

To All Persons Concerned

Name of Company Listed: Kyocera Corporation

Name of Representative: Hideo Tanimoto, President and Director
(Code number: 6971, The First Section of the Tokyo Stock Exchange)

Person for Inquiry: Hiroaki Chida
General Manager of Corporate Management Control Group
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Notice Relating to the Disposal of Treasury Stock for Restricted Stock Compensation

Kyocera Corporation (the “Company”) has resolved at the meeting of its Board of Directors held on June 25, 2021 to dispose of treasury stock (the “Disposal”) as the restricted stock compensation as follows.

1. Overview of the Disposal

(1) Disposal date	July 21, 2021
(2) Class and number of shares to be disposed of	Common stock 12,007 shares
(3) Disposal price	6,820 yen per share
(4) Total amount to be paid	81,887,740 yen
(5) Scheduled subscriber	6 Directors (*) 7,915 shares 22 Executive Officers 4,092 shares *Excluding Outside Directors
(6) Others	With regard to the Disposal, the Company has submitted the Written Notice of Securities in accordance with the Financial Instruments and Exchange Act.

2. Purpose and reason of the Disposal

The Company resolved at the meeting of its Board of Directors held on March 29, 2019, to introduce the Restricted Stock Compensation Plan (the “Plan”) to the Directors of the Company (excluding Outside Directors; the same applies hereinafter) for the purpose of providing the Directors of the Company with incentives to continuously increase the Company’s mid- to long-term corporate value and shareholder value, as well as promoting further shared value with shareholders. At the 65th Ordinary General Meeting of Shareholders held on June 25, 2019, it was approved that, (i) pursuant to the Plan, the Company grants monetary remuneration claims which shall be no more than 100 million yen per year as well as no more than 0.1% of the profit attributable to owners of the parent to the Directors of the Company as the property to be contributed in-kind, separate from the existing Directors’ cash remuneration limitation, and (ii) the transfer restriction period for the restricted stock shall be the period specified by the Board of Directors of the Company which shall be the period between ten (10) to thirty (30) years.

The overview of the Plan is as follows.

<Overview of the Plan>

The Directors of the Company will receive the Company's common stock to be issued or disposed of by the Company in exchange for in-kind contribution of all monetary remuneration claims granted by the Company pursuant to the Plan.

The total number of shares of the Company's common stock to be issued or disposed of under the Plan will be 25,000 shares or less per year for the Directors of the Company and the amount paid per share shall be decided by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution of the Board of Directors (if the Company's shares are not traded on said date, then the closing price of the most recent trading day preceding said date) to the extent that it will not be excessively advantageous for the Directors to receive the allocated Company's common stock.

Furthermore, upon the issuance or disposal of the Company's common stock pursuant to the Plan, the Company and the Directors will execute a restricted stock allocation agreement (the "Allocation Agreement"), which includes following matters:

- (i) The Directors shall not transfer, create security interest on, or otherwise dispose of the Company's common stock allocated under the Allocation Agreement for the period prescribed in advance; and
- (ii) If the certain event occurs, the Company shall acquire the allocated common stock without consideration.

In addition, the Company was also decided to introduce the same compensation plan to the Executive Officers of the Company for the purpose of providing Executive Officers of the Company with incentives to continuously increase the Company's a mid- to long-term corporate value and shareholder value, as well as promoting further shared value with shareholders.

In light of the above, the Company has resolved at the meeting of its Board of Directors held today to grant monetary remuneration claims in a total amount of 81,887,740 yen and consequently 12,007 shares of the Company's common stock (the "Allocated Shares") to six (6) Directors and twenty-two (22) Executive Officers (the "Eligible Officers") taking the purpose of the Plan, the business performance of the Company, the scope of the work responsibility of each Eligible Officer and other circumstances into consideration. For the purpose of providing Eligible Officers with incentives to increase the Company's mid- to long-term corporate value, the transfer restriction period relating to conditions for cancelling transfer restriction has been set thirty (30) years.

<Overview of Allocation Agreement>

The Company and the Eligible Officers will individually execute the Allocation Agreement accompanied by the Disposal, and the overview of the Allocation Agreement is as follows.

(1) Restriction period

An Eligible Officer may not transfer, create security interest on, or otherwise dispose the Allocated Shares during a period from July 21, 2021 (Disposal Date) to July 20, 2051.

(2) Conditions for cancelling transfer restriction

On the condition that an Eligible Officer continuously serves the position as the Director or the Executive Officer of the Company from the starting date of the restriction period (i) to the date of the Ordinary General Meeting of Shareholders to be held in the following year (if the Eligible Officer is a Director), or (ii) to March 31, 2022 (if the Eligible Officer is an Executive Officer), the Company will cancel the transfer restriction regarding all Allocated Shares at the time of expiration of the transfer restriction period; provided, however, that, if an Eligible Officer resigns or retires from his/her position as the Director or the Executive Officer of the Company during the transfer restriction period due to death, expiration of term of office, or other reasons deemed legitimate by the Board of Directors, the Company will cancel, at the time immediately after resignation or retirement, the transfer restriction regarding the Allocated Shares in a quantity that rationally adjusted in accordance with the period to the date of resignation or retirement.

(3) Acquisition of Allocated Shares by the Company without compensation

The Company will acquire the Allocated Shares, for which the transfer restriction has not been cancelled as of the expiration of the restriction period or at the time immediately after cancelling transfer restriction as set forth in (2) above, as a matter of course, without any compensation.

(4) Management of shares

During the restriction period, the Allocated Shares will be managed in a dedicated account of the restricted stock opened by the Eligible Officers in Daiwa Securities Co. Ltd. so that the Eligible Officers cannot transfer, create security interest on, or otherwise dispose the Allocated Shares during the restriction period.

(5) Measures to be taken upon organizational restructuring, etc.

In the event a merger agreement in which the Company will become the absorbed company, a stock exchange agreement or a stock transfer plan in which the Company will become the wholly-owned subsidiary, or any other matter related to organizational restructuring, etc., is approved in the General Meeting of Shareholders (or if approval in the General Meeting of Shareholders is not required in relation to such organizational restructuring, then the Board of Directors' meeting) during the restriction period, the Company will cancel the transfer restriction based on the resolution of the Board of Directors immediately before the business day preceding the effective date of such organizational restructuring, etc. for the Allocated Shares in a quantity rationally adjusted in accordance with the period to the date of approval of such organizational restructuring, etc.

3. Basis of calculation of paid-in amount and specific details thereof

The Disposal will be carried out with the monetary remuneration claims, which are paid to the scheduled subscribers based on the Plan, as the contributed assets, and the amount paid per share is 6,820 yen, which is

the closing price of the Company's common stock on the Tokyo Stock Exchange on June 24, 2021 (business day preceding the date of the resolution of the Board of Directors), in order to adopt a price that excludes arbitrariness. This price is the market value immediately preceding the date of the resolution of the Board of Directors, and is a reasonable price that properly reflects the Company's corporate value in a state where there are no special circumstances under which the foregoing price is not relied upon the most recent stock price, and does not fall within a price that is excessively advantageous for the Eligible Officers.