



THE NEW VALUE FRONTIER

November 2, 2009

Kyocera Corporation Financial Presentation

(Six Months Ended September 30, 2009)

KYOCERA Corporation

Tetsuo Kuba
President and Representative Director

Financial Results of H1 FY3/2010 - Comparison with H1 FY3/2009 -

(Unit: Yen in billions)

	Six months ended September 30,				Change	
	2008		2009			
	Amount	% of net sales	Amount	% of net sales	Amount	%
Net sales	658.7	100.0	483.9	100.0	-174.8	-26.5
Profit from operations	62.2	9.4	8.9	1.8	-53.4	-85.8
Pre-tax income	74.0	11.2	17.1	3.5	-56.9	-76.8
Net income attributable to shareholders of Kyocera Corporation	45.2	6.9	8.7	1.8	-36.5	-80.7
EPS attributable to shareholders of Kyocera Corporation (diluted-yen)	238.52	-	47.56	-	-190.96	-80.1
Capital expenditures	37.0	5.6	13.6	2.8	-23.4	-63.3
Depreciation	40.4	6.1	29.8	6.2	-10.6	-26.2
R&D expenses	35.4	5.4	26.0	5.4	-9.3	-26.4

Summary of H1 FY3/2010 (1) - Comparison with H1 FY3/2009 -

1. Decreases in sales and profit due to slump in business environment

Components business Sales: ¥ -98.8 billion, Operating profit: ¥ -34.8 billion

- Decreased demand in key markets such as digital consumer equipment, industrial machineries and automotive
- Sharp price declines in solar energy business

Equipment business Sales: ¥ -70.3 billion, Operating profit: ¥ -9.0 billion

- Sales of printers and digital MFPs down due to restricted information technology investment
- Sales of mobile phone handsets decreased

Summary of H1 FY3/2010 (2)

- Comparison with H1 FY3/2009 -

2. Yen appreciated against U.S. dollar and Euro

		H1 FY3/2009		H1 FY3/2010	
Average exchange rate (yen)		US\$: ¥ 106	€ ¥ 163	US\$: ¥ 95	€ ¥ 133
Foreign currency fluctuation effect on: (compared with previous first half)	Net sales	¥ -34.2 billion		¥ -45.0 billion	
	Pre-tax income	¥ -5.7 billion		¥ -13.5 billion	

3. Progress in cost reduction

- Achieved full-year target of a ¥ 56.0 billion reduction year on year ahead of schedule

4. Other: Absence of one-time gain: Approx. ¥ -7.8 billion (year on year)

One-time gain and loss in H1 FY3/2009

- Others (Gain on sale of real estate): Approx. ¥ 10.6 billion
- Electronic Device Group (Impairment loss on fixed assets, etc.): Approx. ¥ -2.8 billion

Financial Results of Q2 FY3/2010

- Comparison with Q1 FY3/2010 -

(Unit: Yen in billions)

	Three months ended				Change	
	Jun. 30, 2009		Sep. 30, 2009		Amount	%
	Amount	% of net sales	Amount	% of net sales		
Net sales	225.4	100.0	258.5	100.0	33.1	14.7
Profit from operations	-5.6	-2.5	14.4	5.6	20.0	—
Pre-tax income	0.7	0.3	16.4	6.4	15.7	—
Net income attributable to shareholders of Kyocera Corporation	-0.5	-0.2	9.2	3.6	9.6	—
EPS attributable to shareholders of Kyocera Corporation (diluted-yen)	-2.50	—	50.07	—	52.57	—

Summary of Q2 FY3/2010 (1) - Comparison with Q1 FY3/2010 -

1. Sales and profit increased in all reporting segments

Components business Sales: + ¥ 19.9 billion, Operating profit: + ¥ 10.1 billion

- Continuing expansion in demand for parts for digital consumer equipment
- Moderate increase in demand for parts for industrial machineries and automotive-related parts
- Strong growth in solar energy business, particularly in Japan



Profit increased due to improved capacity utilization along with expansion in production and effect of cost reduction

Equipment business Sales: + ¥ 9.8 billion, Operating profit: + ¥ 7.4 billion

- Increased sales in the Telecommunications Equipment Group and the Information Equipment Group due to contribution from new products
- Enhanced profitability through business reorganization and cost reduction

Summary of Q2 FY3/2010 (2) - Comparison with Q1 FY3/2010 -

2. Executed strategic measures to strengthen business

① Secured new management resources through M&A

- Information Equipment Group:
Converted two document equipment distribution companies in South Korea into subsidiaries
 - Chungho Oasys Co., Ltd.
 - Chungho Document Solution Co., Ltd.

Head office: Seoul
Employees*: Approx. 100
Net sales for year ended December 31, 2008*:
Approx. 35.0 billion won (Approx. ¥2.8 billion)

- Others:
Converted a domestic telecommunications engineering firm, Net It Works Inc., into a subsidiary

Head office: Taito-ku, Tokyo
Employees: Approx. 300
Net sales for year ended February 28, 2009:
Approx. ¥7.7 billion

② Promoted optimization of management resources

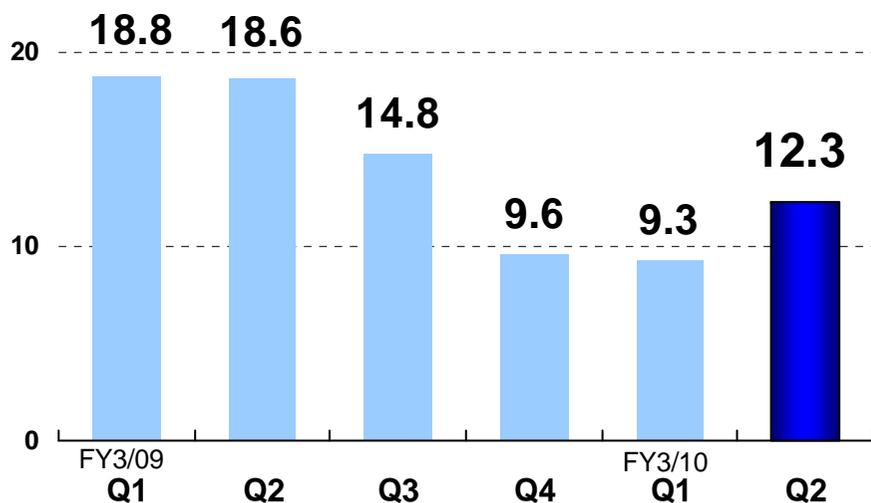
- Telecommunications Equipment Group: Sold a software subsidiary (Kyocera Wireless India, Pvt, Ltd.)

Quarterly Trends by Reporting Segment

Fine Ceramic Parts Group

Sales

(Unit: Yen in billions)

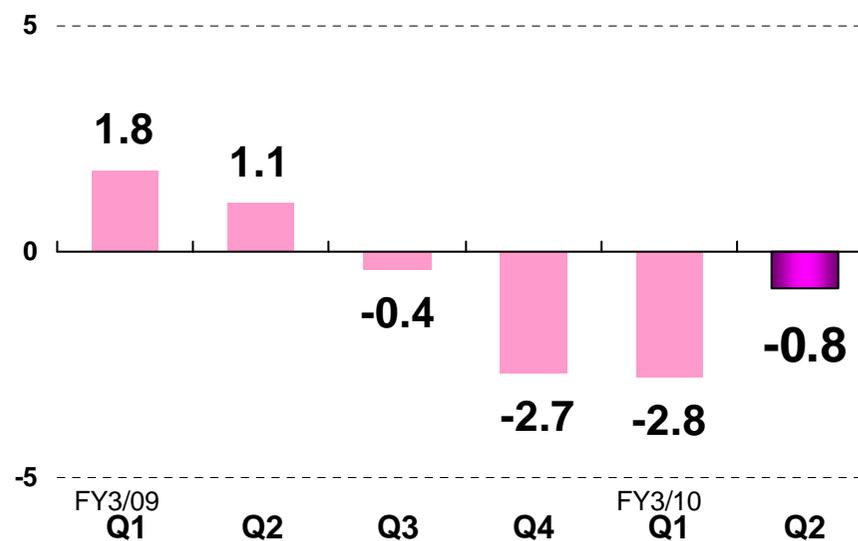


■ Comparison with Q1 FY3/2010: + ¥ 3.0 billion

- Moderate Increase in demand for parts for semiconductor fabrication equipment and automotive-related parts
- Continued recovery in demand for parts for digital consumer equipment

Operating profit

(Unit: Yen in billions)



■ Comparison with Q1 FY3/2010: + ¥ 2.0 billion

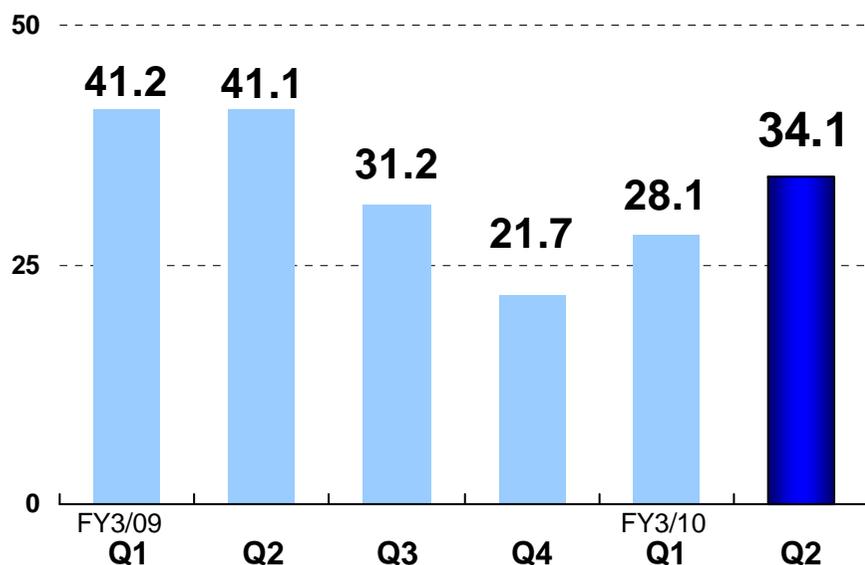
- Significantly reduced operating loss due to increased sales and further cost reduction

Quarterly Trends by Reporting Segment

Semiconductor Parts Group

Sales

(Unit: Yen in billions)

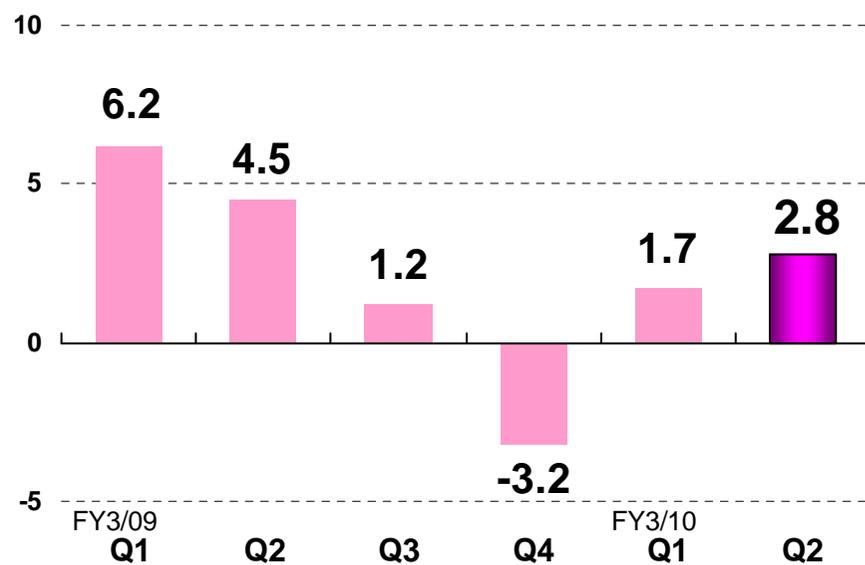


■ Comparison with Q1 FY3/2010: + ¥ 6.1 billion

- Continued expansion in demand for ceramic packages for digital consumer equipment
- Recovery in demand for organic packages for game consoles and servers

Operating profit

(Unit: Yen in billions)

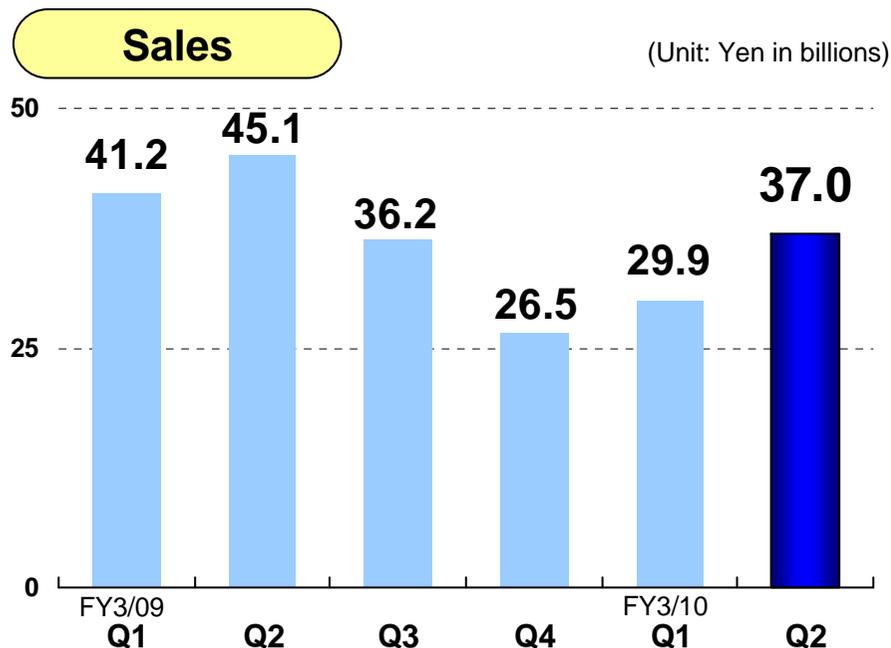


■ Comparison with Q1 FY3/2010: + ¥ 1.1 billion

- Improved profit due to increased sales, enhanced productivity and comprehensive cost reduction

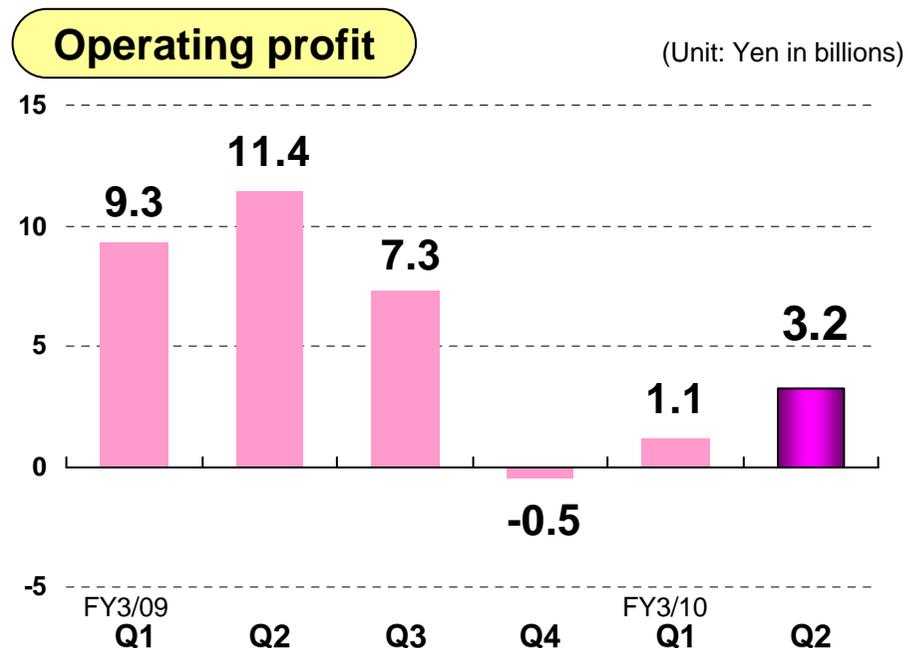
Quarterly Trends by Reporting Segment

Applied Ceramic Products Group



■ Comparison with Q1 FY3/2010: + ¥ 7.1 billion

- Solar energy business: Expanded demand in Japan and recovered demand overseas
- Cutting tool business: Moderate increase in demand in automotive industry

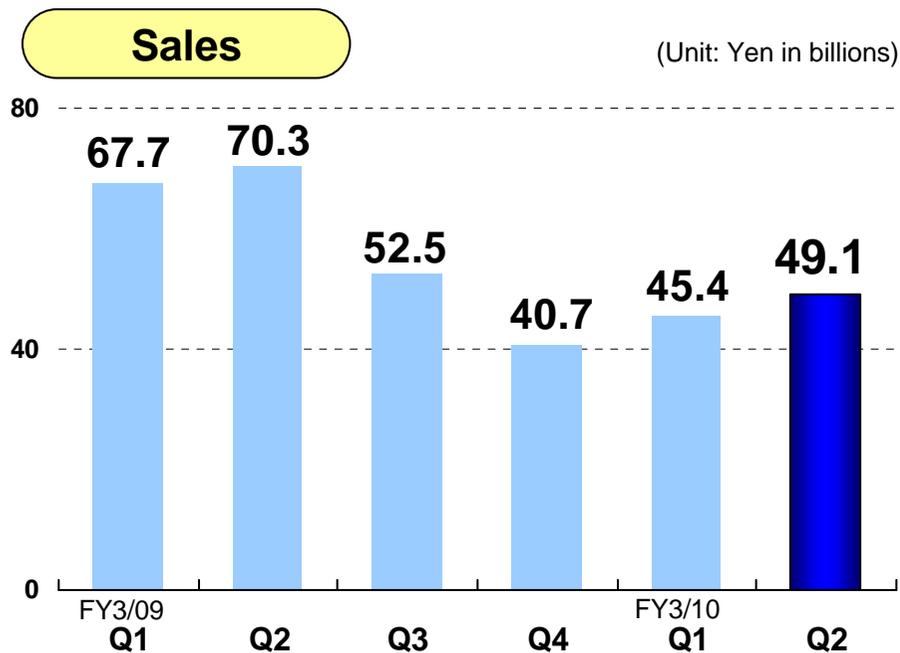


■ Comparison with Q1 FY3/2010: + ¥ 2.1 billion

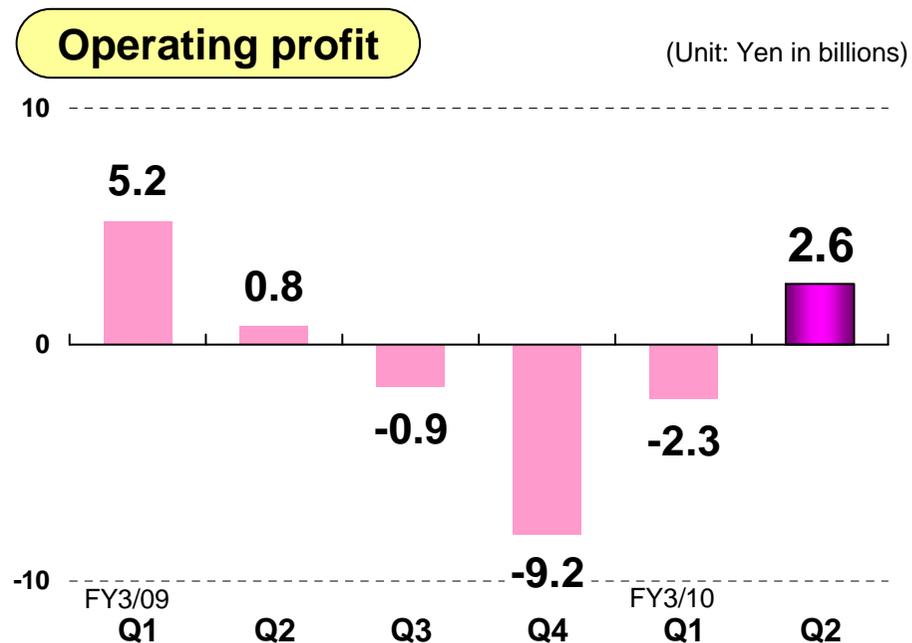
- Improved profitability due to increased sales and reduced costs

Quarterly Trends by Reporting Segment

Electronic Device Group



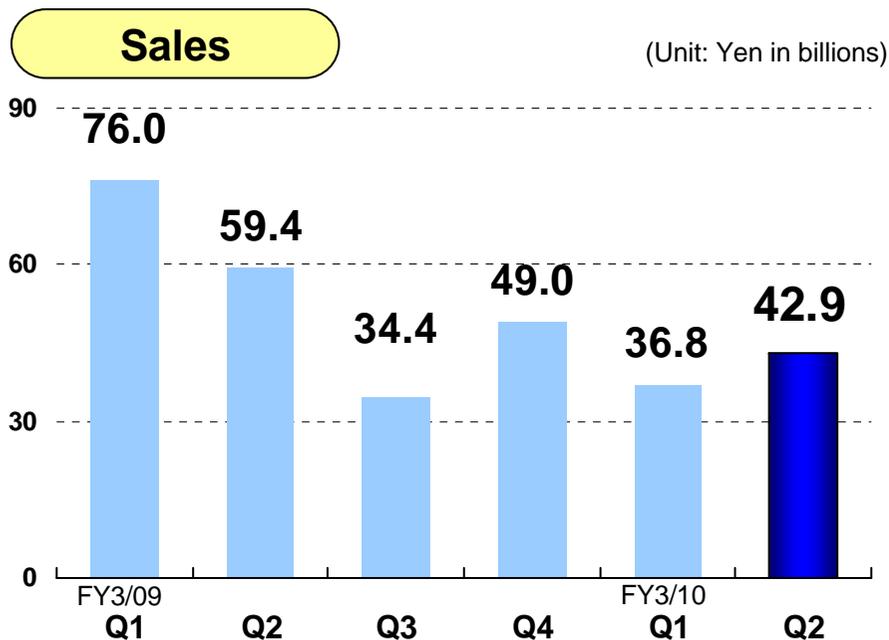
- Comparison with Q1 FY3/2010: + ¥ 3.7 billion
- Increased demand for core components mainly for digital consumer equipment



- Comparison with Q1 FY3/2010: + ¥ 4.9 billion
- Restored profitability due to increased sales of core components and reduced costs

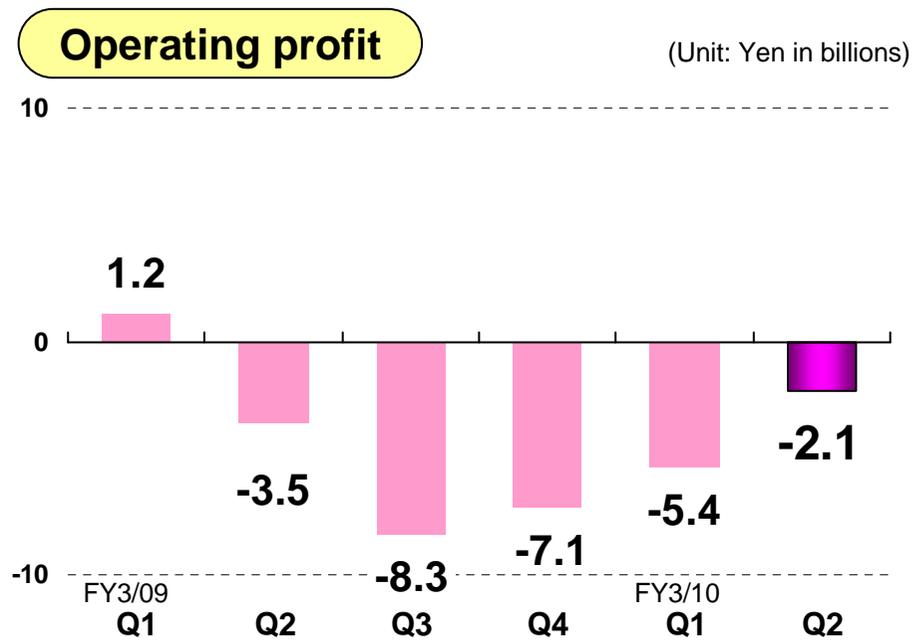
Quarterly Trends by Reporting Segment

Telecommunications Equipment Group



■ Comparison with Q1 FY3/2010: + ¥ 6.1 billion

- Increased sales of mobile phone handsets in domestic market due to launch of new products



■ Comparison with Q1 FY3/2010: + ¥ 3.2 billion

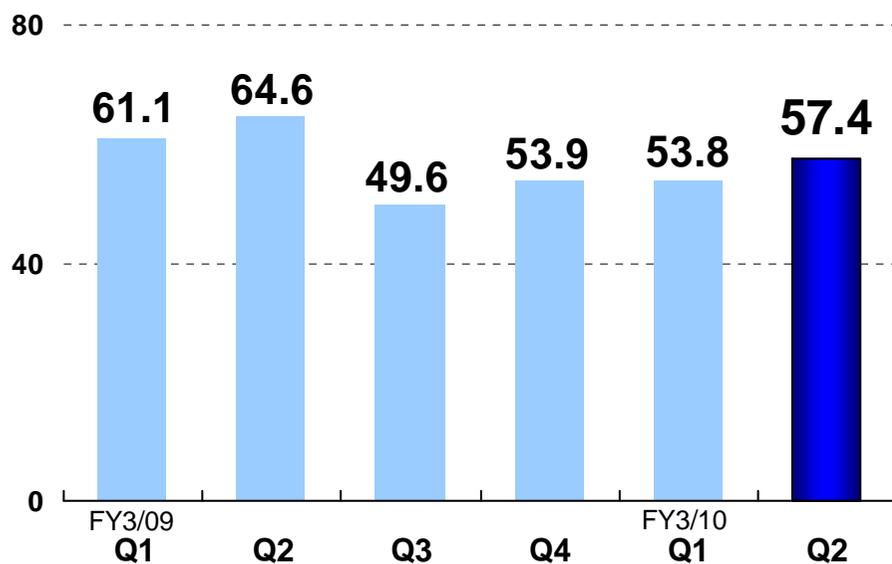
- Reduced operating loss due to increased sales and further reduced costs as well as effect of integration in product development and sales department

Quarterly Trends by Reporting Segment

Information Equipment Group

Sales

(Unit: Yen in billions)

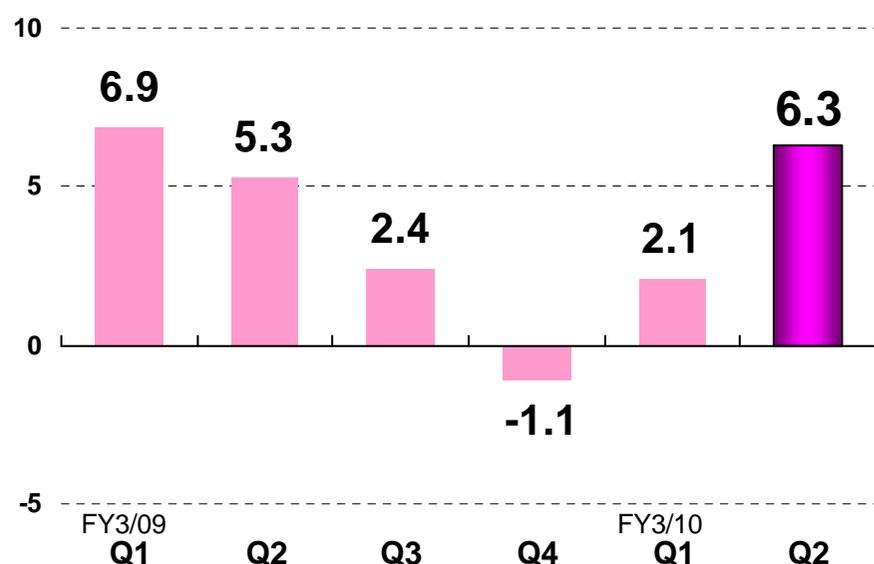


■ Comparison with Q1 FY3/2010: + ¥ 3.6 billion

- Increased sales due to expansion of sales of new printers and MFPs amid slumping market

Operating profit

(Unit: Yen in billions)

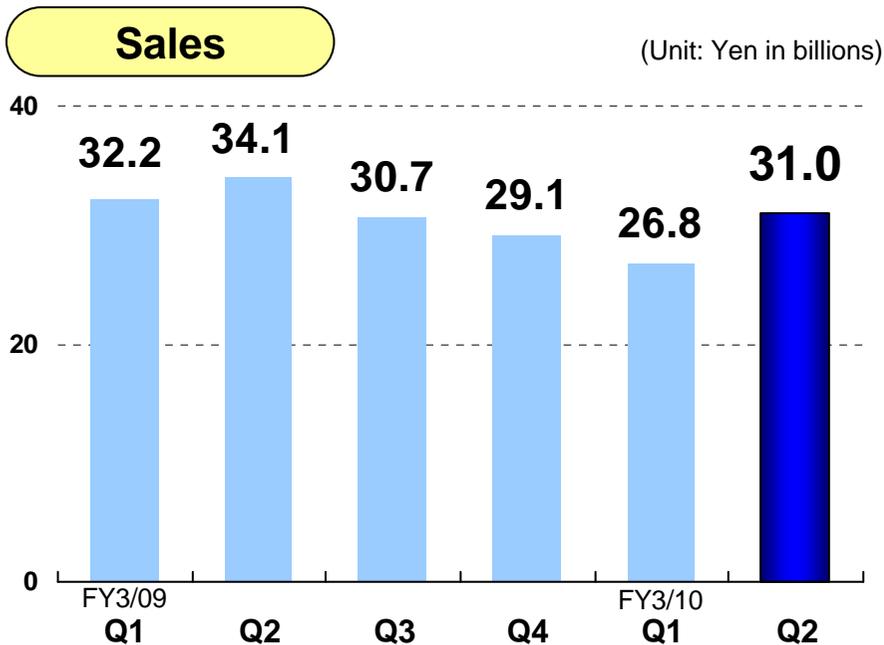


■ Comparison with Q1 FY3/2010: + ¥ 4.2 billion

- Increased profit due to increased sales and reduced costs
- Recorded gain on sale of fixed assets (approx. ¥ 1.5 billion)

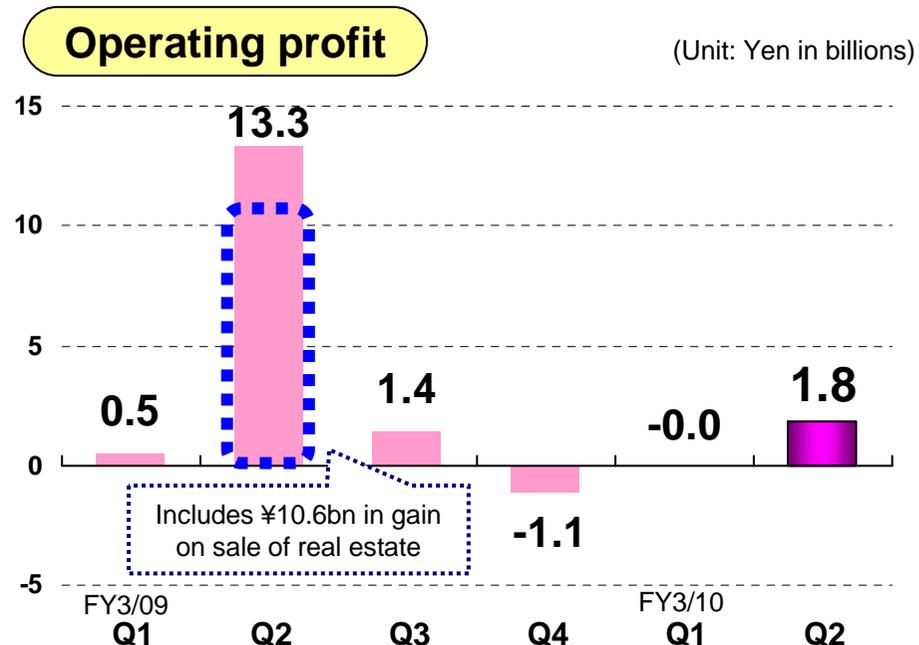
Quarterly Trends by Reporting Segment

Others



■ Comparison with Q1 FY3/2010: + ¥ 4.2 billion

- Kyocera Communication Systems Co., Ltd.: Increased sales in ICT business and contribution from a new subsidiary
- Kyocera Chemical Corp.: Increased sales due to demand recovery for electronic component materials



■ Comparison with Q1 FY3/2010: + ¥ 1.9 billion

- Restored profitability due to increased sales

Financial Forecast

- Year ending March 31, 2010 -

(Unit: Yen in billions)

	Year ended March 31, 2009	Year ending March 31, 2010 (Forecast)		Change	
	Amount	Amount	% to net sales	Amount	%
Net sales	1,128.6	1,040.0	100.0	-88.6	-7.8
Profit from operations	43.4	44.0	4.2	0.6	1.3
Pre-tax income	56.0	57.0	5.5	1.0	1.8
Net income attributable to shareholders of Kyocera Corporation	29.5	34.0	3.3	4.5	15.2
EPS attributable to shareholders of Kyocera Corporation (diluted-yen)	157.23	185.26	—	28.03	17.8

	Year ended March 31, 2009	Year ending March 31, 2010			
		Previous forecast		Revised forecast	
Average exchange rate (yen)	US\$: ¥ 101 € ¥ 143	US\$: ¥ 92	€ ¥ 123	US\$: ¥ 92	€ ¥ 129
Foreign currency fluctuation effect on: (compared with previous fiscal year)	Net sales	¥ -91.0 billion	¥ -78.0 billion	¥ -63.0 billion	
	Pre-tax income	¥ -23.0 billion	¥ -24.0 billion	¥ -19.5 billion	

Note: Forecast of earnings per share attributable to shareholders of Kyocera Corporation is computed based on the diluted average number of shares outstanding during the six months ended September 30, 2009.

Sales Forecast for FY3/2010 by Reporting Segment - Comparison with previous forecast -

(Unit: Yen in billions)

■ Reporting segment	Year ending March 31, 2010				Change	
	Previous forecast (Made in April 2009)		Revised forecast (Made in October 2009)			
	Amount	% of total	Amount	% of total	Amount	%
■ Fine Ceramic Parts Group	50.0	4.8	48.0	4.6	-2.0	-4.0
■ Semiconductor Parts Group	110.0	10.6	127.0	12.2	17.0	15.5
■ Applied Ceramic Products Group	158.0	15.2	148.0	14.2	-10.0	-6.3
■ Electronic Device Group	185.0	17.8	190.0	18.3	5.0	2.7
Components Business	503.0	48.4	513.0	49.3	10.0	2.0
■ Telecommunications Equipment Group	200.0	19.2	196.0	18.9	-4.0	-2.0
■ Information Equipment Group	234.0	22.5	229.0	22.0	-5.0	-2.1
Equipment Business	434.0	41.7	425.0	40.9	-9.0	-2.1
■ Others	123.0	11.8	122.0	11.7	-1.0	-0.8
Adjustments and eliminations	-20.0	-1.9	-20.0	-1.9	0.0	—
Net sales	1,040.0	100.0	1,040.0	100.0	0.0	—

Operating Profit Forecast for FY3/2010 by Reporting Segment - Comparison with the previous forecast -

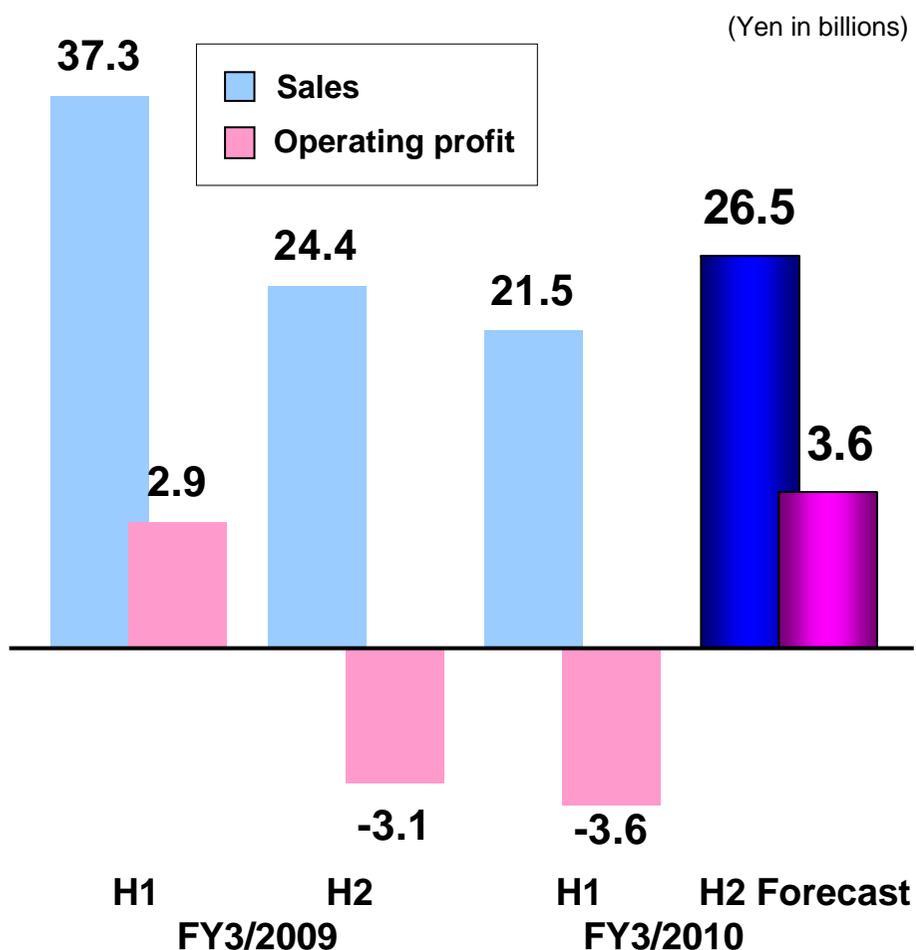
(Unit: Yen in billions)

■ Reporting segment	Year ending March 31, 2010				Change	
	Previous forecast (Made in April 2009)		Revised forecast (Made in October 2009)			
	Amount	% of net sales	Amount	% of net sales	Amount	%
■ Fine Ceramic Parts Group	0.0	0.0	0.0	0.0	0.0	—
■ Semiconductor Parts Group	4.0	3.6	10.5	8.3	6.5	162.5
■ Applied Ceramic Products Group	18.0	11.4	11.5	7.8	-6.5	-36.1
■ Electronic Device Group	2.0	1.1	5.5	2.9	3.5	175.0
Components Business	24.0	4.8	27.5	5.4	3.5	14.6
■ Telecommunications Equipment Group	-6.0	—	-6.0	—	0.0	—
■ Information Equipment Group	11.0	4.7	15.0	6.6	4.0	36.4
Equipment Business	5.0	1.2	9.0	2.1	4.0	80.0
■ Others	4.0	3.3	3.8	3.1	-0.2	-5.0
Operating profit	33.0	3.2	40.3	3.9	7.3	22.1
Corporate and others	24.0	—	16.7	—	-7.3	-30.4
Pre-tax income	57.0	5.5	57.0	5.5	0.0	—

Second Half Initiatives by Reporting Segment

Fine Ceramic Parts Group

Sales and Operating Profit Trends



Initiatives

- Expand sales by capturing increasing demand:
 - Parts for digital consumer equipment
 - Parts for semiconductor fabrication equipment
 - Automotive-related parts
- Promote further cost reductions



Sapphire substrates for LEDs



Parts for semiconductor fabrication equipment

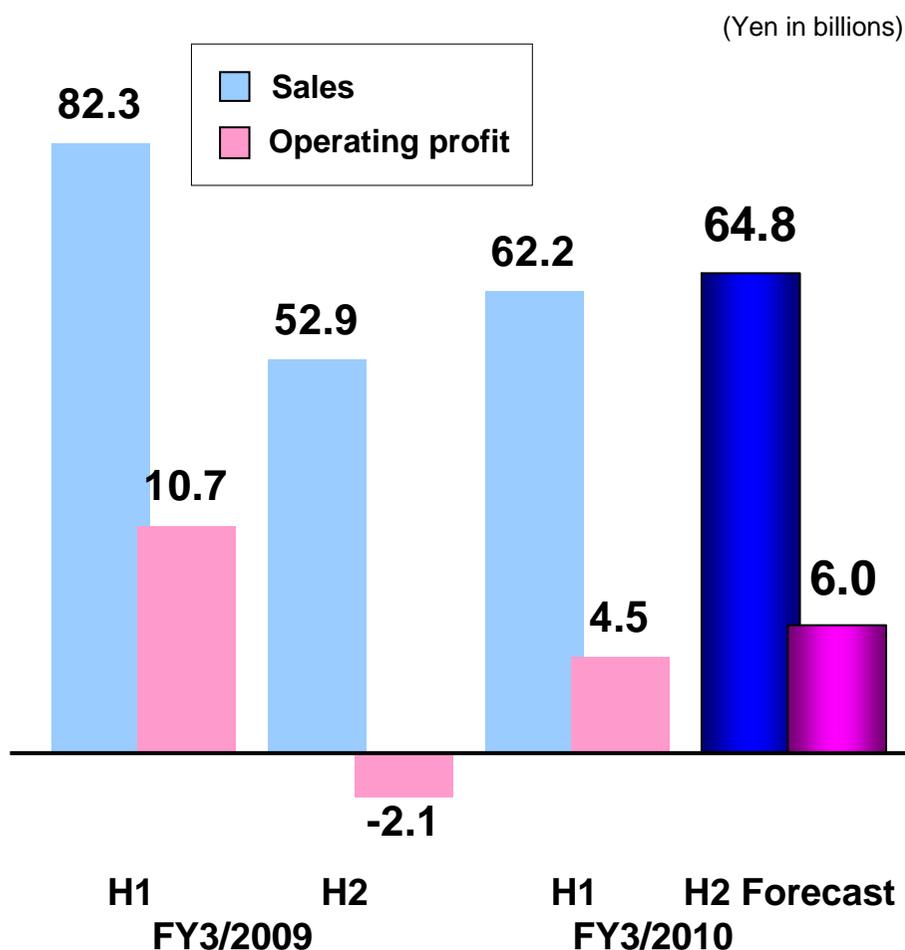


Glow plugs

Second Half Initiatives by Reporting Segment

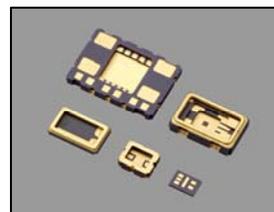
Semiconductor Parts Group

Sales and Operating Profit Trends

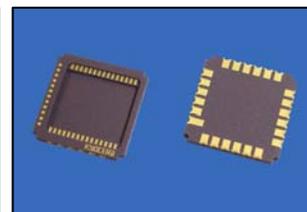


Initiatives

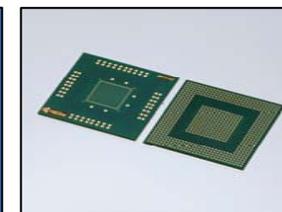
- Increase sales for digital consumer equipment and servers:
 - Ceramic packages for crystal and SAW devices
 - Ceramic packages for CCD/CMOS image sensors
 - SiP substrates for mobile phone handsets
 - Organic packages for ASICs
- Increase market share for key products
- Improve profitability through comprehensive cost reductions



Ceramic packages for crystal and SAW devices



Ceramic packages for CCD/CMOS image sensors

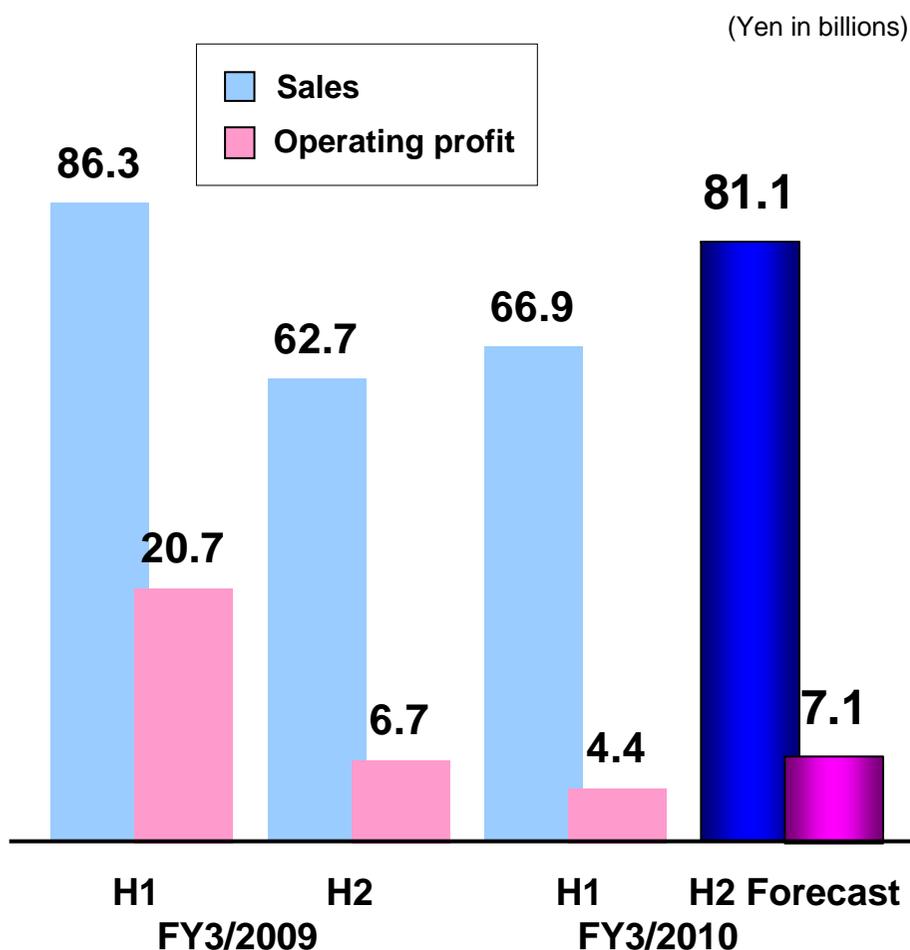


Organic packages for ASICs

Second Half Initiatives by Reporting Segment

Applied Ceramic Products Group

Sales and Operating Profit Trends



Initiatives

Solar energy business

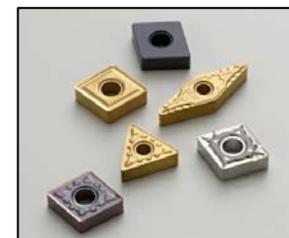
- Increase sales in favorable domestic market by expanding sales networks
- Strengthen cost competitiveness by reducing costs



Solar power generation system for residential use

Cutting tool business

- Expand orders in automotive related markets

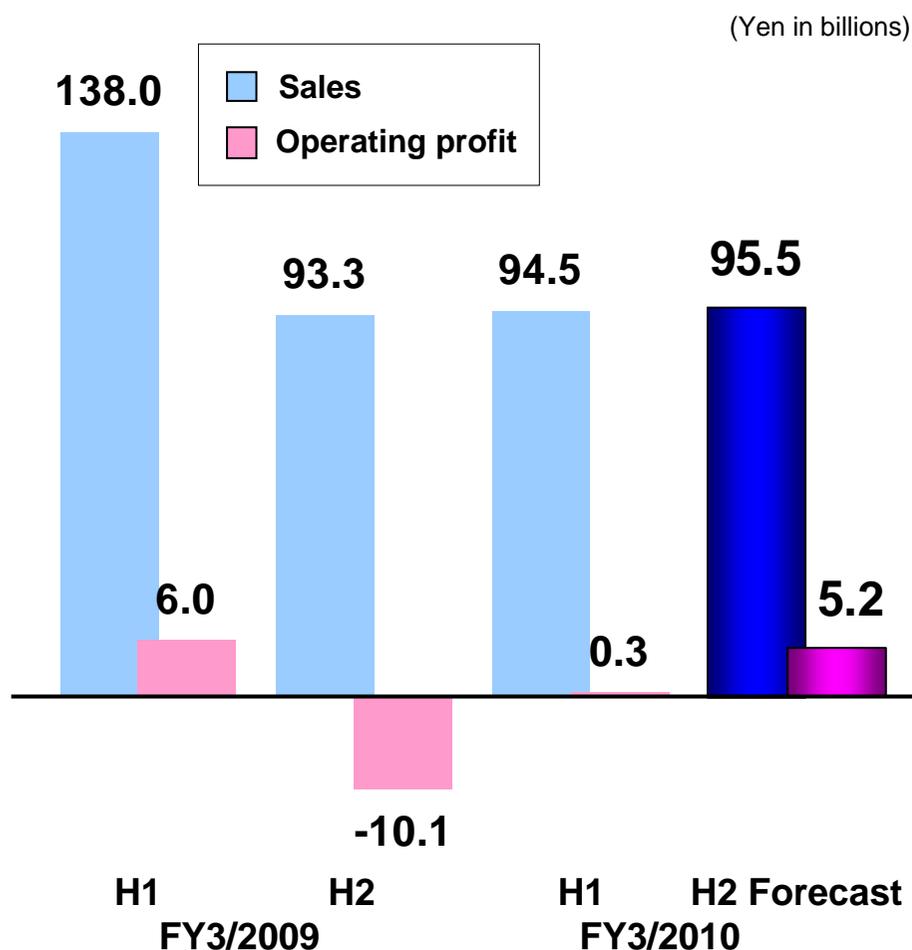


Cutting tools

Second Half Initiatives by Reporting Segment

Electronic Device Group

Sales and Operating Profit Trends

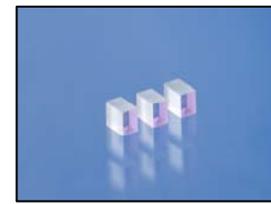


Initiatives

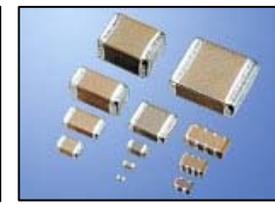
- Expand sales of components for digital consumer equipment
- Expand sales of new products:
 - Crystal wave plates
 - Crystal etalon filters
 - Low profile capacitors
- Improve profitability by reducing costs and enhancing productivity



Wavelength-selective crystal 1/2 wave plate



Crystal etalon filters

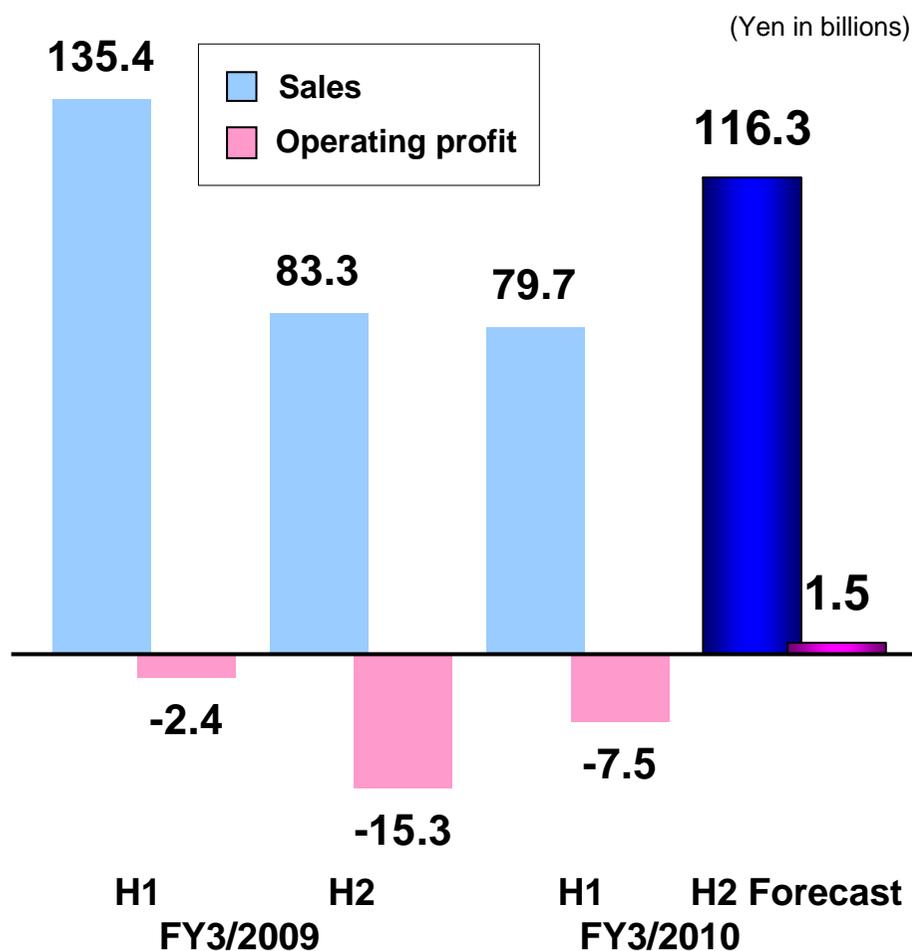


Ceramic capacitors

Second Half Initiatives by Reporting Segment

Telecommunications Equipment Group

Sales and Operating Profit Trends



Initiatives

- Increase sales by introducing new products in Japan and U.S. markets
- Propel crossover sales and develop new customers in overseas markets
- Improve profitability



K002



SA001



Mamorino

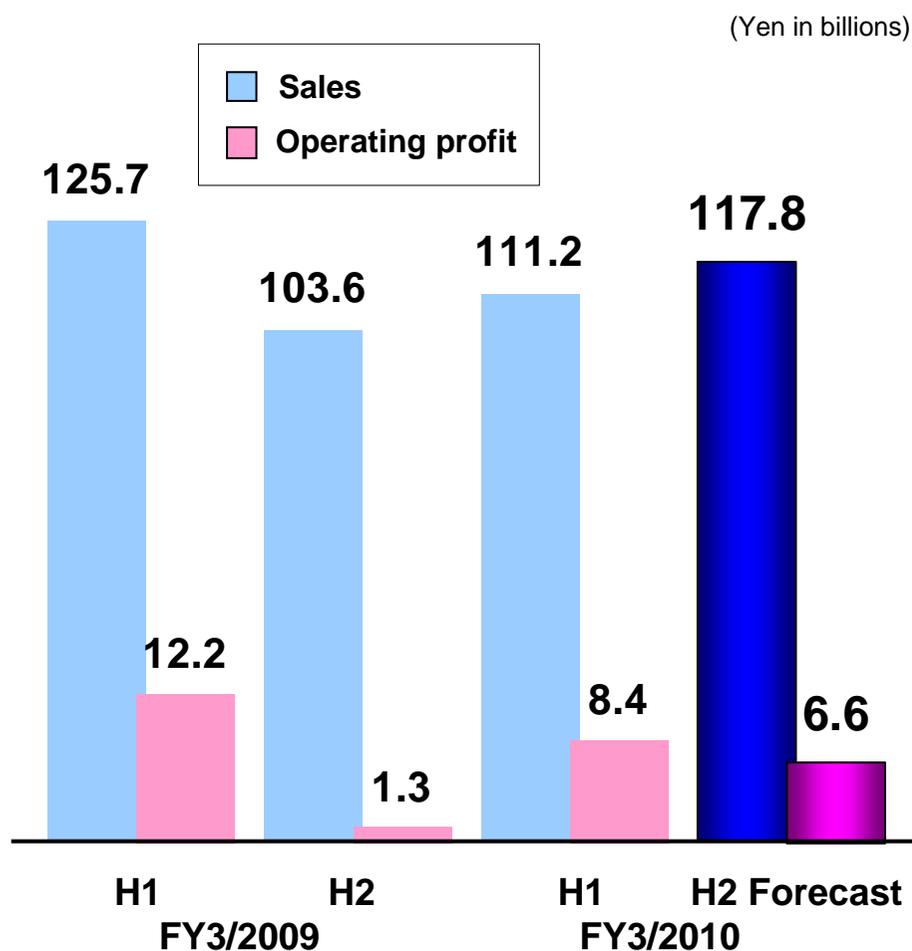


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Second Half Initiatives by Reporting Segment

Information Equipment Group

Sales and Operating Profit Trends



Initiatives

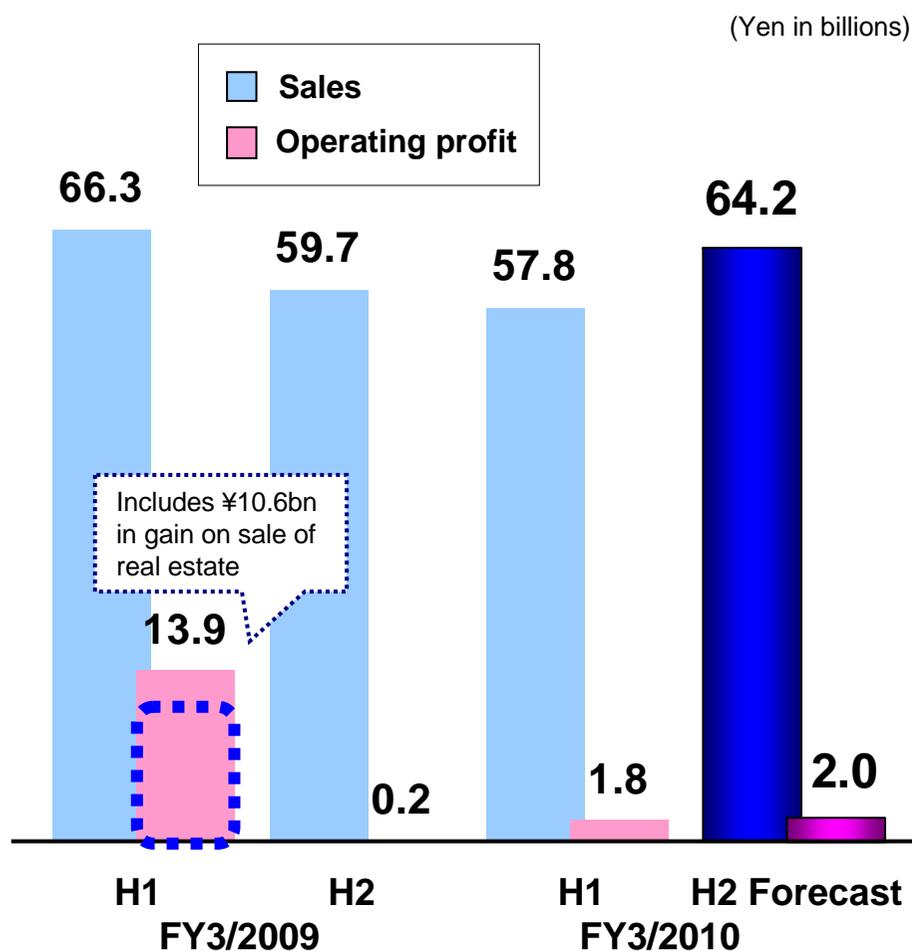
- Introduce 8 new models in second half
- Expand sales by utilizing sales channels of Triumph-Adler AG and new sales subsidiaries in Korea
- Expand orders through differentiation strategy and further cost reductions



Second Half Initiatives by Reporting Segment

Others

Sales and Operating Profit Trends



Initiatives

- Expand sales, mainly in ICT (Information & Communication Technology) business
- Expand electronic component materials business



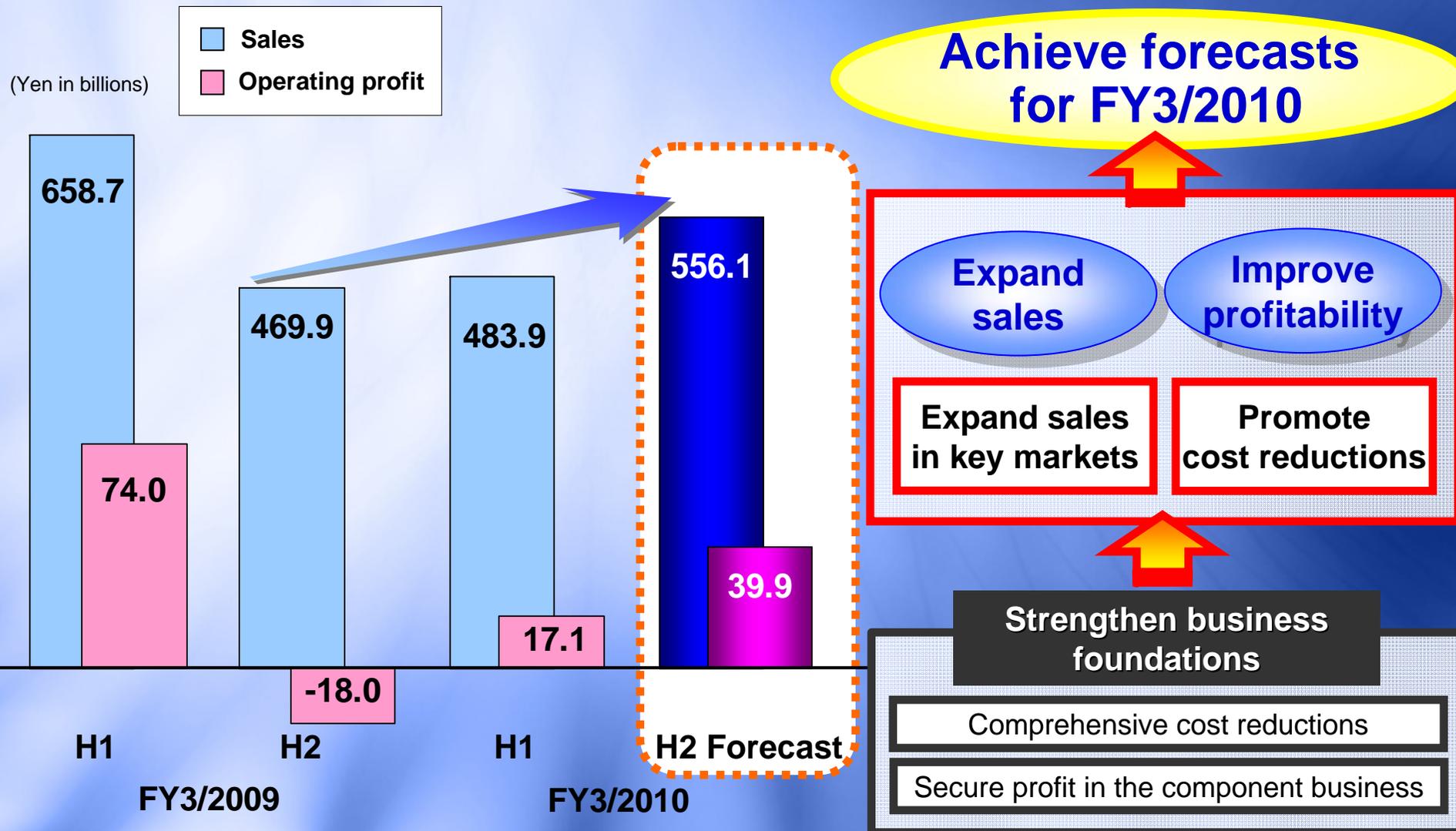
Image of Communication system for PCs



Epoxy molding compound for semiconductor encapsulation

Six Monthly Sales and Pre-tax Income Trends

- FY3/2009~FY3/2010 Forecast -



Supplemental Information

Capital expenditures / Depreciation costs / R&D expenses

(Unit: Yen in billions)

	Year ended March 31, 2009		Year ending March 31, 2010 (Forecast)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Capital expenditures	63.1	5.6	43.0	4.1	-20.1	-31.8
Depreciation	83.8	7.4	68.0	6.5	-15.8	-18.8
R&D expenses	65.9	5.8	58.0	5.6	-7.9	-12.0

※ Forecast unchanged

Sales by Reporting Segment

- Six months ended September 30, 2009 -

(Unit: Yen in billions)

■ Reporting Segment	Six months ended September 30,				Change	
	2008		2009			
	Amount	% of total	Amount	% of total	Amount	%
■ Fine Ceramic Parts Group	37.3	5.6	21.5	4.4	-15.8	-42.4
■ Semiconductor Parts Group	82.3	12.5	62.2	12.9	-20.1	-24.4
■ Applied Ceramic Products Group	86.3	13.1	66.9	13.8	-19.4	-22.5
■ Electronic Device Group	138.0	21.0	94.5	19.5	-43.6	-31.6
Components Business	343.9	52.2	245.1	50.6	-98.8	-28.7
■ Telecommunications Equipment Group	135.4	20.5	79.7	16.5	-55.7	-41.1
■ Information Equipment Group	125.7	19.1	111.2	23.0	-14.6	-11.6
Equipment Business	261.2	39.6	190.9	39.5	-70.3	-26.9
■ Others	66.3	10.1	57.8	11.9	-8.5	-12.8
Adjustments and eliminations	-12.6	-1.9	-9.9	-2.0	2.7	—
Net sales	658.7	100.0	483.9	100.0	-174.8	-26.5

Operating Profit by Reporting Segment - Six months ended September 30, 2009 -

(Unit: Yen in billions)

■ Reporting Segment	Six months ended September 30,				Change	
	2008		2009		Amount	%
	Amount	% to net sales	Amount	% to net sales		
■ Fine Ceramic Parts Group	2.9	7.7	-3.6	—	-6.5	—
■ Semiconductor Parts Group	10.7	13.0	4.5	7.2	-6.3	-58.3
■ Applied Ceramic Products Group	20.7	24.0	4.4	6.5	-16.4	-78.9
■ Electronic Device Group	6.0	4.4	0.3	0.3	-5.7	-94.6
Components Business	40.4	11.7	5.6	2.3	-34.8	-86.2
■ Telecommunications Equipment Group	-2.4	—	-7.5	—	-5.1	—
■ Information Equipment Group	12.2	9.7	8.4	7.5	-3.8	-31.5
Equipment Business	9.8	3.8	0.9	0.4	-9.0	-91.3
■ Others	13.9	20.9	1.8	3.1	-12.1	-87.0
Operating Profit	64.1	9.7	8.2	1.7	-55.8	-87.1
Corporate	6.2	—	7.3	—	1.1	17.3
Equity in earnings of affiliates and unconsolidated subsidiaries	3.6	—	1.5	—	-2.1	-57.9
Adjustments and eliminations	0.1	—	0.1	—	-0.0	—
Pre-tax income	74.0	11.2	17.1	3.5	-56.9	-76.8

Sales Forecast by Reporting Segment - Year ending March 31, 2010 -

(Unit: Yen in billions)

■ Reporting Segment	Year ended March 31, 2009		Year ending March 31, 2010 (Forecast)				Change from		
			Previous		Revised		Previous year		Previous forecast
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	%	Amount
■ Fine Ceramic Parts Group	61.7	5.4	50.0	4.8	48.0	4.6	-13.7	-22.2	-2.0
■ Semiconductor Parts Group	135.1	12.0	110.0	10.6	127.0	12.2	-8.1	-6.0	17.0
■ Applied Ceramic Products Group	148.9	13.2	158.0	15.2	148.0	14.2	-0.9	-0.6	-10.0
■ Electronic Device Group	231.3	20.5	185.0	17.8	190.0	18.3	-41.3	-17.8	5.0
Components business	577.1	51.1	503.0	48.4	513.0	49.3	-64.1	-11.1	10.0
■ Telecommunications Equipment Group	218.8	19.4	200.0	19.2	196.0	18.9	-22.8	-10.4	-4.0
■ Information Equipment Group	229.3	20.3	234.0	22.5	229.0	22.0	-0.3	-0.1	-5.0
Equipment business	448.1	39.7	434.0	41.7	425.0	40.9	-23.1	-5.1	-9.0
■ others	126.0	11.2	123.0	11.8	122.0	11.7	-4.0	-3.2	-1.0
Adjustments and eliminations	-22.6	-2.0	-20.0	-1.9	-20.0	-1.9	2.6	—	0.0
Net Sales	1,128.6	100.0	1,040.0	100.0	1,040.0	100.0	-88.6	-7.8	0.0

Operating Profit Forecast by Reporting Segment - Year ending March 31, 2010 -

(Unit: Yen in billions)

■ Reporting Segment	Year ended March 31, 2009		Year ending March 31, 2010 (Forecast)				Changes from		
			Previous		Revised		Previous year		Previous forecast
	Amount	% to net sales	Amount	% to net sales	Amount	% to net sales	Amount	%	Amount
■ Fine Ceramic Parts Group	-0.2	—	0.0	0.0	0.0	0.0	0.2	—	0.0
■ Semiconductor Parts Group	8.7	6.4	4.0	3.6	10.5	8.3	1.8	21.1	6.5
■ Applied Ceramic Products Group	27.5	18.4	18.0	11.4	11.5	7.8	-16.0	-58.1	-6.5
■ Electronic Device Group	-4.1	—	2.0	1.1	5.5	2.9	9.6	—	3.5
Components business	31.8	5.5	24.0	4.8	27.5	5.4	-4.3	-13.6	3.5
■ Telecommunications Equipment Group	-17.7	—	-6.0	—	-6.0	—	11.7	—	0.0
■ Information Equipment Group	13.5	5.9	11.0	4.7	15.0	6.6	1.5	11.1	4.0
Equipment business	-4.2	—	5.0	1.2	9.0	2.1	13.2	—	4.0
■ others	14.1	11.2	4.0	3.3	3.8	3.1	-10.3	-73.1	-0.2
Operating profit	41.7	3.7	33.0	3.2	40.3	3.9	-1.4	-3.4	7.3
Corporate and others	14.3	—	24.0	—	16.7	—	2.4	17.1	-7.3
Pre-tax income	56.0	5.0	57.0	5.5	57.0	5.5	1.0	1.8	0.0

Notes regarding information in this material

- Amounts are up/down to the nearest 0.1 billion yen.
 - Percentages are computed based on amounts rounded up/down to the nearest millions yen.
 - “Net income attributable to shareholders of Kyocera Corporation” for any specified quarter or fiscal year is computed on the the same basis as “net income” for each quarter included in, or for the year ended, March 31, 2009.
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Forward-Looking Statements

Certain of the statements made in this document are forward-looking statements (within the meaning of Section 21E of the U.S. Securities and Exchange Act of 1934), 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: general economic conditions in our markets, which are primarily Japan, North America, Europe and Asia, particularly China; unexpected changes in economic, political and legal conditions in China; our ability to develop, launch and produce innovative products, including meeting quality and delivery standards, and our ability to otherwise meet the advancing technological requirements of our customers, particularly in the highly competitive markets for ceramics, semiconductor parts and electronic components; manufacturing delays or defects resulting from outsourcing or internal manufacturing processes which may adversely affect our production yields and operating results; factors that may affect our exports, including a strong yen, political and economic instability, difficulties in collection of accounts receivable, decrease in cost competitiveness of our products, increases in shipping and handling costs, difficulty in staffing and managing international operations and inadequate protection of our intellectual property; changes in exchange rates, particularly between the yen and the U.S. dollar and euro, respectively, in which we make significant sales; exposure to credit risk on trade receivables due to customers' worsening financial condition; inability to secure skilled employees, particularly engineering and technical personnel; insufficient protection of our trade secrets and patents; our continuing to hold licenses to manufacture and sell certain of our products; the possibility that future initiatives and in-process research and development may not produce the desired results; the possibility that companies or assets acquired by us may require more cost than expected for integration, and may not produce the returns or benefits, or bring in business opportunities, which we expect; events that may impact negatively on our markets or supply chain, including terrorist acts and outbreaks of disease; the occurrence of natural disasters, such as earthquakes, in locations where our manufacturing and other key business facilities are located; the possibility of future tightening of environmental laws and regulations in Japan and other countries which may increase our environmental liability and compliance obligations; fluctuations in the value of, and impairment losses on, securities and other assets held by us; and changes in accounting principles. Such risks, uncertainties and other factors may cause our actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. We undertake no obligation to publicly update any forward-looking statements included in this document.