



## Consolidated Financial Results for the Three Months Ended June 30, 2022 (IFRS)

August 1, 2022

Company name: **KYOCERA CORPORATION**

Stock Listing: Tokyo Stock Exchange

Code number: 6971 URL: <https://global.kyocera.com/>

Representative: Hideo Tanimoto, Director and President

Contact person: Hiroaki Chida, Executive Officer and General Manager of Corporate Management Control Group

TEL: +81-75-604-3500

Scheduled date of quarterly report filing: August 10, 2022

Scheduled date for commencement of dividend payments: —

Supplementary documents of the quarterly financial results: Yes

Holding quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded)

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

(1) Consolidated operating results (% of change from the same period of the previous year)

	Sales revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	491,954	16.9	41,428	28.0	68,711	26.1	49,974	22.6	196,476	254.5
June 30, 2021	420,712	32.7	32,376	327.5	54,476	79.1	40,760	82.1	55,417	53.5

	Earnings per share attributable to owners of the parent - Basic	Earnings per share attributable to owners of the parent - Diluted
	Yen	Yen
Three months ended June 30, 2022	139.24	—
June 30, 2021	112.46	—

### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	Million yen	Million yen	Million yen	%
As of June 30, 2022	4,113,028	3,061,247	3,034,024	73.8
March 31, 2022	3,917,265	2,898,273	2,871,554	73.3

### 2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	—	90.00	—	90.00	180.00
Year ending March 31, 2023	—				
Year ending March 31, 2023 (forecast)		—	—	—	200.00

(Note) Revision of previously announced dividend targets during this reporting period: None

Dividends per share for the year ending March 31, 2023 are forecasted to be 200 yen on an annual basis.

### 3. Consolidated Financial Forecasts for the Year Ending March 31, 2023 (% of change from the previous year)

	Sales revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent - Basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2023	2,000,000	8.8	174,000	16.8	220,000	10.6	154,000	3.8	429.09

(Note) Revision of previously announced financial forecast during this reporting period: None

“Earnings per share attributable to owners of the parent - Basic” is calculated using the average number of shares outstanding for the three months ended June 30, 2022.

## Notes

### (1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries that caused a change in the scope of consolidation): None

### (2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required under IFRS: None

(ii) Changes in accounting policies due to reasons other than (i): None

(iii) Changes in accounting estimates: Yes

Please refer to page 13 “(4) Notes to Condensed Quarterly Consolidated Financial Statements b. Changes in Accounting Estimates” under “2. Condensed Quarterly Consolidated Financial Statements and Primary Notes” for details.

### (3) Number of shares issued (common stock)

#### (i) Number of shares issued (including treasury stock):

As of June 30, 2022 377,618,580 shares

As of March 31, 2022 377,618,580 shares

#### (ii) Number of treasury stock:

As of June 30, 2022 18,718,084 shares

As of March 31, 2022 18,717,679 shares

#### (iii) Average number of shares outstanding:

For the three months ended June 30, 2022 358,900,726 shares

For the three months ended June 30, 2021 362,440,135 shares

## **Instruction for Forecasts and Other Notes**

### 1. 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.

2. This consolidated financial report is not subject to quarterly review procedures by certified public accountants or auditing firms.

### 3. Method of obtaining supplementary materials on the financial results

The supplementary documents will be posted on the corporate website on August 1, 2022.

### 4. English translation

This is an English translation of the Japanese original of “Consolidated Financial Results for the Three Months Ended June 30, 2022.” The 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.

(Attachment)

Table of Contents

1. Qualitative Information related to Consolidated Financial Results .....	2
(1) Explanation of Consolidated Financial Results .....	2
(2) Explanation of Consolidated Financial Position .....	5
(3) Explanation Regarding Future Projection Including Consolidated Financial Forecasts .....	6
2. Condensed Quarterly Consolidated Financial Statements and Primary Notes .....	8
(1) Condensed Quarterly Consolidated Statement of Financial Position .....	8
(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income .....	10
a. Condensed Quarterly Consolidated Statement of Profit or Loss .....	10
b. Condensed Quarterly Consolidated Statement of Comprehensive Income .....	11
(3) Condensed Quarterly Consolidated Statement of Changes in Equity .....	12
(4) Notes to Condensed Quarterly Consolidated Financial Statements .....	13
a. Notes to Going Concern Assumption .....	13
b. Changes in Accounting Estimates .....	13

## 1. Qualitative Information related to Consolidated Financial Results

### (1) Explanation of Consolidated Financial Results

#### a. Consolidated Financial Results

During the three months ended June 30, 2022 (“the first quarter”), reflecting concerns about a resurgence of COVID-19 and unstable global situations, supply chain disruptions and price increases in raw materials, etc., continued. In addition, exchange rates for the yen fell sharply, affected by factors such as an interest rate hike in the United States. On the other hand, 5G and the semiconductor-related markets, our principal markets, continued to show strong demand and proactive capital investment.

At Kyocera, due to the contribution of investments in expanding component production to meet robust demand and to an increase in sales by the Industrial Tools Unit, sales revenue for the first quarter increased by 71,242 million yen, or 16.9%, to 491,954 million yen, as compared with the three months ended June 30, 2021 (“the previous first quarter”), marking a record high for a quarterly period.

Profit also increased as compared with the previous first quarter, due to the increase in sales revenue and impact of the weaker yen, as well as the efforts to improve productivity in each business. As compared with the previous first quarter, operating profit increased by 9,052 million yen, or 28.0%, to 41,428 million yen, profit before income taxes increased by 14,235 million yen, or 26.1%, to 68,711 million yen, and profit attributable to owners of the parent increased by 9,214 million yen, or 22.6%, to 49,974 million yen.

The average exchange rates for the first quarter were 130 yen to the U.S. dollar and 138 yen to the euro, marking depreciation of 21 yen, or 19.3%, and 6 yen, or 4.5%, respectively, as compared with the previous first quarter. As a result, sales revenue and profit before income taxes after translation into yen for the first quarter were pushed up by approximately 44 billion yen and approximately 11.5 billion yen, respectively, as compared with the previous first quarter.

#### Consolidated Financial Results

(Yen in millions)

	For the three months ended June 30, 2021		For the three months ended June 30, 2022		Change	
	Amount	%*	Amount	%*	Amount	%
Sales revenue	420,712	100.0	491,954	100.0	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 US\$ exchange rate (Yen)	109	—	130	—	—	—
Average Euro exchange rate (Yen)	132	—	138	—	—	—

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
Research and development expenses	20,106	4.8	22,425	4.6	2,319	11.5

\* % represents the percentage to sales revenue.

## b. Consolidated Financial Results by Reporting Segment

### 1) Core Components Business

Sales revenue for the first quarter increased by 22,541 million yen, or 18.9%, to 141,521 million yen as compared with 118,980 million yen for the previous first quarter. Business profit increased by 9,748 million yen, or 88.6%, to 20,754 million yen as compared with 11,006 million yen for the previous first quarter, and the business profit ratio for the first quarter improved from 9.3% for the previous first quarter to 14.7%.

Sales increased due mainly to increased demand for high-value-added products such as ceramic packages and organic packages and boards for the information and communication-related markets, including 5G, as well as fine ceramic components for semiconductor processing equipment. Business profit increased significantly due to increased sales as well as improved profitability and the impact of the weaker yen in the Semiconductor Components Unit.

### 2) Electronic Components Business

Sales revenue for the first quarter increased by 18,622 million yen, or 24.3%, to 95,401 million yen as compared with 76,779 million yen for the previous first quarter. Business profit increased by 4,551 million yen, or 39.7%, to 16,007 million yen as compared with 11,456 million yen for the previous first quarter. The business profit ratio for the first quarter improved from 14.9% for the previous first quarter to 16.8%.

In addition to the impact of the weaker yen, an increase in sales of components such as capacitors mainly in the industrial market as well as 5G and the semiconductor-related markets contributed to higher sales and profit.

### 3) Solutions Business

Sales revenue for the first quarter increased by 29,984 million yen, or 13.1%, to 258,003 million yen as compared with 228,019 million yen for the previous first quarter. On the other hand, business profit decreased by 603 million yen, or 3.9%, to 14,721 million yen as compared with 15,324 million yen for the previous first quarter. The business profit ratio for the first quarter fell from 6.7% for the previous first quarter to 5.7%.

Sales increased due to increased sales of major products and the impact of the weaker yen in the Industrial Tools Unit and the Document Solutions Unit. Business profit decreased mainly due to a drop in mobile phone sales volume in Japan in the Communications Unit.

## Sales Revenue by Reporting Segment

(Yen in millions)

	For the three months ended June 30, 2021		For the three months ended June 30, 2022		Change	
	Amount	%*	Amount	%*	Amount	%
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

\* % represents the component ratio.

## Business Profit (Loss) by Reporting Segment

(Yen in millions)

	For the three months ended June 30, 2021		For the three months ended June 30, 2022		Change	
	Amount	%*	Amount	%*	Amount	%
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

\* % represents the percentage to sales revenue of each corresponding segment.

(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.

Business results for the three months ended June 30, 2021 have been reclassified in line with the above change.

(2) Explanation of Consolidated Financial Position  
Consolidated Cash Flows

The balance of cash and cash equivalents at June 30, 2022 decreased by 29,745 million yen to 384,384 million yen from 414,129 million yen at March 31, 2022.

1) Cash flows from operating activities

Net cash provided by operating activities for the first quarter decreased by 39,909 million yen to 29,222 million yen from 69,131 million yen for the previous first quarter. This was due mainly to an increase in cash outflows with an increase in production resulting from higher orders, and a transfer of retirement benefit liabilities of TA Triumph-Adler GmbH, a consolidated subsidiary of Kyocera Document Solutions Inc., to a third party in cash and other consideration.

2) Cash flows from investing activities

Net cash used in investing activities for the first quarter increased by 10,054 million yen to 37,185 million yen from 27,131 million yen for the previous first quarter. This was due mainly to an increase in capital expenditures.

3) Cash flows from financing activities

Net cash used in financing activities for the first quarter increased by 5,057 million yen to 40,399 million yen from 35,342 million yen for the previous first quarter. This was due mainly to an increase in dividends paid.

Consolidated Cash Flows

(Yen in millions)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022	Change
Cash flows from operating activities	69,131	29,222	(39,909)
Cash flows from investing activities	(27,131)	(37,185)	(10,054)
Cash flows from financing activities	(35,342)	(40,399)	(5,057)
Effect of exchange rate changes on cash and cash equivalents	(987)	18,617	19,604
Increase (decrease) in cash and cash equivalents	5,671	(29,745)	(35,416)
Cash and cash equivalents at the beginning of the year	386,727	414,129	27,402
Cash and cash equivalents at the end of the period	392,398	384,384	(8,014)



### (3) Explanation Regarding Future Projection Including Consolidated Financial Forecasts

The forecast for the fiscal year ending March 31, 2023 (“fiscal 2023”) has not been changed from the forecast announced in April 2022.

Consolidated financial results for the first quarter were generally within the range of projections at the beginning of fiscal 2023. In the three months ending September 30, 2022 and onward, although the outlook remains uncertain due to the effects of price increases in raw materials, etc., we aim to achieve our consolidated financial forecasts by capturing the demand for components in 5G and the semiconductor-related markets.

Please refer to “1. Cautionary statements with respect to forward-looking statements” in “Instruction for Forecasts and Other Notes” for information of future prospective.

#### Forecasts of Consolidated Financial Results

(Yen in millions)

	Results for the year ended March 31, 2022		Forecasts for the year ending March 31, 2023		Change	
	Amount	%*	Amount	%*	Amount	%
Sales revenue	1,838,938	100.0	2,000,000	100.0	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
Average US\$ exchange rate (Yen)	112	—	115	—	—	—
Average Euro exchange rate (Yen)	131	—	125	—	—	—
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
Research and development expenses	84,123	4.6	95,000	4.8	10,877	12.9

\* % represents the percentage to sales revenue.

## Forecasts of Sales Revenue by Reporting Segment

(Yen in millions)

	Results for the year ended March 31, 2022		Forecasts for the year ending March 31, 2023		Change	
	Amount	%*	Amount	%*	Amount	%
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

\* % represents the component ratio.

## Forecasts of Business Profit (Loss) by Reporting Segment

(Yen in millions)

	Results for the year ended March 31, 2022		Forecasts for the year ending March 31, 2023		Change	
	Amount	%*	Amount	%*	Amount	%
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

\* % represents the percentage to sales revenue of each corresponding segment.

## 2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

### (1) Condensed Quarterly Consolidated Statement of Financial Position

(Yen in millions)

	As of March 31, 2022		As of June 30, 2022		Change
	Amount	%*	Amount	%*	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	414,129		384,384		(29,745)
Short-term investments	25,460		20,642		(4,818)
Trade and other receivables	379,066		368,695		(10,371)
Other financial assets	18,623		18,411		(212)
Inventories	452,506		527,207		74,701
Other current assets	39,339		44,973		5,634
Total current assets	1,329,123	33.9	1,364,312	33.2	35,189
<b>Non-current assets</b>					
Equity and debt instruments	1,469,133		1,566,205		97,072
Investments accounted for using the equity method	15,795		15,587		(208)
Other financial assets	41,540		42,451		911
Property, plant and equipment	512,175		557,094		44,919
Right-of-use assets	40,703		46,010		5,307
Goodwill	262,985		270,958		7,973
Intangible assets	149,879		158,039		8,160
Deferred tax assets	36,483		38,144		1,661
Other non-current assets	59,449		54,228		(5,221)
Total non-current assets	2,588,142	66.1	2,748,716	66.8	160,574
<b>Total assets</b>	<b>3,917,265</b>	<b>100.0</b>	<b>4,113,028</b>	<b>100.0</b>	<b>195,763</b>

\* % represents the component ratio.

(Yen in millions)

	As of March 31, 2022		As of June 30, 2022		Change
	Amount	%*	Amount	%*	
<b>Liabilities and Equity</b>					
<b>Liabilities</b>					
<b>Current liabilities</b>					
Borrowings	79,382		79,045		(337)
Trade and other payables	222,962		228,232		5,270
Lease liabilities	17,326		18,493		1,167
Other financial liabilities	16,552		18,799		2,247
Income tax payables	20,390		19,211		(1,179)
Accrued expenses	134,282		123,893		(10,389)
Provisions	7,010		9,340		2,330
Other current liabilities	41,445		54,826		13,381
Total current liabilities	539,349	13.8	551,839	13.4	12,490
<b>Non-current liabilities</b>					
Borrowings	17,163		17,300		137
Lease liabilities	35,390		39,585		4,195
Retirement benefit liabilities	23,129		9,347		(13,782)
Deferred tax liabilities	384,513		413,189		28,676
Provisions	9,631		10,667		1,036
Other non-current liabilities	9,817		9,854		37
Total non-current liabilities	479,643	12.2	499,942	12.2	20,299
<b>Total liabilities</b>	1,018,992	26.0	1,051,781	25.6	32,789
<b>Equity</b>					
Common stock	115,703		115,703		—
Capital surplus	122,751		122,490		(261)
Retained earnings	1,846,102		1,863,330		17,228
Other components of equity	880,297		1,025,803		145,506
Treasury stock	(93,299)		(93,302)		(3)
Total equity attributable to owners of the parent	2,871,554	73.3	3,034,024	73.8	162,470
Non-controlling interests	26,719	0.7	27,223	0.6	504
<b>Total equity</b>	2,898,273	74.0	3,061,247	74.4	162,974
<b>Total liabilities and equity</b>	3,917,265	100.0	4,113,028	100.0	195,763

\* % represents the component ratio.

## (2) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

## a. Condensed Quarterly Consolidated Statement of Profit or Loss

(Yen in millions except per share amounts)

	For the three months ended June 30, 2021		For the three months ended June 30, 2022		Change	
	Amount	%*	Amount	%*	Amount	%
<b>Sales revenue</b>	420,712	100.0	491,954	100.0	71,242	16.9
Cost of sales	301,502	71.7	349,218	71.0	47,716	15.8
<b>Gross profit</b>	119,210	28.3	142,736	29.0	23,526	19.7
Selling, general and administrative expenses	86,834	20.6	101,308	20.6	14,474	16.7
<b>Operating profit</b>	32,376	7.7	41,428	8.4	9,052	28.0
Finance income	22,058	5.2	24,676	5.0	2,618	11.9
Finance expenses	663	0.2	847	0.2	184	27.8
Foreign exchange gains (losses)	264	0.1	2,732	0.6	2,468	934.8
Share of net profit (loss) of investments accounted for using the equity method	4	0.0	329	0.1	325	—
Other, net	437	0.1	393	0.1	(44)	(10.1)
<b>Profit before income taxes</b>	54,476	12.9	68,711	14.0	14,235	26.1
Income taxes	13,031	3.0	17,959	3.7	4,928	37.8
<b>Profit for the period</b>	41,445	9.9	50,752	10.3	9,307	22.5

<b>Profit attributable to:</b>						
Owners of the parent	40,760	9.7	49,974	10.2	9,214	22.6
Non-controlling interests	685	0.2	778	0.1	93	13.6
<b>Profit for the period</b>	41,445	9.9	50,752	10.3	9,307	22.5

<b>Per share information:</b>			
<b>Earnings per share attributable to owners of the parent</b>			
Basic and diluted (Yen)	112.46	139.24	

\* % represents the percentage to sales revenue.

b. Condensed Quarterly Consolidated Statement of Comprehensive Income

(Yen in millions)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022	Change
	Amount	Amount	
<b>Profit for the period</b>	41,445	50,752	9,307
<b>Other comprehensive income, net of taxation</b>			
Items that will not be reclassified to profit or loss:			
Financial assets measured at fair value through other comprehensive income	10,977	67,540	56,563
Re-measurement of defined benefit plans	—	(65)	(65)
Total items that will not be reclassified to profit or loss	10,977	67,475	56,498
Items that may be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedge	23	(43)	(66)
Exchange differences on translating foreign operations	3,035	78,421	75,386
Share of other comprehensive income of investments accounted for using the equity method	(63)	(129)	(66)
Total items that may be reclassified subsequently to profit or loss	2,995	78,249	75,254
<b>Total other comprehensive income</b>	13,972	145,724	131,752
<b>Comprehensive income for the period</b>	55,417	196,476	141,059
<b>Comprehensive income attributable to:</b>			
Owners of the parent	54,690	195,049	140,359
Non-controlling interests	727	1,427	700
<b>Comprehensive income for the period</b>	55,417	196,476	141,059

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

For the three months ended June 30, 2021

(Yen in millions)

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common Stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
<b>Balance as of April 1, 2021</b>	115,703	122,745	1,750,259	671,951	(69,243)	2,591,415	24,695	2,616,110
Profit for the period			40,760			40,760	685	41,445
Other comprehensive income				13,930		13,930	42	13,972
Total comprehensive income for the period	—	—	40,760	13,930	—	54,690	727	55,417
Cash dividends			(28,995)			(28,995)	(772)	(29,767)
Purchase of treasury stock					(3)	(3)		(3)
Transactions with non-controlling interests						—		—
Transfer to retained earnings			3	(3)		—		—
Others		(8)				(8)		(8)
<b>Balance as of June 30, 2021</b>	115,703	122,737	1,762,027	685,878	(69,246)	2,617,099	24,650	2,641,749

For the three months ended June 30, 2022

(Yen in millions)

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common Stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
<b>Balance as of April 1, 2022</b>	115,703	122,751	1,846,102	880,297	(93,299)	2,871,554	26,719	2,898,273
Profit for the period			49,974			49,974	778	50,752
Other comprehensive income				145,075		145,075	649	145,724
Total comprehensive income for the period	—	—	49,974	145,075	—	195,049	1,427	196,476
Cash dividends			(32,301)			(32,301)	(871)	(33,172)
Purchase of treasury stock					(3)	(3)		(3)
Transactions with non-controlling interests		(261)				(261)	(52)	(313)
Transfer to retained earnings			(431)	431		—		—
Others			(14)			(14)		(14)
<b>Balance as of June 30, 2022</b>	115,703	122,490	1,863,330	1,025,803	(93,302)	3,034,024	27,223	3,061,247

(4) Notes to Condensed Quarterly Consolidated Financial Statements

a. Notes to Going Concern Assumption

Not Applicable

b. Changes in Accounting Estimates

Kyocera have changed the useful lives of some software from two years to five years for the three months ended June 30, 2022, and the change is applied prospectively. This was due to better estimates based on recent software usage.

As a result of the change, operating profit and profit before income taxes for the three months ended June 30, 2022 increased by 543 million yen compared to the previous estimates.