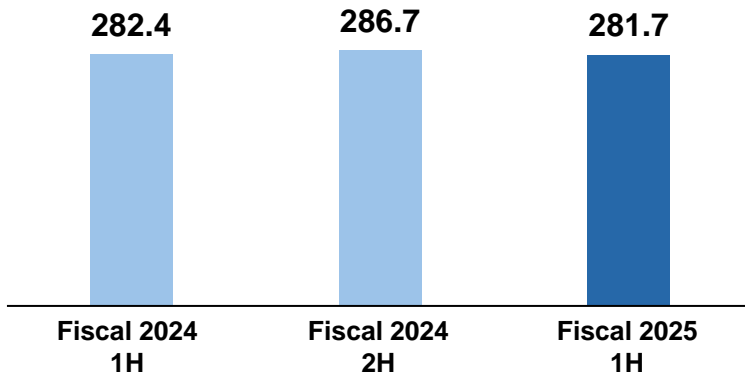
(Unit: Yen in billions)



The profit decreased due to decreased profits of the Core Components Business and the Electronic Components Business which had been affected from significant demand decline in the Organic Packages and Boards Business and KAVX* Group. The profit of the Solutions Business increased due mainly to the impact of a weaker yen.

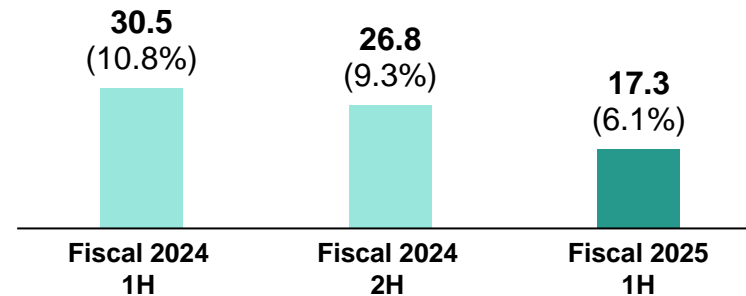
Sales Revenue

(Unit: Yen in billions)



Business Profit (Ratio)

(Unit: Yen in billions)



Summary of Financial Results

<As Compared with 1H of Fiscal 2024: -0.3%>

- Sales revenue remained flat. Increased sales of fine ceramic components for semiconductor processing equipment were offset by a decrease in sales of organic packages and boards.

<As Compared with 2H of Fiscal 2024: -1.8%>

- Sales revenue decreased slightly due mainly to a decrease in sales of organic packages and boards.

<As Compared with 1H of Fiscal 2024: -43.2%>

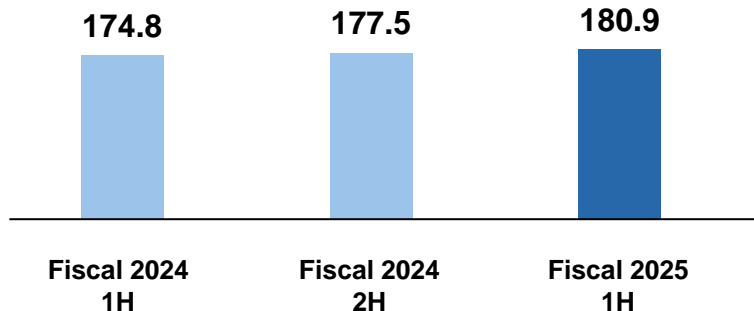
- Business profit decreased due mainly to a decrease in sales of the organic packages and boards and an increase in fixed costs such as depreciation charge of property, plant and equipment.

<As Compared with 2H of Fiscal 2024: -35.4%>

- Business profit decreased due mainly to a decrease in sales of the organic packages and boards and an increase in fixed costs such as labor costs.

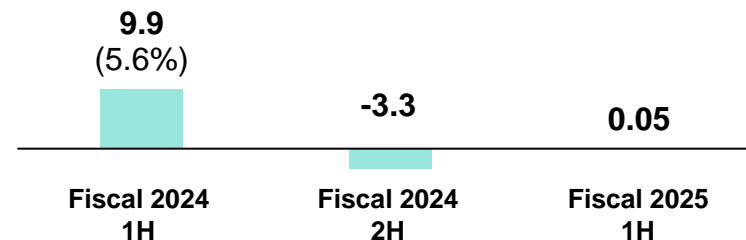
Sales Revenue

(Unit: Yen in billions)



Business Profit/Loss (Ratio)

(Unit: Yen in billions)



Summary of Financial Results

<As Compared with 1H of Fiscal 2024: +3.5%>

- Sales revenue increased due to an increase in sales of components such as capacitors and crystal devices in the information and communication markets and the industrial equipment markets, due to factors such as the impact of a weaker yen.

<As Compared with 2H of Fiscal 2024: +1.9%>

- Sales revenue increased due to an increase in sales of components such as capacitors and crystal devices in the information and communication markets and the industrial equipment markets, due to factors such as the impact of a weaker yen.

<As Compared with 1H of Fiscal 2024: -99.5%>

- Business profit significantly decreased due to a higher cost of sales ratio, which resulted from the lower utilization ratio of a new factory and an increase in labor and other costs in KAVX Group, as well as losses incurred from an earthquake that occurred under the Hyuga-Nada, a zone of the Pacific Ocean off the coast of Miyazaki Prefecture, Japan.

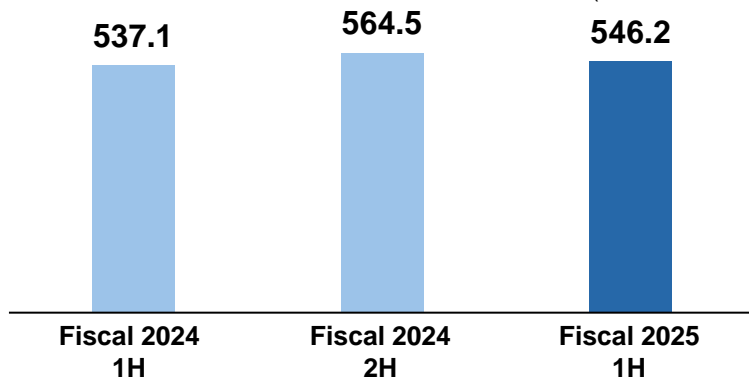
<As Compared with 2H of Fiscal 2024: +3.3 billion yen>

- Business profit increased mainly due to the absence of a restructuring costs etc., which was recorded in 4Q of fiscal 2024.

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

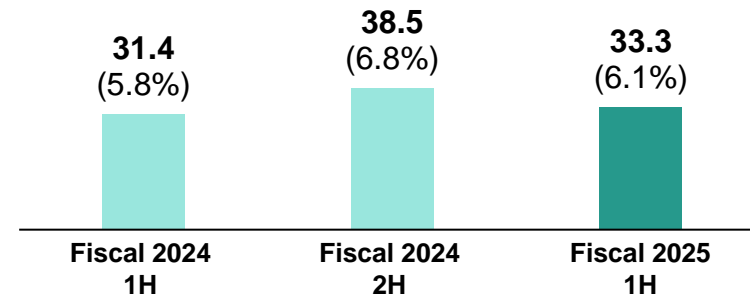
Sales Revenue

(Unit: Yen in billions)



Business Profit (Ratio)

(Unit: Yen in billions)



Summary of Financial Results

<As Compared with 1H of Fiscal 2024: +1.7%>

- Sales revenue increased due mainly to an increase in sales in the Document Solutions Unit and the impact of a weaker yen.

<As Compared with 2H of Fiscal 2024: -3.2%>

- Sales revenue decreased due to seasonality in the Communications Unit and the Document Solutions Unit, which more than offset the impact of a weaker yen.

<As Compared with 1H of Fiscal 2024: +6.1%>

- Business profit increased due mainly to an increase in sales of the Document Solutions Unit and the impact of a weaker yen.

<As Compared with 2H of Fiscal 2024: -13.4%>

- Business profit decreased due to seasonal sales decline in the Communications Unit and the Document Solutions Unit.

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4 Change in Policy Regarding “Cross-shareholdings”

5 Management Reforms to Enhance Corporate Value

Note: Kyocera decided to change the classification of Energy Solutions Business, which was included in “Others,” and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in “Corporate gains and others,” to “Others” under “Solutions Business” from fiscal 2025. With this change, the business results for fiscal 2024 have been reclassified in the same manner.

Financial Forecasts for Fiscal 2025 (1)



(Unit: Yen in millions)

| | Fiscal 2024 | Fiscal 2025 (Forecast) | | Change in amount compared with | |
|--|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------|
| | | Previous (Apr. 2024) | Revised (Oct. 2024) | Fiscal 2024 | Previous Forecast |
| Sales Revenue | 2,004,221 | 2,050,000 | 2,020,000 | 15,779 | -30,000 |
| Operating Profit | 92,923 (4.6%) | 110,000 (5.4%) | 68,000 (3.4%) | -24,923 | -42,000 |
| Profit Before Income Taxes | 136,143 (6.8%) | 150,000 (7.3%) | 100,000 (5.0%) | -36,143 | -50,000 |
| Profit Attributable to Owners of the Parent | 101,074 (5.0%) | 112,000 (5.5%) | 71,000 (3.5%) | -30,074 | -41,000 |
| EPS (Basic-yen) | 71.58 | 79.51 | 50.40 | | |

Notes:

Figures in parentheses represent percentages to sales revenue.

Forecasts of EPS (Basic-yen) for Fiscal 2025 as of Apr. 2024 is calculated using the average number of shares outstanding for Fiscal 2025 1Q, and forecast of EPS (Basic-yen) for Fiscal 2025 as of Oct. 2024 is calculated using the average number of shares outstanding during Fiscal 2025 1H.

| | | | | |
|----------------|------|---------|---------|---------|
| Average | US\$ | 145 yen | 145 yen | 145 yen |
| Exchange Rates | Euro | 157 yen | 155 yen | 155 yen |

Financial forecasts have been revised due to the anticipation that the recovery of demands for the Organic Packages Business and KAVX will not take place soon after 3Q of fiscal 2025

Financial Forecasts for Fiscal 2025 (2)



(Unit: Yen in millions)

| | Fiscal 2024 | Fiscal 2025 (Forecast) | | Change in amount compared with | |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------|
| | | Previous (Apr. 2024) | Revised (Oct. 2024) | Fiscal 2024 | Previous Forecast |
| Capital Expenditures | 161,684 (8.1%) | 200,000 (9.8%) | 160,000 (7.9%) | -1,684 | -40,000 |
| Depreciation Charge of Property, Plant and Equipment | 111,724 (5.6%) | 120,000 (5.9%) | 120,000 (5.9%) | 8,276 | - |
| R&D Expenses | 104,290 (5.2%) | 120,000 (5.9%) | 120,000 (5.9%) | 15,710 | - |

Note: Figures in parentheses represent percentages to sales revenue.

Forecast of capital expenditures has been revised in light of the anticipated demand conditions from 3Q onward

Sales Revenue Forecasts by Reporting Segment for Fiscal 2025



(Unit: Yen in millions)

| Sales Revenue by Reporting Segment | Fiscal 2024 | | Fiscal 2025 (Forecast) | | | | Change in amount compared with | |
|---|------------------|-----------------|------------------------|-----------------|---------------------|-----------------|--------------------------------|-------------------|
| | Amount | Component Ratio | Previous (Apr. 2024) | | Revised (Oct. 2024) | | Fiscal 2024 | Previous Forecast |
| | | | Amount | Component Ratio | Amount | Component Ratio | | |
| Core Components Business | 569,145 | 28.4% | 580,000 | 28.3% | 559,000 | 27.7% | -10,145 | -21,000 |
| Industrial & Automotive Components Unit | 224,574 | 11.2% | 232,000 | 11.3% | 234,000 | 11.6% | 9,426 | 2,000 |
| Semiconductor Components Unit | 314,649 | 15.7% | 315,000 | 15.4% | 291,000 | 14.4% | -23,649 | -24,000 |
| Others | 29,922 | 1.5% | 33,000 | 1.6% | 34,000 | 1.7% | 4,078 | 1,000 |
| Electronic Components Business | 352,277 | 17.6% | 360,000 | 17.5% | 350,000 | 17.3% | -2,277 | -10,000 |
| Solutions Business | 1,101,625 | 54.9% | 1,131,000 | 55.2% | 1,132,700 | 56.1% | 31,075 | 1,700 |
| Industrial Tools Unit | 310,740 | 15.5% | 313,700 | 15.3% | 313,700 | 15.5% | 2,960 | - |
| Document Solutions Unit | 452,162 | 22.5% | 470,000 | 22.9% | 480,000 | 23.8% | 27,838 | 10,000 |
| Communications Unit | 224,403 | 11.2% | 231,300 | 11.3% | 229,000 | 11.3% | 4,597 | -2,300 |
| Others | 114,320 | 5.7% | 116,000 | 5.7% | 110,000 | 5.5% | -4,320 | -6,000 |
| Others | 17,680 | 0.9% | 16,000 | 0.8% | 15,300 | 0.7% | -2,380 | -700 |
| Adjustments and Eliminations | -36,506 | -1.8% | -37,000 | -1.8% | -37,000 | -1.8% | -494 | - |
| Sales Revenue | 2,004,221 | 100.0% | 2,050,000 | 100.0% | 2,020,000 | 100.0% | 15,779 | -30,000 |

Business Profit (Loss) Forecasts by Reporting Segment for Fiscal 2025



(Unit: Yen in millions)

| Business Profit by Reporting Segment | Fiscal 2024 | | Fiscal 2025 (Forecast) | | | | Change in amount compared with | |
|---|----------------|--------------------|------------------------|--------------------|---------------------|--------------------|--------------------------------|-------------------|
| | Amount | % to Sales Revenue | Previous (Apr. 2024) | | Revised (Oct. 2024) | | Fiscal 2024 | Previous Forecast |
| | | | Amount | % to Sales Revenue | Amount | % to Sales Revenue | | |
| Core Components Business | 57,226 | 10.1% | 61,000 | 10.5% | 38,000 | 6.8% | -19,226 | -23,000 |
| Industrial & Automotive Components Unit | 26,409 | 11.8% | 29,000 | 12.5% | 25,000 | 10.7% | -1,409 | -4,000 |
| Semiconductor Components Unit | 30,375 | 9.7% | 31,000 | 9.8% | 12,000 | 4.1% | -18,375 | -19,000 |
| Others | 442 | 1.5% | 1,000 | 3.0% | 1,000 | 2.9% | 558 | - |
| Electronic Components Business | 6,521 | 1.9% | 30,000 | 8.3% | 1,000 | 0.3% | -5,521 | -29,000 |
| Solutions Business | 69,841 | 6.3% | 86,000 | 7.6% | 80,000 | 7.1% | 10,159 | -6,000 |
| Industrial Tools Unit | 16,837 | 5.4% | 22,000 | 7.0% | 18,700 | 6.0% | 1,863 | -3,300 |
| Document Solutions Unit | 43,940 | 9.7% | 47,000 | 10.0% | 48,000 | 10.0% | 4,060 | 1,000 |
| Communications Unit | 6,964 | 3.1% | 10,000 | 4.3% | 7,600 | 3.3% | 636 | -2,400 |
| Others | 2,100 | 1.8% | 7,000 | 6.0% | 5,700 | 5.2% | 3,600 | -1,300 |
| Others | -41,049 | - | -47,000 | - | -50,000 | - | -8,951 | -3,000 |
| Total Business Profit | 92,539 | 4.6% | 130,000 | 6.3% | 69,000 | 3.4% | -23,539 | -61,000 |
| Corporate Gains and Others | 43,604 | - | 20,000 | - | 31,000 | - | -12,604 | 11,000 |
| Profit Before Income Taxes | 136,143 | 6.8% | 150,000 | 7.3% | 100,000 | 5.0% | -36,143 | -50,000 |

(1) Interim Dividend

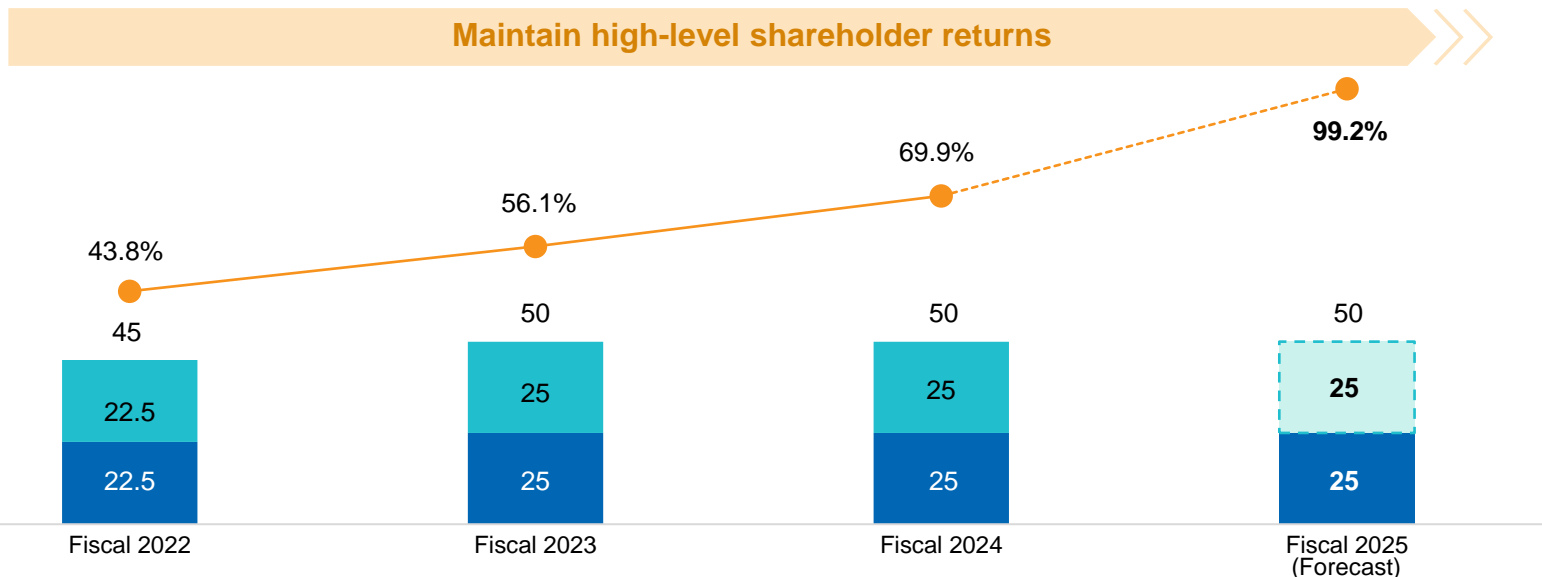
25 yen per share (same amount as the interim dividend of fiscal 2024 after the stock-split basis)

(2) Year-end Dividend (Forecast)

25 yen per share (same amount as the year-end dividend of fiscal 2024)

Trend of Dividend Per Share and Dividend Payout Ratio

● Dividend Payout Ratio ■ Interim Dividend (Yen) ■ Year-end Dividend (Yen)



*All figures are calculated based on the basis after the stock split implemented on January 1, 2024.

1

Financial Results for 1H of Fiscal 2025

2

Financial Forecasts for Fiscal 2025

3

**Progress of Medium-term Management Plan and
Future Direction**

4

Change in Policy Regarding “Cross-shareholdings”

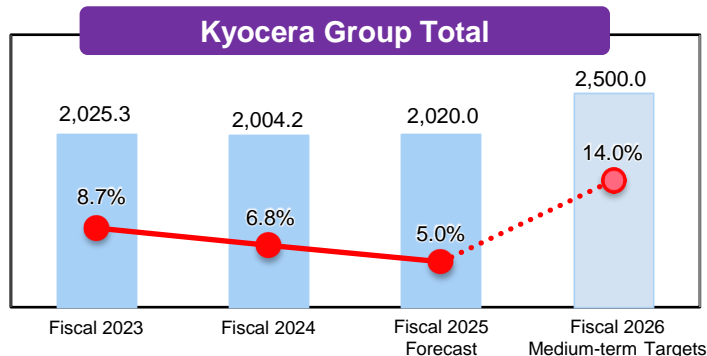
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Management Reforms to Enhance Corporate Value

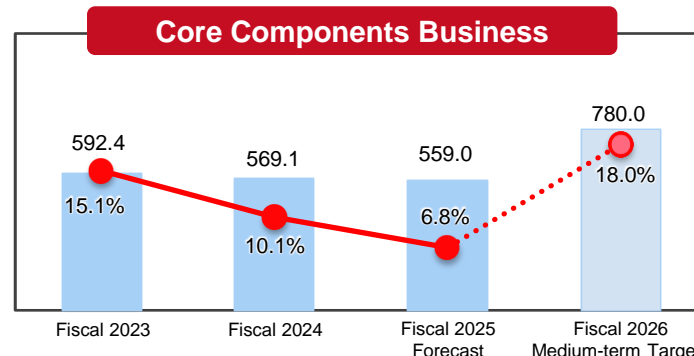
Note: Kyocera decided to change the classification of Energy Solutions Business, which was included in “Others,” and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in “Corporate gains and others,” to “Others” under “Solutions Business” from fiscal 2025. With this change, the business results for fiscal 2024 have been reclassified in the same manner.

Progress of Medium-term Management Plan (By Fiscal 2026)

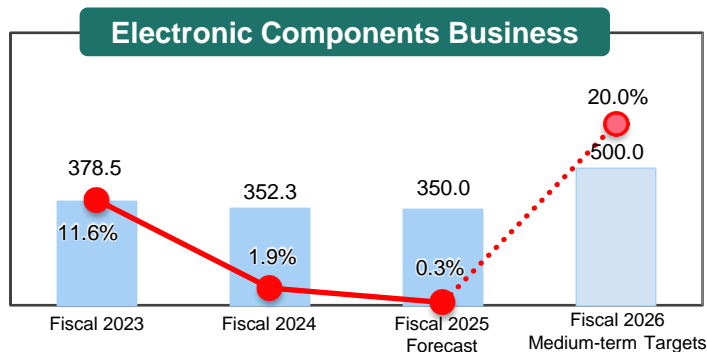
■ Sales Revenue (Yen in Billions) ● Profit Ratio Before Income Taxes (%)



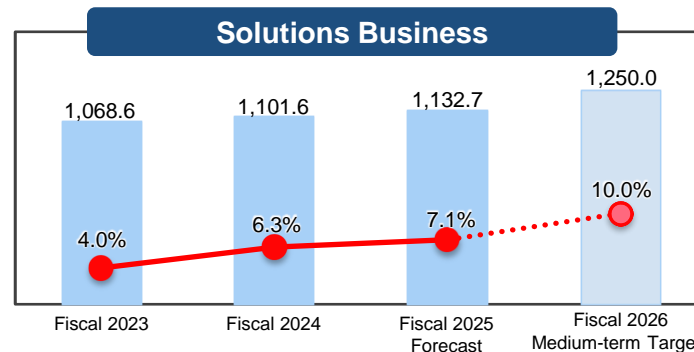
Progress of both sales and profit towards the medium-term targets have been slower than expected



Profitability of Organic Packages Business has deteriorated

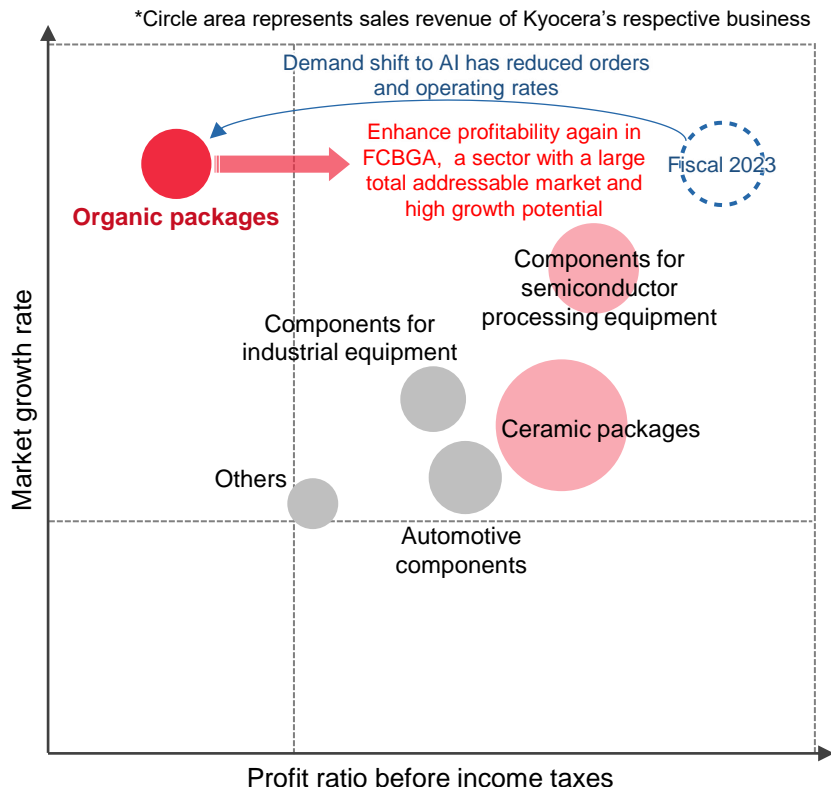


Profitability of KAVX has declined



Medium-term targets are within reach

Business Portfolio (Fiscal 2024)



Future Direction

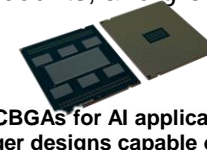
◆ **Enhance profitability in Organic Packages Business**

- ✓ Adjust workforce and capital expenditures according to market conditions
- ✓ Boost production line efficiency and quality through process reforms

→ **Project approx. two years for full-fledged profitability growth**

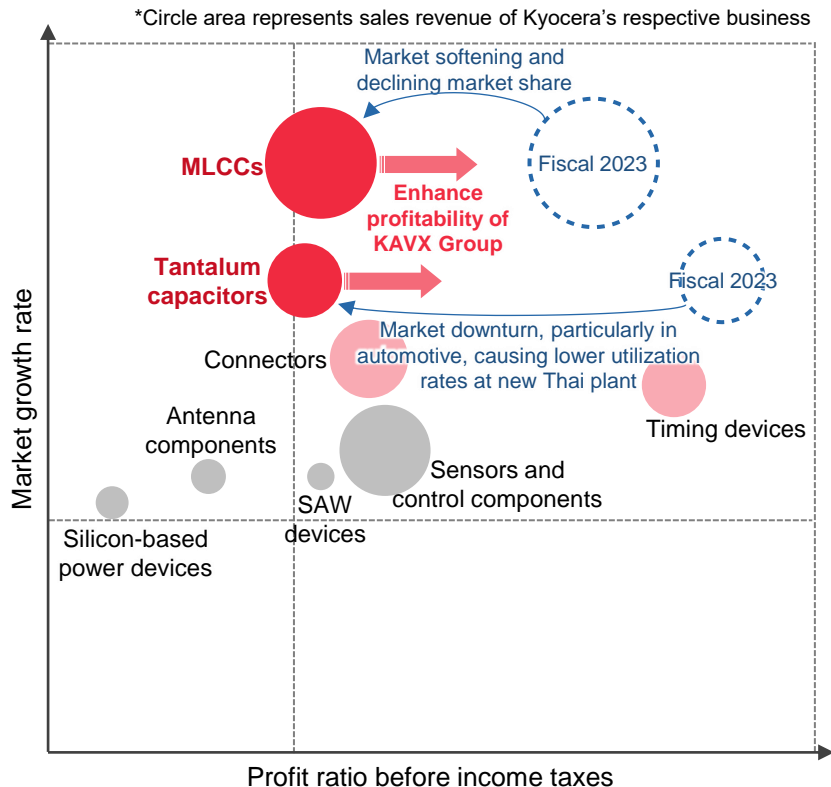
◆ **Develop technology for next-generation high-end FCBGAs**

- ✓ Strengthen the development of key technologies aimed at acquiring orders for next-generation high-end FCBGAs, such as AI-specific ASICs
- ✓ Leverage Kyocera's strengths to meet technical needs such as larger sizes, higher layer counts, and greater density



Continue investing in FCBGAs which our current market share is low but has a large TAM and high growth potential

Business Portfolio (Fiscal 2024)



Future Direction

◆ **Restructure businesses of KAVX Group**

- ✓ Invest Kyocera's resources (technology and personnel) in KAVX to strengthen production technology and equipment capabilities to increase competitiveness against MLCC rivals
- ✓ Focus on global sales activities in anticipation of automotive market recovery in 2025

→ **Project approx. two years for full-fledged profitability growth**

◆ **Strengthen MLCC and tantalum capacitor businesses**

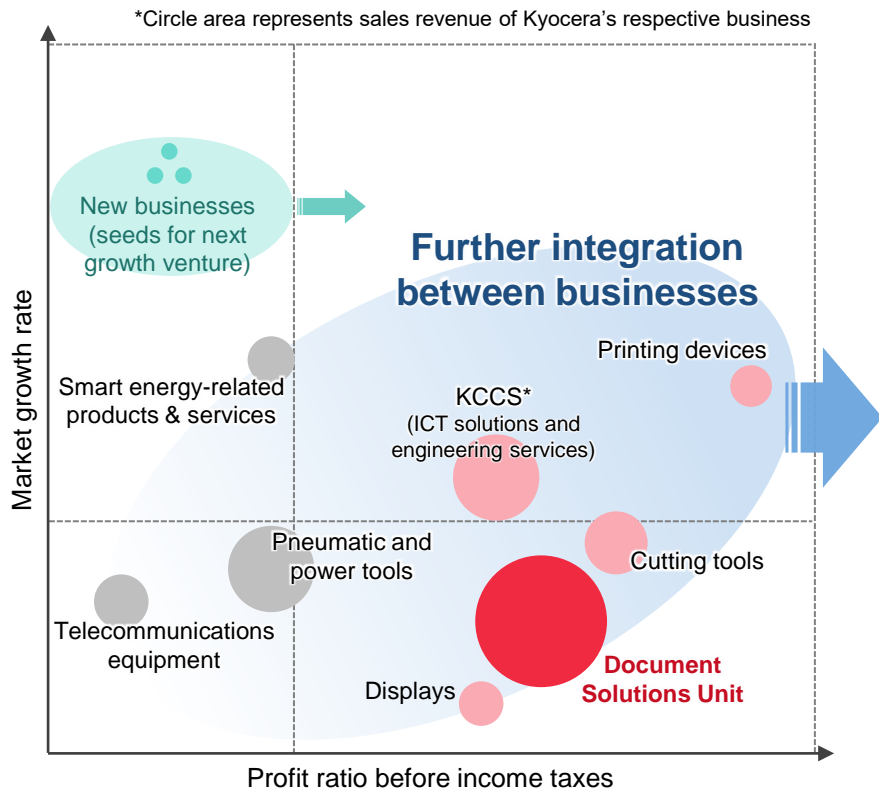
- ✓ Focus on developing new products for high-end semiconductors
- ✓ Expand into specialized markets in Europe and the U.S. (aerospace, defense, medical)

◆ **Consider withdrawal of non-core businesses and products**

◆ **Expand market share through strategic M&A**

Conduct strategic M&A to expand market share and boost profitability

Business Portfolio (Fiscal 2024)



Future Direction

- ◆ **Implement business-specific measures for high growth and high profitability**
 - ✓ Expand business and enhance profitability by proactively pursuing new challenges
Document Solutions Unit / Printing devices / Cutting tools / KCCS / Displays
 - ✓ Enhance profitability through further structural reforms
Telecommunications equipment / Smart energy-related products & services / Pneumatic and power tools
- ◆ **Drive further integration between businesses by maximizing utilization of resources of the Document Solutions Unit**
 - ✓ Consolidate hardware and software technology and production technology development capabilities
 - ✓ Strengthen sales framework by leveraging global marketing and distribution networks
- ◆ **Develop new business to create the next growth driver**

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Changed Policy to Proceed with Sale of KDDI Shares

Background

1. Since the establishment of DDI* (now KDDI Corporation), the business situations of both companies have significantly changed. Reflecting this, Kyocera has determined that it is time to review its holding of KDDI shares.
2. Considering future funding needs, selling the shares is necessary as one possible means of raising capital.

Two strategies for pursuing an optimal capital structure by utilizing KDDI shares

Borrowing against KDDI shares



Sale of KDDI shares

<Key funding needs>

Core Components Business

Continued investment in cutting-edge equipment and technology development to meet advanced technological demands, such as semiconductor miniaturization

Electronic Components Business

Organic investment in advanced equipment and strategic M&A and capital alliances aimed at significantly improving market share

Solutions Business

Investment in growth areas within existing businesses and further strengthening R&D for new business creation

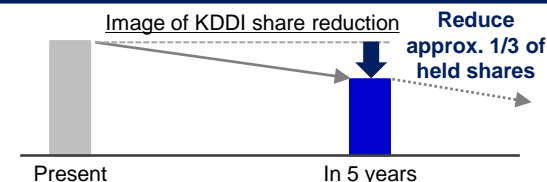
Headquarters

Fundamental restructuring of management infrastructure, with DX(digital transformation) investments for productivity enhancement and GX(green transformation) investments to meet customer demands

Sale size and timing

Sell approximately 1/3 of the held shares over the next five years and continue considering reductions thereafter.

(Increase of number of shares sold or acceleration of timing will be considered by needs for funding such as M&A)

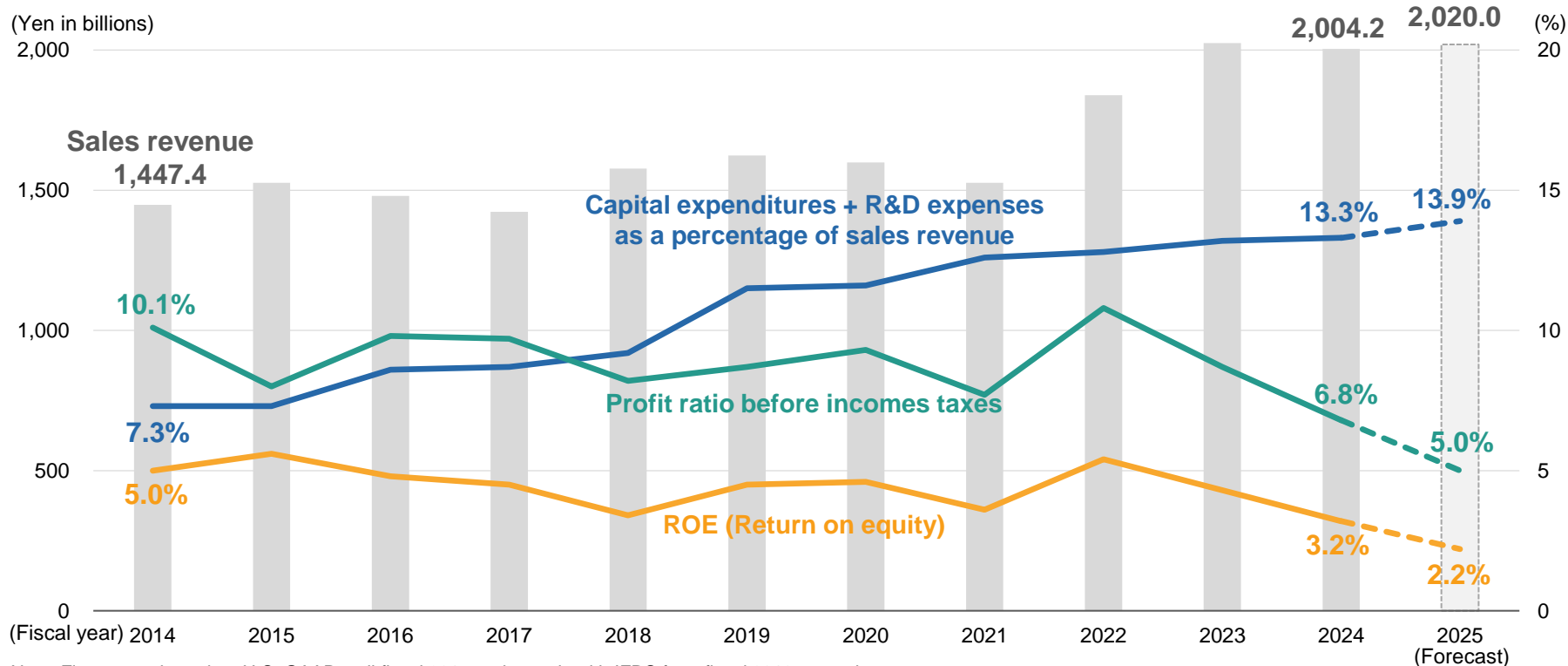


- 1 Financial Results for 1H of Fiscal 2025
- 2 Financial Forecasts for Fiscal 2025
- 3 Progress of Medium-term Management Plan and Future Direction
- 4 Change in Policy Regarding “Cross-shareholdings”
- 5 Management Reforms to Enhance Corporate Value**

Current State of the Kyocera Group



- Sales revenue has increased over the past decade, partly due to M&A effects
- Investments prioritized in the past five to six years, with returns still to come



Note: Figures are based on U.S. GAAP until fiscal 2017 and comply with IFRS from fiscal 2018 onward.

Kyocera's Price-to-Book (P/B) Ratio



Capital Market Assessment of Kyocera

- ✓ **Kyocera has diverse businesses but lacks a clear driver for overall profitability.**
- ✓ **Financial assets make up over half of market capitalization, highlighting the need for active investment in core businesses to foster investors' confidence on growth expectations for driving share price appreciation.**



<Future Initiatives of Kyocera>

- **Clearly outline the strategic direction for each reporting segment and the overall goals of the Kyocera Group.**
- **Implement management reforms focused on capital efficiency, including a review of the business portfolio.**

[Policy]

Strengthen business portfolio management across the three reporting segments, namely the Core Components Business, the Electronic Components Business, and the Solutions Business, focusing on a management approach that further prioritizes profitability.

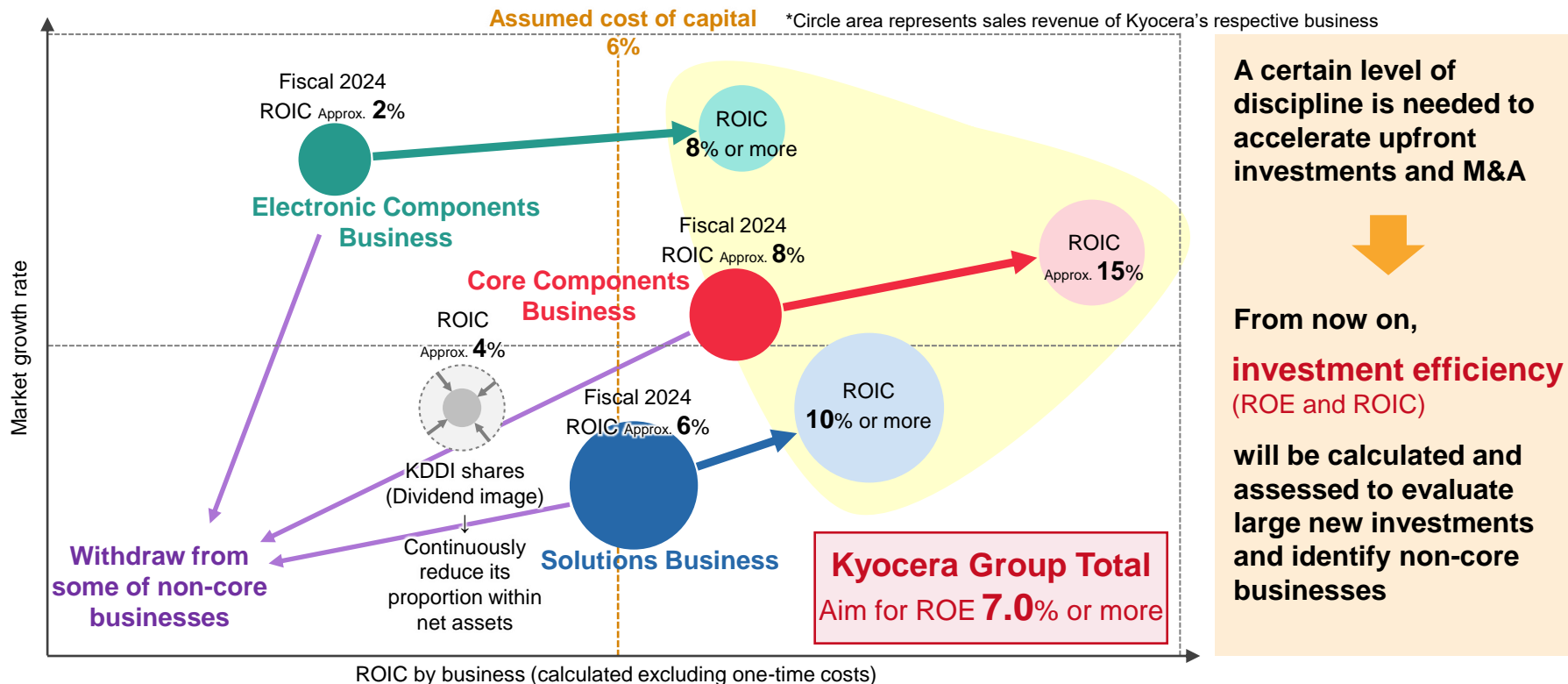
1. Conduct a business portfolio analysis to categorize businesses into core and non-core

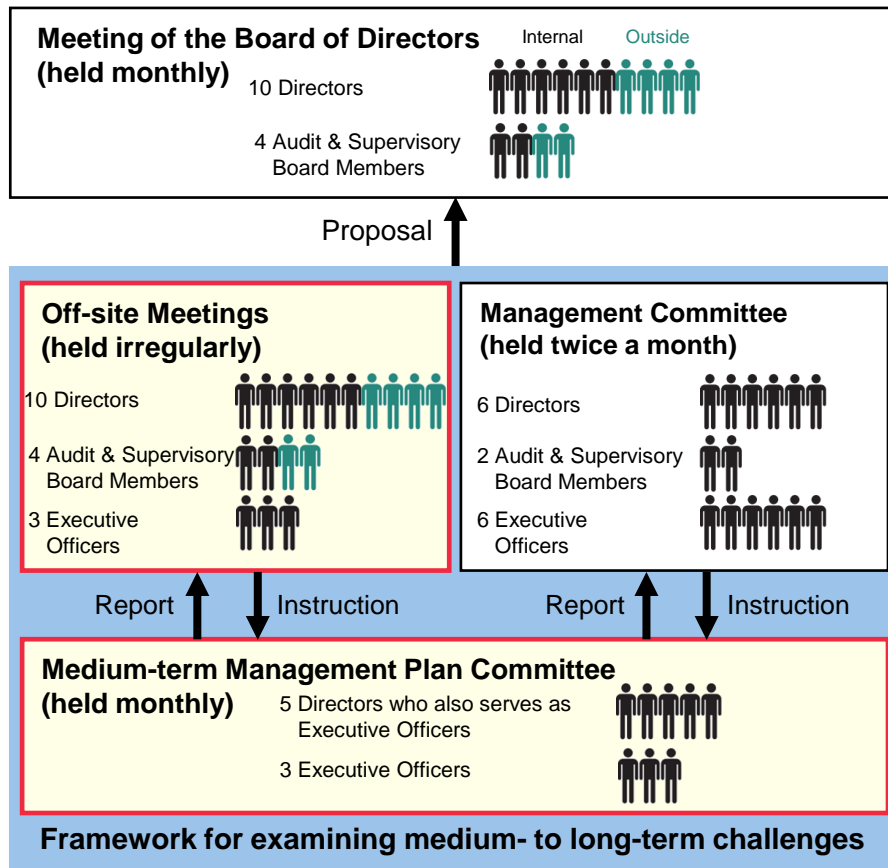
2. Implement divestitures or withdrawals from certain non-core businesses to concentrate resources on core businesses

3. Effectively utilize proceeds from the sale of cross-shareholdings to enhance growth and profitability in core businesses

Strive to achieve ROE of 7% and a P/B ratio of at least 1 as an initial step, and aim for further improvement

Build a sustainable business portfolio that adapts to various changes in the business environment through enhancing the value of each reporting segment





Key topics under consideration

- ◆ **Business portfolio analysis**
 (Market growth rate / Market share / ROIC, etc.)
 - ◆ **Growth strategy including large investments and M&A**
 (Select investment areas and target companies based on portfolio analysis)
 - ◆ **Policy for reducing “cross-shareholdings” and fund allocation**
 (Comprehensively examine impact on ROE improvement, business growth, and risk scale for all options)
 - ◆ **Shorten term of office of Directors to one year**
 - ◆ **Policy regarding profit distribution**
- etc.

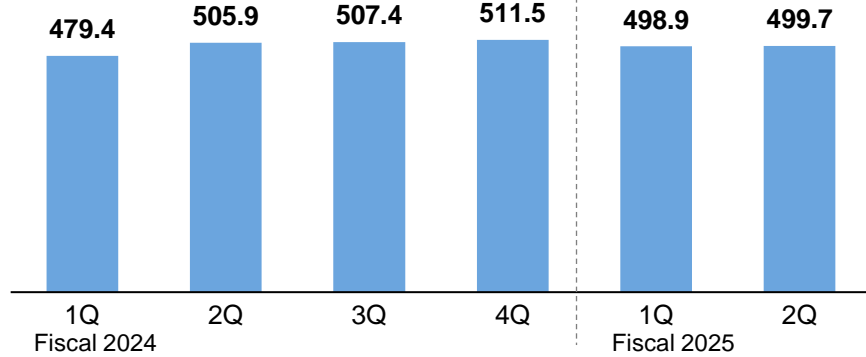
Leverage the experience and insights of Outside Directors to conduct open and active discussions

Appendix:
Quarterly Trends of Financial Results
from 1Q of Fiscal 2024 to 2Q of Fiscal 2025

Quarterly Trends of Financial Results

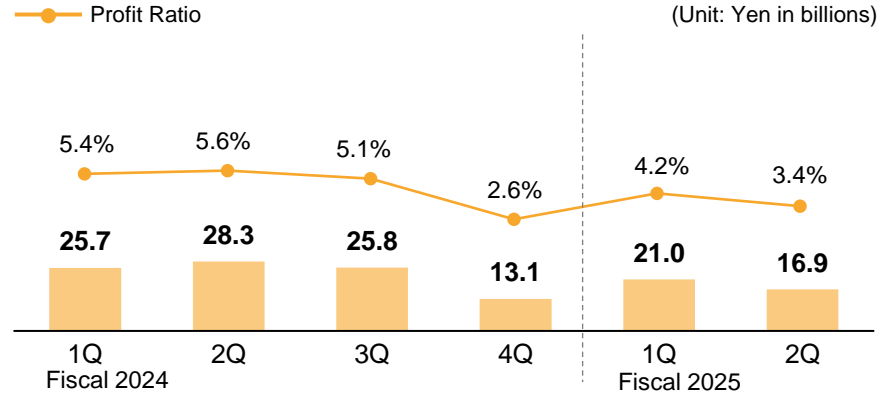
Sales Revenue

(Unit: Yen in billions)



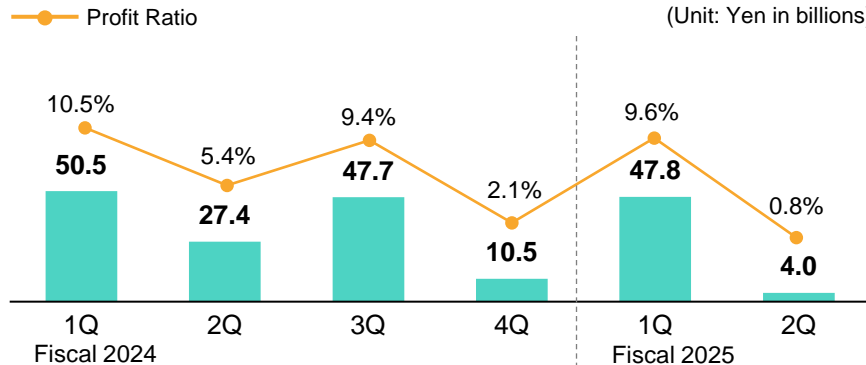
Operating Profit

(Unit: Yen in billions)



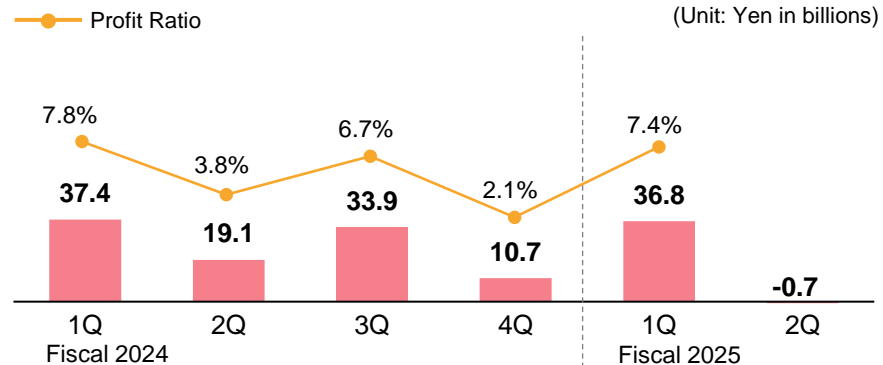
Profit Before Income Taxes

(Unit: Yen in billions)



Profit Attributable to Owners of the Parent

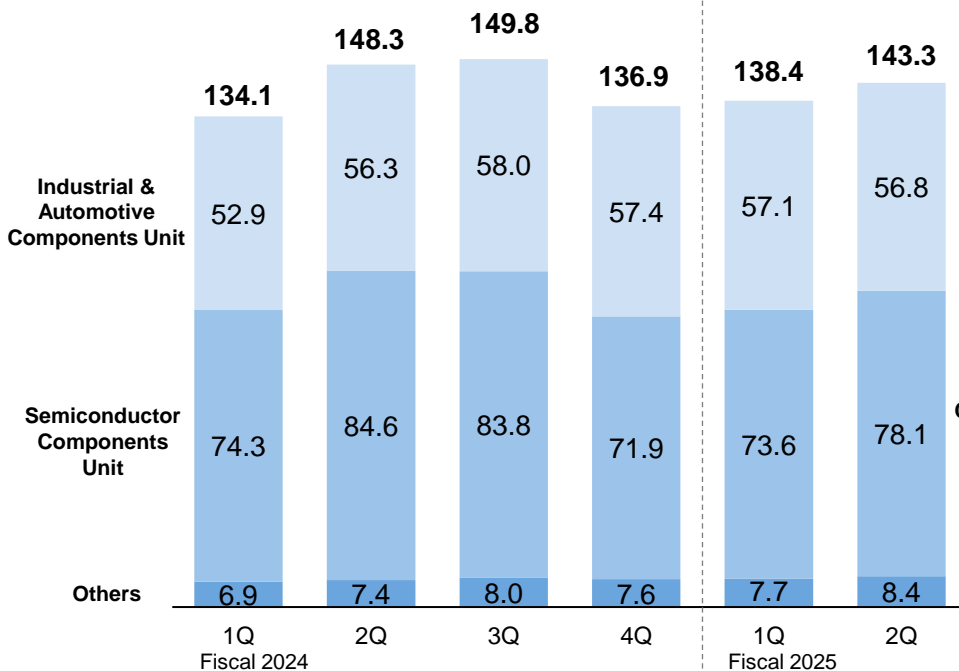
(Unit: Yen in billions)



Note: Each profit margin is calculated based on millions of yen.

Sales Revenue

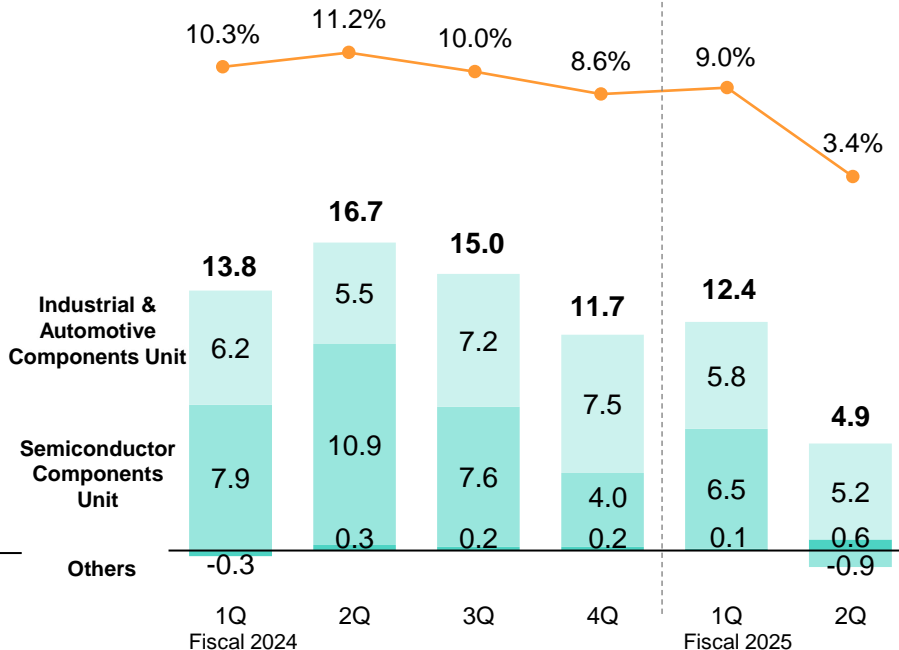
(Unit: Yen in billions)



Business Profit / Loss

(Unit: Yen in billions)

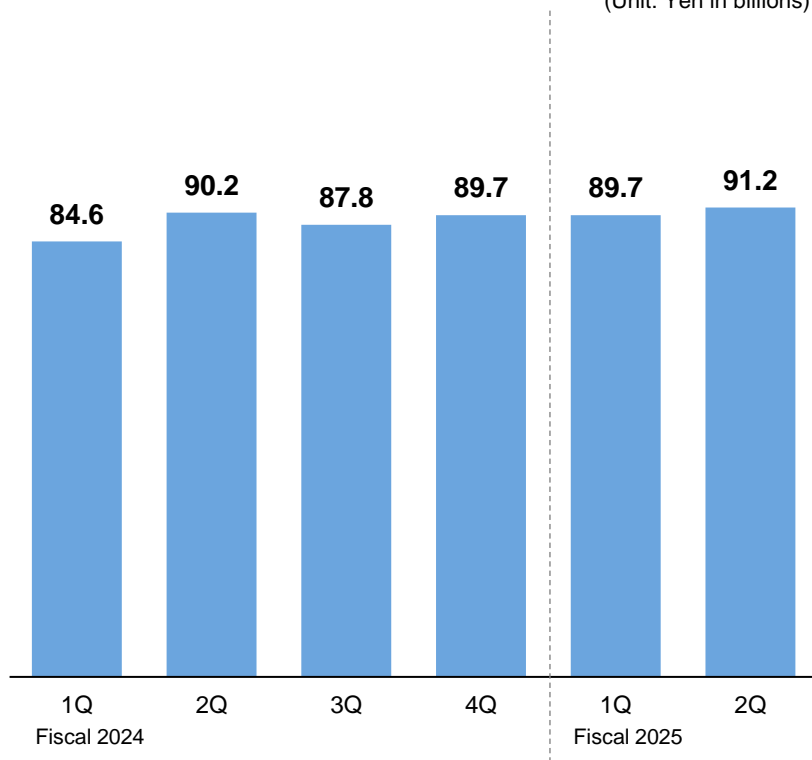
Business Profit Ratio



Notes: Business profit is the profit before income taxes of each business.
Business profit ratio is calculated based on millions of yen.

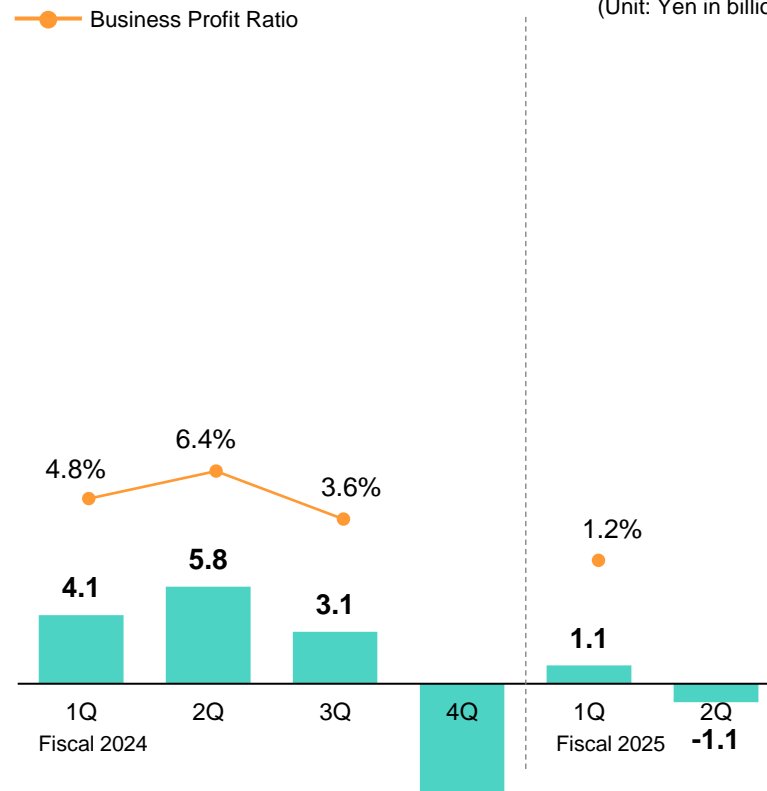
Sales Revenue

(Unit: Yen in billions)



Business Profit / Loss

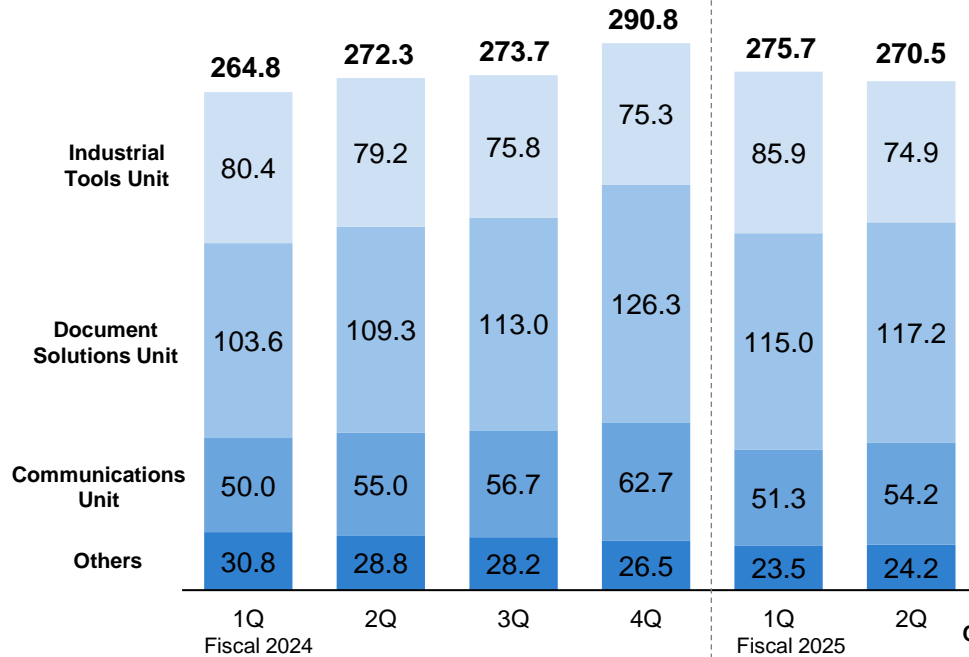
(Unit: Yen in billions)



Notes: Business profit is the profit before income taxes of each business.
Business profit ratio is calculated based on millions of yen.

Sales Revenue

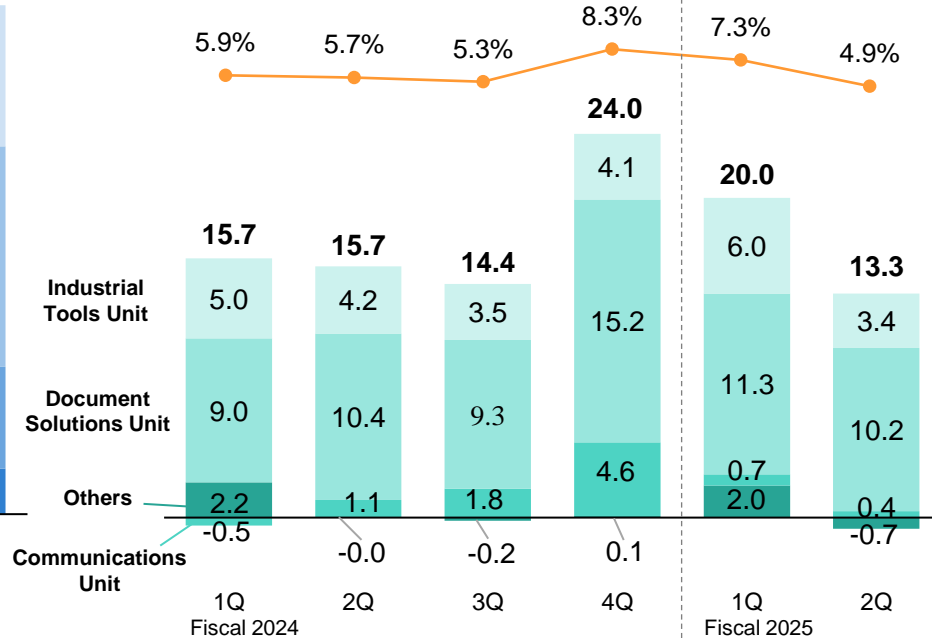
(Unit: Yen in billions)



Business Profit / Loss

(Unit: Yen in billions)

Business Profit Ratio



Notes: Business profit is the profit before income taxes of each business.
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.



KYOCERA Corporation