

January 22, 2026

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)
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**Notice Regarding Succession of the Company's Chemical Business
to the Newly Established Subsidiary through the Company Split
and Transfer of Shares of the Newly Established Subsidiary**

Kyocera Corporation (the “Company”) hereby announces that at the Board of Directors meeting held today, the Company resolved to transfer all shares of a company that the Company will establish (the “Newly Established Company”) to Sumitomo Bakelite Co., Ltd. (“Sumitomo Bakelite”) (the “Share Transfer”), as described below.

Before the Share Transfer is implemented, the Company plans to have the Newly Established Company succeed to the chemical business (including the chemical business operated by KYOCERA (Wuxi) Electronic Materials Co., Ltd., of which the Company owns all of the outstanding shares; the “Target Business”) which manufactures and sells semiconductor-related products, mainly encapsulation materials and pastes, as well as chemical products and composite materials operated in the Company's Corporate Ceramic Materials Semiconductor Components Group, by way of an absorption-type company split (the “Absorption-type Company Split;” together with the Share Transfer, the “Transactions”).

1. Purpose of the Transactions

The Company received a proposal to acquire the Target Business from Sumitomo Bakelite, which is reinforcing its business in the chemical field, and has been holding repeated discussions with it.

The Company has determined that the Transactions are consistent with the review of the businesses for portfolio restructuring which the Company announced at its financial presentation for the nine months ended December 31, 2024 on February 3, 2025 as its main initiative for the year ending March 31, 2026 aimed at improving corporate value, and that they will lead to the growth and development of, as well as increasing the value of the Target Business. Accordingly, the Company has decided to proceed with the Transactions in agreement with Sumitomo Bakelite.

2. Summary of the Transactions

(1) Schedule of the Transactions

Board of Directors resolution date for the Share Transfer	: January 22, 2026
Execution date of the Share Purchase Agreement	: January 22, 2026
Establishment date of the Newly Established Company	: July 2026 (tentative)
Board of Directors resolution date for the Absorption-type Company Split	: July 2026 (tentative)
Execution date of Absorption-type Company Split Agreement	: July 2026 (tentative)
Effective date of the Absorption-type Company Split	: End of October 2026 (tentative)
Closing date of the Share Transfer	: End of October 2026 (tentative)

(2) Method of the Absorption-type Company Split

The Company will be the splitting company and the Newly Established Company will be the succeeding company in the Absorption-type Company Split, and the Company will have the Newly Established Company succeed to the Target Business. As this process falls under the simplified absorption-type company split set forth in Article 784, Paragraph 2 of the Companies Act with respect to the Company and the short-form absorption-type company split set forth in Article 796, Paragraph 1 of the Companies Act with respect to the Newly Established Company, the implementation thereof does not require shareholder meeting resolutions.

(3) Details of Allotment related to the Absorption-type Company Split

There will be no allotment of shares or delivery of money or any other property from the Newly Established Company to the Company in connection with the Absorption-type Company Split.

(4) Handling of Share Acquisition Rights and Bonds with Share Acquisition Rights in Connection with the Absorption-type Company Split

Not applicable.

(5) Increase or Decrease in Capital Due to the Absorption-type Company Split

There will be no increase or decrease in the capital of either the Company or the Newly Established Company upon the Absorption-type Company Split.

(6) Rights and Obligations to Be Succeeded to by the Newly Established Company

As a result of the Absorption-type Company Split, the Newly Established Company will succeed to the assets, liabilities and other rights and obligations pertaining to the Target Business separately set forth in the Absorption-type Company Split Agreement on the effective date of the Absorption-type Company Split.

(7) Prospect for the Fulfillment of Obligations

The Company has determined that there will be no issues in the prospect of fulfillment of the obligations to be borne by the Newly Established Company after the effective date of the Absorption-type Company Split.

(8) Overview of the Share Transfer

The Company plans to transfer all shares of the Newly Established Company to Sumitomo Bakelite on the closing date of the Share Transfer. For details of the party to which the shares are to be transferred, please refer to “6. Overview of the Counterparty to the Share Transfer.”

3. Overview of the Companies Involved in the Absorption-type Company Split

	Company Splitting in the Absorption-type Company Split		Company Succeeding in the Absorption-Type Company Split
(1) Name	Kyocera Corporation		TBD
(2) Location	6 Takeda Tobadono-cho, Fushimi-ku, Kyoto		9-2 Chidori-cho, Kawasaki-shi , Kanagawa
(3) Name and Title of Representative	Hideo Tanimoto, President and Representative Director		TBD
(4) Description of Business	Core Components Business, Electronic Components Business, Solutions Business, etc.		Manufacture and sale of semiconductor-related products, mainly encapsulation materials and pastes, as well as chemical products and composite materials
(5) Amount of Capital	JPY 115,703 million		JPY 1 (tentative)
(6) Date of Establishment	April 1, 1959		July 2026 (tentative)
(7) Number of Issued and Outstanding Shares	1,510,474,320		1
(8) Major Shareholders and Shareholding Ratios (as of Sep. 30, 2025)	The Master Trust Bank of Japan, Ltd. (Trust Account)	22.88%	The Company: 100%
	Custody Bank of Japan, Ltd. (Trust Account)	8.80%	
	The Bank of Kyoto, Ltd.	4.18%	
	STATE STREET BANK AND TRUST COMPANY 505001	3.93%	
	Inamori Foundation	2.71%	
	STATE STREET BANK WEST CLIENT - TREATY 505234	2.05%	
	Stock Purchase Plan for Kyocera Group Employees	1.74%	
	JP MORGAN CHASE BANK 385781	1.42%	

	MUFG Bank, Ltd.	1.33%	
	The Dai-ichi Life Insurance Company, Ltd.	1.22%	
(9) Consolidated Operating Results and Consolidated Financial Position for the Previous Fiscal Year (Ended March 31, 2025)			
Equity attributable to owners of the parent	JPY 3,217,788 million	—	
Total assets	JPY 4,511,307 million	—	
Equity per share attributable to owners of the parent (JPY)	JPY 2,284.15	—	
Sales revenue	JPY 2,014,454 million	—	
Operating profit	JPY 27,299 million	—	
Profit before income taxes	JPY 63,631 million	—	
Profit attributable to owners of the parent	JPY 24,097 million	—	
Earnings per share attributable to owners of the parent - Basic (JPY)	JPY 17.11	—	

Note: Information regarding the splitting company in the Absorption-Type Company Split is as of March 31, 2025, unless otherwise specifically noted.

4. Outline of the Business Subject to the Absorption-Type Company Split

(1) Description of Business

Manufacture and sale of semiconductor-related products, mainly encapsulation materials and pastes, as well as chemical products and composite materials.

(2) Consolidated Operating Results of the Business to Be Split (Year Ended March 31, 2025)

Sales revenue: JPY 23,223 million

(3) Items of Assets and Liabilities and Book Values Subject to the Absorption-Type Company Split

Current assets: JPY 5,601 million

Non-current assets: JPY 8,520 million

Current liabilities: JPY 235 million

Non-current liabilities: JPY 1 million

Note: The above amounts are calculated based on the statement of financial position as of March 31, 2025; therefore, the actual amounts to be succeeded will be the amounts after the adjustment of changes to the above amounts up to the effective date.

5. Situation After the Absorption-type Company Split

There will be no changes in the name, location, title and name of the representative, description of business, amount of capital, or fiscal year-end of the Company upon the Absorption-type Company Split.

Whether there will be changes in the location and description of business of the Newly Established Company upon the Absorption-type Company Split is undetermined at this moment.

Outline of the Newly Established Company after the Absorption-type Company Split:

(1) Name	TBD
(2) Location	9-2 Chidori-cho, Kawasaki-shi, Kanagawa
(3) Name and Title of Representative	TBD
(4) Description of Business	Manufacture and sale of semiconductor-related products, mainly encapsulation materials and pastes, as well as chemical products and composite materials
(5) Amount of Capital	JPY 1 (tentative)
(6) Fiscal Year-end	March

6. Overview of the Counterparty to the Share Transfer

(1) Name	Sumitomo Bakelite Co., Ltd.	
(2) Location	5-8 Higashi-Shinagawa 2-chome, Shinagawa-ku, Tokyo	
(3) Name and Title of Representative	Shinichi Kajiya, President and Representative Director	
(4) Description of Business	Manufacture and sale of Semiconductor Materials, High-Performance Plastics, and Quality of Life Products	
(5) Amount of Capital	JPY 37,143 million	
(6) Date of Establishment	January 25, 1932	
(7) Major Shareholders and Shareholding Ratios (as of Sep. 30, 2025)	The Master Trust Bank of Japan, Ltd. (Trust Account)	14.01%
	Sumitomo Chemical Co., Ltd.	10.55%
	Custody Bank of Japan, Ltd. (Trust Account)	8.56%
	STATE STREET BANK AND TRUST COMPANY 505001	8.51%
	GIC PRIVATE LIMITED – C	7.44%
	Custody Bank of Japan, Ltd. (Trust Account 4)	2.62%
	MSIP CLIENT SECURITIES	1.62%
	Custody Bank of Japan, Ltd. (Retirement Payment Account of Sumitomo Mitsui Trust Bank, Ltd.)	1.49%
	Sumitomo Mitsui Banking Corporation	1.49%
	SUMITOMO LIFE INSURANCE COMPANY	1.19%

(8)	Relationship between the Companies Concerned			
	Capital Relationship	Not applicable.		
	Personnel Relationship	Not applicable.		
	Business Relationship	Sumitomo Bakelite and the Company have a business transaction relationship.		
	Status as a Related Party	Not applicable.		
(9) Consolidated Operating Results and Consolidated Financial Position for the Past Three Years (Unit: JPY 1 million)				
Fiscal Year-end		March 2023	March 2024	March 2025
Equity attributable to owners of the parent		255,358	301,161	290,672
Total assets		378,457	441,162	417,778
Equity per share attributable to owners of the parent (JPY)		2,713.43	3,233.79	3,316.83
Sales revenue		284,939	287,267	304,773
Operating profit		24,823	27,200	24,792
Profit before income taxes		26,736	31,489	28,614
Profit attributable to owners of the parent		20,289	21,831	19,281
Earnings per share attributable to owners of the parent - Basic (JPY)		215.59	233.66	208.91

(Note) As of March 31, 2025, unless otherwise specifically noted. Sumitomo Bakelite issued a two-for-one common stock split on April 1, 2024. Equity per share attributable to owners of parent and earnings per share attributable to owners of the parent - basic is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended March 2023.

7. Status of Shares Held Before and After the Share Transfer

(1) Number of Shares Held before the Share Transfer	1 (Percentage of voting rights held: 100%)
(2) Number of Shares to Be Transferred	1 (Percentage of voting rights transferred: 100%)
(3) Transfer Price	JPY 30 billion*
(4) Number of Shares Held after the Share Transfer	0 (Percentage of voting rights held: 0%)

* The final transfer price may be subject to adjustment from the base amount of JPY 30 billion as stipulated in the Share Purchase Agreement.

8. Outlook

The Transactions will have no effect on the Company's consolidated financial results for the year ending March 31, 2026. The Company will promptly disclose any matters that should be disclosed in the future.

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.