

To All Persons Concerned

Name of Company Listed: Kyocera Corporation
 Name of Representative: Hideo Tanimoto, President and Representative Director
 (Code number: 6971, TSE Prime Market)
 Contact Person: Hiroaki Chida
 Director, Managing Executive Officer,
 Executive General Managers of Headquarters (CFO)
 (Tel: +81-75-604-3500)

Notice Relating to Change in Consolidated Subsidiary, etc. (Transfer of Shares)

Kyocera Corporation (the “Company”) hereby announces that at the Board of Directors meeting held today, it has resolved to transfer all shares (the “Share Transfer”) of its U.S. subsidiary, Kyocera Industrial Tools, Inc. (“KITI”), which engages in the distribution of materials and tools for construction and industries, to TL Sapphire Holdings, Inc., an affiliate of Truelink Capital Management, LLC (“Truelink”). Following the Share Transfer, KITI and its wholly owned subsidiary, SouthernCarlson, Inc., and its subsidiaries will no longer be consolidated subsidiaries of the Company.

1. Reasons for the Share Transfer

The Company announced in the financial presentation for the nine months ended December 31, 2024, held on February 3, 2025, that its intention to enhance corporate value through a review of its business portfolio as a key initiative for the year ending March 31, 2026. This initiative includes a strategic focus on the selection and concentration of businesses, as part of a broader structural reform.

In line with this policy, the Company initiated a review of strategic options for KITI, including potential divestiture. After a comprehensive evaluation of multiple candidates, taking into account KITI’s long-term value creation, the Company has selected Truelink as its preferred partner for KITI.

2. Overview of the subsidiary to be transferred

(1)	Name	Kyocera Industrial Tools, Inc.
(2)	Location	10840 Harney St, Omaha, NE 68154
(3)	Name and Title of the Representative	Andrei Militaru, President, CEO
(4)	Description of Business	The holding company of SouthernCarlson, Inc.
(5)	Amount of Capital	1 USD
(6)	Date of Establishment	June 28, 2016
(7)	Major Shareholders and Shareholding Ratio	The Company: 100%
(8)	Relationship between the Company and the subsidiary to be transferred	
	Capital Relationship	The subsidiary is a consolidated subsidiary of the Company.
	Personnel Relationship	An officer (treasurer) has been dispatched by the Company.
	Business Relationship	Not applicable.

(9) Consolidated Operating Results and Consolidated Financial Position for the Recent Three Years (Unit: thousand USD)			
Fiscal Year-end	March 2023	March 2024	March 2025
Equity attributable to owners of the parent	404,609	409,694	411,259
Total assets	625,545	629,517	605,324
Sales revenue	1,049,548	1,021,171	932,087
Profit before income taxes	46,251	13,738	441
Profit attributable to owners of the parent	34,564	11,052	2,430

3. Overview of the sub-subsidiary to be transferred

(1)	Name	SouthernCarlson, Inc.
(2)	Location	10840 Harney St, Omaha, NE 68154
(3)	Name and Title of the Representative	Andrei Militaru, President, CEO
(4)	Description of Business	A distributor of materials and tools for construction and industries
(5)	Amount of Capital	1,333 USD
(6)	Date of Establishment	August 26, 2009
(7)	Major Shareholders and Shareholding Ratio	Kyocera Industrial Tools, Inc.: 100%
(8)	Relationship between the Company and the sub-subsidiary to be transferred	
	Capital Relationship	As stated above in (7), the Company invests in sub-subsidiary through KITI.
	Personnel Relationship	An officer (treasurer) has been dispatched by the Company.
	Business Relationship	Not applicable.
(9)	Consolidated Operating Results and Consolidated Financial Position for the Recent Three Years	Figures are omitted since financial figures of the sub-subsidiary to be transferred are included in the consolidated operating results and consolidated financial position of KITI.

4. Overview of the transferee

(1)	Name	TL Sapphire Holdings, Inc.
(2)	Location	11111 Santa Monica Blvd., Suite 2170, Los Angeles, California 90025
(3)	Name and Title of the Representative	Todd Golditch, Managing Partner
(4)	Description of Business	Investment Entity
(5)	Amount of Capital	Not determined.
(6)	Date of Establishment	October 31, 2025
(7)	Net Assets	Not determined.
(8)	Total Assets	Not determined.
(9)	Major Shareholders and Shareholding Ratio	Not determined.
(10)	Relationship between the Company and the Transferee	
	Capital Relationship	Not applicable.
	Personnel Relationship	Not applicable.
	Business Relationship	Not applicable.
	Status as a Related Party	Not applicable.

5. Status of shares held before and after the Share Transfer

(1)	Number of Shares Held before the Share Transfer	100 (Percentage of voting rights held: 100%)
(2)	Number of Shares to be Transferred	100 (Percentage of voting rights held: 100%)
(3)	Transfer Price	The actual transfer price will be determined based on the enterprise value, with adjustments made for factors such as net interest-bearing liabilities, working capital and other relevant items of the subsidiaries, etc. to be transferred. Therefore, it is undetermined as of today. The Company will disclose the actual transfer price by the release of financial results for the nine months ended December 31, 2025, which is planned to be announced in February 2026.
(4)	Number of Shares Held after the Share Transfer	0 (Percentage of voting rights held: 0%)

6. Schedule

(1)	Board of Directors Resolution Date for the Share Transfer	November 21, 2025
(2)	Execution Date of the Share Purchase Agreement	November 21, 2025
(3)	Closing Date of the Share Transfer	January 2026 (tentative)

* The Share Transfer is subject to receipt of regulatory approval in accordance with Antitrust Law and other customary closing conditions, and the closing date of the Share Transfer may be subject to change depending on the progress of obtaining such approval.

7. Outlook

The impact of the Share Transfer is currently under review. The Company will promptly disclose any matters that should be disclosed in the future.

(Reference) Consolidated financial forecasts for the year ending March 31, 2026 (announced on October 30, 2025) and the financial results for the year ended March 31, 2025 of the Company

(Unit: million JPY)

Fiscal Year-end	March 2025	March 2026
Sales revenue	2,014,454	1,950,000
Operating profit	27,299	70,000
Profit before income taxes	63,631	117,000
Profit attributable to owners of the parent	24,097	95,000

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.