

Notes: This is an English translation of the Japanese original. This translation is prepared for the reference and convenience solely for those who do not use Japanese. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.
Certain of the statements made in this document are forward-looking statements, which are based on our current assumptions and beliefs in light of the information currently available to us. Please refer to “Cautionary Statements with respect to Forward-Looking Statements” on the last page.

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.

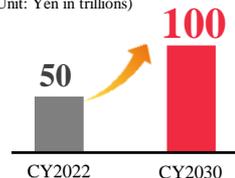
**Return to the basics of our management philosophy
in formulating the Medium-Term Management Plan**

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



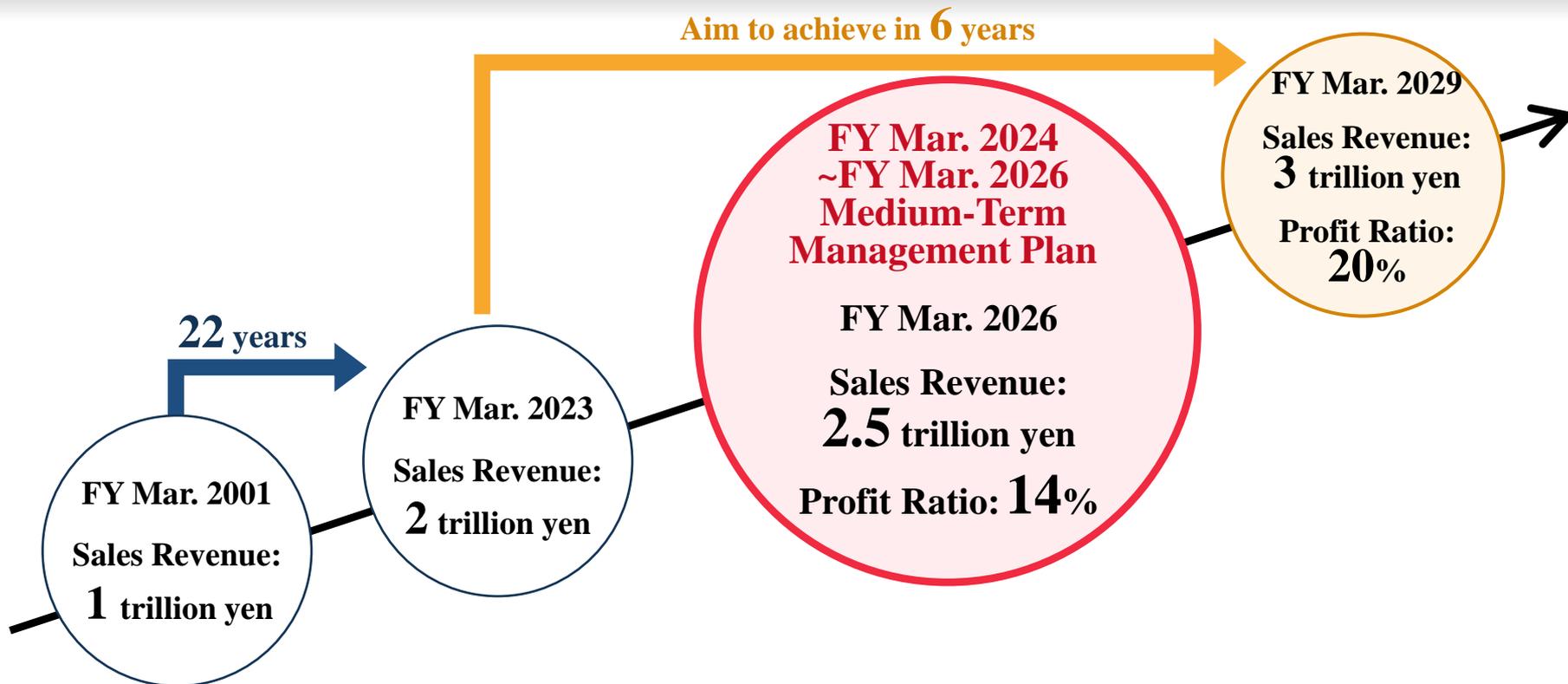
Digital textile printing system



How we contribute

Provide eco-friendly products and solutions that address social issues

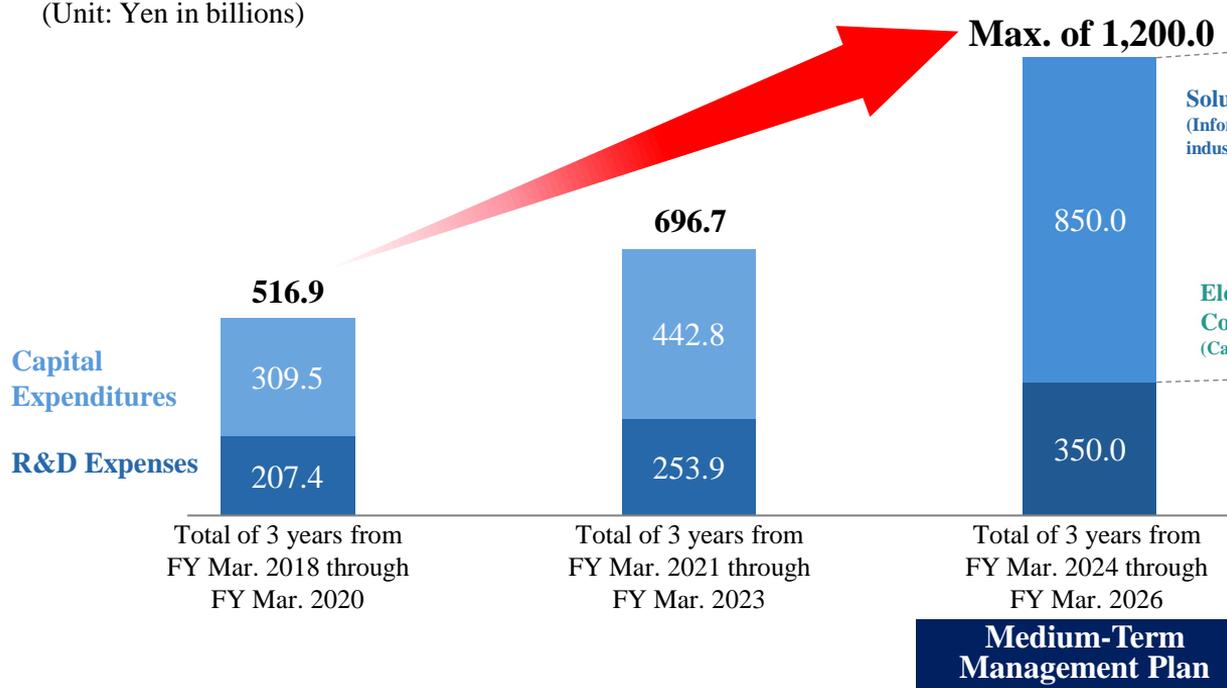
Practice high-growth, high-profit management by solving issues facing society and humankind through our technologies and products



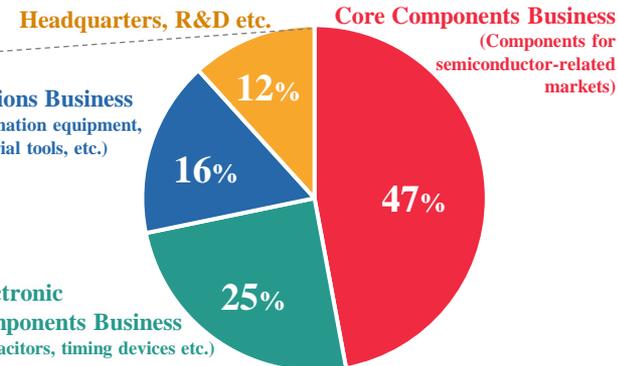
Regain our challenging spirit by returning to a growth trajectory

Trend of Capital Expenditures and R&D Expenses

(Unit: Yen in billions)



Breakdown of Capex



R&D expenses: About 5% of sales revenue

- Technology development to evolve existing businesses
- Creation of new businesses that address social issues

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%**

Electronic Components Business

FY Mar. 2026

Sales Revenue: **500.0** bil. yen

Business Profit: **100.0** bil. yen

Profit Ratio: **20.0%**

Solutions Business

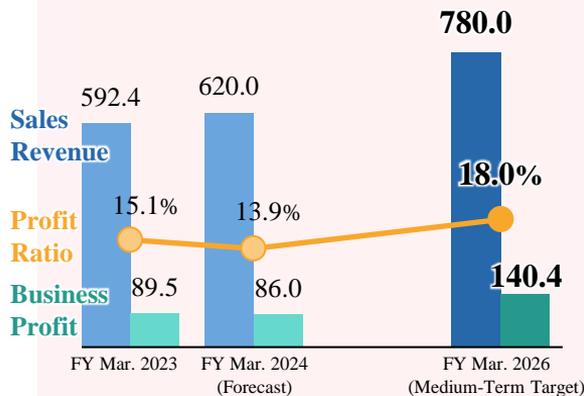
FY Mar. 2026

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

Business Profit: **125.0** bil. yen

Profit Ratio: **10.0%**

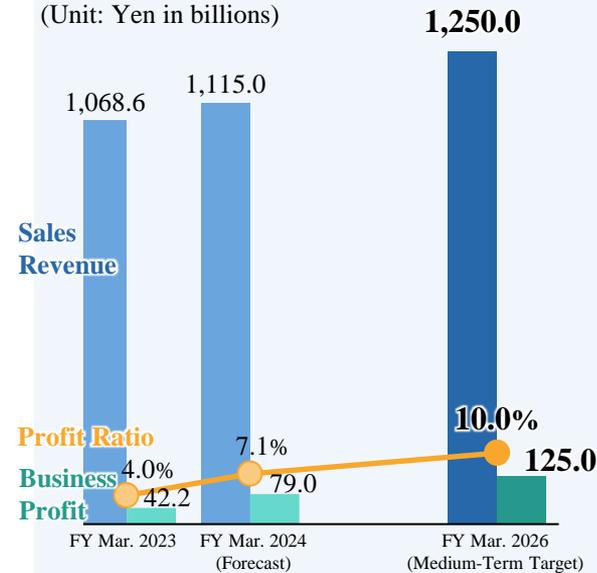
(Unit: Yen in billions)



(Unit: Yen in billions)



(Unit: Yen in billions)



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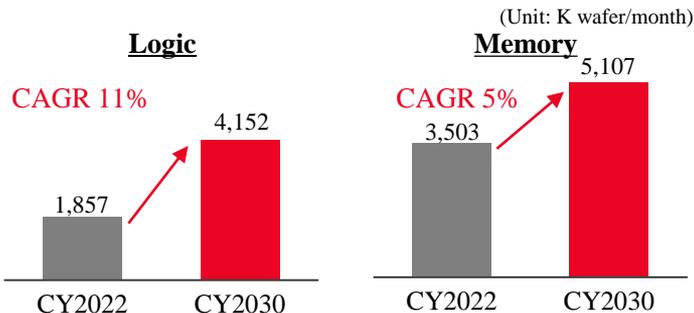
- ✓ Overview
- ✓ **Business Strategy**
- ✓ Strengthening of Management Foundation

Market

(Global; Kyocera forecast)

• **Semiconductor:**

Increasing demand for cutting-edge products



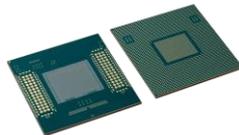
• **Semiconductor Processing Equipment:**

Generational evolution leads to more processing and demand

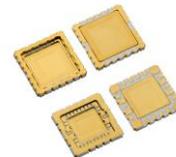
Forecast demand by process (CY2022 vs CY2030)

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

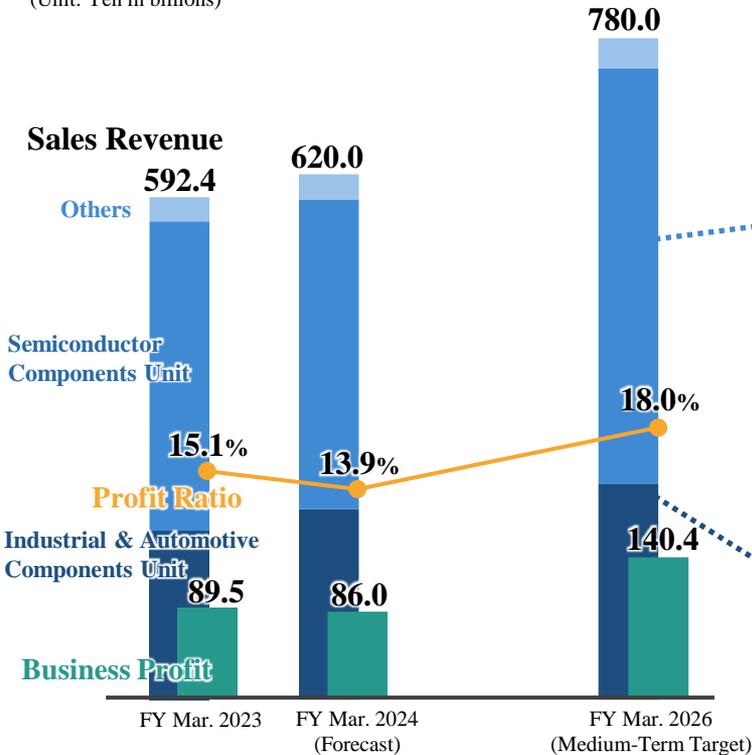
Fine Ceramic Components for Semiconductor Processing Equipment

- ✓ 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

Sales Revenue
 FY Mar. 2023: 364.6 bil. yen
 FY Mar. 2026: 490.0 bil. yen **+34%**

- ✓ 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

Industrial & Automotive Components Unit

Sales Revenue
 FY Mar. 2023: 199.2 bil. yen
 FY Mar. 2026: 255.0 bil. yen **+28%**

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

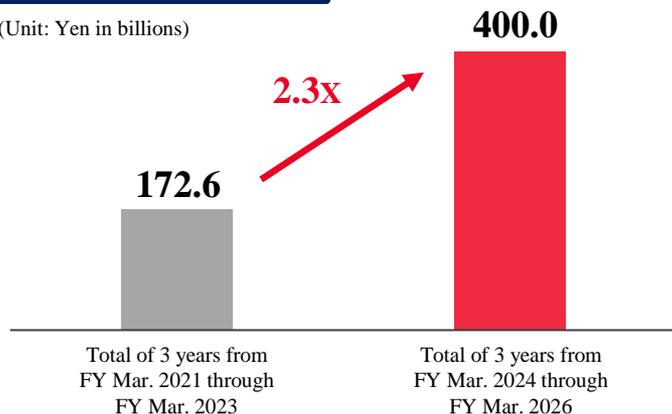
Basic Policy

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

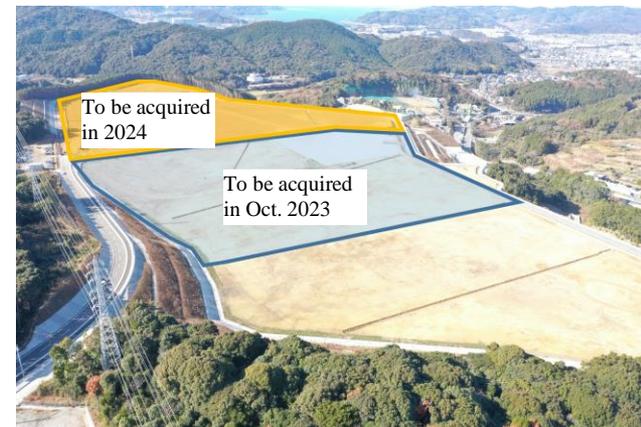
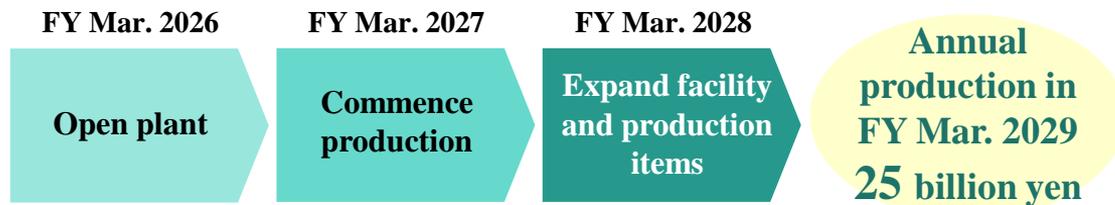
- **Name:** Nagasaki Isahaya Plant (tentative name), Kyocera Corporation
- **Location:** Minami Isahaya Industrial Park, Oguri District, Isahaya City, Nagasaki Pref.
- **Investment:** Approx. 62 billion yen (through FY Mar. 2029)
- **Total area:** Approx. 150,000m²
- **Main structure:** Steel-framed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

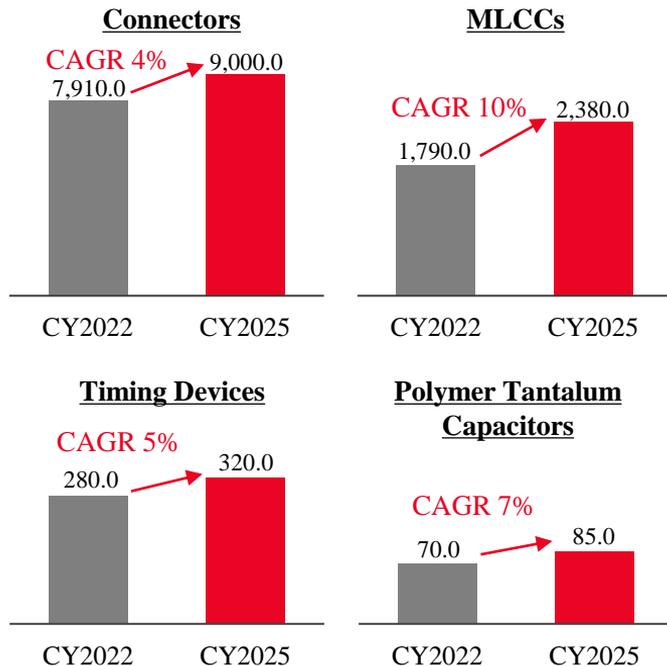


Market

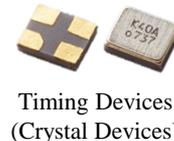
(Global; Kyocera forecast)

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

(Unit: Yen in billions)



Key Products



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

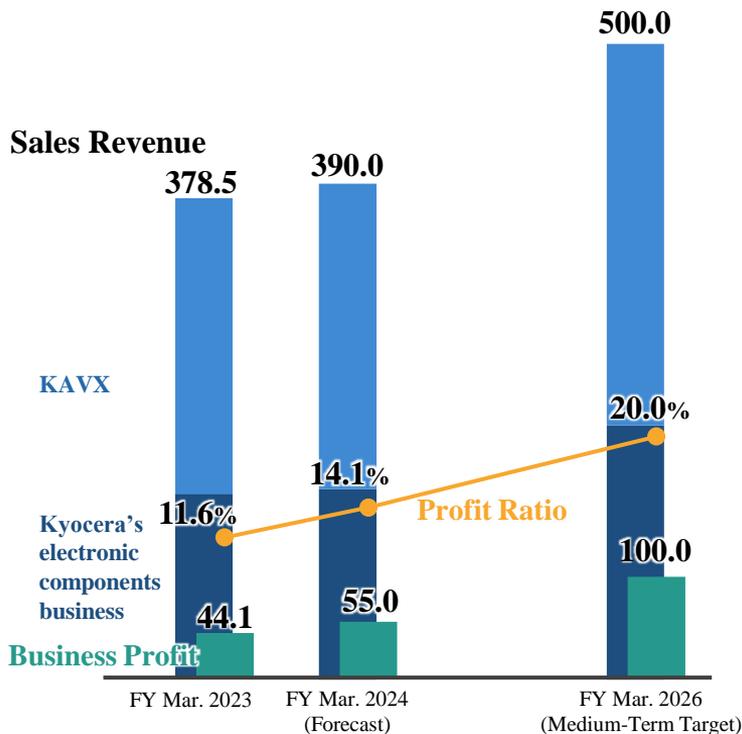
Market Share

- ✓ 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		Timing Devices		MLCCs		Connectors	
FY Mar. 2023	FY Mar. 2026	FY Mar. 2023	FY Mar. 2026	FY Mar. 2023	FY Mar. 2026	FY Mar. 2023	FY Mar. 2026
30%	→ 40%	10%	→ 20%	5%	→ 10%	2%	→ 5%

Leverage synergies to achieve faster-than-market growth

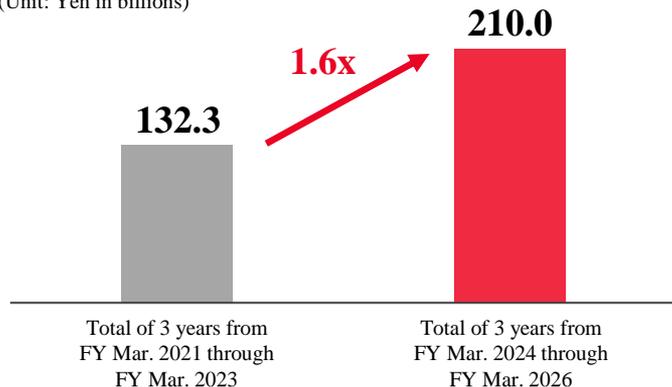
Basic Policy

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 Plant



New building
at Kagoshima
Kokubu Plant

Long-Term Goal:
Production expansion
target

MLCCs
1.9x

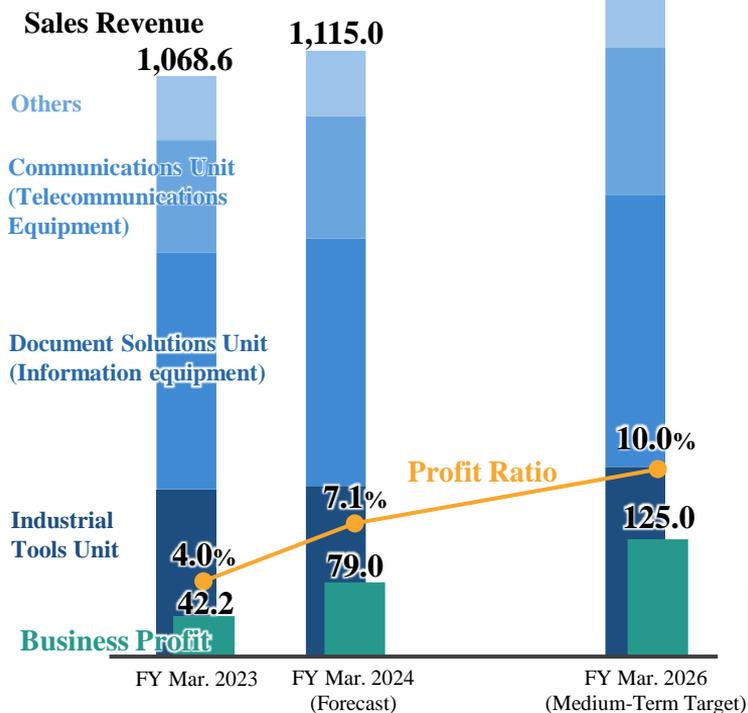
Timing Devices
1.8x

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.

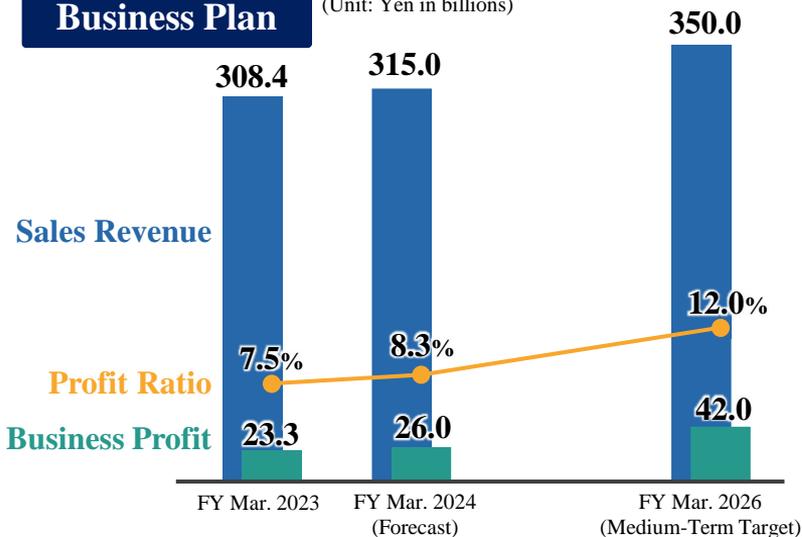
Market forecast
CY2022 vs CY2025

Cutting Tools: **Approx. 1.2X**

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

Business Plan

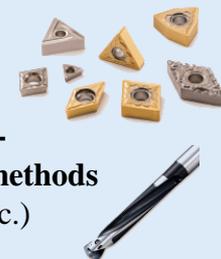
(Unit: Yen in billions)



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.

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

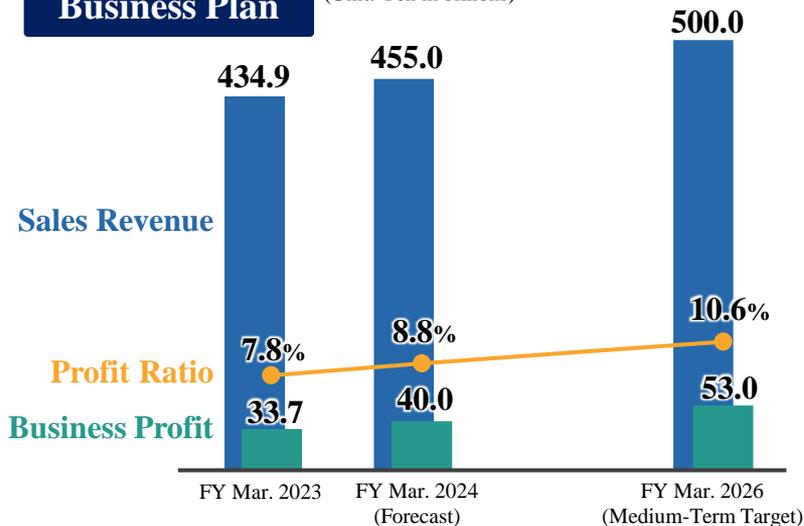
Commercial Inkjet Printers: **Approx. 1.25x**

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

Market forecast
CY2022 vs CY2025

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

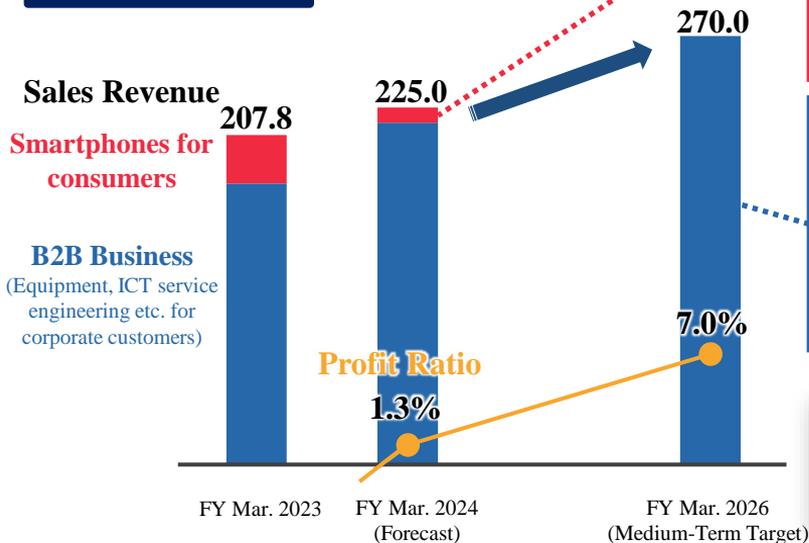
Reform Theme

Fundamentally transform business structure

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

Business Plan

(Unit: Yen in billions)

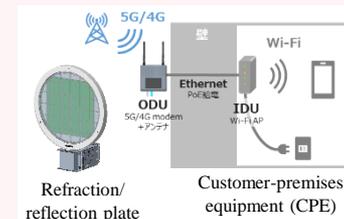


Discontinue consumer smartphone business

- ◆ 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

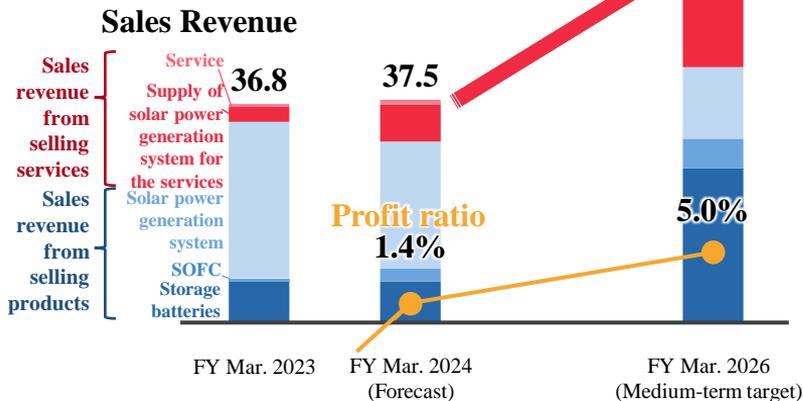
Reform Theme

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



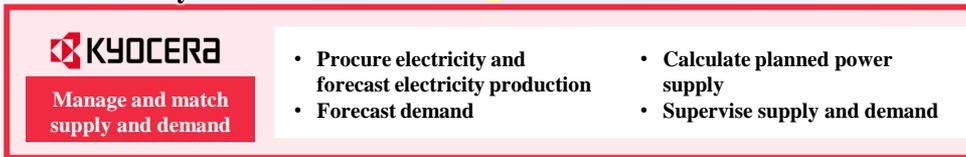
Sell equipment

Source of solar-generated electricity



Surplus power

Sales of electricity



Renewable energy



Improve renewable energy ratio of Kyocera Group

Renewable energy



Proactively expand sales to other companies

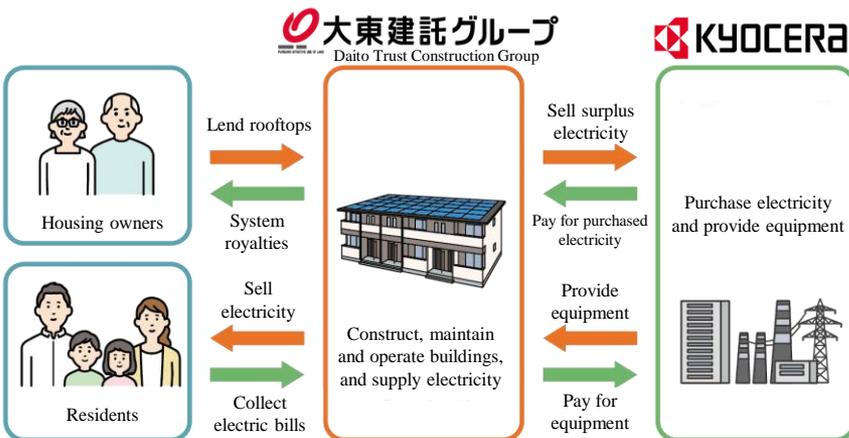
From Apr. 3, 2023

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)



*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

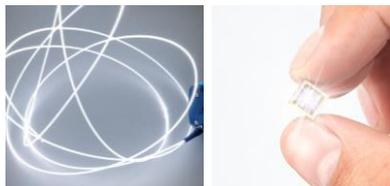
~Speed up carbon neutrality and contribute to stable power supply using energy storage systems~



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

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- ✓ 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

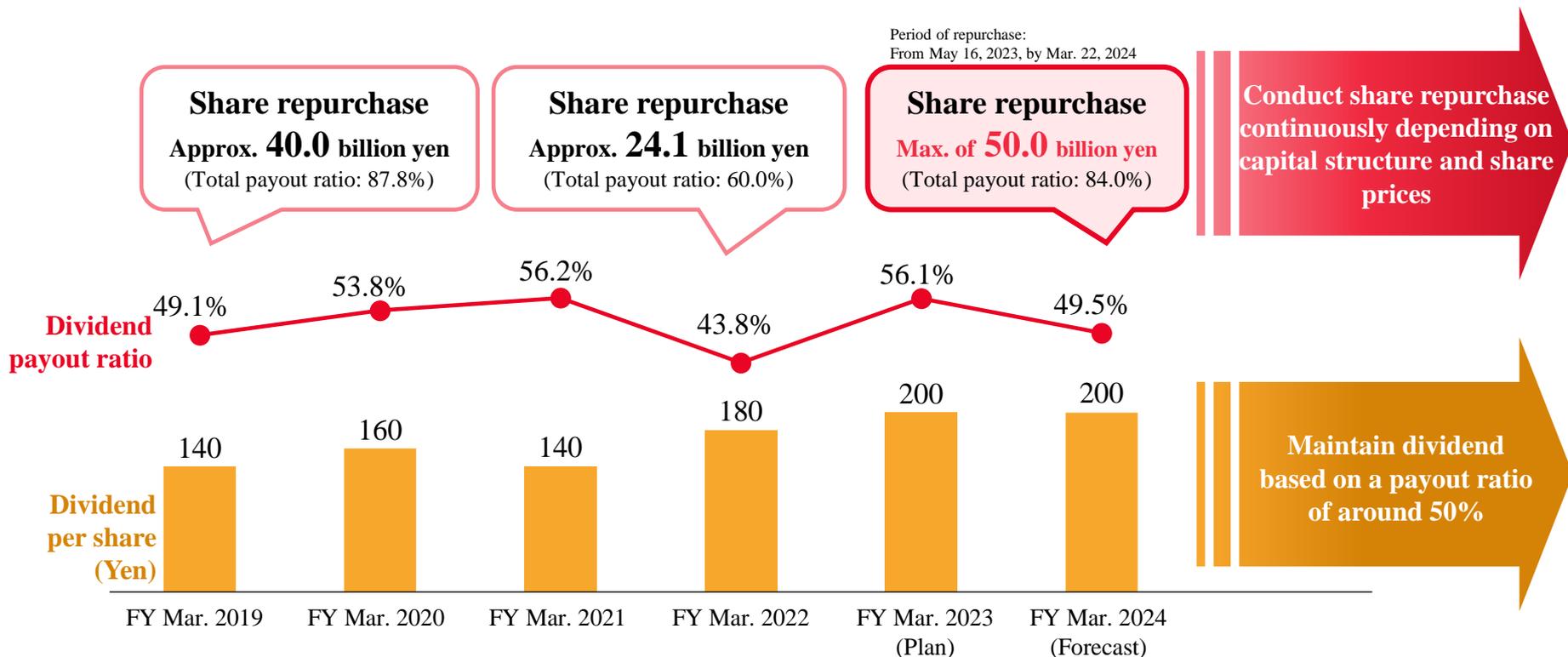
Shareholder Return Policy

- 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

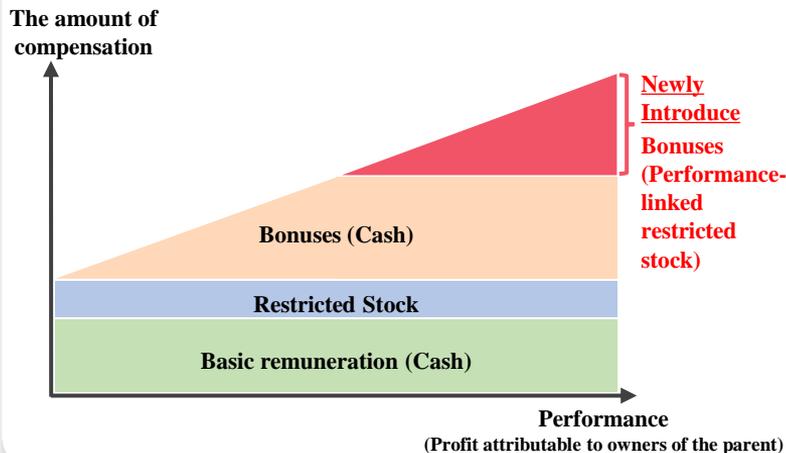
(Within the time frame of the medium-term management plan)

- **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.

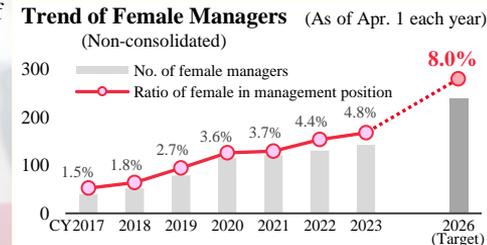
- **Respect human rights**

- ✓ 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+



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

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