

May 14, 2025

To All Persons Concerned

Name of Company Listed: Kyocera Corporation
Name of Representative: Hideo Tanimoto, Director and President
(Code number: 6971, TSE Prime Market)
Contact Person: Hiroaki Chida
Managing Executive Officer,
Executive General Manager of Headquarters
(Tel: +81-75-604-3500)

**Notice Regarding Succession of the Company's Silicon Diode Power Semiconductor Business
to the Newly Established Subsidiary through the Company Split
and Transfer of Shares of the Newly Established Subsidiary**

Kyocera Corporation (the "Company") hereby announces that at the Board of Directors meeting held today, the Company resolved to transfer all shares of a company that the Company will establish (the "Newly Established Company") to SHINDENGEN ELECTRIC MANUFACTURING CO., LTD. ("Shindengen Electric Manufacturing") (the "Share Transfer"), as described below.

Before the Share Transfer is implemented, the Company plans to have the Newly Established Company succeed the silicon diode power semiconductor business (including the silicon diode power semiconductor business operated by Kyocera International Electronics Co., Ltd., of which the Company owns all of the outstanding shares; the "Target Business") operated in the Company's Electronic Devices Division of the Corporate Electronic Components Group by way of an absorption-type company split (the "Absorption-type Company Split;" together with the Share Transfer, the "Transactions").

1. Purpose of the Transactions

The Company received a proposal to acquire the Target Business from Shindengen Electric Manufacturing, which is reinforcing its business in the power semiconductor field, and has been holding repeated discussions with it.

The Company has determined that the Transactions are consistent with the review of the businesses for portfolio restructuring which the Company announced at its financial presentation for the nine months ended December 31, 2024 on February 3, 2025 as its main initiative for the year ending March 31, 2026 aimed at improving corporate value, and that it will lead to the growth and development of the Target Business.

2. Summary of the Transactions

(1) Schedule of the Transactions

Board of Directors resolution date for the Share Transfer	: May 14, 2025
Execution date of the Share Purchase Agreement	: May 14, 2025
Establishment date of the Newly Established Company	: October 2025 (tentative)
Board of Directors resolution date for the Absorption-type Company Split	: October 2025 (tentative)
Execution date of Absorption-type Company Split Agreement	: October 2025 (tentative)
Effective date of the Absorption-type Company Split	: January 2026 (tentative)
Closing date of the Share Transfer	: January 2026 (tentative)

(2) Method of the Absorption-type Company Split

The Company will be the splitting company and the Newly Established Company will be the succeeding company in the Absorption-type Company Split, and the Company will have the Newly Established Company succeed the Target Business. As this process falls under the simplified absorption-type company split set forth in Article 784, Paragraph 2 of the Companies Act with respect to the Company and the short-form absorption-type company split set forth in Article 796, Paragraph 1 of the Companies Act with respect to the Newly Established Company, the implementation thereof does not require resolution at the respective shareholders' meetings.

(3) Details of Allotment related to the Absorption-type Company Split

There will be no allotment of shares, delivery of money or any other property from the Newly Established Company to the Company in connection with the Absorption-type Company Split.

(4) Handling of Share Acquisition Rights and Bonds with Share Acquisition Rights in Connection with the Absorption-type Company Split

Not applicable.

(5) Increase or Decrease in Capital Due to the Absorption-type Company Split

There will be no increase or decrease in the capital of the Company or the Newly Established Company upon the Absorption-type Company Split.

(6) Rights and Obligations to be Succeeded to by the Newly Established Company

As a result of the Absorption-type Company Split, the Newly Established Company will succeed the assets, liabilities and other rights and obligations pertaining to the Target Business separately set forth in the Absorption-type Company Split agreement on the effective date of the Absorption-type Company Split.

(7) Prospect for the Fulfillment of Obligations

The Company has determined that there will be no issue in the prospect of fulfillment of obligations to be borne by the Newly Established Company after the effective date of the Absorption-type Company Split.

(8) Overview of the Share Transfer

The Company plans to transfer all of the shares of the Newly Established Company to Shindengen Electric Manufacturing on the closing date of the Share Transfer. For details of the party to which the shares are transferred, please refer to "6. Overview of the Counterparty to the Share Transfer."

3. Overview of the Companies Involved in the Absorption-type Company Split

	Company Splitting in the Absorption-type Company Split		Company Succeeding in the Absorption-Type Split
(1) Name	Kyocera Corporation		TBD
(2) Location	6 Takeda Tobadono-cho, Fushimi-ku, Kyoto		1204 Soya, Hadano-shi, Kanagawa
(3) Title and Name of Representative	Hideo Tanimoto, President and Representative Director		TBD
(4) Description of Business	Core Components Business, Electronic Components Business, Solutions Business, etc.		Manufacturing and sales of power semiconductor products centering on silicon diodes
(5) Amount of Capital	JPY 115,703 million		TBD
(6) Date of Establishment	April 1, 1959		October 2025 (tentative)
(7) Number of Issued and Outstanding Shares	1,510,474,320		1
(8) Major Shareholders and Shareholding Ratio	The Master Trust Bank of Japan, Ltd. (Trust Account)	21.96%	The Company: 100%
	Custody Bank of Japan, Ltd. (Trust Account)	8.86%	
	The Bank of Kyoto, Ltd.	4.10%	
	STATE STREET BANK AND TRUST COMPANY 505001	3.82%	
	Inamori Foundation	2.66%	
	STATE STREET BANK WEST CLIENT - TREATY 505234	1.92%	

	Stock Purchase Plan for Kyocera Group Employees	1.72%	
	MUFG Bank, Ltd.	1.31%	
	HSBC HONG KONG - TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1.26%	
	The Dai-ichi Life Insurance Company, Ltd.	1.19%	
(9) Consolidated Operating Results and Consolidated Financial Position for the Previous Fiscal Year (Ended March 31, 2025)			
Equity attributable to owners of the parent	JPY 3,217,788 million	—	
Total assets	JPY 4,511,307 million	—	
Equity per share attributable to owners of the parent (JPY)	JPY 2,284.15		
Sales revenue	JPY 2,014,454 million	—	
Operating Profit	JPY 27,299 million	—	
Profit before income taxes	JPY 63,631 million	—	
Profit attributable to owners of the parent	JPY 24,097 million	—	
Earnings per share attributable to owners of the parent - Basic (JPY)	JPY 17.11	—	

Note: Information regarding the splitting company in the Absorption-Type Company Split is as of March 31, 2025.

4. Outline of the Business Subject to the Absorption-Type Company Split

(1) Description of Business

Manufacturing and sales of power semiconductor products, mainly silicon diodes for industrial equipment and automotive customers in Japan

(2) Consolidated Operating Results of the Business to be Split (the Year ended March 31, 2025)

Sales revenue: JPY 7,252 million

(3) Items of Assets and Liabilities and Book Value Subject to the Absorption-Type Company Split

Current assets: JPY 3,364 million

Non-current assets: JPY 1,749 million

Current liabilities: JPY 482 million

Non-current liabilities: JPY 52 million

Note: The above amounts are calculated based on the balance sheet as of March 31, 2025, and therefore, the actual amounts to be succeeded will be the amount after the adjustment of changes to the above amounts up to the effective date.

5. Situation After the Absorption-type Company Split

There will be no changes to the name, location, title and name of the representative, description of business, amount of capital or fiscal year-end of the Company upon the Absorption-type Company Split.

Whether or not there will be changes to location and description of business of the Newly Established Company upon the Absorption-type Company Split is undetermined at this moment.

Outline of the Newly Established Company after the Absorption-type Company Split:

(1) Name	TBD
(2) Location	1204 Soya, Hadano-city, Kanagawa
(3) Name and Title of Representative	TBD
(4) Description of Business	Manufacture and sale of power semiconductor products, mainly silicon diodes
(5) Amount of Capital	TBD
(6) Fiscal Year-end	TBD

6. Overview of the Counterparty to the Share Transfer

(1) Name	SHINDENGEN ELECTRIC MANUFACTURING CO., LTD.
(2) Location	2-2-1 Otemachi, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Nobuyoshi Tanaka, President and Representative Director
(4) Description of Business	Manufacture and sale of electric machines and apparatuses, and electric and telecommunications works, etc.
(5) Amount of Capital	JPY 17,823 million
(6) Date of Establishment	August 16, 1949

(7)	Major Shareholders and Shareholding Ratio	Honda Motor Co., Ltd.	12.96%	
		The Master Trust Bank of Japan, Ltd. (Trust Account)	8.48%	
		Chuo-Nittochi Co., Ltd.	4.87%	
		Mizuho Trust and Banking Co., Ltd., Retirement Benefit Trust Account at Mizuho Bank Account Re-trustee: Custody Bank of Japan, Ltd.	3.46%	
		Asahi Mutual Life Insurance Company (Standing proxy: Custody Bank of Japan, Ltd.)	3.16%	
		Shindengen Electric Manufacturing Affiliated Companies Shareholding Association	2.70%	
		Custody Bank of Japan, Ltd. (Trust Account)	2.15%	
		Shindengen Electric Manufacturing Employee Shareholding Association	2.04%	
		Custody Bank of Japan, Ltd. (Trust Account 4)	2.00%	
		Sompo Japan Insurance Inc.	1.94%	
(8)	Relationship between the Companies Concerned			
	Capital Relationship	Not applicable.		
	Personnel Relationship	Not applicable.		
	Business Relationship	Not applicable.		
	Status as a Related Party	Not applicable.		
(9)	Consolidated Operating Results and Consolidated Financial Position for the past three years (Unit: JPY 1 million)			
Fiscal Year-end		March 2022	March 2023	March 2024
Consolidated Net Assets		57,229	62,539	70,917
Consolidated Total Assets		135,041	138,092	144,669
Consolidated Net Assets Per Share (JPY)		5,552.41	6,066.34	6,876.60
Consolidated Net Sales		92,168	101,007	102,261
Consolidated Operating Profit		5,562	3,621	1,278
Consolidated Ordinary Profit		5,828	4,326	1,660
Net Profit Attributable to Shareholders of Parent Company		5,902	1,644	(712)
Consolidated Net Profit Per Share (JPY)		572.70	159.56	(69.08)
Dividend Per Share (JPY)		100.00	130.00	130.00

(Note) As of March 31, 2024, except for those indicated otherwise.

7. Status of Shares Held Before and After the Share Transfer

(1) Number of Shares Held before the Share Transfer	1 (Percentage of voting rights held: 100%)
(2) Number of Shares to be Transferred	1 (Percentage of voting rights transferred: 100%)
(3) Transfer Price	JPY 2.5 billion (Estimate)
(4) Number of Shares Held after the Share Transfer	0 (Percentage of voting rights held: 0%)

8. Outlook

The impact of the Transactions on the Company's consolidated financial results will be immaterial. The Company will promptly disclose any matters that should be disclosed in the future.

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