

Financial Presentation

(For the Year Ended March 31, 2023)

May 16, 2023

Hideo Tanimoto
President and Representative Director



- 1 Financial Results for the Year Ended March 31, 2023**
- 2 Financial Forecasts for the Year Ending March 31, 2024**
- 3 Medium-Term Management Plan**

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Financial Results for the Year Ended March 31, 2023 (1)



(Unit: Yen in millions)

	Years Ended March 31,		Change	
	2022	2023	Amount	%
Sales Revenue	1,838,938	2,025,332	186,394	10.1%
Operating Profit	148,910 (8.1%)	128,517 (6.3%)	-20,393	-13.7%
Profit Before Income Taxes	198,947 (10.8%)	176,192 (8.7%)	-22,755	-11.4%
Profit Attributable to Owners of the Parent	148,414 (8.1%)	127,988 (6.3%)	-20,426	-13.8%
EPS (Basic-yen)	411.15	356.60		

Average Exchange Rate	US\$	112 yen	135 yen
	Euro	131 yen	141 yen

Sales Revenue: Reached record high and achieved our long-stated target of 2 trillion yen

Profits: Decreased due to rising costs from inflation and substantial decrease of sales revenue of the

Communications Unit, as well as the recording of one-time costs totaling approx. 19 billion yen

Financial Results for the Year Ended March 31, 2023 (2)



(Unit: Yen in millions)

	Years Ended March 31,		Change	
	2022	2023	Amount	%
Capital Expenditures	151,771 (8.3%)	173,901 (8.6%)	22,130	14.6%
Depreciation Charge of Property, Plant and Equipment	90,229 (4.9%)	108,757 (5.4%)	18,528	20.5%
R&D Expenses	84,123 (4.6%)	94,277 (4.7%)	10,154	12.1%

Note: Figures in parentheses represents percentages to sales revenue.

Sales Revenue by Reporting Segment for the Year Ended March 31, 2023



(Unit: Yen in millions)

Sales Revenue by Reporting Segment	Years Ended March 31,				Change	
	2022		2023			
	Amount	Component Ratio	Amount	Component Ratio	Amount	%
Core Components Business	527,933	28.7%	592,376	29.2%	64,443	12.2%
Industrial & Automotive Components Unit	172,908	9.4%	199,194	9.8%	26,286	15.2%
Semiconductor Components Unit	327,746	17.8%	364,579	18.0%	36,833	11.2%
Others	27,279	1.5%	28,603	1.4%	1,324	4.9%
Electronic Components Business	339,102	18.4%	378,536	18.7%	39,434	11.6%
Solutions Business	983,689	53.5%	1,068,597	52.8%	84,908	8.6%
Industrial Tools Unit	251,062	13.7%	308,406	15.2%	57,344	22.8%
Document Solutions Unit	366,691	19.9%	434,914	21.5%	68,223	18.6%
Communications Unit	262,306	14.3%	207,793	10.3%	-54,513	-20.8%
Others	103,630	5.6%	117,484	5.8%	13,854	13.4%
Others	17,817	1.0%	23,403	1.2%	5,586	31.4%
Adjustments and Eliminations	-29,603	-1.6%	-37,580	-1.9%	-7,977	—
Sales Revenue	1,838,938	100.0%	2,025,332	100.0%	186,394	10.1%

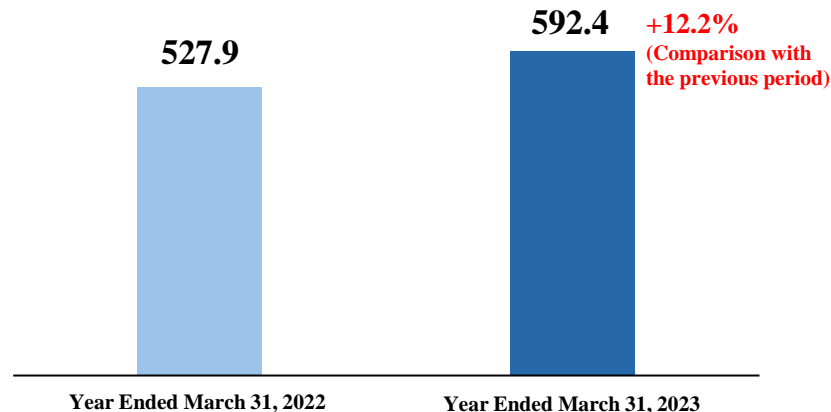
Business Profit (Loss) by Reporting Segment for the Year Ended March 31, 2023

(Unit: Yen in millions)

Business Profit by Reporting Segment	Years Ended March 31,				Change	
	2022		2023			
	Amount	% to Sales Revenue	Amount	% to Sales Revenue	Amount	%
Core Components Business	61,640	11.7%	89,475	15.1%	27,835	45.2%
Industrial & Automotive Components Unit	19,872	11.5%	24,743	12.4%	4,871	24.5%
Semiconductor Components Unit	44,239	13.5%	67,702	18.6%	23,463	53.0%
Others	-2,471	—	-2,970	—	-499	—
Electronic Components Business	47,896	14.1%	44,064	11.6%	-3,832	-8.0%
Solutions Business	68,730	7.0%	42,239	4.0%	-26,491	-38.5%
Industrial Tools Unit	27,211	10.8%	23,279	7.5%	-3,932	-14.5%
Document Solutions Unit	33,334	9.1%	33,706	7.8%	372	1.1%
Communications Unit	15,288	5.8%	-11,729	—	-27,017	—
Others	-7,103	—	-3,017	—	4,086	—
Others	-14,649	—	-28,795	—	-14,146	—
Total Business Profit	163,617	8.9%	146,983	7.3%	-16,634	-10.2%
Corporate Gains and Others	35,330	—	29,209	—	-6,121	-17.3%
Profit Before Income Taxes	198,947	10.8%	176,192	8.7%	-22,755	-11.4%

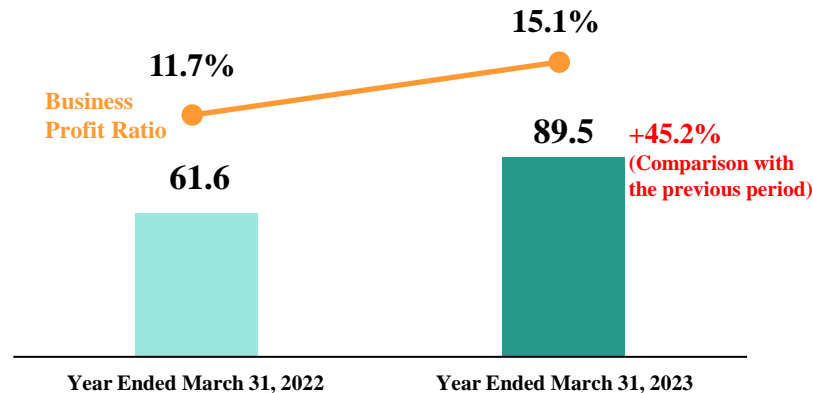
Sales Revenue

(Unit: Yen in billions)



Business Profit

(Unit: Yen in billions)



<Major Reasons for Changes: Year Ended March 31, 2023 Compared with Year Ended March 31, 2022>

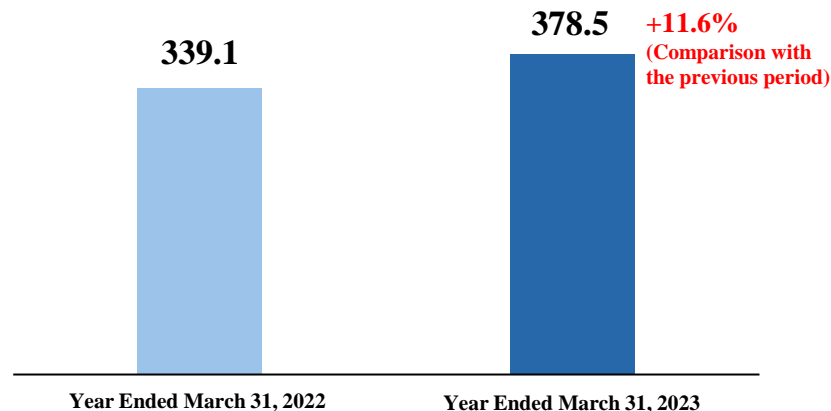
- Semiconductor Components Unit:
An increase in sales of organic packages and boards for the information and communication infrastructure-related markets
- Industrial & Automotive Components Unit:
An increase in sales of high-value-added products such as fine ceramic components for semiconductor processing equipment

- Effect of increased sales, as well as the impact of the depreciation of yen

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.

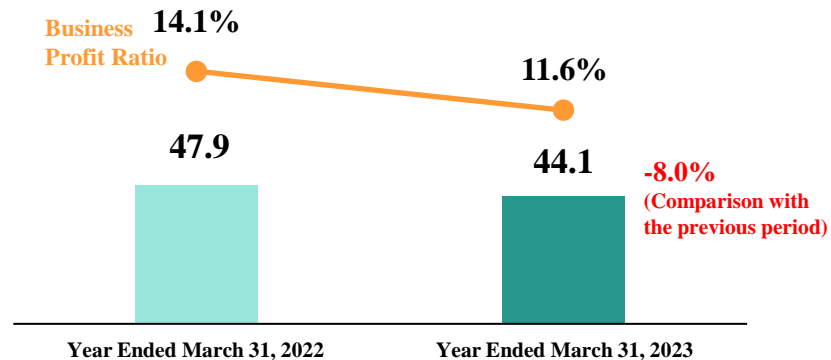
Sales Revenue

(Unit: Yen in billions)



Business Profit

(Unit: Yen in billions)



<Major Reasons for Changes: Year Ended March 31, 2023 Compared with Year Ended March 31, 2022>

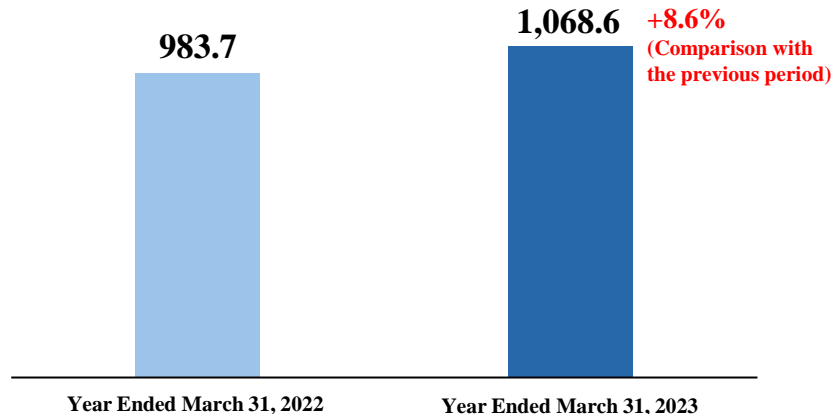
- Growing demand for components such as ceramic capacitors mainly for the industrial and the automotive-related markets
- The impact of the depreciation of yen

- Increases in costs for raw materials, etc.
- Weakening demand for smartphone components
- The recording of the additional cost in the amount of approximately 3 billion yen such as costs relating to pension obligations in Kyocera AVX Components Corporation (“KAVX”) Group

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.

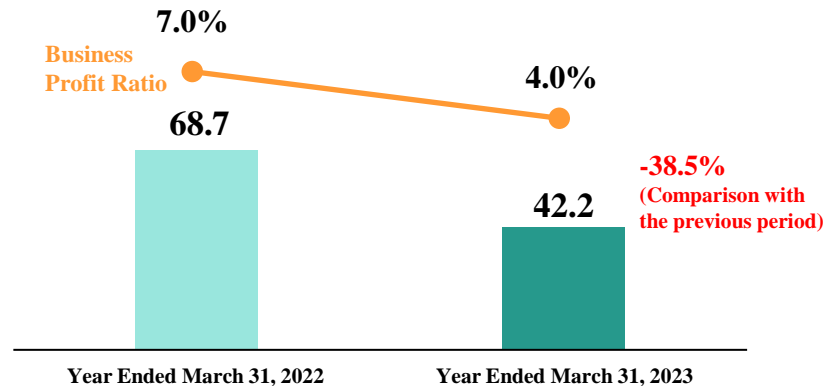
Sales Revenue

(Unit: Yen in billions)



Business Profit

(Unit: Yen in billions)



<Major Reasons for Changes: Year Ended March 31, 2023 Compared with Year Ended March 31, 2022>

- Increased sales of major products in the Document Solutions Unit and the Industrial Tools Unit
- The impact of the depreciation of yen

- A substantial decrease in mobilephone sales volume in the Communications Unit
- The recording of the one-time cost of approximately 8.0 billion yen in connection with structural reforms, including the write-down of inventory
- Increases in costs for raw materials, energy and logistics, etc.

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.

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Financial Forecasts for the Year Ending March 31, 2024 (1)



(Unit: Yen in millions)

	Year Ended March 31, 2023	Year Ending March 31, 2024	Change	
			Amount	%
Sales Revenue	2,025,332	2,100,000	74,668	3.7%
Operating Profit	128,517 (6.3%)	147,000 (7.0%)	18,483	14.4%
Profit Before Income Taxes	176,192 (8.7%)	200,000 (9.5%)	23,808	13.5%
Profit Attributable to Owners of the Parent	127,988 (6.3%)	145,000 (6.9%)	17,012	13.3%
EPS (Basic-yen)	356.60	404.00		
Average Exchange Rate	US\$ 135 yen	125 yen		
	Euro 141 yen	130 yen		

Notes: Figures in parentheses represents percentages to sales revenue.

Forecast of EPS (Basic-yen) for the Year ending March 31, 2024 is calculated using the average number of shares outstanding during the Year ended March 31, 2023.

Financial Forecasts for the Year Ending March 31, 2024 (2)

(Unit: Yen in millions)

	Year Ended March 31, 2023	Year Ending March 31, 2024	Change	
			Amount	%
Capital Expenditures	173,901 (8.6%)	275,000 (13.1%)	101,099	58.1%
Depreciation Charge of Property, Plant and Equipment	108,757 (5.4%)	123,000 (5.9%)	14,243	13.1%
R&D Expenses	94,277 (4.7%)	115,000 (5.5%)	20,723	22.0%

Note: Figures in parentheses represents percentages to sales revenue.

Sales Revenue Forecasts by Reporting Segment for the Year Ending Mar. 31, 2024



(Unit: Yen in millions)

Sales Revenue by Reporting Segment	Year Ended March 31, 2023		Year Ending March 31, 2024		Change	
	Amount	Component Ratio	Amount	Component Ratio	Amount	%
Core Component Business	592,376	29.2%	620,000	29.5%	27,624	4.7%
Industrial & Automotive Components Unit	199,194	9.8%	225,000	10.7%	25,806	13.0%
Semiconductor Components Unit	364,579	18.0%	365,000	17.4%	421	0.1%
Others	28,603	1.4%	30,000	1.4%	1,397	4.9%
Electronic Components Business	378,536	18.7%	390,000	18.6%	11,464	3.0%
Solutions Business	1,068,597	52.8%	1,115,000	53.1%	46,403	4.3%
Industrial Tools Unit	308,406	15.2%	315,000	15.0%	6,594	2.1%
Document Solutions Unit	434,914	21.5%	455,000	21.7%	20,086	4.6%
Communications Unit	207,793	10.3%	225,000	10.7%	17,207	8.3%
Others	117,484	5.8%	120,000	5.7%	2,516	2.1%
Others	23,403	1.2%	20,000	0.9%	-3,403	-14.5%
Adjustments and Eliminations	-37,580	-1.9%	-45,000	-2.1%	-7,420	—
Sales Revenue	2,025,332	100.0%	2,100,000	100.0%	74,668	3.7%

Business Profit (Loss) Forecasts by Reporting Segment for the Year Ending Mar. 31, 2024

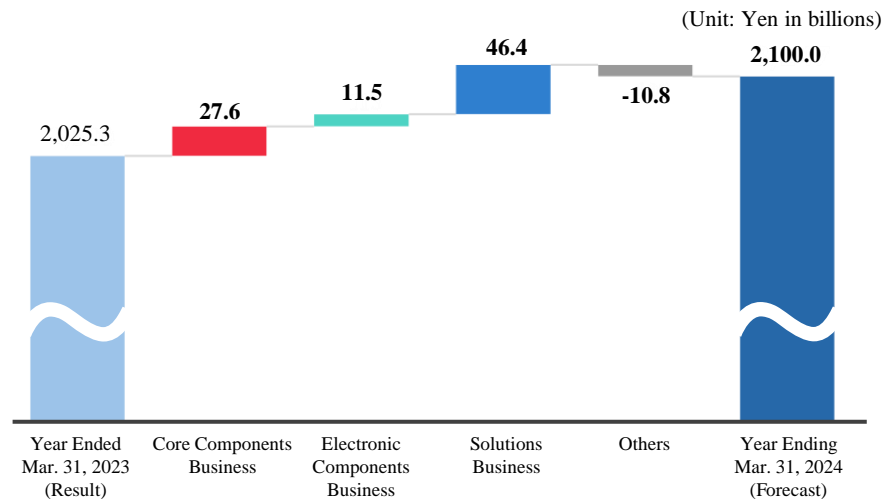


(Unit: Yen in millions)

Business Profit by Reporting Segment	Year Ended March 31, 2023		Year Ending March 31, 2024		Change	
	Amount	% to Sales Revenue	Amount	% to Sales Revenue	Amount	%
Core Components Business	89,475	15.1%	86,000	13.9%	-3,475	-3.9%
Industrial & Automotive Components Unit	24,743	12.4%	32,000	14.2%	7,257	29.3%
Semiconductor Components Unit	67,702	18.6%	53,000	14.5%	-14,702	-21.7%
Others	-2,970	—	1,000	3.3%	3,970	—
Electronic Components Business	44,064	11.6%	55,000	14.1%	10,936	24.8%
Solutions Business	42,239	4.0%	79,000	7.1%	36,761	87.0%
Industrial Tools Unit	23,279	7.5%	26,000	8.3%	2,721	11.7%
Document Solutions Unit	33,706	7.8%	40,000	8.8%	6,294	18.7%
Communications Unit	-11,729	—	3,000	1.3%	14,729	—
Others	-3,017	—	10,000	8.3%	13,017	—
Others	-28,795	—	-45,000	—	-16,205	—
Total Business Profit	146,983	7.3%	175,000	8.3%	28,017	19.1%
Corporate Gains and Others	29,209	—	25,000	—	-4,209	-14.4%
Profit Before Income Taxes	176,192	8.7%	200,000	9.5%	23,808	13.5%

Summary of Financial Forecasts for the Year Ending March 31, 2024

Sales Revenue



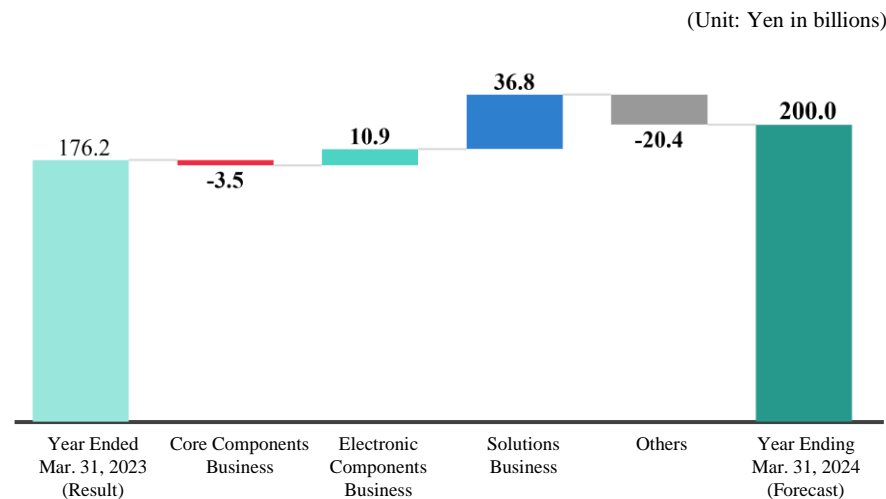
Core Components Business and Electronic Components Business:

In the semiconductor-related, automotive-related and smartphone-related markets, demand adjustments are expected for a time being. However, Kyocera expects the environment to gradually improve from the latter half of the first half of the Year Ending March 2024, and this will lead to increases in sales revenue.

Solutions Business:

Sales revenue increases due to aggressive development of new products and businesses, primarily in the Document Solutions Unit.

Profit Before Income Taxes



Core Components Business:

Business profit is expected to slightly decrease due to the preparatory capital expenditures necessary to achieve the medium-term management plan.

Electronic Components Business:

Business profit is expected to increase due to the absence of a one-time expense, which was recorded in the Year Ended March 2023, in addition to recovery of demand for high profitable components such as capacitors

Solutions Business:

Business profit is expected to increase greatly due to an increase in sales revenue as well as a result of the improved profitability through the structural reforms in low growth and/or low profitability businesses.

1 Financial Results for the Year Ended March 31, 2023

2 Financial Forecasts for the Year Ending March 31, 2024

3 **Medium-Term Management Plan**

- ✓ **Overview**
- ✓ **Business Strategy**
- ✓ **Strengthening of Management Foundation**

1. Realization of our Management Rationale

To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.

2. Practice of High-Profit Management

Maximize revenues and minimize expenses.

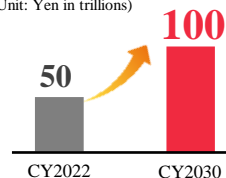
**Return to the basics of our management philosophy
in formulating the Medium-Term Management Plan**

Medium- to long-term expansion of semiconductor market



Size of Semiconductor Market

(Unit: Yen in trillions)



How we contribute

Supply components that address the recent industry-wide semiconductor shortage

Full-scale application of AI, 5G, ADAS and other new technologies



How we contribute

Supply components and equipment to automotive and electronic equipment markets to meet growing demand due to digitalization

Growing global environmental awareness



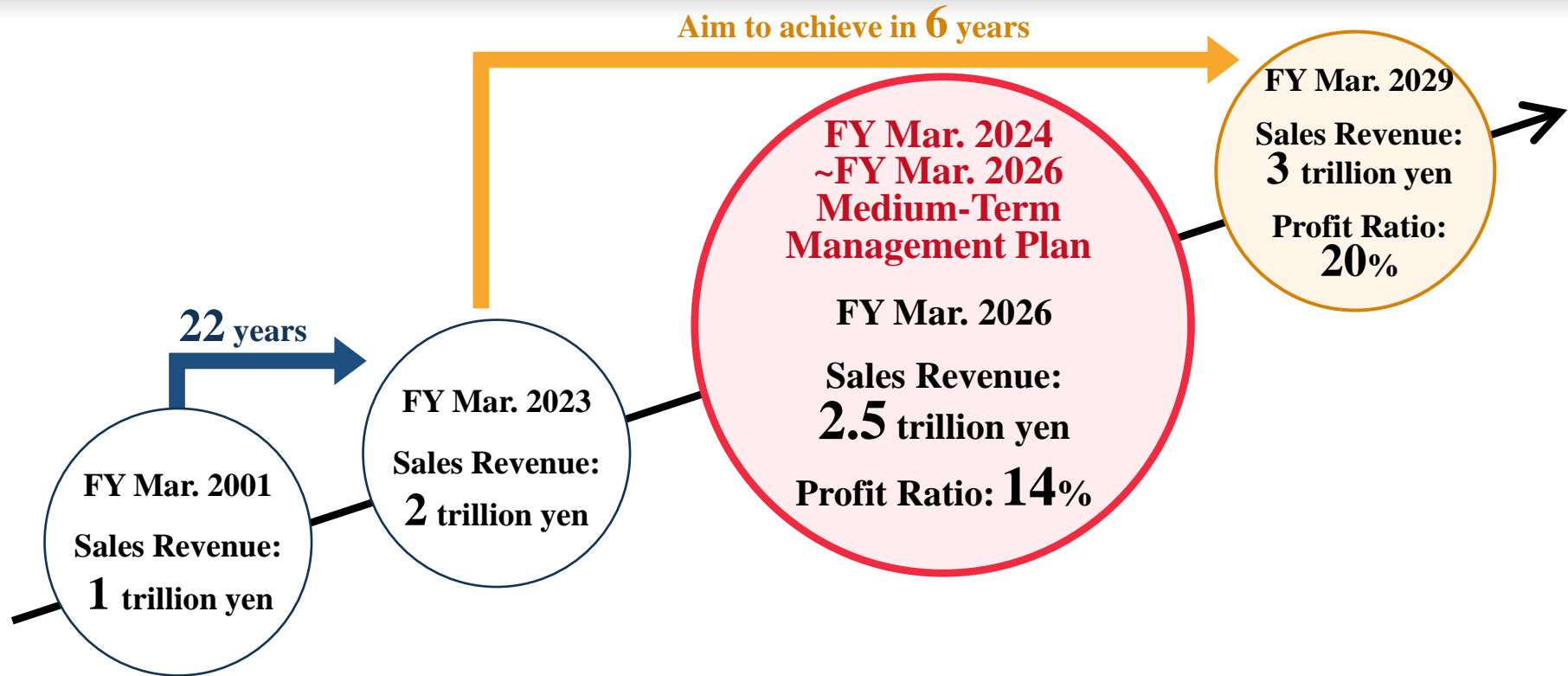
Digital textile printing system



How we contribute

Provide eco-friendly products and solutions that address social issues

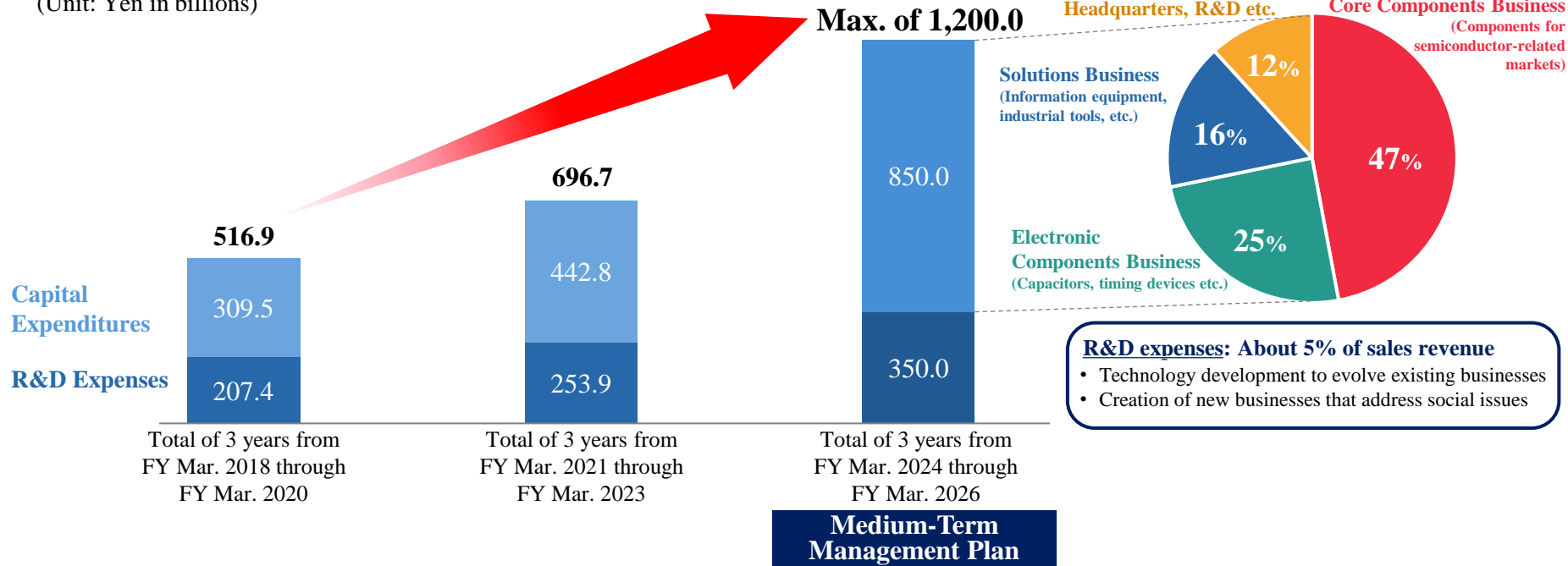
Practice high-growth, high-profit management by solving issues facing society and humankind through our technologies and products



Regain our challenging spirit by returning to a growth trajectory

Trend of Capital Expenditures and R&D Expenses

(Unit: Yen in billions)



Prioritize investment in markets and products with high growth potential

Medium-Term Management Plan

(Unit: Yen in billions)

	FY Mar. 2023
Sales Revenue	2,025.3
Profit Before Income Taxes	176.2
Profit Ratio	8.7%
ROE	(Result) 4.3%
Capital Expenditures	173.9
R&D Expenses	94.3

FY Mar. 2024	FY Mar. 2026
2,100.0	2,500.0
200.0	350.0
9.5%	14.0%
(Target) 5.0% or more	(Target) 7.0% or more
Maximum of 850.0 for 3 years	
Maximum of 350.0 for 3 years	

Leverage the collective strengths of the Kyocera Group to achieve targets

Group-wide

- Continue proactive investment on a record scale
- Realize high growth by concentrating internal resources into areas of competitive advantage
- Enhance profitability by maximizing use of digital technology
- Allocate management resources optimally by expediting decision-making on business continuity/withdrawal

Core Components Business

- Focus on components for high-growth potential semiconductor-related markets
- Make aggressive capital investment to increase production and productivity

Electronic Components Business

- Increase market share by maximizing synergies between Kyocera and KAVX
- Focus on capacitors and timing devices

Solutions Business

- Expand eco-friendly products and businesses that address social issues
- Enhance profitability through structural reform in Communications Unit and energy business

Core Components Business

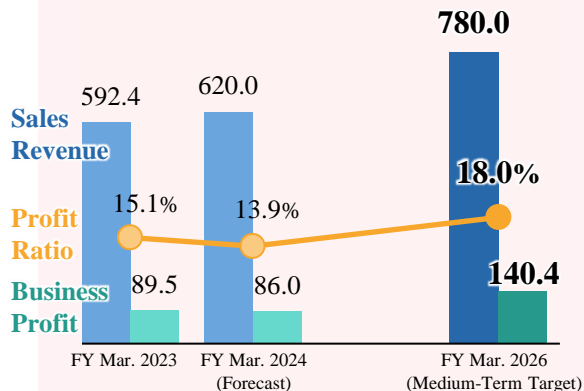
FY Mar. 2026

Sales Revenue: **780.0** bil. yen

Business Profit: **140.4** bil. yen

Profit Ratio: **18.0%**

(Unit: Yen in billions)



Electronic Components Business

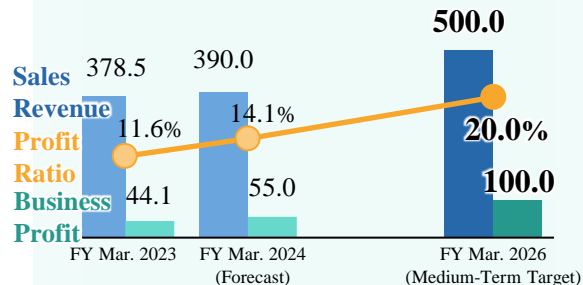
FY Mar. 2026

Sales Revenue: **500.0** bil. yen

Business Profit: **100.0** bil. yen

Profit Ratio: **20.0%**

(Unit: Yen in billions)



Solutions Business

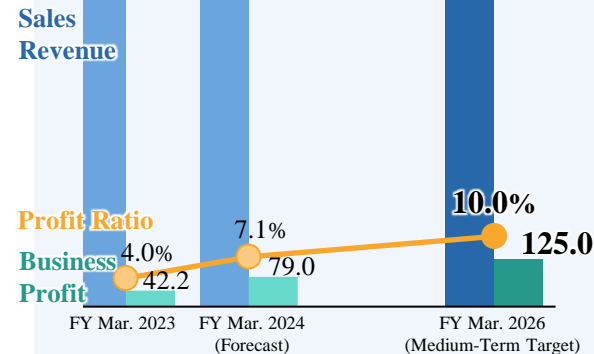
FY Mar. 2026

Sales Revenue: **1,250.0** bil. yen

Business Profit: **125.0** bil. yen

Profit Ratio: **10.0%**

(Unit: Yen in billions)



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3 **Medium-Term Management Plan**

✓ Overview

✓ **Business Strategy**

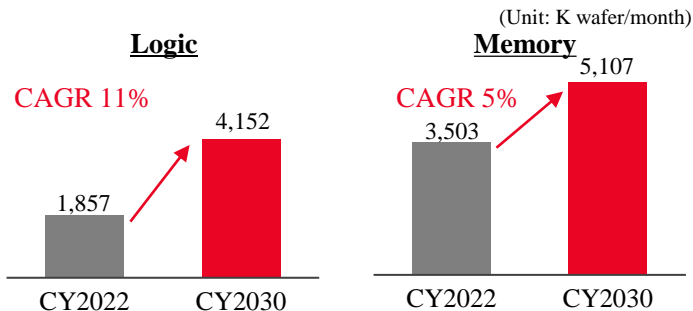
✓ Strengthening of Management Foundation

Market

(Global; Kyocera forecast)

• Semiconductor:

Increasing demand for cutting-edge products



• Semiconductor Processing Equipment:

Generational evolution leads to more processing and demand

Forecast demand by process (CY2022 vs CY2030)

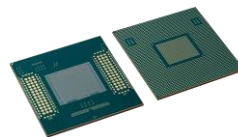
Lithography **Approx. 2.0 x**

Coater/Developer **Approx. 2.0 x**

Etching **Approx. 2.5 x**

Film forming **Approx. 2.5 x**

Key Products



Organic Packages
for Network Servers



Ceramic Packages
for Semiconductors



Fine Ceramic Components for
Semiconductor Processing Equipment

Kyocera Strengths

Package Products

- ✓ Manufacturing technology supporting larger size and advanced multi-layering
- ✓ High market share of strategic customers

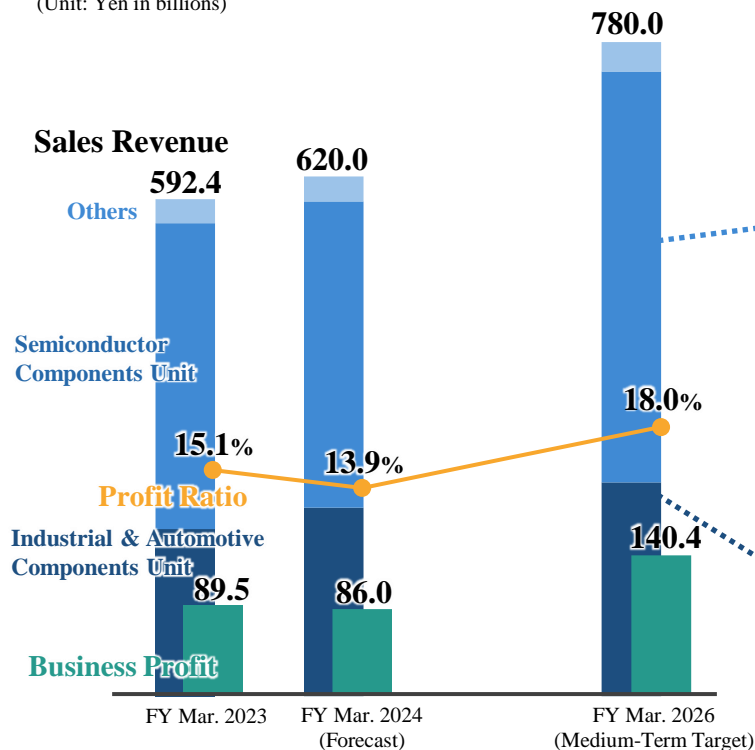
Fine Ceramic Components for Semiconductor Processing Equipment

- ✓ Advanced technology, quality and production capabilities such as precision processing and temperature uniformity
- ✓ Strong relationships of trust with leading equipment makers

Expand and maintain high market share by meeting customer demands, particularly for cutting-edge semiconductors

Core Components Business Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

Take advantage of increasing demand over medium to long term to expand business, particularly in areas of competitive advantages

Semiconductor Components Unit

- ✓ Expand production of **organic packages and boards** and **ceramic packages for information and communications-related markets**
- ✓ Focus on high-value-added products
- ✓ Enhance production technology for highly complex products

Sales Revenue

FY Mar. 2023

364.6 bil. yen

FY Mar. 2026

490.0 bil. yen

+34%

Industrial & Automotive Components Unit

- ✓ Increase production of **fine ceramic components for semiconductor processing equipment of cutting-edge semiconductors**
- ✓ Capture demand in fields related to automotive ADAS and EVs

Sales Revenue

FY Mar. 2023

199.2 bil. yen

FY Mar. 2026

255.0 bil. yen

+28%

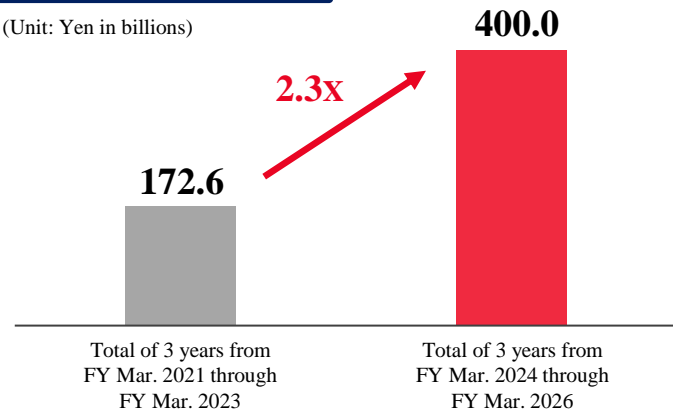
Basic Policy

Accelerate investment to expand production

- Further enhancement of preparatory investment by working closely with customers
- Early preparation for constructing new buildings and plants as a response to prolonged material procurement and construction period

Capex Plan

(Unit: Yen in billions)



Major Capital Expenditures

◆ Increase capacity via new facilities in view of long-term demand growth

- Fine ceramic components: Kagoshima Kokubu Plant and Shiga Yohkaichi Plant
- Ceramic packages: Vietnam Plant and Kagoshima Sendai Plant
- Organic packages and boards: Kyoto Ayabe Plant and Kagoshima Sendai Plant

◆ Scrap and build existing facilities by utilizing new facilities

Location and planned timing for commencement of production in new buildings



Long-Term Goal:
Production expansion target

Organic packages and boards
2.4 x

Fine ceramic components
1.8 x

Ceramic packages
1.4 x

Make record capital investment to meet growing medium- to long-term demand

Acquire land for new factory in Isahaya, Nagasaki

Overview

- **Name:** Nagasaki Isahaya Plant (tentative name), Kyocera Corporation
- **Location:** Minami Isahaya Industrial Park, Oguri District, Isahaya City, Nagasaki Pref.
- **Investment:** Approx. 62 billion yen (through FY Mar. 2029)
- **Total area:** Approx. 150,000m²
- **Main structure:** Steel-framed 6-story building
(Planned to start construction in FY Mar. 2024)

Production Items

Fine ceramic components for semiconductor processing equipment, ceramic and organic packages, etc.

Production Plan

FY Mar. 2026

Open plant

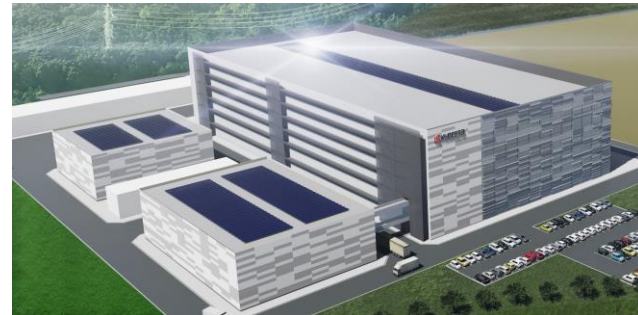
FY Mar. 2027

Commence
production

FY Mar. 2028

Expand facility
and production
items

**Annual
production in
FY Mar. 2029
25 billion yen**



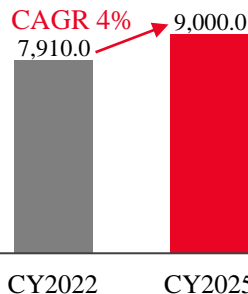
Market

(Global; Kyocera forecast)

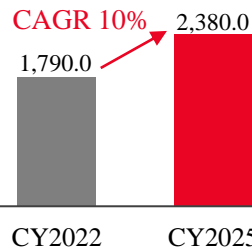
Demand for electronic components is expected to grow further as the electronic industry develops.

(Unit: Yen in billions)

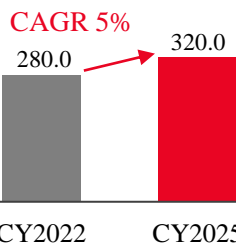
Connectors



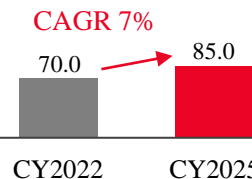
MLCCs



Timing Devices



Polymer Tantalum Capacitors



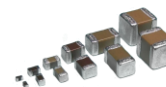
Key Products



Tantalum Capacitors



Timing Devices
(Crystal Devices)



MLCCs



Connectors

Kyocera Strengths

- ✓ Small-design and high-precision technologies contributing to higher density ICs
- ✓ KAVX's broad distributor sales channels and logistics network, capable of dealing from industrial equipment markets to automotive, medical and aerospace markets

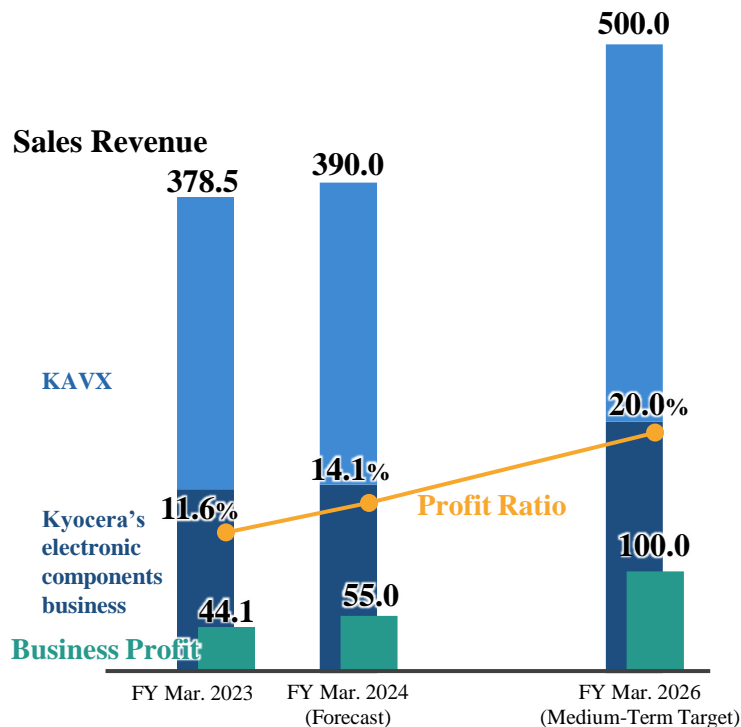
Market Share

- ✓ Maintain high market share in tantalum capacitors and timing devices
- ✓ Aim to boost market share in MLCCs and connectors

Increase market share by creating unique technologies and focusing on areas of competitive advantage where they can be fully leveraged

Electronic Components Business Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

Focus on areas of expertise and leverage synergies between Kyocera and KAVX to expand market share and enhance profitability

<Sales>

Utilize KAVX's **global sales network** and **strong relationships with key customers** to expand sales of Kyocera's electronic components business

<Production>

Incorporate Kyocera's **labor-saving and high-efficiency production technology** to KAVX's production sites to increase productivity

<Target market share based on synergy effects>

Tantalum Capacitors

FY Mar. 2023 FY Mar. 2026

30% → **40%**

Timing Devices

FY Mar. 2023 FY Mar. 2026

10% → **20%**

MLCCs

FY Mar. 2023 FY Mar. 2026

5% → **10%**

Connectors

FY Mar. 2023 FY Mar. 2026

2% → **5%**

Leverage synergies to achieve faster-than-market growth

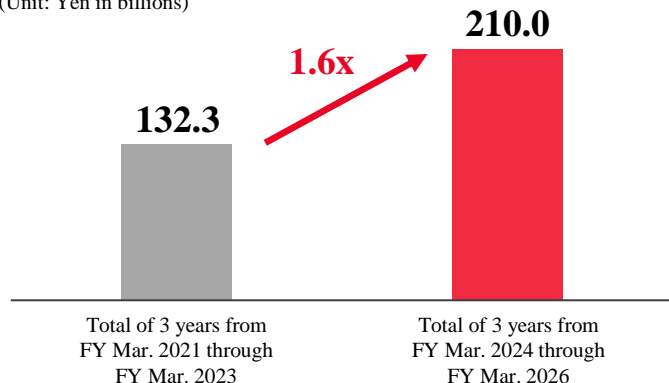
Basic Policy

Optimize production sites of
Kyocera and KAVX

- Building global production structure for future expansion of production capacity
- Proactive adoption of digital technologies necessary for automation and labor saving

Capex Plan

(Unit: Yen in billions)



Major Capital Expenditures

◆ Expand production capacity by creating new plants and buildings

- New Thai plant:
Realize collaboration between Kyocera and KAVX as a production base for MLCCs and tantalum capacitors
- Kagoshima Kokubu Plant:
Introduce cutting-edge labor-saving and automation technology
- El Salvador Plant:
Make maximum use of strong labor pool as a production base for MLCCs and tantalum capacitors

◆ Introduce automated lines in existing KAVX facilities

KAVX new
Thai PlantNew building
at Kagoshima
Kokubu PlantLong-Term Goal:
Production expansion
target

MLCCs

1.9x

Timing Devices

1.8x

Tantalum Capacitors

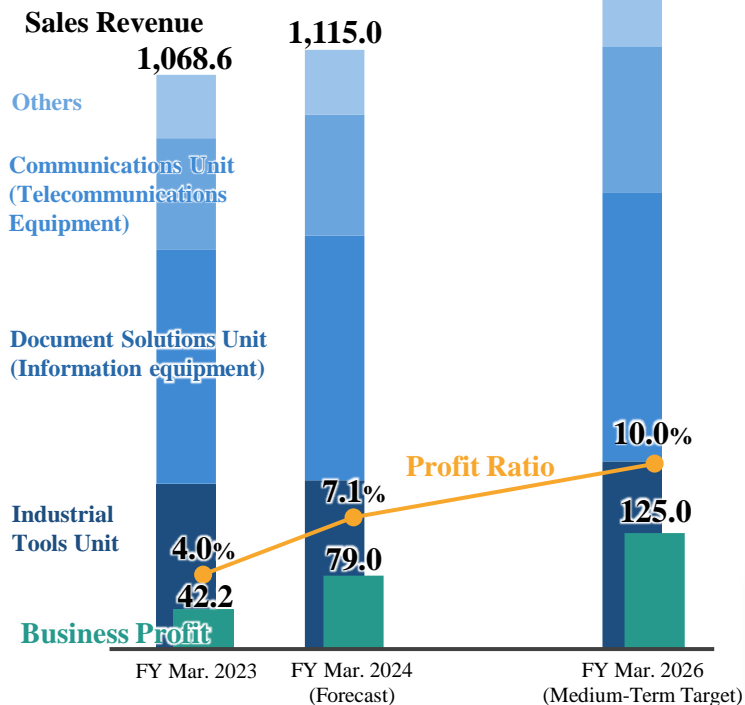
1.4x

Promote capital expenditures to create a system for enhanced production and global optimization of production sites, and digitalization to boost productivity

Solutions Business

Medium-Term Management Plan

(Unit: Yen in billions)



Business Strategy

1. Expand existing business

Industrial Tools Unit:

Increase global market share of cutting tools and pneumatic and power tools

Information Equipment Unit:

Maintain profitability of MFPs and printers and expand business domain to commercial inkjet printers and ECM and document BPOs

2. Promote structural reforms

Telecommunications equipment business:

Shift business domain to B2B and transform into telecommunications solutions business

Energy business:

Swiftly achieve profitability in three energy equipment businesses (solar cells, storage battery and fuel cells) by doubling productivity and reducing costs, and expand renewable energy power services

Evaluate each business for both marketability and profitability and focus and integrate resources into future growth areas

Market

(Global; Kyocera forecast)

Markets for both cutting tools and pneumatic and power tools are expected to grow.

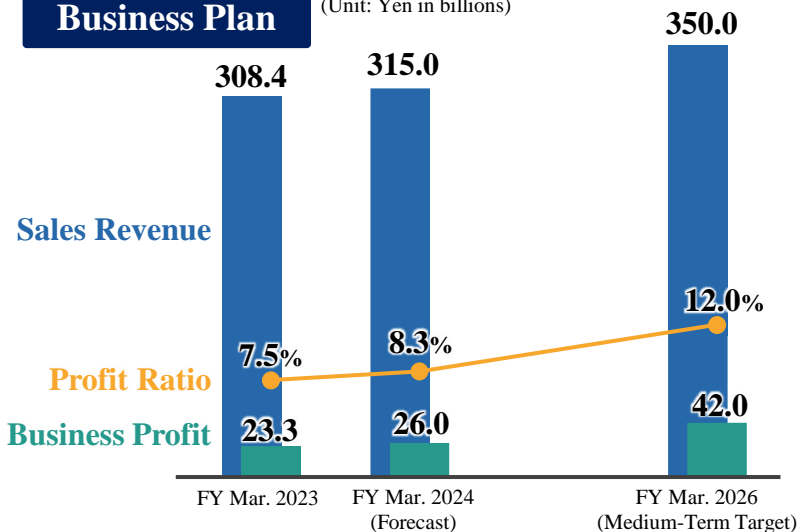
Market forecast
CY2022 vs CY2025

Cutting Tools: **Approx. 1.2X**

Pneumatic and Power Tools: **Approx. 1.15X**

Business Plan

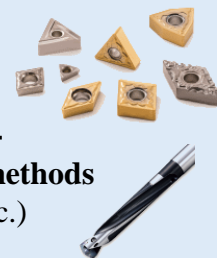
(Unit: Yen in billions)



Key Measures

Cutting Tools

- ◆ Strengthen sales in Europe and Asia
- ◆ Develop products for growth industries by leveraging expertise in developing high-value-added custom tools and new manufacturing methods (EV, semiconductor-related, medical, aircraft, etc.)
- ◆ Promote value-added DX services



Pneumatic and Power Tools

- ◆ Expand global share by leveraging advantages of an integrated system for development, production, sales and service
- ◆ Create added value by standardizing charging platforms and other technology collaborations within the business segment



Continue aggressive investment to expand business as a global comprehensive tool manufacturer

Market

(Global; Kyocera forecast)

While offices go paperless, commercial printing equipment and ECM markets grow.

Market forecast
CY2022 vs CY2025

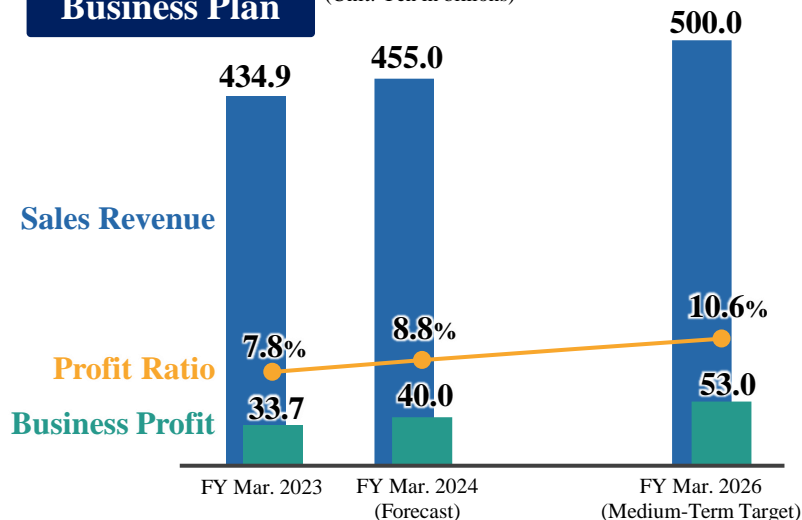
MFPs and Printers: **Approx. 0.95X**

Commercial Inkjet Printers: **Approx. 1.25X**

ECM (Contents Management): **Approx. 1.15X**

Business Plan

(Unit: Yen in billions)



Key Measures

MFPs and Printers

- ◆ Expand market share by launching new eco-friendly products leveraging strengths in long-life design
- ◆ Enhance profitability by increasing production in Vietnam



Commercial Inkjet Printers

- ◆ Expand sales and profit by introducing new products capable of printing on various types of paper



ECM and Document BPO

- ◆ Expand the lineup of ECM software developed in-house and expand services globally

Contribute to the realization of a sustainable society with eco-friendly products and solutions

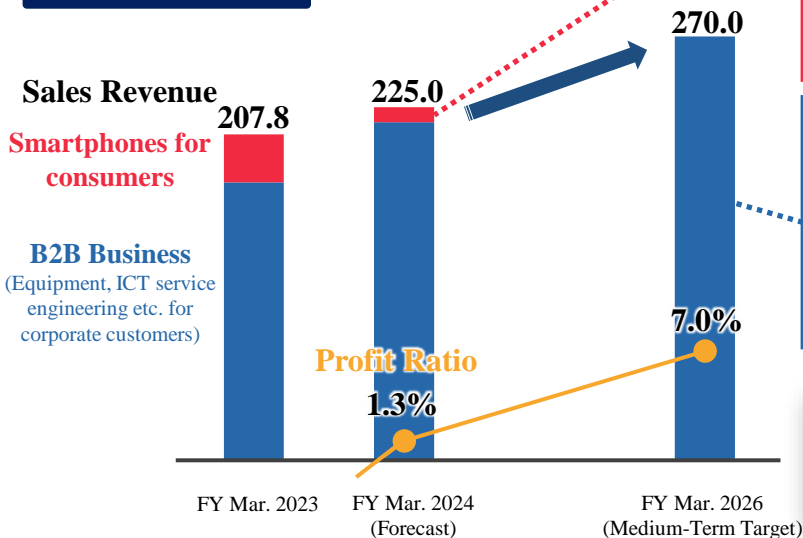
Reform Theme

Fundamentally transform business structure

- Selection and concentration of products and categories
- Focus on corporate solutions business

Business Plan

(Unit: Yen in billions)

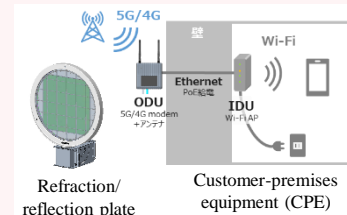


Discontinue consumer smartphone business

- ◆ Ended new product development in FY Mar. 2023
- ◆ End supply and sales of products in FY Mar. 2025



Focus resources for development on infrastructure-related business to further promote adoption of millimeter-wave 5G communication



Continue and expand communication terminal business and telecommunication services business for corporate customers

- ◆ Shift to developing high-profit custom devices and providing telecommunication services for corporations
- ◆ Expand existing ICT service and engineering business

Transform to telecommunications solutions business and infrastructure-related business for corporate customers

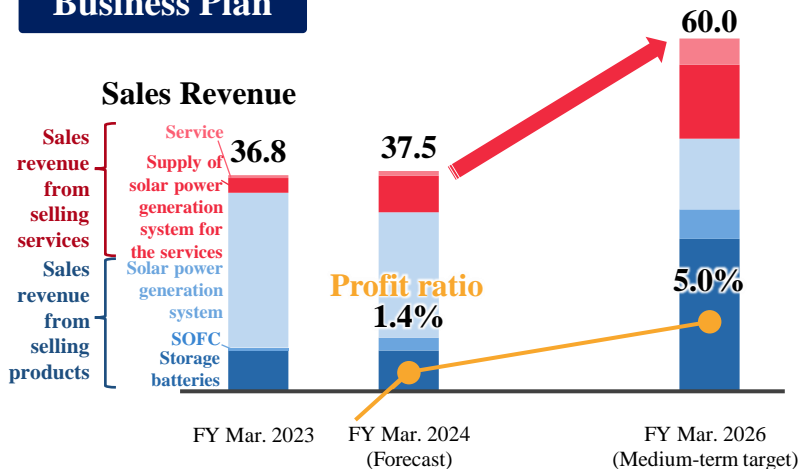
Reform Theme

Expand corporate renewable energy selling business that address increasing demand of renewable energy and rising energy costs

- Double productivity and cost reduction
- Transform to selling renewable energy business (Shift from selling “products” to “services”)

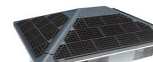
Business Plan

(Unit: Yen in billions)



Business model of renewable energy selling service we aim

Power generation and storage system



Solar power generation system



Storage battery system



SOFC

Sell equipment

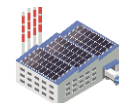
Source of solar-generated electricity



Power generation on housing complex



Solar power plant (Non-FIT)



On-site PPA

Surplus power

Sales of electricity



Manage and match
supply and demand

- Procure electricity and forecast electricity production
- Forecast demand

- Calculate planned power supply
- Supervise supply and demand

Renewable energy

Renewable energy

Use in
own sites

Improve renewable energy ratio of
Kyocera Group



Proactively expand sales
to other companies

From Apr. 3, 2023

From Apr. 3, 2023

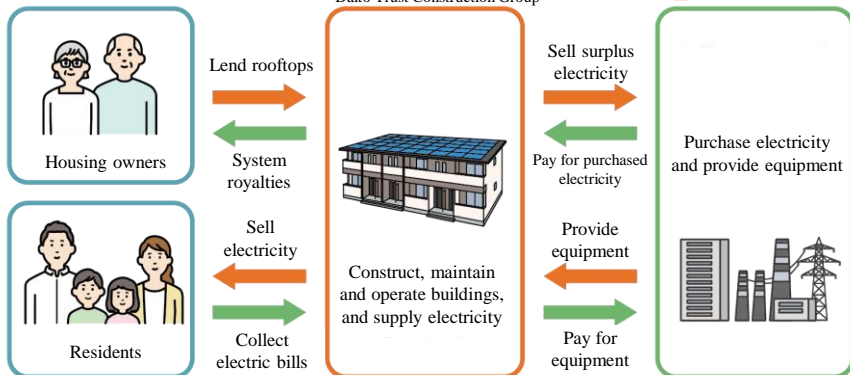
Signed power purchase agreement with Daito Trust Construction

~Kyocera to use power generated by ZEH* rental apartments in its plants, etc.~

- Kyocera purchases surplus power generated from Daito Trust Construction's ZEH* rental apartments to enhance its internal use of renewable power.
- This boosts the asset value for rental property owners by turning them into eco-conscious housing.
- Through the scheme, Daito Trust Construction will expand the sales area of ZEH* rental apartments using a low-voltage integrated power management system. (2,628 units as of Mar. 10, 2023)

 **大東建託グループ**
Daito Trust Construction Group

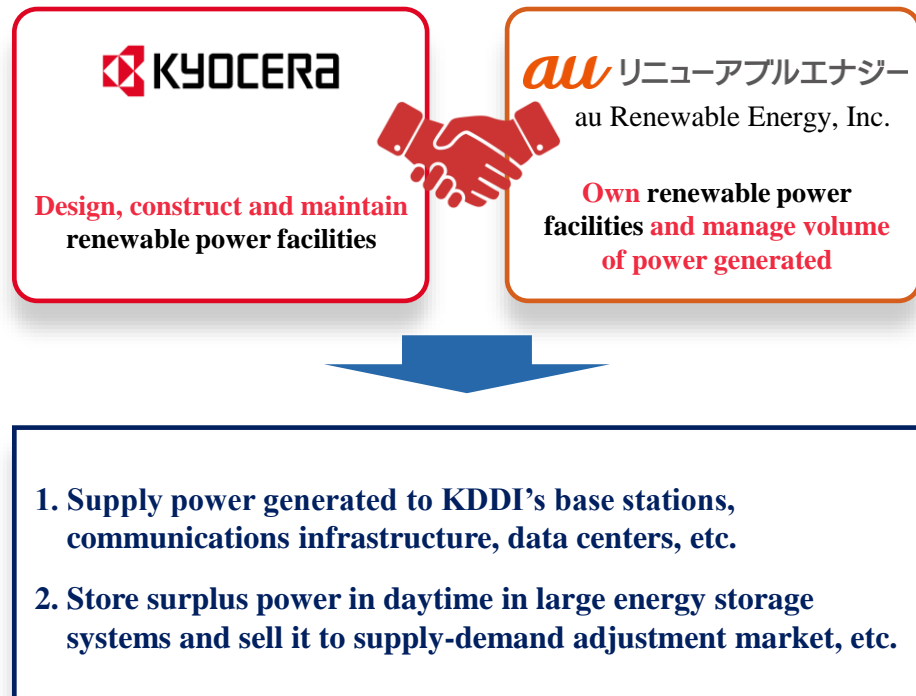
 **KYOCERA**



*ZEH (Net Zero Energy House): A house with an annual net energy consumption around zero (or less) by saving much energy as possible while maintaining comfortable living environment, achieved through better heat insulation, high-efficiency equipment, and creating energy with solar power generation.

Concluded capital and business alliance with KDDI Group to promote renewable energy business

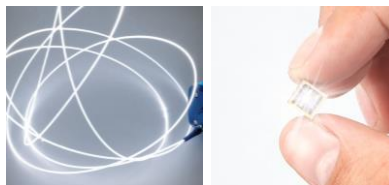
~Speed up carbon neutrality and contribute to stable power supply using energy storage systems~



Ongoing Projects

**High-Efficiency
GaN* Laser**

*Gallium nitride



Unique Laser Light
technology achieves both
illuminance/brightness and
safety

Realize low-carbon
society

**Digital Textile
Printing System**

Unique printhead and ink
technologies realize water-
free concept

Reduce wastewater and
waste in apparel
industry

Collaborative Robots

AI control technology and
extensive production
training data simplify work
instructions for robots

Alleviate labor
shortages

**Cooperative Road-
Vehicle System**

ITS wireless roadside system
and far infrared camera
technology detect objects in
blind spot

Create safe and secure
communities

Aim to achieve future sales of 100 billion yen per project

1 Financial Results for the Year Ended March 31, 2023

2 Financial Forecasts for the Year Ending March 31, 2024

3 **Medium-Term Management Plan**

✓ Overview

✓ Business Strategy

✓ **Strengthening of Management Foundation**

Clarified capital allocation for three years based on the medium-term management plan

Capital Allocation from FY Mar. 2024 through FY Mar. 2026

(Unit: Yen in billions)

Funding Policy

- Plan to raise funds by borrowings to meet future funding needs, such as active investment and for maintenance and improvement of shareholder returns
- Use KDDI shares as collateral to reduce borrowing costs in anticipation of future increases in interest rates



Proactive investment for business growth

- Focus on investments to increase production capacity and improve productivity of the Semiconductor Components Unit and the Electronic Components Business

Proactive investment in R&D activities

- Continue investments necessary for expansion of the Solutions Business and the creation of new businesses

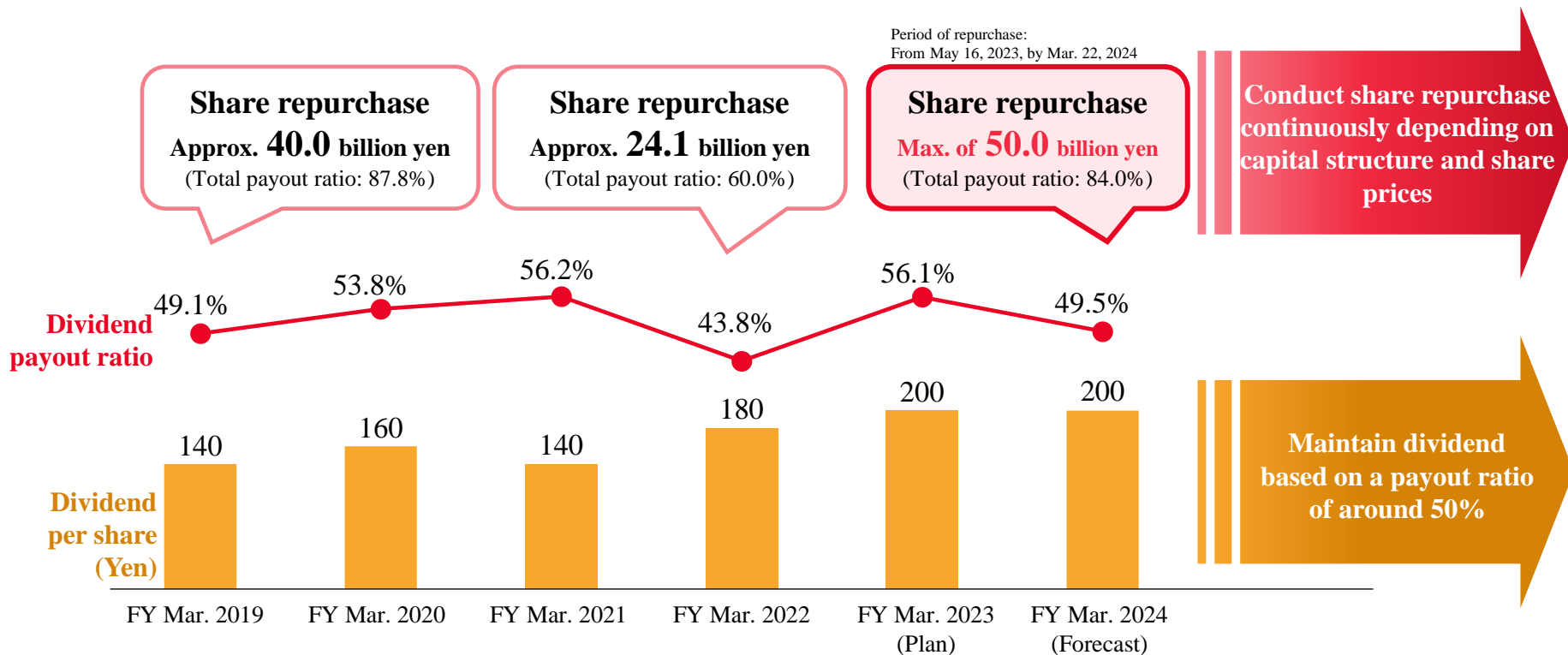
Shareholder Return Policy

- Maintain current dividend policy

Other Policies

- Consider M&A with an emphasis on synergy
- Conduct share repurchases when appropriate

Enhancing shareholder returns through a combination of dividends and share repurchases



Adopt a numerical target to further reduce its shareholdings

Reducing its shareholdings from the past, at appropriate timing



Set a numerical target to clarify the immediate policy to further reduce its shareholdings

- **Conduct an annual review of all individual shareholdings, considering the need to maintain the business relationship and/or efficiency in use of assets**
- **Conduct assessment by the Board of Directors whether the Company's holding of the relevant shares is appropriate**

<Reference: Number of its shareholdings of listed company stocks in Japan>

FY Mar. 2017: 37 → FY Mar. 2023: 17

Target

Amount of reduction:

At least 5% on a book value basis

Period: By FY Mar. 2026

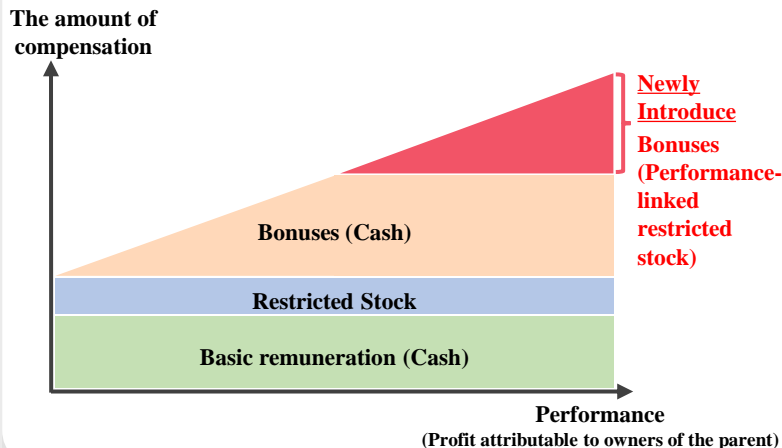
(Within the time frame of the medium-term management plan)

- **Updated the Corporate Governance Report and specified the above-mentioned target**

(1) Align Interest with Shareholders

Introduction of Performance-Linked Restricted Stock Compensation Plan*

Reinforce incentives to continuously improve corporate value, as well as to promote even further aligning interest with shareholders.



(2) Appointment of an Outside Director

Appoint person with management experience as a new Outside Director*

Shigenobu Maekawa

(Chairman of Nippon Shinyaku Co., Ltd.)

(3) Enhance Effectiveness of the Board of Directors

Introduce off-site meeting

Conducted two meetings regarding the medium-term management plan separately from the Board of Directors meetings and had active discussions about strategies and policies

*The proposals related to the two items will be submitted to the Ordinary General Meeting of Shareholders scheduled for June 2023.

Challenge

To procure necessary human resource to achieve the medium-term management plan as competition for human resources intensifies

Key Measures

Secure workforce in the new location (Isahaya, Nagasaki)

Expand adoption of location suitable for production, including overseas

Set salary levels with the inflation rate and condition of labor market considered

Promote further localization of overseas business

Recruitment Activities

Strengthen recruitment activities by promoting Kyocera's uniqueness and attractiveness in various aspects

- (1) Strong public interest towards management philosophy of our founder, Kazuo Inamori
- (2) Cultivate a sense of affinity among young people (e.g. Creating original animation video)



Environment

- **Endorsed TCFD (Mar. 2020~)**



- **Set and achieve long-term environmental goals**

1. **Reduce** greenhouse gas emissions (Scope 1, 2, 3) by **46%** by FY Mar. 2031 (vs. FY Mar. 2020)
2. Increase renewable energy use by **20x** by FY Mar. 2031 (vs. FY Mar. 2014)
3. Become **carbon neutral** by FY Mar. 2051



- ✓ Promote introduction of renewable energy
- ✓ Implement company-wide energy-saving initiatives

Human capital etc.

- **Respect human rights**

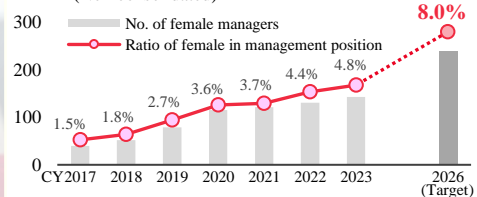
- ✓ Joined the Responsible Business Alliance (RBA)
- ✓ Conduct human rights due diligence for Kyocera and its suppliers
- ✓ Provide training to eliminate harassment and discrimination

- **Create pleasant work environment and sites**

- ✓ Enhance employee engagement
- ✓ Pursue diversity

- Promote the active participation of female employees
- Support plans for balance work with childcare, nursing care, medical care, etc.
- Promote male employees' engagements in childcare
- Foster understanding of LGBTQ+

Trend of Female Managers (Non-consolidated) (As of Apr. 1 each year)



Implement Business Strategy

- **Strategic investments in areas of competitive advantage**
 - ✓ Core Components Business: Active investment for components for semiconductor-related markets
 - ✓ Electronic Components Business: Focus on capacitors and timing devices by maximizing synergies between Kyocera's electronic components business and KAVX
- **Promote expansion of existing businesses as well as restructuring**
 - ✓ Solutions Business: Expand market shares for the Industrial Tools Unit and the Document Solutions Unit, as well as the drastic restructuring of business structure of the Communications Unit and the energy business
- **Create new businesses that address social issues**
 - ✓ Active investment in R&D and technology acquisition

Strengthen Management Foundation

- **Capital strategies**
 - ✓ Procure fund by effectively combining capital assets and borrowings
 - ✓ Shareholder return initiatives; combination of dividends and share repurchases
 - ✓ Reducing cross-holding of shares
- **Corporate governance initiatives**
 - ✓ Introduction of performance-linked stock compensation
 - ✓ Appointment of a new outside director
 - ✓ Enhancing the effectiveness of the Board of Directors
- **Promotion of sustainable management**
 - ✓ Environment: Initiatives to achieve carbon neutrality
 - ✓ Human capitals etc.: Recruitment strategies, respect for human rights, diversity, and increased employee engagement

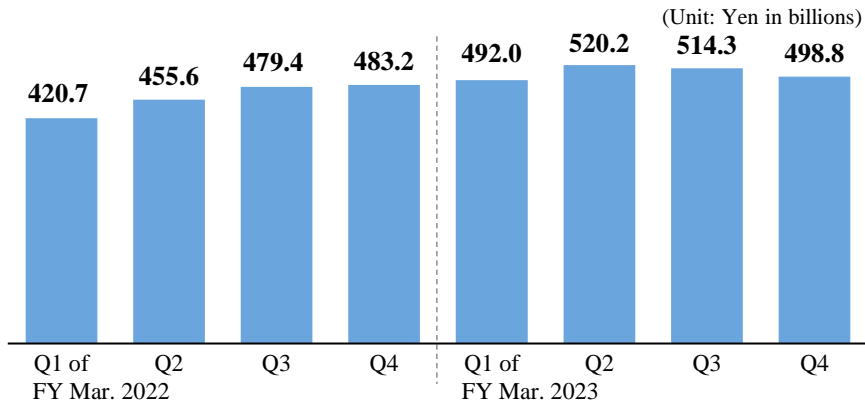


Aim to continuously increase ROE and improve PBR

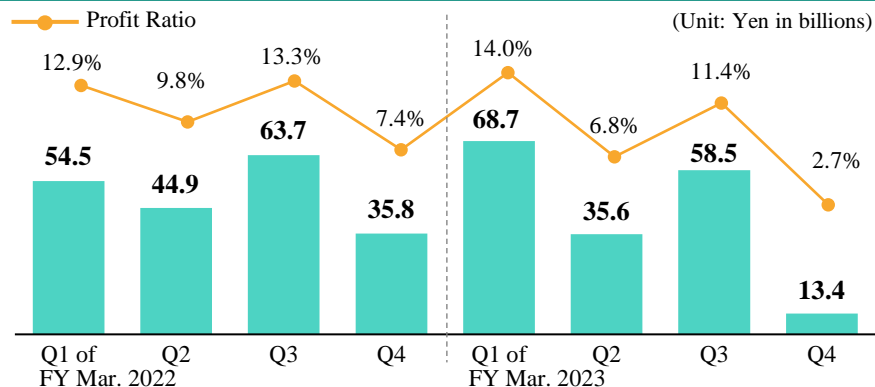
Appendix: Quarterly Trends of Financial Results

Quarterly Trends of Financial Results

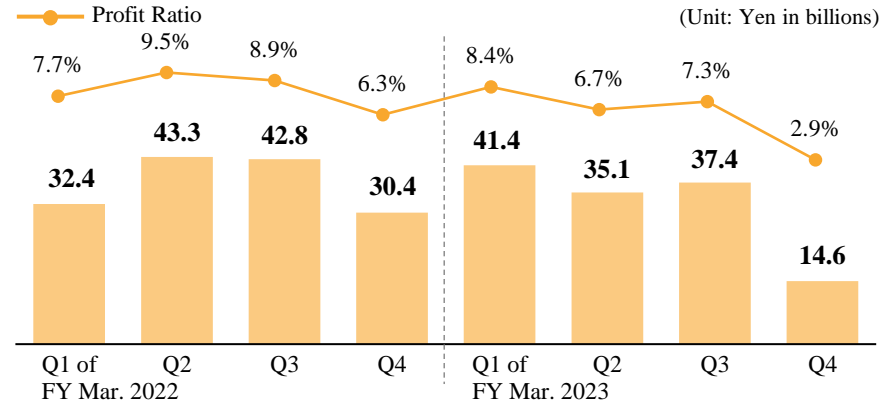
Sales Revenue



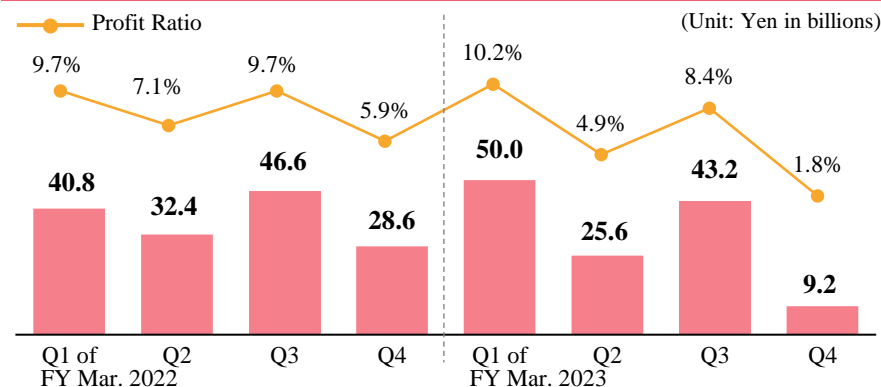
Profit Before Income Taxes



Operating Profit



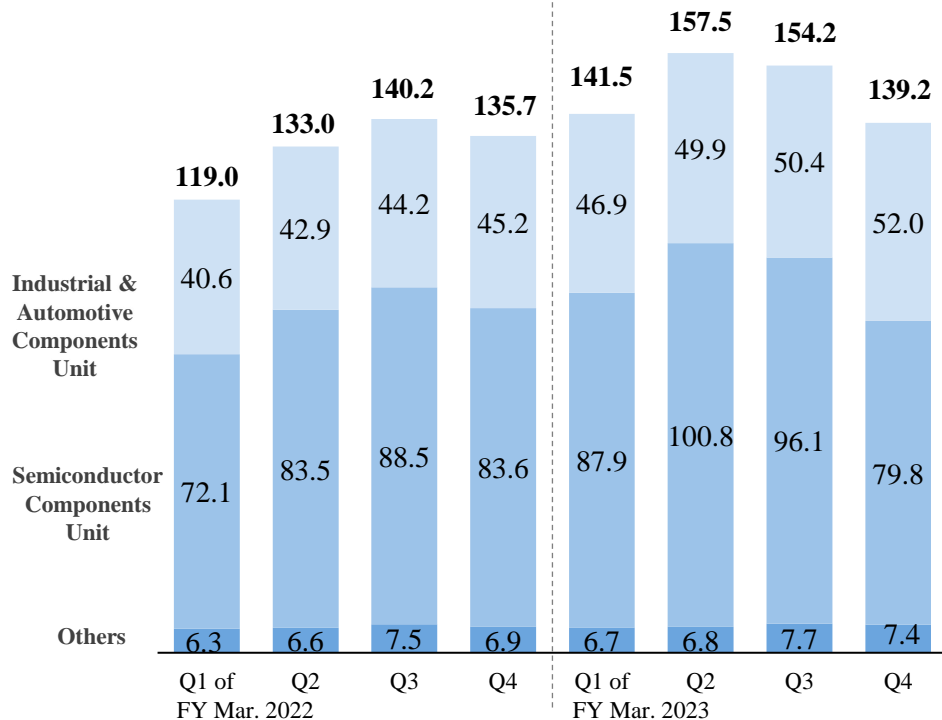
Profit Attributable to Owners of the Parent



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

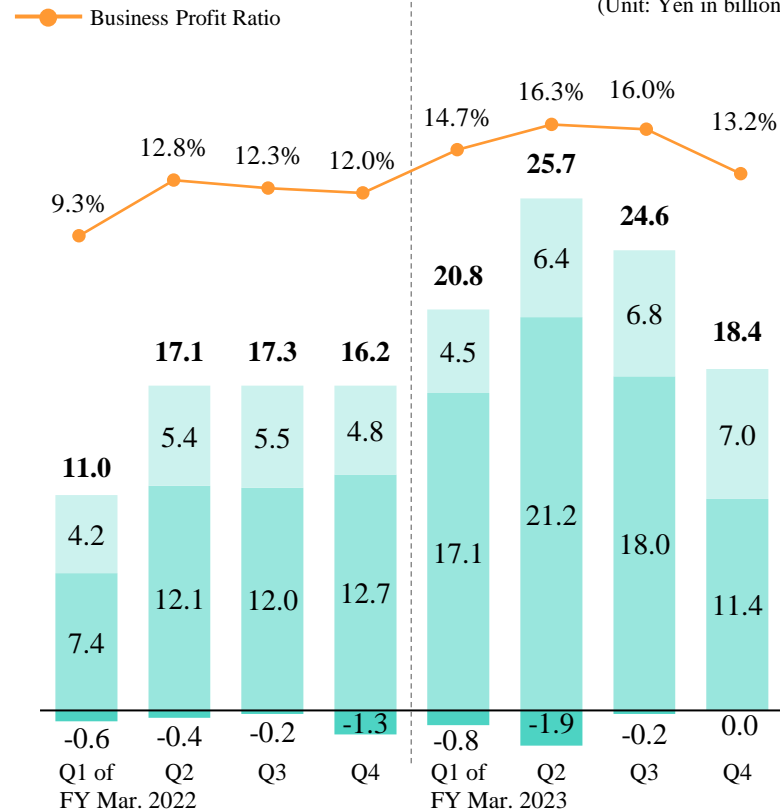
Sales Revenue

(Unit: Yen in billions)



Business Profit

(Unit: Yen in billions)

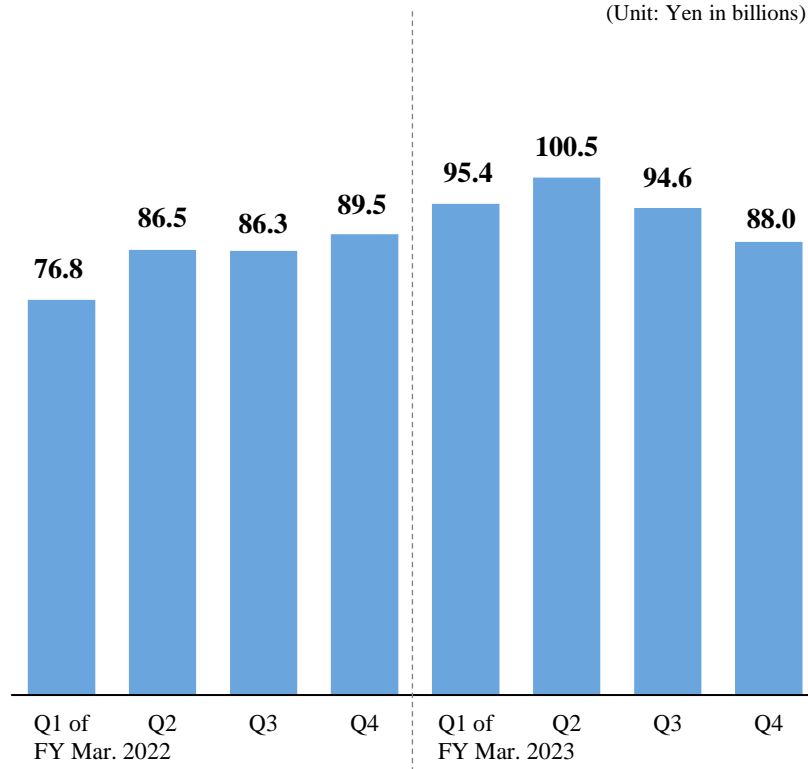


Notes: Business profit is the profit before tax of each business segment.

Business profit ratio is calculated based on millions of yen.

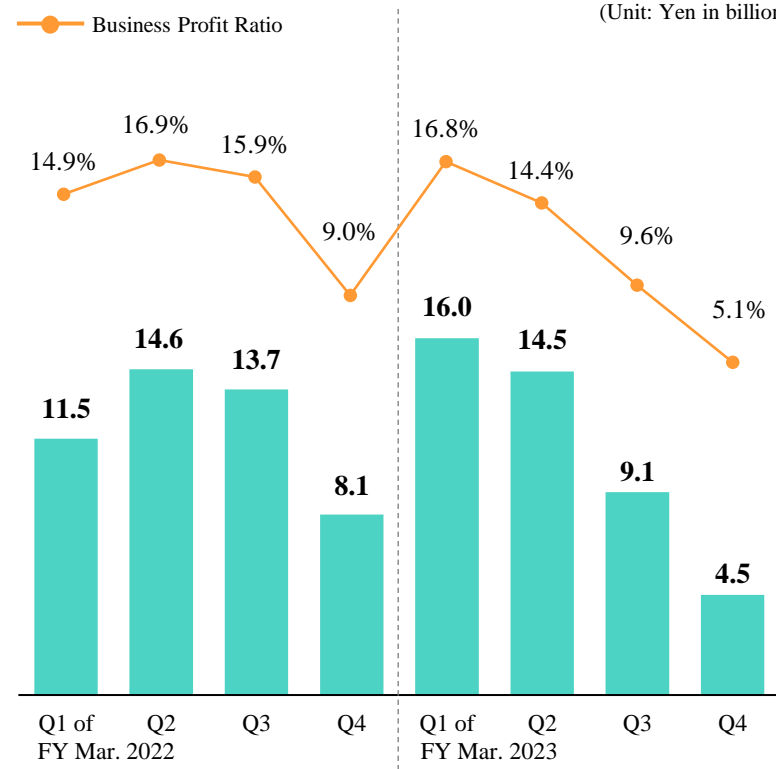
Sales Revenue

(Unit: Yen in billions)



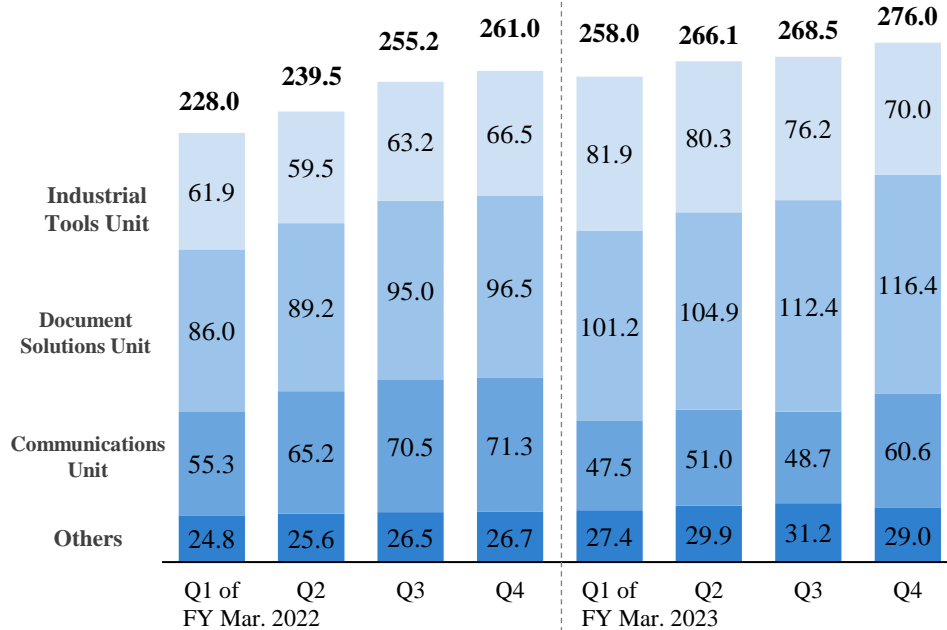
Business Profit

(Unit: Yen in billions)



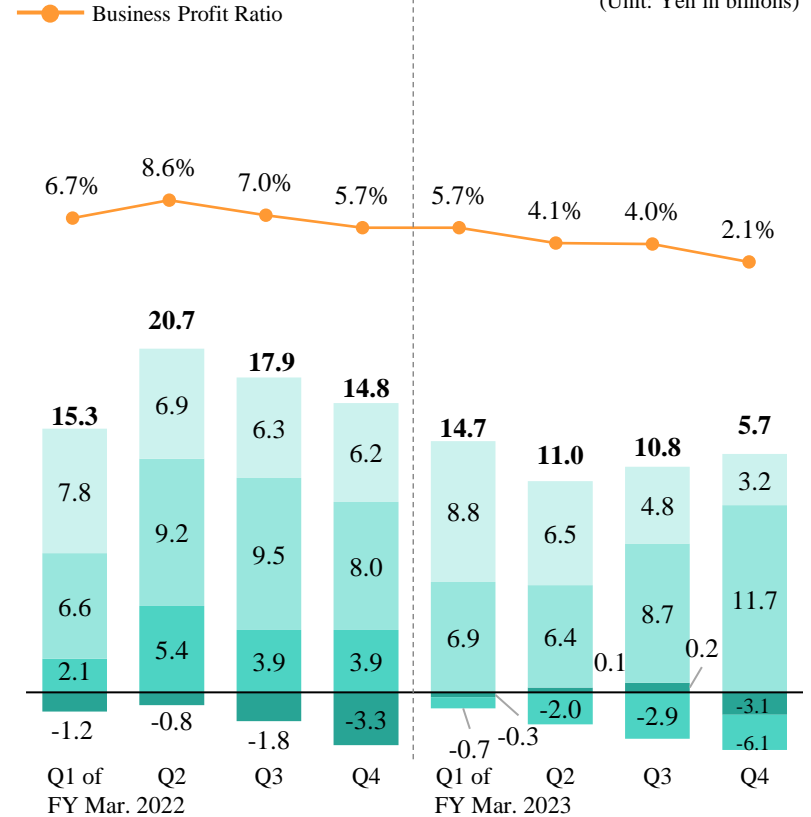
Sales Revenue

(Unit: Yen in billions)



Business Profit

(Unit: Yen in billions)



Notes: Business profit is the profit before tax of each business 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