THE NEW VALUE FRONTIER

KYOCERA

Kyocera CSR Report

– Economic, Social and Environmental Reports –

2009

The Editorial Policy

The Kyocera Group is pursuing the development of business activities to become An innovative enterprise that continues to grow, and to help build a sustainable society. We, the Kyocera Group, are deeply grateful for the backing of our customers, employees, shareholders, investors, business associates and local communities. The support of all Kyocera Group stakeholders makes it possible for us to work toward our goals.
The purpose of this report is to highlight various Kyocera Group activities and enhance communication with all who may be interested. We hope the report will aid understanding of the Kyocera Group and promote good communication. Supplementary details and other information not contained in these pages can be accessed through our website, www.kyocera.com.
In April 2009, Kyocera marked the 50th anniversary of it's founding. This report includes feature articles on the actions taken by Kyocera up to the present day in economic, social and environmental activities.
We would like to consider your views on the work of the Kyocera Group in planning our future activities. Therefore, please spare a few minutes to complete and return the questionnaire at the back of this booklet.

Guideline References

- Ministry of the Environment
  "Environmental Report Guidelines (Fiscal Year 2007 Version)"
- GRI* "Sustainability Reporting Guidelines, Version 3.0"

* Abbreviation for Global Reporting Initiative. GRI is an international organization established in 1997 to draft a sustainability report framework that can be applied to organizations worldwide.

Scope of the Report

Kyocera Corporation and consolidated subsidiaries: 209 companies*
Kyocera in this report refers to the stand-alone unit of the Kyocera Corporation. Where the scope of the report differs from the above, it is specified.

* Excludes 2 non-consolidated subsidiaries accounted for using the equity method and 10 affiliate companies.

Period Covered by the Report

FY2009 (April 1, 2008 – March 31, 2009)
However, certain parts of the report and its data refer to earlier matters and future expectations.

Performance information: Policies and criteria for compilation and reporting

	Policies and Criteria
Economic Performance	Drawn from the "Documents Accompanying the Invitation to Attend the Regular General Meeting of Shareholders" and others.
Social Performance	Description is based on "Consumer Products Safety Law", "Law for Employment Promotion, etc. of the Disabled", "Industrial Safety and Health Law", "Subcontractor Act" and others.
Environmental Performance	Description is in accordance with environmental laws, and based on internal rules including the "Kyocera Environmental Management Standard", "Waste Material Disposal Regulations" and "PRTR Management Standard."

Previous Report

June 2008

Future Report (Planned)

June 2010

Other related materials (latest publications)

Corporate Profile (June 2009)
Financial Statements (June 2009)

Corporate Overview (As of March 31, 2009)

Name of Company: KYOCERA Corporation
Established: April 1, 1959
Representative: President Makoto Kawamura
Capital: 115.7 billion yen
Sales: Consolidated 1,128.6 billion yen
Non-consolidated 522.0 billion yen
No. of Group companies: 222 companies

KYOCERA Corporation:	1 company
Consolidated subsidiaries:	209 companies
Non-consolidated subsidiaries:	2 companies
Affiliate companies:	10 companies

No. of employees: Consolidated 59,514 people
Non-consolidated 13,973 people
Main business activities: 1. Components Business
- Fine Ceramic Parts Group
- Semiconductor Parts Group
- Applied Ceramic Products Group
- Electronic Devices Group

2. Equipment Business
- Telecommunications Equipment Group
- Information Equipment Group

3. Others

* Capital and sales revenue figures have been rounded up or down to the nearest 100 million yen.
* The number of consolidated employees excludes employees in equity method non-consolidated subsidiaries and affiliate companies. The number of employees in Kyocera stand-alone units excludes expatriated employees.
* On April 1, 2009, Mr. Makoto Kawamura assumed the post of Chairman; Mr. Tetsuo Kuba assumed the post of President.

Inquiries

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Economic Report

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Environmental Report

Facts and Figures

Environmental information was assured by an independent institution and acknowledged with receipt of the logo to the right.
The reliability of the environmental information in this report satisfies the "Environmental Report Assurance / Registration Mark Conferral Criteria" set by the limited liability organization, The Japanese Association of Assurance Organizations for Sustainability Information (J-SUS).

Top Management Message

Corporate Motto: "Respect the Divine and Love People"

敬天愛人

Preserve the spirit to work fairly and honorably,
respecting people, our work, our company and our global community

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.

Management Philosophy:

To coexist harmoniously with our society, our global community, and nature. Harmonious coexistence is the underlying foundation of all our business activities as we work to create a world of prosperity and peace.

Kazuo Inamori
Founder and Chairman Emeritus

Humankind is now faced with serious environmental problems related to the future of humanity, including global warming, food crises and water shortages. Furthermore, the financial crisis that began in the USA last year has grown into a global recession. The ensuing large-scale output declines, employment adjustments and other effects continue to spread. They are also resulting in a questioning of the state of capitalist society itself. Such problems are the outcome of humankind's ongoing pursuit solely of economic growth, to satisfy limitless material desire. I believe we are entering an era in which we must earnestly reexamine the state of humanity.

To overcome these difficulties, it is essential we adopt the firm ethical perspective – "What is the right thing to do as a human being?". At the same time, we need to follow the universal concept of enabling the survival of all living things. In other words, we must eliminate human egotism and build a system of coexistence (Living Together), wherein the highest priority is on harmony of society and environment.

In the Kyocera Group, the foundation of all corporate activity is "Living Together," as set out in our Management Philosophy. The Kyocera Group is aiming for development of a society rich in harmony, with the coexistence of society, the world and nature. Thanks to the support of many people, the Kyocera Group reached the 50th anniversary of foundation in April 2009. The Living Together concept painstakingly cultivated over half a century is the starting point of corporate activities. On that basis, we will continue to evolve as a corporate group that maintains the highest regard for people and society.

M. Kawamura

Makoto Kawamura
Chairman

Tetsuo Kuba

Tetsuo Kuba
President

Since establishment of the company, the Kyocera Group has undertaken business activities based on a corporate philosophy. The Kyocera Philosophy is centered on "What is the right thing to do as a human being?" as the criteria for making decisions, and it is the mainspring of Kyocera Group management.
Economic conditions are currently harsh all over the world. To confront these conditions, we are returning to the origins of our management. In aiming for further business expansion and realization of a high-profit enterprise, we are thus constantly striving to apply the Kyocera Philosophy. Based on this corporate philosophy, the Kyocera Group is continually working to build trust relationships with all stakeholders – with customers, employees, shareholders and investors, business associates, and others.
Furthermore, to fulfill our role as a corporate citizen, the Kyocera Group is actively involved in diverse social contribution activities, in such areas as promotion of science, culture and sports, in international exchange, and more. At the same time, we are continually improving communications with local communities and all other stakeholders.
Additionally, the Kyocera Group is committed to the development and spread of consumer products that are global-environment-friendly, such as solar photovoltaic systems. As well as continuing to provide society with useful products, the Kyocera Group is minimizing environmental impact at production bases and elsewhere by steadily implementing advanced environmental management.
Kyocera Group CSR is set firmly in application of the Kyocera Philosophy. We will continue to undertake corporate activities with the goal of achieving a balance of three perspectives – economy, society and environment. We will be very pleased if this CSR Report gives you a better understanding of Kyocera Group business activities. Your ongoing support of our operations is greatly appreciated, and we welcome your opinions.

Kyocera Group Management Roots

The roots of the Kyocera Group management reside in the Kyocera Philosophy, a philosophy of life based on the real-life experiences and empirical rules of Kazuo Inamori, founder and chairman emeritus of Kyocera Corporation. With "What is the right thing to do as a human being?" as its most essential criterion, the Kyocera Philosophy expounds the significance of commitment to fair management and operation in compliance with the most fundamental human ethical and moral values and social norms.

What is the Kyocera Philosophy (Corporate Philosophy)?

Kyocera Management Rationale

The Management Rationale of the Kyocera Group is: "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." The "material and intellectual growth" for which we aim includes the pursuit of economic stability. Furthermore, it entails the pursuit of mental riches as a human being, in the shape of life with purpose and job satisfaction through self-fulfillment in the place of work. Additionally, the steady refinement of technology allows us to provide the world with wonderful products one after another, and thereby contribute to the advancement of science and technology. At the same time, by steadily raising profits as a company we aim to contribute to improvement of common welfare, through increased tax payments and other means. The guidelines for action in pursuing the Management Rationale are set out in the Kyocera Philosophy. As a way of thinking for leading wonderful lives, we are striving day by day to practice the Kyocera Philosophy.

Origin of Kyocera Philosophy

In 1959, Kazuo Inamori, founder of the company, established Kyoto Ceramic Co., Ltd., together with seven other colleagues and with the generous support of people around them. Starting with a meager amount of capital, the company had no imposing office building or elaborate machinery in the beginning. All it had were fellow companions who shared the joys and sorrows and formed a close bond as members of one big family. Inamori then decided to base the management of the company on this bond of human minds. This is because he believed that while human minds are extremely changeable, they are also most dependable once the minds are bonded by strong trust.

Later, Inamori encountered many difficulties in managing Kyocera, but he overcame them each time believing in the strong bond of human minds. The Kyocera Philosophy was thus born as he debated his life and work.

Members at the foundation

Basic Ideas of the Kyocera Philosophy

The Kyocera Group believes that decisions should always be made through reason and with "What is the right thing to do as a human being?" as the basic criteria to achieve compliance with public morals.

The criterion of "What is the right thing to do as a human being?" is based on the fundamental ethical and moral values of the natural goodness of human beings: "Don't be greedy," "Do not cheat people," "Do not lie," and "Be honest" are teachings we all received from our parents as a child and represent the most basic principles of a human being.

We believe that when making decisions and taking action in daily life, we should resort to the criterion of "What is universally right as a human being" and not the criterion of "What best suits our own convenience."

The Kyocera Philosophy Pocketbook

The Kyocera Group distributes a Kyocera Philosophy Pocketbook to every employee so that each and every employee can use, learn, and practice the Kyocera Philosophy on every possible occasion. The Kyocera Philosophy Pocketbook is the condensed essence of the Kyocera Philosophy with a brief explanation accompanying each item and comprises four categories ("The Heart of Management," "To Lead a Wonderful Life," "At Kyocera, Everyone is a Manager," and "Performing Our Daily Work") and 78 items.

Kyocera Philosophy Pocketbook

I. What Kyocera Aims For
II. Kyocera Philosophy
1. The Heart of Management
2. To Lead a Wonderful Life
3. At Kyocera, Everyone is a Manager
4. Performing Our Daily Work
III. To Become an Excellent Leader

Management Based on the Bonds of Human Minds

Kyocera started as a small suburban workshop – with no money, credentials or history. Meager technology and 28 trusty comrades were all that we could rely on.
Kyocera's management is based on all employees exerting their full efforts and managers dedicating their lives to merit their trust; all believing in each other, none working for selfish motives. All united to make Kyocera a company that they can be proud to work for.
Human minds are said to be easily changeable. Yet, there is nothing stronger than the human mind. Kyocera developed into what it is today because it is based on the bond of human minds.

Make decisions with an altruistic mind

Our mind seems to have two sides. One side appears to be concerned only with our own interests, while the other side is altruistic and will sacrifice to help others. When decisions are made with the selfish mind, nobody wants to help us, because these decisions have a self-centered, narrow perspective and are prone to mistakes.
By contrast, when our altruistic mind makes a decision, everyone around us wants to help because the decision is benevolent, comprehensive and correct.
In order to do good work, we need to make decisions based on the part of our heart that cares for others, not based on our own selfish interests.

Pursue profit fairly

A company must be profitable to survive. Being profitable is neither shameful nor unrighteous.
A price that is determined through free-market competition is a fair price, and the profit earned is a just profit. Fierce competition promotes rationalization, while raising added value increase profit.
Today's world is rampant with management that disdains tedious efforts, seeking instead to make a quick fortune through speculative or illegal deals. Kyocera's management, however, must persist in doing business fairly, pursuing a fair profit and contributing to society.

The Result of Your Life or Work = Attitude x Effort x Ability

The outcome of our life or work is the product of three factors: attitude, effort and ability.
Effort and ability range from 0 to +100 points. As these two numbers are multiplied rather than simply added, it means that persons who exert unbeatable efforts to compensate for their only "average" ability can accomplish more than geniuses who rely just on their ability while making only a minimal efforts. This product is further multiplied by attitude, which can range from −100 to +100. Depending on our attitude, the outcome of our work and our life can change by 180 degrees.
Thus, while ability and effort are important, it is our attitude that counts the most.

Follow Truths and Principles

Since Kyocera's founding, all its corporate decisions have been based on basic truths and principles. Corporate management would neither succeed, nor be lasting, if it were unreasonable and morally unacceptable to society.
We at Kyocera do not rely on so called "business common-sense." We don't make decisions by merely following the standard practices of "most other companies."
Whether decisions are on organization, finance or distribution of earnings, basing them on the essence of the matter avoids our making mistakes – even in a foreign culture or a new economic reality we have never experienced before.

Focus on "Work Floor" management

The basis of manufacturing is the "work floor." The basis of sales is also the "shop" where we meet with our customers.
When a problem occurs, we must at once return to the "work floor" facing the problem. No matter how we theorize or rationalize away from the "work floor," we'll never solve the problem anywhere but there.
We often say that the "work floor" is a goldmine of clues, where pertinent information is found. Frequenting the site gives us clues not only to the solution, but also to improving productivity and quality, as well as gaining new orders. This is true of all operations, not just production or sales.

<Excerpts from Kyocera Philosophy Pocketbook>

Management Based on the Kyocera Philosophy

For the Kyocera Group to realize the management rationale, first the correct understanding and application of the Kyocera Philosophy are essential. This applies also to “The 12 Principles of Management”, “Amoeba Management” and “Kyocera Management and Accounting Principles”, each of which is based on the Kyocera Philosophy. Correct understanding and application are essential for future growth and development, for employees to maintain dreams, and for the Kyocera Group to become a corporate group able to contribute to development of society.

The 12 Principles of Management

The 12 Principles of Management are “fundamental management rules”. In other words, they do not change, regardless of any changes occurring in the business environment or conditions. They are the starting point of universal management, and represent the foundation of management.

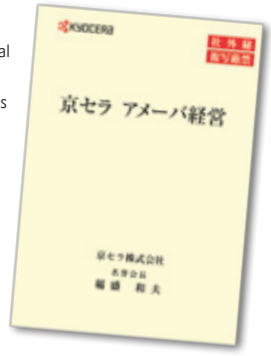
1. Clearly state the purpose and mission of your business.
2. Set specific goals.
3. Keep a passionate desire in your hearts.
4. Strive harder than anyone else.
5. Maximize revenues and minimize expenses.
6. Pricing is management.
7. Success is determined by willpower.
8. Possess a fighting spirit.
9. Face every challenge with courage.
10. Always be creative.
11. Be kind-hearted and sincere.
12. Always be cheerful and positive.

Amoeba Management

The Kyocera Group uses its own business administration method called “Amoeba Management”. “Amoeba Management” is a method specifically developed to realize the corporate philosophy of the Kyocera Group. Under the system, the company organization is divided into small groups called amoebas, which operate on a self-supporting basis. We believe that employees’ enhanced sense of participation in management and motivation engendered by “Amoeba Management” constitutes the source of the Kyocera Group’s strength. The small group system also serves to clarify the responsibilities of each member of the group, secure transparency in every detail, and enable a thorough check of efficiency. The small group system also serves to clarify the responsibilities of each member of the group, secure transparency in every detail, and enable a thorough check of efficiency. “Amoeba Management” is a system allowing thorough monitoring of efficiency for each small group. At the same time, the system clarifies responsibility and ensures transparency down to the fine details.

The Goals of Amoeba Management

1. Establishment of a market-oriented divisional accounting system
2. Fostering leaders with management awareness
3. Management by all



Kyocera Management and Accounting Principles

Accounting is integral to the management of a company as it plays the key role as the compass that leads a company to the destination. When handling accounting matter, it is important to trace them back to their essence and take appropriate measures according to our primary criterion of “What is the right thing to do as a human being?.”
Kyocera considers the ideal state of accounting to be showing the facts as they are, and recognizes the importance of fair and transparent management. Kyocera Management and Accounting Principles is a set of practical accounting principles designed to give a correct understanding of the realities of the company and the directions to be taken.
“Kyocera Accounting Pocketbook” is thus distributed to employees. In the Kyocera Group, each employee is encouraged to understand and become familiar with “Kyocera Management and Accounting Principles”, and to act in accordance with its principles. We believe this is a sound foundation not just for fair accounting activities, but also for long-term development.

Kyocera Accounting Pocketbook

Introduction : Adhere to Fundamental Rules and Principles
I. The Principle of One-to-One Correspondence
II. The Principle of Double-Checking
III. The Principle of Perfectionism
IV. The Principle of Muscular Management
V. The Principle of Continuous Improvement through Hourly Efficiency
VI. The Principle of Cash-Basis Management
VII. The Principle of Transparent Management

Kyocera Employee’s Action Guideline

To ensure the Kyocera Philosophy is reflected in diverse aspects of corporate activity, we have established a “Kyocera Employee’s Action Guideline”. The Kyocera Employee’s Action Guideline is a fundamental code of conduct for the day-to-day business activities of Kyocera Group employees.
In the midst of rapid globalization, sensible action and attitudes firmly based on a universal philosophy and transparent rules are keenly required of enterprises and businesspersons. We believe that an enterprise will not be able to continue its development and growth unless it, giving due consideration to the aforementioned requirements, strives to coexist and earn the solid trust of society. To broaden the understanding of guidelines for action, Kyocera has prepared a “Kyocera Employee’s Action Guideline Pocketbook” for distribution to employees throughout the Kyocera Group.

Kyocera Employee’s Action Guideline Pocketbook

【1】 Basic Attitude
【2】 Working Attitude
【3】 Spirited and Motivating Workplace
【4】 Community Activities
【5】 Relationships with Clients and External Organizations
【6】 Legal Compliance
【7】 Information Handling
【8】 Behavior in Foreign Countries
【9】 Global Environmental Protection Activities

From the Kyocera Accounting Pocketbook

Accounting is management's compass

Accounting figures are like those on the instrument dials in an aircraft's cockpit. Just as a pilot flies a plane by looking at the instruments to judge altitude, speed and bearing, so do the managers of a company look at accounting figures to judge its state and navigate the way forward.

If the dials on the aircraft's instrument panels are wrong, the pilot will not be able to fly the plane correctly. In the same way, if the accounting figures are off the mark, the company is likely – at the very least – to fly in the wrong direction.

In other words, accounting plays the role of a compass for the company's managers. This role is pivotal to its progress, and is why accounting is so important.

"Kyocera Management and Accounting Principles" can be most easily understood as a set of practical accounting measures. They are designed to enable managers to grasp the true state of the company and determine the direction in which it needs to go.

A solid understanding of these accounting principles by all Kyocera employees, gained through appropriate study and its subsequent application as the basis for action, will become the sound foundation for long-term growth of the company.

Practice Transparent Management

For a company to develop further while overcoming heavy competition, the practice of transparent management is vital. Information on the current state of the company, on business policy and other issues should be disclosed within the company by various means, to the maximum possible extent. Sharing such information leads to strong trust relationships and powerful cohesiveness among all employees. It is impossible to align everyone's mental vectors if executives in top management alone try to maintain a monopoly on management information. In such case, the direction being taken by the company cannot be understood, and employees develop distrust in the company. Ultimately, this invites a decline in morale and fighting spirit, among other negative consequences.

Therefore, in Kyocera, the results of all companies and all divisions are announced in detail during the morning gathering held at the start of each month. Additionally, detailed content of the Management Direction is passed on to all Kyocera Group employees, via satellite relay, video, etc.

The state of the company, direction to be taken and other information is thus disclosed by various means. Improved management transparency forms the basis for concentrating the strengths of all employees and for advancement of business.

<Excerpt from Kyocera Accounting Pocketbook>

From the Kyocera Employee's Action Guideline Pocketbook

Compliance with Laws

Kyocera abides by legal requirements, and engages in corporate activities with a firm ethical perspective based on the Kyocera Philosophy.

"What is the right thing to do as a human being?" is the criterion for making decisions. This wholesome ethical viewpoint is based on law and other social norms.

Employees must never deliberately engage in or contribute to wrongful deeds for any reason, in business matters or otherwise. Furthermore, to avoid accidental or unknowing violation of law, please endeavor day by day to acquire knowledge of laws relating to business affairs and to daily life.

Please strive to act with healthy social common sense and a sense of justice.

Corporate Social Responsibility

Through its business activities, Kyocera strives not only to provide a stable life to employees, but also to fulfill its social responsibilities by pursuing adequate profits and returning them to society via tax payments and dividends to shareholders.

At the same time, the company contributes to society through a variety of activities, including the promotion of global environmental protection activities and the provision of support to social and cultural activities.

We ask all employees to engage diligently in the company's business with a full awareness that you are part of Kyocera, a company committed to fulfilling its social responsibilities, and to combine their active efforts to achieve the lofty goal of contributing to society by increasing profits and developing the company.

<Excerpt from Kyocera Employee's Action Guideline Pocketbook>

Kyocera Group CSR demonstrates the practice of the Kyocera Philosophy

The Basic Perspective of CSR

Since the company was established, Kyocera has followed its Management Rationale, "To provide opportunities for the material and intellectual growth of all our employees, and through our joint effort, contribute to the advancement of society and humankind." By using "What is the right thing to do as a human being?" as the decision-making criterion, management has been based on the "Kyocera Philosophy". "Fairness, impartiality, justice, effort, courage, philanthropy, modesty and good faith" are among the basic human attitudes we encourage. Applying these as our code of conduct in "a spirit of caring for others", Kyocera has continually "endeavored to make products that benefit the world". In other words, for the Kyocera Group, CSR is certainly not a new concept. It is none other than an application of the basis of our management – the Kyocera Philosophy. Application of the Kyocera Philosophy builds mutual trust with people who have interests in the company. Ultimately, it contributes to sustainable development of the Kyocera Group and the healthy development of society.

The Objective of CSR Activity

Advancing organizational CSR activities based on application of the Kyocera Philosophy builds mutual trust with people who have interests in the corporation. It forms the foundation for sustainable development of the Kyocera Group, while contributing to the healthy development of society.

CSR Activity – Matters of Priority

- Return to the Origin of the Amoeba Management System
- Strengthen Corporate Governance
- Enrich Social Contribution Activities
- Enhance Communication with All Stakeholders

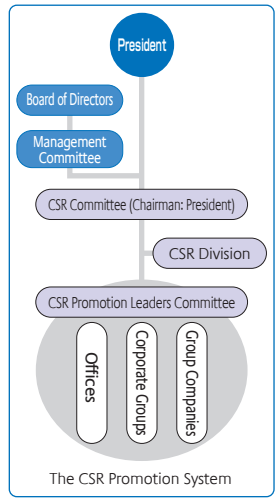
CSR Promotion System

CSR Committee

The CSR Committee is an organization chaired by the President with General Managers who are involved in CSR matters as committee members. The committee considers and plans important matters relating to CSR, and promotes CSR activities for the Kyocera Group.

CSR Promotion Leaders Committee

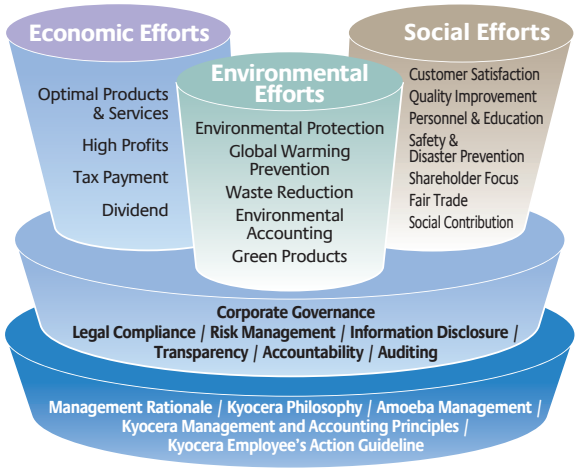
The CSR Promotion Leaders Committee is made up of Promotion Leaders, appointed by divisions, involved in CSR matters. The committee advances CSR activities in individual work areas.



The CSR Promotion System

The Scope of CSR Activities

The Kyocera Group is strengthening its management foundation in the area of corporate governance. The Group is aiming for well-balanced CSR activities from three perspectives: economic, social and environmental.



Business Activities that Promote High Profitability

Corporations have an obligation to provide better products and services through their activities, thereby contributing to improving the quality of life for people. They also have an obligation to give back to society some of the profits thus obtained, through taxes and other means. Increasing profits raises the stability of a corporation, and therefore raises the value that can be returned to society. This is one reason why corporations should always strive to be highly profitable.

Activities that Contribute to Society

The Kyocera Group believes creating products and services that are useful to people in diverse fields contributes to the advancement and development of humankind and society. We believe corporations are also members of this society. The Kyocera Group therefore takes an active interest in issues affecting communities and society, and endeavors to find solutions. Additionally, through cultural activities and the arts, we are actively contributing to the economic and cultural development of society.

Environmental Protection Activities

Environmental problems are among the crucial issues threatening the continued existence of humankind. In acknowledgement of this situation, environmental protection activities by the Kyocera Group include the active development of environmentally friendly goods. Emissions and waste are processed so that they are returned as closely as possible to their natural state.

Highly Transparent Corporate Activity

The Kyocera Group has always engaged in highly transparent business activity based on universal ethics. Furthermore, through the prompt disclosure of information, we have tried to keep society as a whole informed of the state of the Kyocera Group, thereby increasing trust.

CSR Economic, Social and Environmental Report Meetings

These meetings have been held by the Kyocera Group (in Japan) each year since FY2005. Their purpose is to raise the level of mutual communication with local communities – important stakeholders in the Kyocera Group.
Factories and offices invite residents, government representatives, business associates and other people from the communities in which they are located to attend the meetings. Participants hear reports on economic, social and environmental approaches by the Kyocera Group as a whole and by the local establishments. After the meeting, visitors observe production processes and take part in Q&A sessions, exchanging opinions on CSR activities.
A CSR meeting was also held at the Osaka Daito office, which became a Kyocera base of operation in April 2008. That meeting was attended by 32 people.

18 places
No. of participants: 497 people

KYOCERA Chemical Corp., Kawasaki Plant

Hokkaido Kitami Plant

Comments and opinions from participants

- "The image I had of factories was of smoke emissions and dirty water discharge. I understand this plant has no such polluting emissions."
- "I was greatly impressed to learn how the Kyocera Philosophy is a standard for conducting business. I would very much like to make use of it."
- "The buildings were very well maintained. It is hard to believe they have been here for 36 years."
- "Environmental lectures given on request and other progressive social contribution activities are a good thing. Please continue this work. I too hope to learn from them."
- "The extension of such activities outside the company and into employees' homes is highly commendable."

CSR Report Reading Assemblies

"CSR Report Reading Assemblies" have been held by the Kyocera Group (in Japan) each year since FY2006. They are designed for employees – stakeholders working together to promote CSR activities. Reading Assemblies aim to deepen understanding of CSR measures and its specific activities.
In FY2009, Reading Assemblies were held at the Osaka Daito and Gifu offices, which became Kyocera bases of operation in April 2008, as well as at other sites.

31 places
No. of participants: 3,518 people

Kagoshima Hayato Plant

Osaka Daito Office

Commendation for Outstanding Contribution by a Foreign Enterprise – Dongguan City, China

In January 2009, Dongguan City, China, presented Kyocera with their Commendation for Outstanding Contribution by a Foreign Enterprise. The commendation was awarded in recognition of the pursuit of quality and active contributions to society by Kyocera's Chinese subsidiary Dongguan Shilong KYOCERA Optics Co., Ltd. and others.
Dongguan City commends foreign enterprises that contribute to social and economic development, and established the commendation with the aim of exerting a positive influence on other corporations. This was the first presentation of the commendation.

Corporate Governance

With the Kyocera Philosophy as its foundation, the Kyocera Group maintains equity and fairness, faces all situations with courage and conscience, and seeks to maintain transparent systems for corporate governance and internal control.

Corporate Governance

Basic Policy for Corporate Governance

Definition

Structures that ensure the Directors conducting business manage the corporation in a fair and correct manner.

Purpose

To maintain the soundness and transparency of management and to achieve fair and efficient corporate management through which the management rationale of the Kyocera Group can be realized.

The Board of Directors shall instill the "Kyocera Philosophy," which is the basis of the Kyocera Group's management policy, into all Directors and employees working in the Kyocera Group, and establish a sound corporate culture. The Board of Directors shall establish proper corporate governance through the practice of the Kyocera Philosophy.

System for Corporate Governance

The Board of Directors of the Company determines, pursuant to the basic policy described above, the below-outlined system for corporate governance of the Company, which is the core company within the Kyocera Group, to ensure that the Directors conduct business in compliance with all applicable laws and regulations and the Articles of Incorporation. The Board of Directors continually seeks the ideal system for corporate governance, always evolving and developing its existing corporate governance system.

● Organs of Corporate Governance

The Board of Directors shall establish a corporate structure in which the Corporate Auditors and the Board of Corporate Auditors will serve as organs of corporate governance pursuant to the provisions of the Articles of Incorporation, as approved by the General Meeting of Shareholders of the Company. Directors of the Company shall strictly observe the following, to ensure effective audits by the Corporate Auditors and the Board of Corporate Auditors:

① Matters relating to employees to facilitate the tasks of Corporate Auditors

- For the purpose of assisting Corporate Auditors and the Board of Corporate Auditors, Corporate Auditor offices shall be established under the Board of Corporate Auditors. Employees assigned to these offices shall fall within the jurisdiction of each Corporate Auditor.

② System for reporting to Corporate Auditors

- In the event that any Director becomes aware of any matter that breaches or may breach any law or regulation or the Articles of Incorporation, or in the event that any Director becomes aware of any matter that may cause substantial damage to the Kyocera Group, he or she shall immediately report it to the Board of Corporate Auditors.
- In the event that any Corporate Auditor or the Board of Corporate Auditors requests a report from any Director pursuant to the Regulations of the Board of Corporate Auditors, the Director shall comply with such request.
- Representative Directors shall cause the internal audit department to regularly report the status of the internal audit to the Corporate Auditors. In addition, upon request from the Corporate Auditors, Representative Directors shall cause any specified department(s) to report the status of their business conduct directly to the Corporate Auditors.
- Representative Directors shall also maintain a "an internal system for reporting complaint to the Board of Corporate Auditors," established by the Board of Corporate Auditors, under which employees, suppliers and customers of the Company may submit complaints directly to the Board of Corporate Auditors.

③ Other systems to ensure effective audits by the Corporate Auditors

- Representative Directors comply with the following requests from Corporate Auditors.
  a. Attendance at important meetings;
  b. Inspection of minutes of important meetings, important approval documents, and agreements, etc.; and
  c. Meeting with Representative Directors to exchange opinions regarding management of the Company in general.

● Kyocera Philosophy Education

Representative Directors of the Company shall undertake "Kyocera Philosophy Education" from time to time in order to instill the Kyocera Philosophy into the Directors, including themselves, and employees of the Kyocera Group.

Internal Controls

Basic Policy for Internal Controls

Definition

Systems to be established within the corporate organization to achieve management policy and master plans in a fair manner, in order for the Directors undertaking management of the Company to effectuate Management Rationale.

The Board of Directors of the Company shall establish internal controls through implementation of the Kyocera Philosophy.

System for Internal Controls

Under the policy as described above, the Board of Directors shall cause Representative Directors to establish the systems

described below. In addition, the Board of Directors shall constantly evolve and develop such systems, seeking an ideal system of internal controls.

① Management and maintenance of information relating to business conduct by Directors
- Establishment of the "Kyocera Disclosure Committee"
- Proper maintenance of information relating to business conduct by the Directors in accordance with applicable laws and regulations and the internal rules of the Company.

② Internal rules and systems relating to management of risk of loss, and systems to ensure that business conduct by employees is in compliance with applicable laws and regulations and the Articles of Incorporation
- Establishment of a "Risk Management Department"
- Establishment of an "Employee Consultation Corner" as an internal system of reporting complaints.

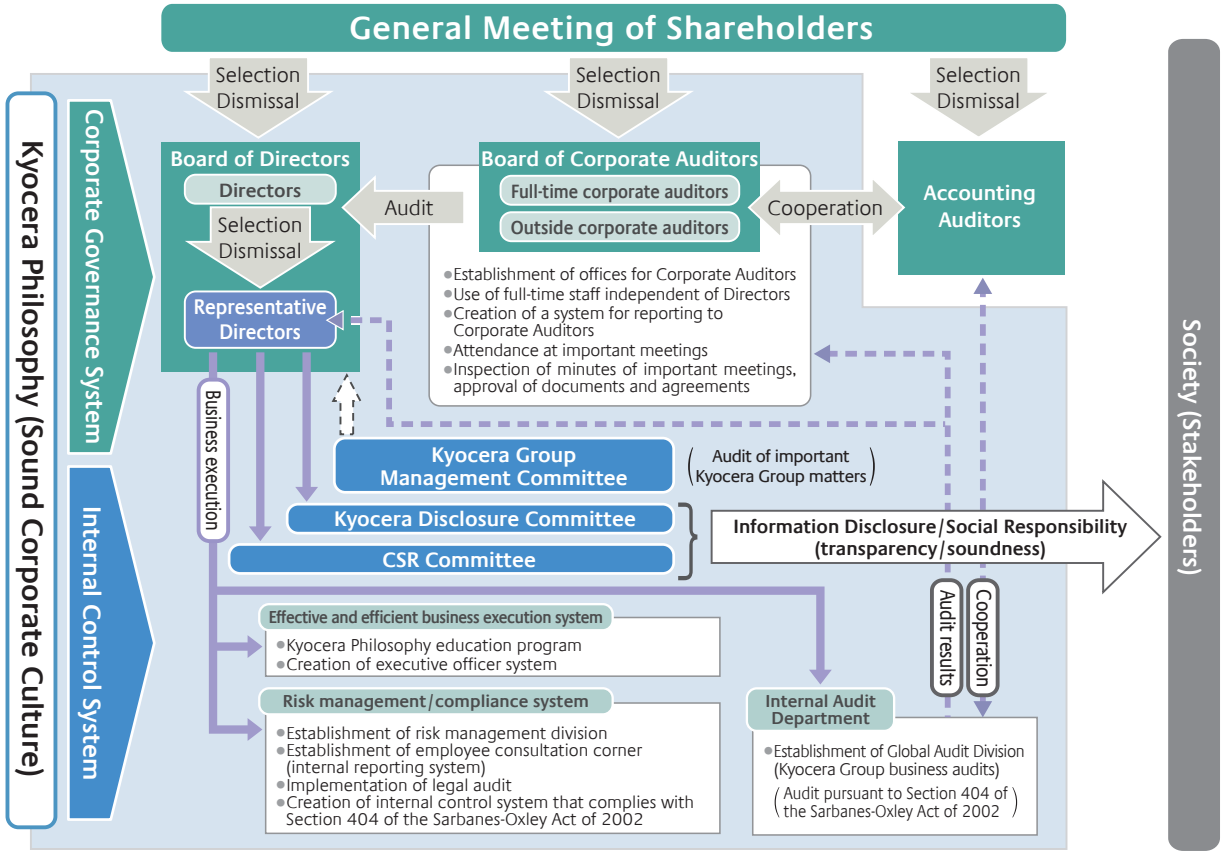
③ Systems to ensure efficient conduct of business by Directors
- Delegation of authority, clarification of related responsibility and efficient and effective conduct of business via an executive officer system
- A system for Executive Officers to report the status of their business conduct to the Board of Directors

④ System to ensure appropriate business conduct at the Kyocera Group
In addition to the matters described in ① through ③ above,
- Establishment of the "Kyocera Group Management Committee"
- Establishment of an "Internal Audit Department"

Exclusion of Antisocial Elements

Kyocera Group policies on corporate governance and internal control include prevention of criminal involvement in management activities and prevention of damage by such elements.

As the basis of measures for exclusion of illegal activities, the Crisis Management Manual established by the Risk Management Department clearly states: "All companies are united in confronting illegal activities with determination." Additionally, the Kyocera Employee's Action Guideline specifies "a decisive attitude based on the law" in dealing with illegal activities.



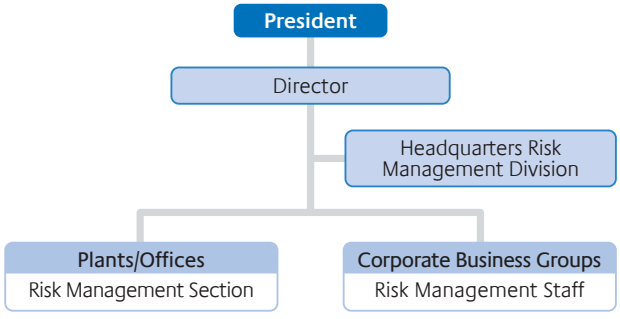
Corporate Governance

Compliance and Risk Management

Compliance System

According to the Kyocera Philosophy, the basis for making decisions is the question: "What is the right thing to do as a human being?" All employees share this most fundamental code of conduct. Kyocera has established "Kyocera Action Guidelines" to assist employees in following the Kyocera Philosophy. Our Guidelines are continually being improved. Kyocera's Risk Management Headquarters Division has placed Risk Management staff throughout the Kyocera Group. The Risk Management staff within each business division works to ensure thorough knowledge of legal matters, as well as anticipating and preventing risk. Additionally, an Overseas Risk Management Department was set up within the Risk Management Division in April 2008. In Japan and overseas, the entire Kyocera Group is thus promoting compliance.

Corporate Compliance System



Risk Management

Aiming to become "An innovative enterprise that continues to grow," the Kyocera Group supports global business development. This exposes us to increasingly diverse domestic and overseas risks stemming from political, economic and social changes. Appropriate safeguards are needed; therefore, Kyocera operates a total risk management system to prevent risks and implement countermeasures. Two systems have been prepared. The Compliance Management System aims for risk aversion in day-to-day operations. In an emergency situation, the Emergency Response System is activated to minimize damage, based on the Crisis Management Manual.

Basic Policy of Risk Management

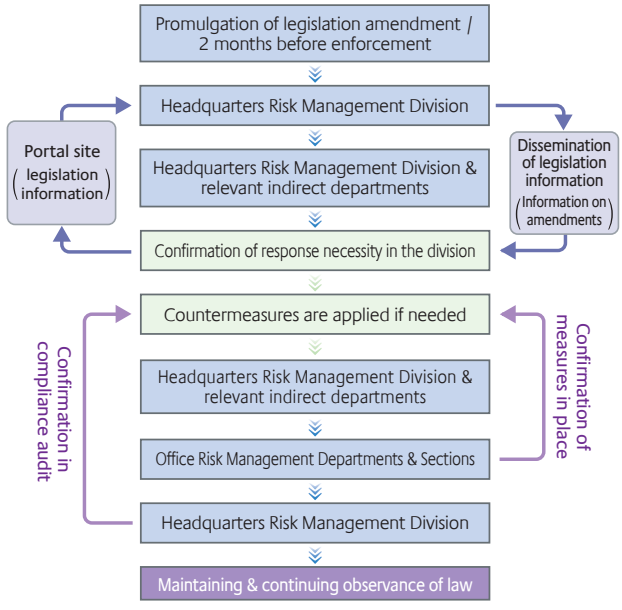
1. Thorough legal compliance
2. Superior workplace ethics
3. Prevention and countermeasures within a total risk management system

Day to day operations: Compliance Management System
Emergencies: Crisis Management Manual / Emergency Response System

Legislation Amendment Notification & Response System

On the company intranet, the Risk Headquarters Management Division provides a general outline of laws applying to Kyocera, the full text of the laws, information on legislation amendments and guidelines. Registered employees can freely reference this information. The intranet site thus serves to strengthen compliance. Furthermore, a "Legislation Amendment Notification & Response System" was launched in May 2008. Compliance personnel in relevant divisions are notified of amendments to legislation applying to Kyocera. Personnel then ascertain whether action must be taken in the division, and implement measures as necessary. This system enables timely response to legal matters.

Confirmation of response to legislation amendment



Compliance Training

Kyocera conducts Compliance Seminars at each level of the company as one measure to strengthen compliance. In FY2009, Compliance Seminars were held for executive employees, plant managers, office managers and new employees. Additionally, companywide seminars were held on individual laws concerning the Personal Information Protection Act.

No. of People Attending Compliance Education Seminars (FY2009)

	No. of Participants
Compliance Seminar	911
Seminar on the Personal Information Protection Act	347

Audit System

Each department in Kyocera and companies throughout the Kyocera Group uses the same legislation check-sheet to self-check for compliance with legislation. The headquarters Risk Management Division then conducts legal audit to each office. In FY2009, this legal audit was conducted to 45 offices in Japan, and then to all business divisions, aiming for thorough legal compliance.

Employee Consultation Hot-line Center

At the Employee Consultation Hot-line Center, employees and part-time workers can discuss issues, seek advice, and draw attention to actions that may be in violation of compliance. Privacy is explicitly protected, and consultations can be undertaken face to face. The Employee Consultation Hot-line Center investigates and ascertains the facts, and follows up with "Corrective Action" and "Preventive Measures Against Recurrence." In FY2009, consultations were undertaken on 18 matters. All were fully resolved.

Export Trade Control System

To ensure observance of laws relating to export transactions, Kyocera has established and is operating a response system concerning Foreign Exchange and Foreign Trade Law, Customs Law, and other legislation. Each business division has an Security Export Control Committee to deal with matters concerning Foreign Exchange and Foreign Trade Law and other laws governing export trade. The committees operate in accordance with the Kyocera Corporation Security Export Control Regulation. Additionally, to ensure legal compliance as an Authorized Exporter under the Authorized Exporters' Program, export trade is implemented in accordance with "Kyocera Regulations on Legal Compliance by Authorized Export Businesses ."

Protection of Personal Information

Kyocera recognizes the importance of privacy concerning personal information and, as a responsible social citizen, does everything possible to safeguard such information.
Kyocera has established a basic policy on the protection of personal information. A control system run by the Risk Management Division has been developed, and a security director appointed. Personal information is handled in keeping with strict requirements, and training is conducted accordingly. We are taking all possible steps to ensure the security of personal information.

Measures for Business Continuity Management

In FY2009, Kyocera prepared a "Business Continuity Management Manual." The purpose of the manual is to aid the continuation and speedy recovery of business operations in the case of an emergency situation, such as a natural disaster or major fire. The manual is being sequentially implemented in the main divisions starting in March 2009. Using the manual, divisions ascertain resources that are vital for business continuity, analyze vulnerability in case of disasters or other crises, and study necessary countermeasures. Divisions will organize systems for dealing with crisis situations. From among the numerous risks surrounding operations, Business Continuity Plans (BCPs) for major earthquakes (seismic intensity of 6+ or greater) and outbreak of a new flu virus will be created first in order to establish a system for risk management. To enable continuation of business operations, BCPs will also be created for administrative divisions which maintain in-house utility supplies and sustain company functions.
This activity will be implemented step by step throughout the Kyocera Group in Japan during 2010, and in the Kyocera Group overseas in 2011. By such means, the Kyocera Group is striving to establish sound crisis management.

The inaugural meeting

Enhancing management of physical security

As the importance of information security increases, Kyocera has enhanced measures to ensure physical security. Specifically, to prevent damage from potential physical threats, we are installing security gates and biometric identification facilities. Such safeguards have already been installed at the headquarters building and the Kagoshima Kokubu Plant in accordance with our Information Security Management System.
These offices are serving as models of the "security management system". Similar measures will now be deployed at other plants and offices.

A security gate

Topics of Interest 2008

The following pages introduce Kyocera Group topics of interest for FY2009.

2008 Apr. Kyocera acquires cell phone business of Sanyo Electric Co., Ltd.

Kyocera acquires the cell phone operations of Sanyo Electric Co., Ltd. in April, in accordance with a contractual stipulation requiring a company split. Following the takeover, we integrated the Sanyo's outstanding R&D capabilities, design technology and other expertise with Kyocera's management resources. This enables us to fine-tune our response to customer needs and undertake the development of appealing products providing even greater satisfaction.

The Osaka Daito Office was obtained with the acquisition

2008 Apr. Full-scale commencement of inkjet printhead business

Following thermal and electrophotographic printheads, Kyocera's inkjet printhead has achieved the world's fastest full-color print speed* (150m per minute at 600 x 600 dpi resolution). In April we began the production and sale of an inkjet printhead (KJ4 Series) with the world's widest effective print line, spanning 4.25 inches (108mm). This marks the start of full-scale deployment in Japanese and overseas markets.

* Measured by Kyocera (as of March 25, 2008). Two printheads are used in the scanning direction (75m per minute each).

2008 May KYOCERA MITA Corp. R&D center begins operations

KYOCERA MITA Corp. built an R&D center with 20 floors above ground and one floor underground on the premises of its Osaka City headquarters. The purpose was to consolidate operations relating to technological development of information equipment, and to realize quicker development of technology. These operations, previously spread across various bases, include product design, image-processing development, process development and software development. The center began operating in May.

2008 Jun. Kyocera acquires On Time Machining Company (OTM)

KYOCERA Industrial Ceramics Corp. engages in the manufacture and sale of fine ceramic-related products in North America. In June 2008, KICC signed a formal agreement to purchase OTM. The goal of the purchase was to expand market share of cutting tools and provide opportunities to improve value for customers. The purchase raises production capability in North America and improves ability to supply custom-manufactured tools.

2008 Jun. Technology proposal based on mobile broadband system "iBurst™" is formally accepted as IEEE802.20 standard

The IEEE Standards Association formally approved iBurst™-based technology proposed by Kyocera in IEEE802.20 standardization activities. Kyocera's iBurst™ technology will be a communications specification conforming to accepted industry standards. Our goal is to introduce this technology on a global scale.

iBurst™ infrastructure

* IEEE: Headquartered in the USA, IEEE is the world's largest organization for electrical and electronics engineers. A nonprofit organization, IEEE has more than 375,000 members in over 160 countries.
* IEEE802.20: The working group aiming to prepare the standards for high-speed, large-capacity wireless data communications.

2008 Jul. Development of a new gold-colored fine ceramic, simulating the feel of 18-carat gold

Among color ceramics, Kyocera has developed a gold-colored fine ceramic that is about 5% brighter than previous versions. The "new gold-colored fine ceramic" more closely approximates the luxurious feel found in true "18-carat gold". Kyocera is offering the new material to markets for use in jewelry, cell-phone buttons and other decorative components. We are thus expanding the possibilities of fine ceramics.

2008 Aug. Mie Ise Plant – No. 2 Building begins operating

The Mie Ise Plant is the head plant of a 4-base global system for production of solar photovoltaic modules. The No. 2 Building was constructed to strengthen production. Operations in the new building began in August.

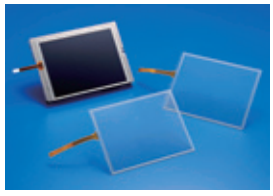
2008 Oct. D@TA Center begins offering on-demand services

KYOCERA Communication Systems Co., Ltd. began providing a new on-demand platform service through the internet data center, "D@TA Center". Customers can use only the IT resources they need, when they need them. Flexible services and detailed operational support promote the customer's business development while providing efficient IT investments.

Monitoring room

2008 Oct. Kyocera enters touch-panel business

In October, Kyocera began mass production of touch panels incorporated into liquid crystal displays (LCD). This marks our full-scale entry into the touch-panel business. The mass-produced touch panels are glass/glass structure. Therefore, they are superior to the currently mainstream film/glass panels in both visibility and durability. By integrating the touch panels with diverse types of LCDs, Kyocera is supplying products with high added value.



2008 Nov. Japanese Society for Biomaterials Award received

Japan Medical Materials Corp., Kyoto University and Chubu University jointly developed AHFIXR* technology. In recognition of the original and distinguished achievement of this technology, the three parties were presented with the 2008 Japanese Society for Biomaterials Award.

* A new technology, alkaline thermal processing of the metallic material surfaces of artificial joints enables a reaction with internal body fluids to create a bone-like material on the surface.

2008 Nov. Solar photovoltaic system with improved module power output released for sale

In October, Kyocera began selling a new type of module with high power output (208.4W), using 156 x 156mm cells, for public and commercial clients. In November, we began selling modules using the same cells for residential use. The standard-type "Econoroots" are designed for span roofs, flat roofs, etc. It has a power output of 183W, making it the highest-powered solar photovoltaic module produced by Kyocera for residential use.

2008 Nov. PHS handsets with a sense of fun HONEY BEE 2 released for sale

In November, Kyocera released the latest line of the very popular HONEY BEE series of PHS handsets. HONEY BEE PHS handsets feature pop designs and colors, and are produced for WILLCOM. Among other new features, the HONEY BEE 2 (WX331KC) is now equipped with a camera.

2008 Nov. New production base for solar photovoltaic cells Construction of plant in Yasu City, Shiga Prefecture

Kyocera has decided to build a large-scale plant in Yasu City, Shiga Prefecture. The plant will be a new base for production of solar photovoltaic cells, the key components in solar power generation systems. This will be the largest factory building of all Kyocera Group bases in Japan. It will become a core base with an estimated production of 650MW by March 2012.

2009 Jan. TA Triumph-Adler AG becomes a subsidiary

KYOCERA MITA Corp. acquired, via public takeover bid, the shares of information-equipment sales company TA Triumph-Adler AG (TAAG), in Germany. TAAG became a Kyocera subsidiary in January. TAAG's direct-sales organization, which uses a solutions-proposal approach, and its service system will enable deployment in other European countries as well as Germany. KYOCERA MITA is focused on business growth, and improved services and satisfaction from a wide range of customers.

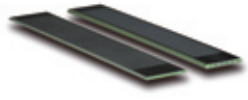
TAAG office in Hamburg

2009 Jan. Color MFP series "TASKalfa 500ci" 4 models released for sale

To strengthen its document-solutions business, KYOCERA MITA Corp. released four color MFP models for domestic sale in January: "TASKalfa 500ci / 400ci / 300ci / 250ci". The TASKalfa series features finely detailed image quality thanks to a newly developed toner with small particle diameter, and a new software platform developed by KYOCERA MITA. The four MFPs are the first wave of a new MFP product brand, called TASKalfa.

2009 Mar. Agreement on joint development of solid oxide fuel cell (SOFC) cogeneration system for residential use

Kyocera has formed an agreement with Osaka Gas Co., Ltd., Toyota Motor Corp. and Aishin Seiki Co., Ltd. to jointly develop a solid oxide fuel cell (SOFC) cogeneration system for residential use. Under the agreement, the companies will integrate and apply their cultivated technologies and expertise to accelerate development. We are aiming for development completion by 2015.



Approaching the 50th Anniversary of Kyocera's Founding

Thanks to the support of many people, Kyocera reached the 50th anniversary of its founding in April 2009. The Kyocera Group is now developing a wide range of businesses, from materials, components, devices and equipment to services and network businesses. The following pages outline the business path Kyocera and the Kyocera Group have followed over the past 50 years.

1959–1974

- 1959 ● "Kyoto Ceramic Co., Ltd". is founded as a manufacturer specializing in fine ceramics. The company is located at 101 Hara-machi, Nishinokyo, Nakagyo Ward, in Kyoto City.
- 1960 ● Kyocera's Tokyo office is opened.
- 1963 ● Shiga Gamo Plant opens.
- 1966 ● A major order is received from IBM Corporation (USA) for substrates to be used in their "System/360" mainframe computers.
- 1968 ● Kyocera is awarded the 1st Medium and Small Business Research Institute Award.
- ● Sales office opens in California, USA.
- 1969 ● Success in development of multilayered ceramic packages for semiconductor (IC) use.
- ● Kagoshima Sendai Plant opens.
- ● Sales office in California, USA is reorganized as the American sales company, KYOCERA International, Inc.
- 1971 ● Kyocera establishes the sales company Feldmühle Kyocera Eletronische Bauelemente GmbH (now KYOCERA Fineceramics GmbH) in Germany, in cooperation with Feldmühle AG.
- ● KYOCERA International, Inc. begins Kyocera's first overseas production.
- 1971 ● Public offering of 1,578,000 new shares. Capital stock increases to 560 million yen.
- ● Kyocera stock is listed on the Osaka Stock Exchange Second Section and on the Kyoto Securities Exchange.
- 1972 ● Kyocera receives the 18th Okochi Memorial Grand Production Prize for the "development of multilayered ceramic packages for large-scale integrated circuits".
- ● Headquarters relocates to Yamashina, Kyoto.
- ● Kyocera stock is listed on the Tokyo Stock Exchange Second Section.
- ● Kagoshima Kokubu Plant opens.
- ● Kyocera develops a multilayered ceramic capacitor.
- 1973 ● The cutting tool "Ceratip" is released for sale. Kyocera enters the machine tool market.
- 1974 ● Kyocera stock is listed on the First Sections of both the Tokyo and Osaka Stock Exchanges.
- ● KYOCERA (Hong Kong), Ltd. (now KYOCERA Asia Pacific Pte. Ltd.) is established in Hong Kong as a sales company.
- ● Kyocera receives the 16th Commendation by the Minister of State for Science and Technology, for "developing ceramic lamination technology for electronic circuits".
- ● Kyocera International Corporation is established.

1959 ▶ Birth of Kyoto Ceramic Co., Ltd.

Company founding members

On April 1, 1959, Kyoto Ceramic Co., Ltd. was founded with capital of 3 million yen and 28 employees. It was a humble beginning. The main product was a forsterite "U-shaped Kelcima". Developed by company founder, Kazuo Inamori (now Chairman Emeritus), the Kelcima was an insulator component used in television picture tubes.

1966 ▶ Obtained a major order for substrates (Fine Ceramic Parts business).

Substrates developed for use in the System/360

In 1966, Kyocera received an order from the computer manufacturer, IBM Corporation (USA). The order was for substrates for thick-film ICs. They were required for the world's first general-purpose computer – the "System/360" – developed by IBM. At the time, components for computers were at the cutting-edge of technology, and the level of expertise demanded was extremely high. Kyocera finally delivered the products after tremendous effort and struggle. This order earned Kyocera the recognition of major electrical-equipment manufacturers in Japan and overseas and led to increased orders.

1969 ▶ Multilayered ceramic packages developed for semiconductors (Semiconductor Parts business).

The first multilayered ceramic package

In 1969, Kyocera received an order for ceramic packages from Fairchild Industries, Inc. (USA). Semiconductors (ICs), which had only just been developed in the USA, were to be mounted on the packages. This order presented a considerable number of challenges, as the requirements were quite different from existing ceramics technology. For example, how should the multilayer wiring be formed? How should the wiring be connected vertically? Kyocera arrived at the concept of sintering the ceramic and the wiring metal simultaneously. By sintering aluminum oxide together with ceramic material at about 1600°C, the metal could be formed into the wiring pattern. Ultimately Kyocera developed a ground-breaking ceramic package with multilayer wiring. The ceramic multilayer package for semiconductors has been one of the main pillars of business, supporting the growth of the company to this day.

1971 ▶ Local production starts in USA.

The KII building at the start

In 1971, Kyocera purchased a factory in San Diego, California, USA from our business associate Fairchild Industries, Inc.
There Kyocera first began local production outside Japan.
The production list contained packages for semiconductors, ceramic substrates and metallized products. This product group is now manufactured by KYOCERA America, Inc. Kazuo Inamori and other employees struggled with differences in culture and ways of thinking between Japan and America. However, tenacious effort placed the business on the right path. At the same time, Kyocera's corporate culture gradually permeated local business practices, demonstrating that the Kyocera Philosophy was a universal rationale common to the world.

1973 ▶ Cutting tool "Ceratip" released for sale (Applied Ceramic Products business).

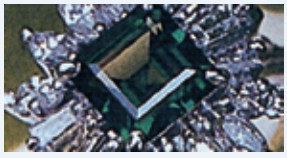
Ceratip W

The German company Feldmühle AG was a ceramics manufacturer with expertise in the field of machine tools. As part of diversifying the fine ceramics business, Kyocera obtained technology for producing cutting tools from Feldmühle AG.
The ceramic tool "Ceratip W" was released for sale in 1973, marking Kyocera's entry into the cutting tool market. Later, Kyocera established a position in the market with cermet tools. Today, Kyocera is advancing steadily as an integrated tools manufacturer.

1975 – 1989

1975 ● KYOCERA International, Inc. headquarters moves to San Diego, California, USA.
● Recrystallized emeralds are released for sale under the "Crescent Vert" brand.
● Kyocera establishes Japan Solar Energy Corp., entering the solar photovoltaic power business.
1976 ● ADRs (American Depository Receipts) are issued in USA.
1978 ● The dental implant "BIOCERAM" is released for sale.
1979 ● Kyocera invests in Feldmühle AG subsidiary, American Feldmuehle, Inc. in North Carolina, USA, acquiring 52.5% of the shares.
● Kyocera invests capital in Cybernet Electronics Corp.
● Central Research Laboratory opens in Kokubu (now Kirishima), Kagoshima.
● Kyocera purchases chip assembly company, Toshiba Electronics, Ltd. and establishes Kagoshima Electronics Co., Ltd.
1980 ● Kyocera stock is listed on the New York Stock Exchange. New shares of common stock in the form of ADRs are issued in the USA for the second time.
● Shiga Yohkaichi Plant opens.
● Kyocera develops a thermal printhead, and enters the Thin Film Components business.
1981 ● KYOCERA Business Machines Co., Ltd. is established, and begins selling cash registers and other office equipment.
● Success in developing ceramic glow plugs.
1982 ● Four affiliates, including Cybernet Electronics Corporation, merge with Kyoto Ceramic Co., Ltd. to form "KYOCERA Corporation".
1983 ● KYOCERA Business Machines Co., Ltd. is integrated with Kyocera's domestic electronic equipment sales division to become KYOCERA Electronic Equipment Co., Ltd. (later merging with the company now known as KYOCERA Communication Systems Co., Ltd.).
● Kagoshima Electronics Co., Ltd. merges with Kyocera to become Kagoshima Hayato Plant.
● Kyocera merges with the camera manufacturer Yashica Co., Ltd.
1984 ● Tokyo Central Research Laboratory (now Tokyo Yoga Office) opens in Setagaya Ward, Tokyo.
● Kyocera and 24 other companies, including Ushio Inc., Secom Co., Ltd., Sony Corp. and Mitsubishi Corp., establish Daini-Denden Kikaku Co., Ltd. (now KDDI Corporation).
● Solar Energy Center (now Chiba Sakura Office) is established in Sakura, Chiba.
1986 ● KYOCERA Electronics Europe GmbH (now KYOCERA MITA Deutschland GmbH) is established in Germany to sell copiers, audio goods and other electronic equipment.
1987 ● The production division of KYOCERA International, Inc. (USA) splits into a separate company, KYOCERA America, Inc.
● KYOCERA Electronics, Inc. is established to sell copiers, audio goods and other electronic equipment in the USA.
● KYOCERA Mexicana, S.A. de C.V. is established in Mexico to produce semiconductor and metallized components.
1988 ● KYOCERA Europe GmbH (Germany) becomes European headquarters.
1989 ● The USA connector manufacturer, Elco Group, becomes part of the Kyocera Group.

1975 ▶ Start of new jewelry sales by Crescent Vert (Applied Ceramic Products business).


A recrystallized emerald

In 1975, using fine ceramics technology, Kyocera developed recrystallized gems (today called Inamori Stones) that are identical to natural gems in composition and structure. The new gems were released for sale under the "Crescent Vert" brand. Recrystallized emeralds were the first product offered. They were followed by alexandrite, rubies, and padparadscha sapphires. These and other stones have continued to fulfill the desires of people everywhere to add beauty to life.

1975 ▶ Accepting the challenge of solar cell clean energy (Applied Ceramic Products business).

Learning from the first oil crisis, in 1975 Kyocera, Tyco Inc. (USA), Matsushita Electric Industrial Co., Sharp Corporation and other companies jointly established the Japan Solar Energy Corp. The new company developed solar cells with the aim of contributing to solving future energy problems. Later, as the price of oil stabilized, the business struggled. However, they continued steadily developing applications, driven by the mission that a "solar energy business is essential for the future of humankind." Today, solar energy is evolving into the world's most prominent business sector.

1978 ▶ Biomaterial "BIOCERAM" is released for sale (Applied Ceramic Products business).


Artificial hip joints

In 1973, making use of the biocompatible nature of ceramics, Kyocera began developing artificial dental, bone and joint implants (materials that can be placed in the body). Kyocera began selling dental implants in 1978, followed by artificial hip joints in 1982, under the name "BIOCERAM". Since then, the Kyocera Group has contributed to many medical fields as a leading maker of biomaterials.

1980 ▶ Listing on the New York Stock Exchange.


The day of listing on the New York Stock Exchange

The influential US economics magazine, "Business Week", published a two-page feature article on the NYSE listing of Kyocera shares titled "Japan Exports Blue-Chip Shares."
Top managers in leading investment firms had high praise for Kyocera, remarking that this was "one of the world's top ten corporations in terms of technological strength" and "a 21st-century corporation." The capital obtained through the listing was used to enhance and further expand business in the USA.

1984 ▶ Daini-Denden Kikaku Co., Ltd. established.


Press conference upon establishment

Using the opportunity offered by the deregulation of Japan's telecommunications industry, Kyocera's founder, Kazuo Inamori, set out to establish Daini-Denden Kikaku Co., Ltd. (later DDI Corp.). The goal was to spur price competition in the telecommunications industry with the entry of private enterprise, thereby benefiting all Japanese people. Kyocera fully supported DDI and made good use of synergy with the DDI Group (now KDDI Corporation) to expand business sectors, by starting up new operations, such as cordless telephones and cell phones.

1989 ▶ Elco Group becomes part of Kyocera Group.


Joint press conference announcing merger with Kyocera Group

The Elco Group, headquartered in the USA, was a global manufacturer of connectors with production bases in the USA, Japan, Germany and South Korea. With Elco, the Kyocera Group acquired a new product sector and was able to expand its electronic components business. The production base in Japan, Elco International Corporation, was renamed KYOCERA ELCO Corp. KYOCERA ELCO Corp. subsequently established affiliate companies and production bases in China, South Korea, Hong Kong and Singapore, and has steadily expanded business performance. It continues to achieve development as one of the strongest enterprises in the Kyocera Group.

Approaching the 50th Anniversary of Kyocera's Founding

1990–1999

1990
- Capital increases to 84,627.74 million yen after ADR issue.
- AVX Group becomes part of the Kyocera Group.
- KYOCERA Industrial Ceramics Corp. is established in Washington State, USA to produce and sell ceramics for industrial machinery.

1991
- American Feldmuehle, Inc., later renamed KYOCERA Feldmuehle, Inc., becomes a wholly owned subsidiary. The name is changed to KYOCERA Engineered Ceramics, Inc. (later merging with KYOCERA Industrial Ceramics Corp.).
- Kyocera enters the cell phone business with development of the first Kyocera-made cell phone, the "HP-111".
- The subsidiary, Tomioka Optical Co., Ltd., which manufactures lenses for cameras, is renamed KYOCERA OPTEC Co., Ltd.

1992
- AVX establishes Czechoslovakia, Spol. s.r.o. (now AVX Czech Republic s.r.o.) – the first production base in Eastern Europe.
- Kyocera's Advanced Ceramics Technology Center is established in Washington State, USA.
- Elco International Corp., the Japanese corporate entity of the Elco Group, is renamed KYOCERA ELCO Corporation.

1994
- Kyocera and 20 other companies, including Nintendo Co., Ltd., establish the professional soccer team Kyoto Purple Sanga Co., Ltd. to support the revitalization of Kyoto.

1995
- Kyocera R&D Center, Yokohama is established and the Tokyo Central Research Laboratory is relocated.
- Kyocera R&D Center, Keihanna is established in Kyoto.
- KYOCERA Communication Systems Co., Ltd. is established to develop and sell information systems and software.
- Through the Group company KYOCERA Realty Development Co., Ltd., Kyocera opens Hotel KYOCERA in Hayato (now Kirishima City), Kagoshima Prefecture.
- Shanghai KYOCERA Electronics Co., Ltd. is established to produce electronic components in China.

1996
- Dongguan Shilong KYOCERA Optics Co., Ltd. is established to produce cameras in China.
- KYOCERA Solar Corp. is established as a sales company for solar power generating systems.

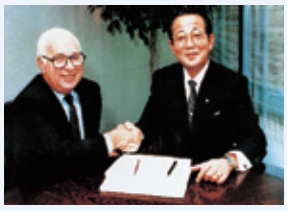
1997
- The Environment Agency's Director-General Prize is received for "Contributing to the prevention of global warming" by the Solar Energy business.

1998
- Kyocera Headquarters relocates from Yamashina Ward to Fushimi Ward in Kyoto City. A new, environmentally conscious headquarters building is constructed with solar photovoltaic systems.
- Kyocera invests in crystal components manufacturer Kinseki, Ltd. (now KYOCERA KINSEKI Corp.).
- KYOCERA Precision Tools Korea Co., Ltd. is established in Incheon City, South Korea.

1999
- The "New Energy System" in Kyocera's new headquarters building wins the New Energy Foundation Chairman's Grand Prix from the Agency for Natural Resources and Energy.
- Japan Fine Ceramics Association presents Kyocera with the 1998 Japan Fine Ceramics Association Industry Advancement Award for "Long-term contribution to the advancement of the fine ceramics industry," and the Technology Advancement Award for "Development and practical application of the ABS cup."
- The solar power generating systems sales company KYOCERA Solar, Inc. is established in Arizona, USA.

1990 ▶ AVX Group joins the Kyocera Group (Electronic Devices business).

In 1990, the major US electronic components manufacturer AVX Corp. became part of the Kyocera Group. AVX readily accepted Kyocera's offer of "allying both companies for the development of the world's electronics industry." A stock swap took place and the companies merged. Upon merging with Kyocera, AVX Corp. delisted from the New York Stock Exchange, but relisted in 1995.



Kazuo Inamori with then-AVX Chairman Marshall Butler

1991 ▶ The first cell phone made by Kyocera is ready for sale (Telecommunications Equipment business).

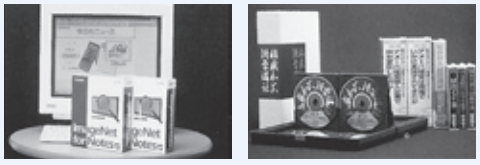
In addition to providing cell phone services, Kyocera began developing handsets. To benefit from the initial disadvantages of starting late in this industry, development concentrated on innovative, rather than conventional thinking. In 1991, after nearly two years of trial and error, the first Kyocera-made cell phone, the "HP-111", was ready for the market.

Later, Kyocera produced the first cell phone in Japan with a lithium-ion battery (called the "21st-century battery"). Released in August 1992, the "HP-121" was small, light and featured long talk time between charges.

The HP-121

1995 ▶ KYOCERA Communication Systems Co., Ltd. is established (Others business).

In September 1995, Kyocera's management information systems division was separated from the company, made independent and established as KYOCERA Communications Systems Co., Ltd. Thereafter, with capital contribution from DDI Corporation, KYOCERA Communication Systems became an information and communication services company for Kyocera's DDI Group. The company developed operations in communications engineering, network systems and information-related businesses.



Software sold commercially (left) and Amoeba Management training tools (right).

1995 ▶ Hotel KYOCERA opens for business (Others business).

In September 1995, Hotel KYOCERA opened for business in the Hayato Technopolis Center, in Kokubu, Kagoshima Prefecture. The hotel has 15 floors.

Despite the large numbers of international visitors to this district, there were no hotels to provide cosmopolitan hospitality. Furthermore, local citizens strongly desired a full-service hotel, not just to accommodate visitors, but also as a venue for wedding ceremonies, meetings and other events; therefore, Kyocera built its hotel here to aid regional development.

Hotel KYOCERA

1998 ▶ Kyocera invests in Kinseki, Ltd. (Electronic Devices business).

Applied crystal products, such as crystal resonators, crystal oscillators and crystal filters, are essential components in cell phones, digital cameras, PCs and many other devices. Kyocera invested capital in Kinseki, Ltd. (now KYOCERA KINSEKI Corp.) – an enterprise featuring integrated production starting with manufacturing the raw material – synthetic crystals.

Synthetic crystals

2000 –

- 2000 ● Kyocera helps copy machine manufacturer Mita Kogyo Co., Ltd., emerge from bankruptcy. The company is renamed KYOCERA MITA Corp. and becomes part of the Kyocera Group.
- ● KYOCERA Wireless Corp. is established in California, USA to manufacture and sell cellular phones.
- ● DDI Corporation, KDD Corporation and IDO Corporation merge to form DDI Corporation (now KDDI Corporation).
- 2001 ● Tycom Corp. (now KYOCERA Tycom Corp.) joins the Kyocera Group.
- ● Kyocera Group sales for the fiscal year ending March 2001 break the one trillion yen mark.
- 2002 ● Kyocera's printer business is transferred to and integrated with KYOCERA MITA Corp.
- ● Kyocera acquires Toshiba Chemical Co., Ltd., an enterprise involved in manufacturing and selling organic materials. The company is renamed KYOCERA Chemical Corp.
- 2003 ● KYOCERA (Tianjin) Sales & Trading Corp. is established to sell Kyocera Group products in China.
- ● KYOCERA (Tianjin) Solar Energy Co., Ltd. is established in Tianjin City, China, to produce solar cells.
- ● Executive Officer system is implemented.
- ● Kinseki, Ltd. (now KYOCERA KINSEKI Corp.) becomes a wholly owned subsidiary of KYOCERA Corp.
- ● Kyocera buys SLC business from IBM Japan, Ltd., and establishes KYOCERA SLC Technologies Corp.
- 2004 ● KYOCERA Telecommunications Research Corp. is established in California, USA.
- ● The sales company KYOCERA Electronic Devices, LLC. is established to work with customers so that their equipment can have Kyocera technology "designed in." They operate in the USA, South Korea, Singapore and China, among other countries.
- 2004 ● The Group company KYOCERA Realty Development Co., Ltd. enters into the hotel business in Kyoto with purchase of Hotel Princess Kyoto (now Hotel Nikko Princess Kyoto).
- ● Crystal Components business is reorganized. KYOCERA KINSEKI Corp. undertakes production, while product sales are assigned to Kyocera.
- ● Kyocera's organic-material components businesses are merged with KYOCERA SLC Technologies Corp.
- ● Production of solar cells begins at KYOCERA Mexicana, S.A. de C.V.
- ● Japan Medical Materials Corp. is established by integrating Kyocera's Biomaterials Division and the medical materials division of Kobe Steel, Ltd.
- ● The Group company KYOCERA Communication Systems Co., Ltd. establishes KYOCERA MARUZEN Systems Integration Co., Ltd.
- ● KYOCERA Solar Europe s.r.o. is established in Kadan City, Czech Republic, to manufacture solar cells.
- 2005 ● Kyocera's solar sales businesses in Japan are integrated and become KYOCERA Solar Corp.
- ● The KYOCERA Solar Europe s.r.o. factory in the Czech Republic begins operating.
- ● Kyocera acquires land, buildings and other property from IBM Japan, Ltd. for the Shiga Yasu Office.
- 2006 ● The Group company KYOCERA Communication Systems Co., Ltd. establishes KCCS Management Consulting, Inc.
- ● KYOCERA Korea Co., Ltd. is established in Seoul, Korea, to sell semiconductor components.
- 2007 ● KDDI Corp., Intel Corp., East Japan Railway Company, Daiwa Securities Group, Inc., The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Kyocera jointly establish Wireless Broadband Planning Inc. (now UQ Communications, Inc.).
- 2008 ● Kyocera acquires SANYO Electric Co., Ltd.'s cell phone business; KYOCERA Sanyo Telecom, Inc. is established in California, USA; KYOCERA Telecom Equipment (Malaysia) Sdn. Bhd. is established in Malaysia.
- 2009 ● The sales, marketing and service divisions of KYOCERA Wireless Corp. in the USA are integrated with KYOCERA Sanyo Telecom, Inc., to become KYOCERA Communications, Inc.

2000 ▶ Mita Corp. becomes part of the Kyocera Group, as KYOCERA MITA Corp. (Information Equipment business).

Unveiling ceremony for start of new company

The Kyocera Group helped copier manufacturer Mita Corp. emerge from bankruptcy. Following completion of procedures, in January 2000 the company became part of the Kyocera Group and the name was changed to KYOCERA MITA Corp. At the same time, Kyocera's printer business was transferred to and integrated with KYOCERA MITA's operations. KYOCERA MITA Corp. thus made a fresh start as a manufacturer of document equipment. Today, the company is showing good business results, especially in Europe and Japan. KYOCERA MITA Corp. is accomplishing steady growth as a strong enterprise of the Kyocera Group.

2003 ▶ KYOCERA SLC Technologies Corp. is established (Semiconductor Parts business).

KYOCERA SLC Technologies Corp. Headquarters

In September 2003, Kyocera acquired the SLC business (build-up high density interconnection wafer – Surface Laminar Circuit) of IBM Japan, Ltd., and established it as KYOCERA SLC Technologies Corp.
KYOCERA SLC Technologies Corp. benefitted from synergy by integrating Kyocera's cultivated technology ranging from materials to products and analysis, with the design, manufacturing and mounting-analysis technology acquired from IBM Japan, Ltd. The new company was involved in all stages of production, from development and design, to the manufacture and sale of organic-material chip carriers for semiconductors, high-density mounting boards, and other applications.

2004 ▶ Japan Medical Materials Corp. is established (Applied Ceramics Products business).

Artificial hip joint made of AHFIX-processed titanium alloy

The medical materials operations of Kyocera and Kobe Steel, Ltd. were integrated as a new company, "Japan Medical Materials Corp".
The new company represents the fusion of specialties of each company, in ceramics and titanium alloys, alongside processing technologies and management resources. Having established a business base as a globally unique company specializing in medical materials, JMM encouraged competition in Japan and overseas, and is developing operations worldwide.

2005 ▶ Global production for solar business is established (Applied Ceramic Products business).

KYOCERA Solar Europe s.r.o.

In view of the rising global demand for solar photovoltaic power systems, Kyocera has built a solar cell production system on a worldwide scale.
In 2003, KYOCERA (Tianjin) Solar Energy Co., Ltd. began production in Tianjin, China. In 2004, KYOCERA Mexico S.A de C.V. followed. Then in 2005, KYOCERA Solar Europe s.r.o. began production in the Czech Republic. Together, these bases and the production base in Japan form a 4-base global production system able to provide a stable supply of solar power generating systems to the entire world.

2008 ▶ SANYO Electric Co., Ltd.'s cell phone business is acquired and integrated (Telecommunications Equipment business).

Joint press conference for announcing takeover of the business

In April 2008, Kyocera signed the final agreement to take over the cell phone operations of SANYO Electric Co., Ltd., upon separation from the company.
In taking over the business, Kyocera is integrating the outstanding R&D capability, design technology and expertise cultivated by Sanyo with Kyocera's management resources. This enables us to fine-tune our response to customer needs and develop appealing products giving even greater satisfaction to our customers.

Fifty Years of Progress Together with Society

The Kyocera Group receives tangible and intangible support from society. Thanks to such support, the Group is where it is today, and in appreciation we have been using diverse opportunities to contribute actively to society. In the Kyocera Group, we regard a corporation as a member of society. Irrespective of the times, we aim to continue fulfilling our responsibility as a corporate citizen that supports development of local communities and society. Not just in business, but also through diverse social contribution activities, we will continue to be an organization working for the world and for people.

1959–1979

- 1963 ● Began contributions to an annual Year-end Fundraising Campaign.
- 1969 ● Donated scholarship funds to Gamo Town (now Higashiomi City) in Shiga Prefecture, and three grand pianos to elementary and junior high schools.
- ● Established the Inamori Scholarship Fund in the Kagoshima University Department of Engineering.
- 1970 ● Donated grand pianos and electronic pianos to Kagoshima Municipal Nishida Elementary School, Shiga Prefecture Hino Junior High School, and other schools.
- 1972 ● Held the first Summer Festival at the Shiga Plant (now the Shiga Gamo Plant).
- 1973 ● Donated teaching materials to elementary, junior high and other schools in Kokubu City (now Kirishima City), Sendai City (now Satsumasendai City) and in other cities, towns and villages in Kagoshima Prefecture, and also to schools in Kyoto City.
- 1974 ● Donated musical instruments to 10 elementary and junior high schools in Kokubu City, Kagoshima Prefecture.
- 1976 ● Established the Kyocera Children's Overseas Study Tour, with the aim of cultivating strong international awareness. By 2000, 860 people had visited the U.S.A. in 25 tours.
- 1978 ● Established a Japan Study Tour for children of company employees in the U.S.A., to promote international exchange. By 2002, 514 people had visited Japan in 25 tours.
- 1979 ● Donated a small vehicle with a search light to Yamashina Ward Fire Station in Kyoto City, and two Siberian tigers to Kyoto City Zoo.
- ● Donated color televisions to 10 elementary schools in Yamashina Ward in Kyoto City.
- ● Donated a microbus to Gamo Town Office, Shiga Prefecture.
- ● Donated a fire truck and three clock towers to Kokubu City, Kagoshima.

1963 ▶ First year of participation in the annual Year-end Fundraising Campaign

In 1963, the fourth year after foundation, Kyocera began taking part in the annual nationwide Year-end Fundraising Campaign. Since then, at the end of each year, in Japan have helped to raise funds for the annual campaign. Contributions by employees and companies are entrusted to their local communities. Moreover, we are focusing on projects with long-term benefits by putting contributions into designated funds.

1969 ▶ Full-scale start of local community social contribution activities

Piano concert presented by three schools, on presentation of the pianos in 1969

Full-scale social contribution activities began in 1969, as we approached the 10th anniversary of foundation. Kyocera was able to reach the 10th anniversary thanks to the warm support of local communities. As an expression of thanks, the Shiga Plant (now the Shiga Gamo Plant) donated two grand pianos to elementary schools and one to a junior high school in Gamo Town (now Higashiomi City). Additionally, Kyocera presented scholarship funds to Gamo Town.

Every 10 years since then, on the 20th, 30th and 40th anniversaries, Kyocera has undertaken numerous social contribution activities for the communities in which the plants are located.

1972 ▶ Start of Summer Festivals

At the Kagoshima Hayato Plant in 2008

Aiming to become a corporation that is open to the community, Kyocera held the first "Summer Festival" in 1972 at the Shiga Plant. Since then, local people have been invited to similar events at plants and offices all over the country. Today, they are customary summer festivals and popular with many people.

In FY2009, about 42,000 people attended festivals at 19 places around the country. Furthermore, plants and offices are helping to invigorate communities as active participants in local community festivals and events.

1976 ▶ Kyocera Children's Overseas Study Tour is first held

The Study Tour system was established in 1976 "To give boys and girls firsthand experience of lifestyles in different cultures. Children have sharp sensitivities and see society through innocent eyes. Such experience will help them develop into broadminded adults full of dreams and as leaders of society."

Each year, children are sent to the United States for 10 days. Initially, the tours were limited to 20 children of Kyocera Group employees. From the fifth year, the program was expanded to include 20 children from communities around offices in Kyoto, Shiga, Kagoshima and elsewhere. By the 25th Study Tour in 2000, 860 children had visited the United States where they gained precious experience through home-stays with local Kyocera Group employees, and other activities.

Group photo for The 1st Kyocera Children's Overseas Study Tour

1978 ▶ Start of Japan Study Tour for Children of USA Kyocera Employees

This Study Tour has the same goal as that of the Kyocera Children's Overseas Study Tour. The program started in 1978, when eight children of Kyocera Group employees in the USA were invited to Japan. From the 3rd year, as with the tours from Japan, the same number of children from the USA have also been invited.

By the 25th Study Tour in 2002, 514 children had visited Japan.

A group photo for the Japan Study Tour for Children of USA Kyocera Employees

1980–1989

1980 ● Donated a grand piano to Horikawa Senior High School in Kyoto City.
1981 ● Collaborated in establishing the Reizeike Shiguretei Library (Foundation) , for preservation of "Meigetsuki", diary of Fujiwara-no-Teika.
1983 ● Kyocera donated a 6kW solar power generation system to Kankoi Village in Pakistan, thereby contributing to an improved quality of life in this non-electrified village. (Solar is used to light all homes, and power communal well pumps.).
● Donated a 1.6kW solar power system to Sukatani Village, Indonesia. (The system is used for lighting in the village clinic, refrigeration of medicine, and well pumps.).
1984 ● Supported the establishment of the Inamori Foundation. The Foundation's purpose is to honor and support creative activities that further the development of science and civilization or the spiritual growth and enlightenment of humankind, and to contribute to the peace and prosperity of humanity.
● Donated the multipurpose "Inamori Hall" to the Kyoto Prefecture trade fair center's Pulse Plaza.
● Endowed Kyocera Distinguished Professorships at MIT and Case Western Reserve University in the United States.
1985 ● Supported management of the "Kyoto Prize" award ceremonies, an international awards event established by the Inamori Foundation in the same year.
● Co-sponsored the "Contemporary Japanese Painting Exhibition" with Wacoal Corporation. The purpose of the exhibition was to contribute to the building of amicable international relations by introducing Japanese painting abroad and promoting international exchange of arts and culture. Over two years, the exhibition was presented in seven cities in five countries, both in Europe and the United States.
● Established the KYOCERA Corporation Chair at University of Washington, USA.
● Donated a 10kW solar power system to Yuanzi Village, Lanzhou in Gansu Province, China.
● Established the Kyocera Welfare Fund for the Sendai City Social Welfare Council in Kagoshima Prefecture.
1986 ● Donated a private collection of photographs (about 1,000) to the Kyoto National Museum of Modern Art. Known as The Gilbert Collection, it was put together by the renowned American collectors of photographic art, Arnold Gilbert and his wife.
1987 ● Set up the Kyoto Conference Foundation with local companies, aiming for the fusion of Kyoto's business sectors and academic circles.
1988 ● Supported construction of the Pavilion for Japanese Art, in the Los Angeles County Museum.
1989 ● Supported the establishment of the Association for Corporate Support of the Arts, Japan to further the awareness and spread of art and cultural activities.

1981 ▶ Supported establishment of "Shiguretei Library"

The Reizeike Shiguretei Library (Foundation) was established in 1981 to manage a collection of old writings and manuscripts held by the Reizeike (Reizei family) of Kyoto. These include "Meigetsuki", diary of Fujiwara-no-Teika. For 800 years, sometimes in the face of great obstacles, the Reizeike has protected and handed on the cultural legacy of court nobles of Japan. Kyocera supported establishment of the Foundation in view of the immense historical and cultural value of the collection.

The Shiguretei Library Collection

1983 ▶ Donations of solar power systems

All over the world, Kyocera has donated community power systems to villages and communities lacking electric power. The first of these was donated to Kankoi Village, Pakistan, in June 1983. Having felt the pleasure and hopes of people who had electricity brought into their lifestyles, we were convinced of the usefulness of solar power. This added momentum to technological development.
Since then, Kyocera has contributed to local communities by donating solar power systems, not only in Japan but also in countries all over the world. In towns, villages and other communities lacking electric power, Kyocera solar power systems have improved the lifestyles of many people.

Solar power system donated to Kankoi Village

Villagers rejoice as lights turn on.

1985 ▶ Support for The Kyoto Prizes

The Inamori Foundation established the "Kyoto Prizes" in 1984 based upon the belief of Kyocera's founder, Kazuo Inamori, that, "a human being has no higher calling than to strive for great good of humanity and the world" The Kyocera Group also actively supports the Kyoto Prizes organized by the Foundation. The Kyoto Prize is an international award to honor those who have contributed significantly to the scientific, cultural, and spiritual betterment of humankind in the three categories of Advanced Technology, Basic Sciences, and Arts and Philosophy. Through the Prize, it is purposed to promote academic and cultural development and to contribute mutual international understanding. Selection of the laureates is conducted by the Kyoto Prize Selection Organization, consisted of three steps to assure fairness and impartiality. The 1st Kyoto Prizes Awards Ceremony was held in November 1985 at the Kyoto International Conference Center in Takaragaike, Kyoto. Additionally, the special commemorative Kyoto Prize was presented to the Nobel Foundation to commemorate establishment of the Kyoto Prize. This was done in praise of the distinguished services of the Nobel Foundation. Through the commendable activities of the Nobel Prizes, the Nobel Foundation has contributed immensely over many years to the advancement of science and culture worldwide.

The 1st Kyoto Prizes Awards Ceremony

Presentation of a the special commemorative Kyoto Prize to the Nobel Foundation (During The 1st Kyoto Prizes Awards Ceremony)

1985 ▶ Co-sponsored the "Contemporary Japanese Painting Exhibition"

Kyocera co-sponsored the "Contemporary Japanese Painting Exhibition" with Wacoal Corporation in 1985. Our aim was to contribute to the building of amicable international relations by introducing Japanese painting abroad and promoting international exchange of arts and culture. Over two years, the exhibition was presented in seven cities of five countries, in Europe and North America. The exhibition was highly acclaimed by many people on both continents.

Jacques Chirac, then Mayor of Paris, giving a speech at the Paris Exhibition

The Opening Ceremony for the Vancouver Exhibition (USA)

Fifty Years of Progress Together With Society

1990–1999

1990 ● Sent relief supplies to refugees, following break-up of the Soviet Union.
● Supported the restoration of the Japanese garden in Balboa Park, San Diego, USA and activities of the Japanese Cultural Center of Hawaii, to build understanding of Japanese culture.
1991 ● Supported foundation centennial events of The Ceramic Society of Japan, which was established for the purpose of developing ceramics industry, science and technology.
● Supported the construction of the Japan Studies Institute at San Diego State University.
● Supported landscaping of Kyoto Garden in London, contributing to Japan-UK cultural exchange.
1992 ● Supported the Foundation for Promotion of Kyoto Industrial Technology (now Kyoto Industrial Support Foundation 21), with the aim of contributing to development of Kyoto's industries.
1993 ● Cooperated in the Heian Shrine Restoration Project (on the centennial of shrine construction).
1994 ● Agreeing with the spirit of the J-League's "100-year vision," and in response to local residents' wishes, Kyocera supported the establishment and management of the Kyoto Purple Sanga professional soccer team (now Kyoto Sanga F.C.).
1995 ● Supported establishment of an Olympic athlete training center (suburban San Diego, USA).
1995 ● Supported research into the oldest civilization in China, with commencement of support for the Japan-China Yangtze River Civilization Survey.
1996 ● Collaborated in establishing the US-Japan 21st-Century Committee as a forum for specialists representing Japan and the USA to discuss mutual relations.
● Supported installation of a telescope at the Las Campanas Observatory in Chile through a donation to the Carnegie Foundation in the U.S.A.
1997 ● Supported foundation centennial activities of Kyoto University.
● Contributed to sustaining and developing friendly relations between Japan and China by launching the China Youth Japan Friendship Tour, through which children in China are invited to visit Japan.
1998 ● To promote cultural awareness, Kyocera opened the Kyocera Museum of Art as a place where visitors can admire diverse artistic assets; and the Kyocera Museum of Fine Ceramics to aid researchers and students who are or will be responsible for the development of fine ceramic technology. Both facilities are located in the new headquarters building.
● Donated the "British Parliamentary Documents," covering the period from 1801 to 1986 (about 8 million pages in 12,700 volumes), to the National Museum of Ethnology in Japan. In 2006, they were transferred to the Center for Integrated Area Studies (CIAS) in Kyoto University.
1999 ● Donated a microbus with wheelchair lift to the Sendai City Social Welfare Association in Kagoshima Prefecture.
● Established a Kyocera Business Management Course in Kagoshima University's Department of Engineering.

1994 ▶ Supported Kyoto Purple Sanga

Japan's first professional soccer league – J-League – was inaugurated in May 1993 with 10 teams, signaling a new era for the sports world. Interest surged among Kyoto people, with many calling for a Kyoto-based professional soccer team. Kyocera and other members of the local business world were approached with requests for support.
Kyocera understood corporations with a local presence have a responsibility to support efforts that add vitality to the communities they serve. Therefore, in January 1994, Kyocera and 19 other local corporations formed the management company Kyoto Purple Sanga Co., Ltd.
Kyoto Sanga F.C (formerly Kyoto Purple Sanga) began as Shiko Club, the oldest club team in Japan. On becoming Kyoto Purple Sanga, the team was strengthened with soccer players imported from abroad. After reaching 2nd Place in the former JFL in the 1995 Series, the team achieved the long-awaited admission to the J-League. Today, the Kyocera Group continues to support the activities of Kyoto Sanga F.C., alongside the people of Kyoto.


At the party commemorating inauguration of Kyoto Purple Sanga


Kyoto Purple Sanga in play

1995 ▶ Collaborated in research of Yangtze River civilization

The Japan-China Yangtze River Civilization Archeological Survey began in 1995. Kyocera provided financial and technological support needed for scientific study. Takeshi Umehara, then Director-General of the International Research Center for Japanese Studies, took part in the survey, investigating sites such as the Long-maguchen Baodung ruins in the upper reaches of the Yangtze River. After the survey, the team presented results that repainted the history of the world's ancient civilizations.


Examining Long-maguchen Baodung ruins

1998 ▶ Kyocera Museum of Art & Kyocera Museum of Fine Ceramics opened

The Kyocera Museum of Art opened in 1998 on the first floor of the headquarters building. The museum was established as part of Kyocera's cultural activities and to support development of regional culture. The permanent exhibition is centered on copper engravings from Picasso's "347 Series," Japanese-style paintings by Ikuo Hirayama, Kaii Higashiyama and others, Western-style paintings by Ryuzaburo Umehara, Gentaro Koito and others, and sculptures by artists including Shinya Nakamura and Toshio Yodoi. A special exhibition titled "Ansel Adams: Grand Landscapes of North America"was held from October through December 2008. This exhibition featured works by the legendary American photographer, Ansel Adams. The museum is widely used by the general public as a place where anyone can freely take pleasure in beauty. Local residents, sightseers in Kyoto, students on school trips and many other people visit the museum.
The Kyocera Museum of Fine Ceramics was opened to contribute to further development of fine ceramic technology and the industry. Displayed here is the process by which Kyocera developed its fine ceramic technology over the years. The museum has a Fine Ceramics Materials Library containing a collection of books and reference materials on fine ceramics. A similar facility was opened in the Kagoshima Kokubu Plant in 2001.


The Kyocera Museum of Art


The Kyocera Museum of Fine Ceramics

1998 ▶ Donation of the "British Parliamentary Documents"

The "British Parliamentary Documents" set out the history of British Parliament (from the 19th century) in 12,700 volumes containing about 8 million pages. They are regarded as being among the most valuable reference materials for research on the modern history of the world. In 1998, Kyocera presented them to The Japan Center for Area Studies in the National Museum of Ethnology, where they were made generally accessible as the [Kyocera Collection of British Parliamentary Documents]. When the Center was reorganized in 2006, the collection was transferred to the Center for Integrated Area Studies (CIAS) in Kyoto University.

2000 ～

2000 ● Contributed to 50th anniversary events for the San Francisco Treaty of Peace with Japan, to further Japan-US friendship.
2001 ● Established the Inamori Kyocera Western Districts Development Scholarship Fund. The purpose of the fund is to aid regional development in China's western provinces and to help university students needing economic support, by cultivating people who will become involved in science and technology.
● Donated funds for renovation of Kyoto International Student House, for foreign students studying in Japan.
● Held the U.S.- Japan Leadership Forum jointly with CSIS (the Center for Strategic and International Studies), USA, for world experts to discuss the ideal leadership.
● Contributed to repair of the Main Hall and restoration of sliding door paintings in the Dai-Shoin (Study Hall) of Enpukuji Temple, in Yawata City, Kyoto Prefecture. Enpukuji is a Buddhist temple of the Rinzai Sect, Myoshinji School.
2003 ● Supported the Third World Water Forum, sponsored by Kyoto City.
2004 ● Supported the Special World Winter Olympics – an event where people with intellectual disabilities could share the emotions and joys of testing their physical limits.
● Supported sponsoring of the CSIS (Center for Strategic and International Studies) Kyoto Forum.
● Donated a solar power system to the botanical gardens in Tianjin City, China.
2005 ● Supported the establishment of the Inamori Academy of Management & Technology at Kagoshima University. This academy was developed from the Kyocera Management Studies Course in the Department of Engineering, but is accessible to all departments.
● Supported sponsoring of the 2005 Children's World summit for the Environment.
● Collaborated in establishing the Kazuo Inamori School of Engineering at Alfred University (New York, U.S.A.), to support further academic development and research in ceramics. Alfred University receives high acclaim worldwide for its education and research in ceramics.
2006 ● Donated a solar power system to Doujiaxian cun, Lanzhou City, in Gansu Province, China.
2007 ● Launched the Kyocera Anticrime Patrol Corps.
● Supported establishment of the Nanostructures Research Laboratory of the Japan Fine Ceramics Center.
● Supported repair and preservation work on the Western Two-Storied Gate (an Important Cultural Property) of Yasaka Shrine, in Kyoto City.
2008 ● Supported establishment of Inamori Academy Building at Kagoshima University.
● Shiga Gamo Plant and Shiga Yohkaichi Plant first participate as private enterprises in the "Rape Flower Eco-Project" promoted by Higashiomi City, Shiga Prefecture.
● Contributed to the Pink Ribbon Movement through ceramic kitchen ware.

2000 ▶ Contributed to 50th anniversary events for the San Francisco Treaty of Peace with Japan

Japan's prosperity today is founded on support from the United States after the war. Kyocera supported 50th anniversary events held in 2001 to commemorate signing of the San Francisco Treaty of Peace with Japan. As well as being an expression of gratitude, Kyocera's support aimed to deepen mutual esteem for our cultures in addition to strengthening trust relationships.

2001 ▶ Established the Inamori Kyocera Western Districts Development Scholarship Fund

In 2001, Kyocera and the company's founder, Kazuo Inamori, set up the Inamori Kyocera Western Districts Development Scholarship Fund.

The fund presentation ceremony

The fund was established to help university students in China's western provinces, who are outstanding both academically and in conduct, but suffering economic difficulties. The aim is to enhance education activity in the western provinces, and promote cultivation of talented people who can advance science and technology.

Each year, scholarship funds are granted to 260 students at 12 universities.

2004 ▶ Supported sponsoring of the CSIS Kyoto Forum

Having obtained the cooperation of the renowned US think tank CSIS (Center for Strategic and International Studies), the Inamori Foundation and Kyocera have sponsored the CSIS Kyoto Forum each year since 2004. The purpose is to help the general public acquire broader knowledge of international matters.

The CSIS Kyoto Forum

2006 ▶ Donated a solar power system to a Chinese village without electric power

In April 2006, Kyocera donated a solar power system to a village lacking electric power in Gansu Province, China. The power generation system, which is expected to serve the villagers for a long time, was set up in all six households of Doujiaxian cun, about 50 km from Lanzhou City. It is the power source for lights, televisions and other appliances.


Presenting the solar power system to an off-grid village in China

2007 ▶ Start of the Kyocera Anticrime Patrol Corps

In 2007, the Kagoshima Kokubu Plant and the Kagoshima Hayato Plant set up the Kyocera Anticrime Patrol Corps. Magnetic sheets printed with "Kyocera Anticrime Patrol" are placed on 111 company cars used for daily business activities. Drivers watch over the movements of children and otherwise actively engage in crime prevention activities, thereby contributing to community safety.


Company cars leave a plant


A company car with a "Kyocera Anticrime Patrol" sticker

2007 ▶ Supported establishment of the Nanostructures Research Laboratory

The Japan Fine Ceramics Center engages in research, testing and evaluation relating to fine ceramics. The Nanostructures Research Laboratory was opened in the Center in April 2007. The nucleus technology of the laboratory is nanostructural analysis and evaluation of materials amassed by the Center. Functions of the laboratory include microstructural analysis using electron microscopes, computational materials design using first-principle calculations, and advancement of cutting-edge R&D. Kyocera helped finance establishment of the laboratory.


Nanostructures Research Laboratory, in Nagoya City (the building standing front-right)

Fifty Years of Progress in Harmony with the Environment

With the corporate motto "Respect the Divine and Love People" as the foundation, all of Kyocera's corporate activity, since the beginning, has been based on the three pillars of "Living Together": "coexisting with our society", "coexisting with our global community", and "coexisting with nature." The entire Kyocera Group has been directed toward environmental management aimed at the sustainable development of the corporation.

1959 – 1986

1969 ● The first discharge water treatment facility was installed at the Shiga Plant (now Shiga Gamo Plant).
1971 ● An environmental management division was set up at the Shiga Plant (now Shiga Gamo Plant).
1973 ● A plating discharge water treatment facility was installed at the Kagoshima Plant (now Kagoshima Sendai Plant).
1974 ● Developed the ceramic honeycomb filters to clean gaseous emissions at facilities.
1975 ● Established Japan Solar Energy Corporation (JSEC) and began development of solar cells.
1977 ● JSEC succeeded in the continuous pulling of silicon ribbon using the EFG process, and achieved a conversion ratio of 8% for silicon ribbon crystal solar cells.
● Mass production of alumina heaters for auto chokes with superior thermal resistance and durability.
1978 ● Received an Important technology R&D subsidy from the Ministry of International Trade and Industry for applied research into ceramic diesel engines.
● A discharge water treatment facility was installed at the Kagoshima Kokubu Plant to remove lead used as a raw material.
1979 ● JSEC developed a medium-sized, ribbon crystal silicon solar cell module for power generation: the RSA-7540 (12W); JSEC established mass production technology for 50mm-wide silicon ribbon crystals.
● Solar cells were installed to power microwave relay equipment set up in the Peruvian Andes Mountains.
● Kyocera set up a Solar Systems Division.
● Started development of a highly durable amorphous silicon photoreceptor drum.
1980 ● Practical application of an all-ceramic-activated-carbon honeycomb.
● The CP-55, a small, lightweight and energy-saving copier, was introduced for sale.
1981 ● The natural circulation solar water heater "SON OF SUN" was introduced for sale.
● Kyocera began joint research with Isuzu Motors, Ltd. on the practical application of a ceramic diesel engine.
● Developed ceramic glow plug for diesel engines.
● The portable solar cell "SB-II" was introduced for sale.
● Kyocera installed 34 solar lights – practical lighting using solar cells – along the path "Nagaraki-no-michi" on the Kamo River bank in Kyoto.
● Successful test drive of the world's first vehicle powered by a ceramic engine with high thermal efficiency (televised by NHK on January 4, 1982).
1982 ● World's first mass production of ceramic hot plugs.
● Mass production of ceramic heaters for oxygen sensors used in reducing gaseous emissions.
1983 ● Set up a community electricity system using solar power generation in Kankoi Village, Pakistan.
● Installed solar lights at the top of Mt. Fuji.
● Mass production of components with superior thermal stability and corrosion resistance for use in processing molten aluminum.
1984 ● Installed a 43kW solar power generation system at the Chiba Sakura Plant (now the Chiba Sakura Office).
● Commercialization of the "akuresuai" an autonomic, light-emitting, solar-powered road stud.
● Introduced the "Solar Power Station" – a forced-circulation solar water heater.
● Successful development and mass production of amorphous silicon photoreceptor drums.
1985 ● The Environmental Management Division was established at Kyocera Headquarters.
1986 ● Installed a toluene recovery facility at the Kagoshima Sendai Plant to recycle toluene and reduce emissions.

1971 ▶ Discharged water made cleaner than the recipient river Environmental Management Division established

Fine ceramic raw materials, chemicals and many other chemical substances are used in the manufacturing processes. When a factory discharges waste water and other fluids, "before discharge, waste water must be purified to a state cleaner than the waterway into which they are being released." Using the best technology available, everything is done to render waste as harmless as possible. This supports the firm beliefs of Kyocera's founder, Kazuo Inamori (now Chairman Emeritus). In keeping with this policy, the Kyocera Group has practiced thorough environmental management since the foundation of the company.

As part of this practice, an Environmental Management Division was established at the Shiga Gamo Plant in 1971. The division specializes in environmental pollution control, such as management of liquid and solid wastes produced by the plant.

1974 ▶ Developed the ceramic honeycomb filter for cleaning gaseous emissions Fine ceramics are a prime example of ecologically friendly materials

In 1974, Kyocera developed the ceramic honeycomb. Ceramic honeycomb filters have high thermal resistance and gas permeability. Applied in combination with catalyzers, they are used for removing noxious gases from gaseous emissions, for general pollution control equipment, and for odor removal. This product has contributed actively to the improvement of the global environment.

Fine ceramics – the inaugural technology of Kyocera – is a prime example of ecological material which contributes to environmental conservation. By making the best use of such features as superior abrasion, thermal, and corrosion resistance, we are continuing to develop diverse products with minimal environmental impact. These products include hot plugs, alumina heaters, glow plugs and gas turbine components.

Honeycomb filters

1975 ▶ Developed solar cells Contributing to the well-being of people everywhere through the use of solar energy

Kyocera became involved in the development of solar cells in 1975. In that year, we took the lead in establishing the Japan Solar Energy Corporation (JSEC) to develop solar cells. That was at the time of the oil crisis, when the world began to recognize the need to develop energy sources to replace oil. Determined to "contribute to the advancement of humankind and society," Kyocera anticipated a future era of clean energy. We thus set up a solar energy business with the great goal of "contributing to the well-being of people everywhere through the use of solar energy." We continue to look beyond the short-term pursuit of profit and concentrate on business development with a long-term perspective.

1986 ▶ Installed toluene recovery facilities

Large quantities of toluene are used to prepare raw materials for the process of forming tape that becomes the ceramic package base. (In the formation process, ceramic raw material is drawn out in a thin layer resembling a tape.)

Toluene is highly volatile and can cause noxious odors if released into the atmosphere. Measures for removing it from emissions were therefore necessary.

During studies of removal measures at the Kagoshima Sendai Plant in 1986, our focus shifted from the removal of toluene by combustion to the recovery of toluene instead. We then focused on the design and installation of toluene recovery facilities. In addition to being a countermeasure against noxious odors, this results in a more effective use of resources.

Toluene recovery facilities were later installed at the Kagoshima Kokubu Plant. This approach is the basis of chemical substances management and, by extension, has become the basis of environmental management.

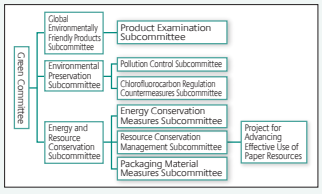
1986 – 1997

1986 ● Began mass production of polycrystalline solar cells.
● Launched a development project for gas turbine components using the superior thermal resistance of ceramics.
● The world's smallest laser printer, the "F-1010", was introduced for sale.
1987 ● Achieved the world's highest conversion ratio: 15.1%, for 10-cm-square polycrystalline silicon solar cells.
1989 ● Began implementing measures for reduction of chlorofluorocarbon use.
● Kyocera and the New Energy and Industrial Technology Development Organization (NEDO) jointly installed a hybrid power system (solar power 30kW) at the Kagoshima Prefectural Institute of Industrial Technology.
● Developed a high-performance prototype solar-powered car, the "SEV-1".
● Began mass production of ceramic turbo rotors.
1990 ● Launched the "Kyocera Green Committee" (KCGC), with the Kyocera president as committee chair.
1991 ● Launched the "Kyocera Group Green Committee" (KGGC).
● Appointed an Environment Director.
● Began recycling used paper.
● Enacted the Kyocera Environmental Charter.
● The Gas Turbine Engine Development Group received the Japan Fine Ceramics Association's Technology Advancement Prize for the "application of ceramics in small-scale gas turbine rotors".
● Developed a dynamic-drive micro-LED printhead.
● Began mass production trials of ceramic components for fuel cells.
1992 ● Launched the three-year "1st Environmental Protection Promotion Plan".
● Drafted Kyocera Environmental Management Standards.
● Introduced the Kyocera Eco-label Certification System.
● Appointed June as "Kyocera Environment Month" and began deployment of diverse environment protection activities.
1992 ● Began environmental inspections at plants to ascertain the state of environmental management and raise the level of management awareness.
● Abolished use of all specified chlorofluorocarbons and other materials.
● Released the world's first non-cartridge LED printer, the ECOSYS "FS-1500".
● Began mass production of a ceramic cam roller for diesel engines.
1993 ● ECOSYS printer becomes first office automation (OA) equipment to receive Eco Mark Certification.
● Began mass production of silicon nitride control valve for automobiles.
● Began selling the industry's first solar power generation system for residential use.
1994 ● Prohibited use of methyl bromide and trichloroethylene.
1995 ● Prohibited use of tetrachloroethylene and HCFC-141b.
● Began mass production of the 3rd-generation ceramic glow plug (high-temperature, self-saturation type), which contributes to reduction of vehicle emissions.
1996 ● Launched "2nd Environmental Protection Promotion Plan".
● Established the "Kyocera Award for Contribution to the Global Environment".
● Mie Plant (now the Mie Ise Plant / KYOCERA MITA Corp. Tamaki Plant) received ISO14001 certification.
● Achieved the world's highest conversion ratio: 17.1%, for 15-cm-square polycrystalline silicon solar cells.
1997 ● Ten production bases received ISO14001 certification.
● Kyocera's Solar Energy Division received the "Director General of the Environment Agency Prize" for "contribution to prevention of global warming".
● A compound intermediate processing facility was installed at the Kagoshima Sendai Plant to process dioxins and to dry sludge using waste furnace heat .
● The 3rd-generation ECOSYS "FS-1700" and "FS-3700" became the first printers in the world to receive the German environmental test mark, the "Blue Angel".

1990 ▶ Kyocera Green Committee launched Organizing an environmental management promotion system

In 1990, before establishing the "Kyocera Environmental Charter", Kyocera set up a "Green Committee" to study principal measures for three issues: "development of global environmentally friendly products"; "environmental preservation"; and "energy and resource conservation". Then-president of Kyocera, Kensuke Itoh, was appointed to lead the committee. Three groups subordinate to the Green Committee were formed to clarify objectives and take action: "the Global Environmentally Friendly Products Section", "the Environmental Preservation Section", and "the Energy and Resource Conservation Subcommittee".

Green Committee Task Force Meeting



Green Committee structure at the start

1991 ▶ Established the Kyocera Environmental Charter The start of unified environmental protection activities by the entire Group

Well before global environmental conservation gained rising international momentum, Kyocera had already been advancing environmentally based management founded on the company's management rationale. The "Kyocera Environmental Charter" was drafted independently and enacted in 1991. It explicitly states Kyocera's stance on the global environment, stating the company's goal to become a corporation that is truly gentle on the environment. Within the company and to the general public, the Charter clearly sets our direction and declares our determination to promote aggressive and far-reaching action.

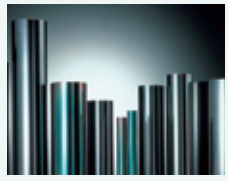
1992 ▶ The 1st Environmental Protection Promotion Plan is launched

With establishment of the Kyocera Green Committee and enactment of the Kyocera Environmental Charter, a system for promoting unified environmental activities by the Kyocera Group was ready. In 1992, we prepared a medium-term action plan – "The 1st Environmental Protection Promotion Plan" – and began taking concrete action. Since then, the plan has been revised every three years. The 6th Environment and Safety Promotion Plan is now being implemented.

1992 ▶ World's first non-cartridge LED printer, the ECOSYS FS-1500, is released Development of environmentally friendly printers

The heart of conventional xerographic-type printers was an integrated cartridge containing the drum, development unit, charging unit and toner.
Unfortunately, the entire cartridge had to be replaced when the toner ran out. Because everything was integrated, even units still functioning flawlessly had to be replaced. Not only was this bad economy, but from the perspective of the global environment, it was a poor use of resources and created a massive amount of waste.
Kyocera was the first in the world to use the long-life amorphous silicon photoreceptor drum. At the same time, we have steadily increased the life spans of surrounding components. We established non-cartridge technology that eliminated the need for cartridge replacement. Compared with earlier printers, this new method dramatically reduced waste, among other benefits.
Not only did the new method reduce the environmental burden on the Earth, it also provided significant economic benefit by reducing running costs to less than 1/3 of earlier printers.

The first ECOSYS printer, FS-1500



Amorphous silicon drums

1996 ▶ Established "Kyocera Global Environment Contribution Award" Encouraging environmental protection activity by adopting an in-house awards system

"The Kyocera Global Environment Contribution Award" was introduced in 1996 to stimulate global environment protection activities within the company. Awards are given to unique and groundbreaking environmental protection activities that have contributed significantly to the global environment.

Fifty Years of Progress in Harmony with the Environment

1998–2004

1998
- Began green procurement.
- Completion of new Kyocera headquarters – an environmentally friendly building with a 214kW solar power system.

1999
- Received integrated ISO14001 certification for 6 non-manufacturing locations.
- Launched "3rd Environmental Protection Promotion Plan".
- Received integrated ISO14001 certification for all 42 domestic Kyocera locations.
- Completely eliminated use of chlorofluorocarbon substitutes, 20 years before the deadline stipulated by the Kyoto Protocol.
- Received the "New Energy Foundation Chairman's Prize," one of the Grand Prizes sponsored by the New Energy Foundation.
- Achieved inlet temperature of 1,412C° and thermal efficiency of 40.5% for a ceramic gas turbine jointly developed with Kawasaki Heavy Industries, Ltd. This was the first ceramic gas turbine in the world to exceed a 40% thermal efficiency.
- Received the Fuji Sankei Group Award, at the 8th Global Environment Awards sponsored by the Fuji Sankei Group.

2000
- ISO14001 integrated certification was expanded to cover the Kyocera Group (within Japan).
- Began disclosing environmental reports on the internet.
- In April 1999 Kyocera set goals for the abolition of small incineration furnaces. All such furnaces were phased out by December 2000.
- ECOSYS printers won the "46th Okochi Memorial Foundation Technology Prize" for their long-life xerography process and commercialization of environmentally friendly printers.
- Received the "Gas Turbine Society of Japan Technology Prize," the "Japan Fine Ceramics Association Outstanding Achievement Prize" and the "Ceramic Society of Japan Technology Prize" for development of ceramic components used in gas turbines.

2001
- The Kyocera Environment Month was expanded companywide to become the Kyocera Group Environment Month.
- Announced support for the "e-mission 55" initiative endorsing implementation of the Kyoto Protocol.
- Completed raising and elevating underground facilities as necessary, based on standards for handling underground facilities (enacted 1996) .
- Began switching to natural-gas use (LNG) from LPG to reduce CO_2 emissions.

2002
- Launched "4th Environmental Protection Promotion Plan".
- Introduced environmental accounting.
- Installed a processing facility at the Kagoshima Sendai Plant to recycle resources by sintering green-sheet scrap (industrial waste).
- Succeeded in developing the industry's first process for eliminating lead from manufacturing processes for ceramic packages used in semiconductors.
- Developed the first ceramic application for LEDs: a surface-mount ceramic package for high-intensity LEDs.

2003
- Began offering classes on the environment outside the company.
- Issued the Sustainability Report (now the CSR Report).
- Kagoshima Kokubu Plant, received the "1st Japan Sustainable Management Award (Outstanding Prize for Environmental Management)".
- Began introducing KGEMS, Kyocera's self-certification system based on the ISO14001 standard.
- Released the SAMURAI, a residential rooftop solar power system with both design and performance features.
- Released the ECONONAVIT, an indoor solar power monitoring unit for residences. Shows the state of solar power generation and contributes to higher awareness of energy conservation. First in the industry to use a wireless format and large, color liquid crystal display.
- Developed a ceramic heater core, featuring higher temperature durability and rapid temperature increase, for ceramic glow plugs.
- Developed a solar cell module that uses lead-free solder.
- Achieved the world's highest level of power generation efficiency: 54% at the low-operating temperature of 780C° for a 1kW solid oxide fuel cell (SOFC).

2004
- Began publishing Social Responsibility / Environmental Reports (now the CSR Report).
- Began holding Social Responsibility / Environmental Report Meetings (now the CSR Economic, Social and Environmental Report Meetings) to build communication with local communities.
- Increased the environmental accounting period to every quarter.
- KYOCERA MITA Corp. Tamaki Plant received the "2nd Japan Sustainable Management Award (Outstanding Prize for Environmental Management)".
- Developed an environmentally friendly, industrial-use liquid crystal display complying with the RoHS Directive.

1998 ▶ Finished construction of environmentally friendly headquarters building – ecologically sound and coexisting with the local environment

The Kyocera headquarters building, completed in 1998, is an ecologically sound building. Diverse environmentally friendly functions have been installed in the structure, including a solar power system, a natural gas cogeneration system, and ice-thermal storage air-conditioning.

Kyocera headquarters building

2000 ▶ Began placing Environmental Reports on the internet Further developed disclosure of environmental information

To keep all Kyocera Group stakeholders informed of environmental protection activities, we began preparing Environmental Reports (now CSR Reports) in 2000 and disclosing the information on our website.

The 2000 Environmental Report

1999 ▶ Received integrated ISO14001 certification for all domestic Kyocera locations Building an environmental management system

Kyocera's work to build an environmental management system began before international standards were enacted. The international standard, ISO14001, was enacted in September 1996. In October, the Mie Plant (now Mie Ise Plant / KYOCERA MITA Corp. Tamaki Plant) received certification. This plant manufactures ECOSYS printers.

ISO14001 Certificate

In 1997, all ten domestic production bases received certification. In March 1999, six non-production locations including the headquarters building, offices, sales, and R&D departments received integrated certification. In August 1999, all 42 Kyocera locations, including places already certified, received integrated certification on the basis of the All-Company Integrated Management System. Certification is presently being expanded to cover all 211 Kyocera Group locations in Japan. The speed of all-company certification places us at the highest level of integrated certification for a Japanese corporation, and widely demonstrates our degree of environmental consciousness.

2002 ▶ Introduced environmental accounting Established environmental management indicators

The Environmental Accounting system was constructed in FY2003. Lateral deployment of environmental measures and data collection for individual business segments has enabled the use of environmental management indicators. Quarterly data collection was introduced in FY2005 to give a timely grasp of information and to improve accuracy.

2003 ▶ Began offering environment classes outside the company Employees prepare classes for children

In 2003, we began offering environment classes in local communities as a social contribution. Children will one day be responsible for the world. Our goal is to help them gain a deeper understanding of environmental problems and energy issues as part of their school education and to nurture consideration for the planet.

1999 ▶ Eliminated use of chlorofluorocarbon substitutes, 20 years before the deadline stipulated by the Kyoto Protocol

Accelerating measures to protect the ozone layer, by 1992, Kyocera had completely eliminated the use of specified chlorofluorocarbons, carbon tetrachloride, 1-1-1 trichloroethanes and halons. In 1999, we completely eliminated the use of substitute chlorofluorocarbons, 20 years before the deadline stipulated by the Kyoto Protocol.

2003 ▶ Introduced KGEMS

Starting in FY2004, we began introducing KGEMS at locations without ISO14001 certification.
"KGEMS" stands for "Kyocera Group Environmental Management System." It is a self-certification system based on the ISO14001 standard. Introduction of KGEMS enabled the operation of a system based on the ISO14001 standard at all locations throughout the Kyocera Group.

2005–2009

2005
- Launched the "5th Environmental Protection Promotion Plan".
- Began Social Responsibility / Environmental Report Reading Assemblies (now CSR Report Reading Assemblies) to explain the CSR concepts and activities to employees.
- Installed solar power generation systems – about 440kW in total – at the Mie Ise Plant, Shiga Yohkaichi Plant, Kagoshima Kokubu Plant, and Kagoshima Hayato Plant.
- Kyocera International, Inc. (U.S.A.) installed a 279kW solar power system over the company parking lot. The installation was the named the "Solar Grove" due to the rows of supports holding up the panels, which resembled trees.
- Introduced an energy-saving, low-cost refrigeration system at the Kagoshima Kokubu Plant. The system has three types of equipment that can be operated in combination according to plant requirements: an absorption refrigerator, a cogeneration system and a turbo-refrigerator.
- Introduced an environmentally friendly high-speed digital multifunctional product, the KM-6230RM. This machine has a mass ratio of more than 80% recycled components.
- Kyocera and Osaka Gas Co., Ltd. began joint test operations of solid oxide fuel cells in residential dwellings.
- Installed a 240kW solar power system at Chubu International Airport. This system is used as an auxiliary cabin power source by aircraft waiting on the tarmac.

2006
- Established global policy on the RoHS Directive and strengthened management of chemical substances used in products.
- Introduced a Environment-Friendliness Product Assessment System that mandates a life-cycle assessment be performed when developing products and technology.
- Start of full-scale Environmental Safety Inspections at overseas bases.
- Installed turbo refrigerators at Shiga Yohkaichi Plant, Kagoshima Sendai Plant, as well as KYOCERA KINSEKI Yamagata Corp., and International Golf Resort KYOCERA.
- Installed a closed processing facility at Shanghai KYOCERA Electronics Co., Ltd. for treating discharge water contaminated with cyanogens from the plating processes.
- Achieved the world's highest energy conversion ratio: 18.5%, for 15-cm-square solar cells.

2006
- Developed a multilayer piezoelectric element for injectors in the diesel engine fuel injection system, based on Kyocera's unique raw materials technology and structural design technology.

2007
- Increased the number of dispatch bases for external environment classes to 12.

2008
- Began full-scale replacement of company vehicles with hybrid models, to aid in the prevention of global warming.
- Prepared the "ECO-LIFE NOTE" – a booklet environmental protection activities in employees' homes; distributed the booklet to all Kyocera Group employees in Japan.
- Installed a recycling system for removing 100% of lead from discharge water at the Kagoshima Kokubu Plant.
- Launched "The 6th Environment and Safety Promotion Plan" – expanded to cover the entire Kyocera Group.
- Increased the number of dispatch bases for external environment classes to 25.
- Established environmental management standards for the domestic Kyocera Group.
- Began using biodiesel fuel derived from waste cooking oil, at the Shiga Gamo Plant and Shiga Yohkaichi Plant.
- Grew "Green Curtains" using climbing plants, at five domestic bases.
- Began using the Kyocera Green Supplier Certification System.
- Released a high power output (208.4W) solar module using a new type of 156mm-square solar cell, for public facilities and industrial use.
- Participated in trial implementation of emissions trading in the domestic integrated market, as promoted by the Ministry of Economy, Trade and Industry.

2009
- Kagoshima Sendai Plant and Kagoshima Kokubu Plant received the "2008 PRTR Grand Prize (Incentive Prize)," sponsored by the Center for Environmental Information Science.
- Shiga Gamo Plant and Shiga Yohkaichi Plant received the "7th Japan Environmental Management Grand Prize (Environmental Management Excellence Prize)".
- Kyocera, Osaka Gas Co., Ltd., Toyota Motor Corp. and Aishin Seiki Co., Ltd. agreed to jointly develop a solid oxide fuel cell (SOFC) cogeneration system for household use.
- Kyocera began supplying Toyota Motor Corp. with solar cell modules for use with its solar ventilation system – an optional feature for Toyota's hybrid vehicle Prius.

2005 ▶ Installed solar power systems in production plants About 440kW in total, at Mie Ise Plant, Shiga Yohkaichi Plant, Kagoshima Kokubu Plant and Kagoshima Hayato Plant

Shiga Yohkaichi Plant

To help prevent global warming, Kyocera is steadily undertaking diverse environmental protection activities in all processes, from product development to manufacture and distribution.
In factories especially, we are implementing energy conservation in production processes, by installing energy-saving utilities such as high-efficiency turbo-refrigerators and cogeneration facilities. In 2005, we began full-scale installation of solar power systems in production plants.

2006 ▶ Introduced a Environmental Conscious System Aiming to make all products sold environmentally friendly

To advance environmentally friendly product manufacture, a Environment-Friendliness Product Assessment System was launched in April 2006. With this system, all business groups and R&D divisions assess the degree of environmental friendliness when developing products and technology. Assessment focuses on new products and technology, and is undertaken at three stages: the planning stage, the prototype production stage, and the mass production stage. Depending on the assessment results at the final stage, products satisfying our in-house criteria are certified as "Kyocera Global Environmentally Friendly Products."

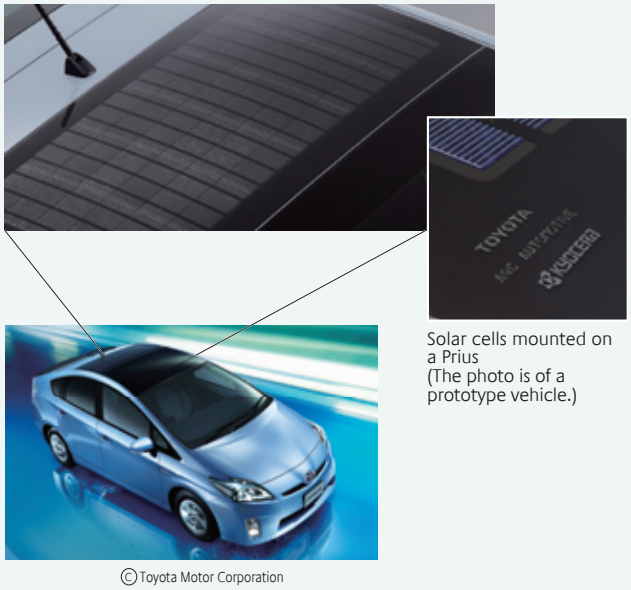
2008 ▶ Established a 100% recycling system for lead-contaminated discharge water Complete containment of hazardous materials

Lead discharge water recycling facility(ion-exchange towers)

Based on The 5th Environmental Protection Promotion Plan, starting in FY2006, measures were introduced to achieve 100% removal of lead from discharge water. A facility installed at the Kagoshima Kokubu Plant reduced lead in discharge water to below the lower limit of detection. The treatment facility processed water to 100% recyclability and effectively eliminated lead discharge from the plant in 2008.

2009 ▶ A world-standard for eco-cars Offering new functions for solar cells

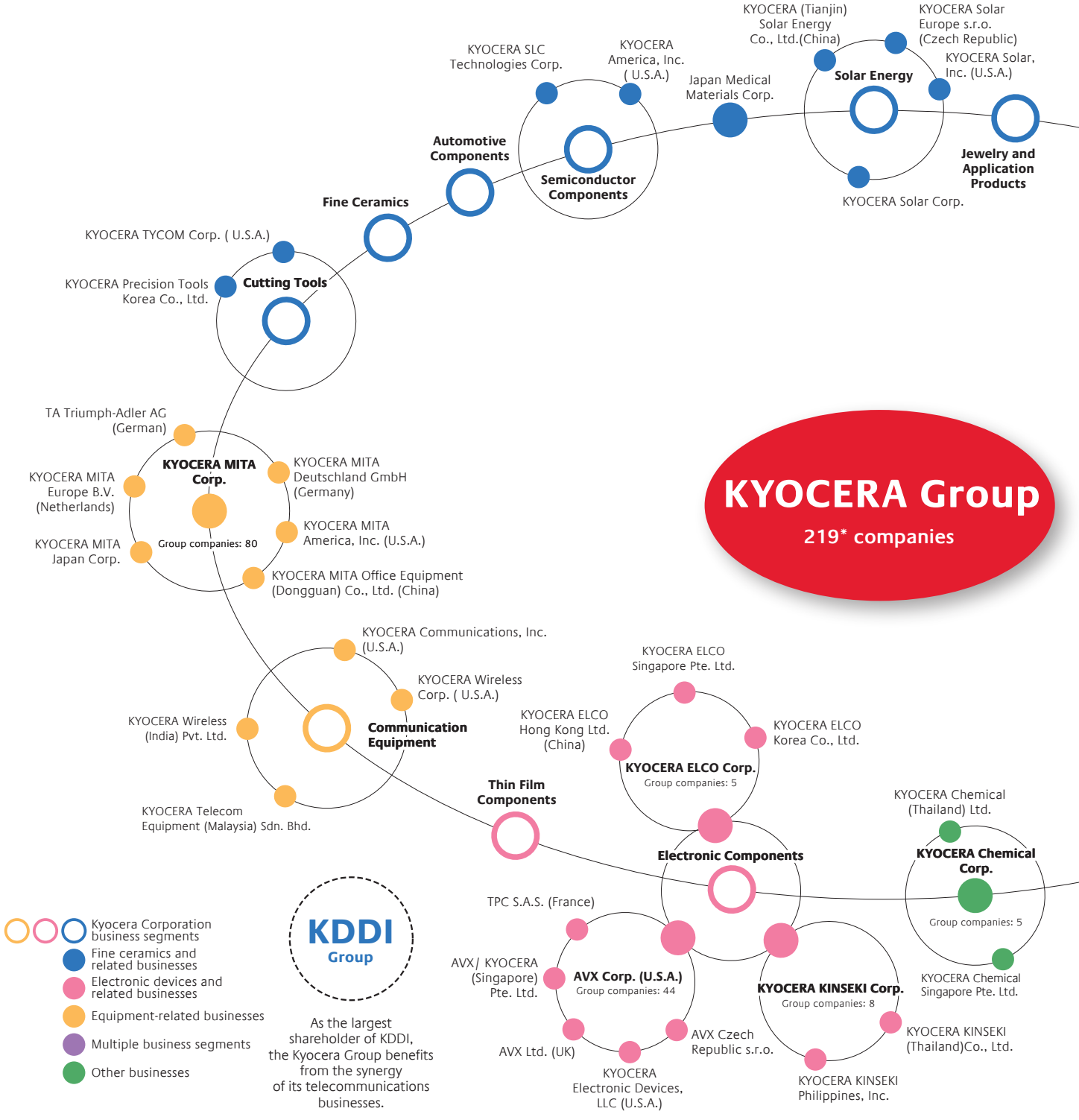
In May 2009, Toyota Motor Corp. began selling the new model hybrid vehicle, Prius. Kyocera is supplying solar cell modules for the car's optional feature, the solar ventilation system.
When parked during the day, the solar cells on the roof generate electricity to run a fan that ventilates car's interior. Even during the hottest season, the ventilation system moderates the temperature in the car.
As an automobile component, the solar cells had to be tough enough to withstand harsh environments; therefore, we implemented evaluation tests under severe conditions checking such areas as heat, vibration and shock resistance. As a result, our solar cells satisfied the requirements demanded for the Prius.
The Prius has been acclaimed the world over as the new standard for eco-cars. In supplying solar cells, we are providing Prius owners with a new application for solar cells.



Solar cells mounted on a Prius
(The photo is of a prototype vehicle.)

Creating Valuable Business

Kyocera's global operations include a diverse range of products: advanced materials, components, devices,equipment, networks and services.
Such broad expertise allows Kyocera to integrate the full range of processes – from development and production to sales and logistics – within a single product line. This efficient utilization of corporate resources generates group-wide synergies that yield products of superior performance, functionality and value.
Each product-line management team aggressively develops new products and markets by integrating Kyocera Group technologies to address emerging trends.



Kyocera Group Management Direction

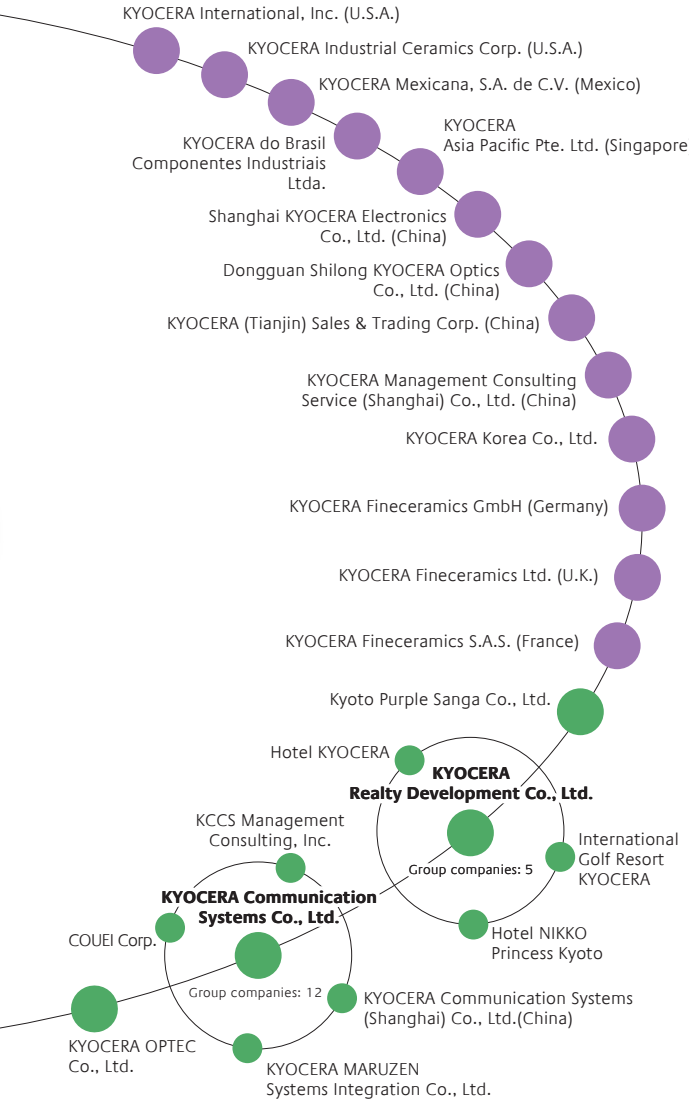
The Company

Become an innovative enterprise that continues to grow

Achieve double-digit sales growth and 15% profit ratio at the minimum.

Direction

- **Practice the "Customer-First" Principle**
- **Promote Global Management**
- **Establish a Highly Profitable Business Structure**



* KYOCERA Corporation:	1 compan
Consolidated subsidiaries:	206 companie
Non-consolidated subsidiaries:	2 companie
Affiliate companies:	10 companie
Group companies:	21

(As of April 1, 200

Main Group Companies – Overview of Operations

- KYOCERA MITA Corp.
  Manufacture and sale of digital MFPs, printers, and other information equipment
- KYOCERA Communication Systems Co., Ltd.
  Sale of communications equipment, system integration, development and sale of software, construction & maintenance etc. of base stations for mobile wireless tele communications, and management consulting
- KYOCERA KINSEKI Corp.
  Development and manufacture of crystal resonators, crystal oscillators, and SAW devices, etc.
- KYOCERA ELCO Corp.
  Development, manufacture and sale of electronic connectors
- KYOCERA Chemical Corp.
  Manufacture and sale of electronic component materials, electrical insulating materials, synthetic resin molded parts, molding dies and machinery, etc.
- KYOCERA SLC Technologies Corp.
  Development, manufacture and sale of organic packages and substrates
- KYOCERA Solar Corp.
  Sale of installation and service of solar power generating systems and products
- KYOCERA Realty Development Co., Ltd.
  Holding, management and rental of real estate; management of Hotel KYOCERA, International Golf Resort KYOCERA, and Hotel Nikko Princess Kyoto
- KYOCERA OPTEC Co., Ltd.
  Manufacture and sale of lenses and precision optical products
- KYOCERA Display Institute Co., Ltd.
  Research and development of OLED display
- Japan Medical Materials Corp.
  Development, manufacture and sale of medical materials and equipment
- Kyoto Purple Sanga Co., Ltd.
  Management of "Kyoto Sanga F.C.", a professional soccer team, and sale of its original goods
- Shanghai KYOCERA Electronics Co., Ltd.
  Manufacture and sale of electronic components, fine ceramic products and automotive components
- KYOCERA (Tianjin) Sales & Trading Corp.
  Management and distribution of Kyocera products made both in China and elsewhere
- Dongguan Shilong KYOCERA Optics Co., Ltd.
  Manufacture and sale of optics-related components, cutting tools, thin film components, display components, and applied products
- KYOCERA (Tianjin) Solar Energy Co., Ltd.
  Development and manufacture of solar modules and systems
- KYOCERA Asia Pacific Pte. Ltd.
  Sale of fine ceramic products and electronic device products
- KYOCERA Telecom Equipment (Malaysia) Sdn. Bhd.
  Manufacture of CDMA mobile phone handsets
- KYOCERA Fineceramics GmbH
  Sale of fine ceramic products and electronic devices
- KYOCERA Solar Europe s.r.o.
  Manufacture of solar modules
- KYOCERA International, Inc.
  Regional headquarters for North & Central America
- KYOCERA Wireless Corp.
  Development and manufacture of CDMA mobile phone handsets
- KYOCERA Communications, Inc.
  Sale of CDMA mobile phone handsets, and related services
- KYOCERA America, Inc.
  Manufacture and sale of fine ceramic products
- KYOCERA Industrial Ceramics Corp.
  Manufacture and sale of fine ceramic products; sale of electronic devices
- KYOCERA Solar, Inc.
  Development, manufacture, sale and service of solar power systems that can operate on or off commercial power grid
- AVX Corp.
  Manufacture and sale of a wide range of electronic components, including multilayer ceramic capacitors, tantalum capacitors, interconnect products

Overview of Company Operations

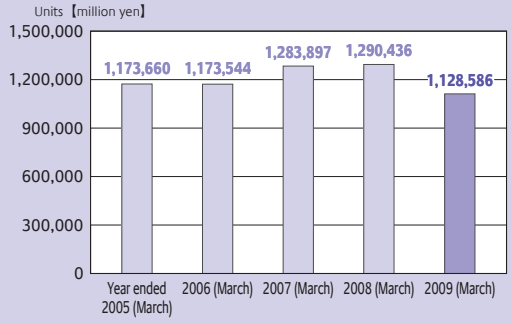
Kyocera aims to be respected by society as "The Company" from the perspective of corporate ethics, while maintaining continuous sales growth and high profitability. To achieve this management vision, Kyocera's management policy is to further drive business expansion by being "a creative company that continues to grow." In order to implement this policy, Kyocera aims to increase corporate value by expanding businesses; namely by promoting efficient use of management resources and further strengthening consolidated group management.

Overview of Business Performance for the Year ended March 2009

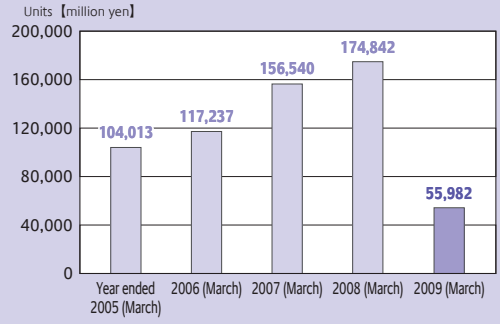
Consolidated net sales for fiscal 2009 amounted to ¥1,128,586 million, a decrease of 12.5% compared with fiscal 2008, due primarily to the impact of a decrease in demand affected by deteriorating business environment and to appreciation of the yen. Amid such a harsh business environment, Kyocera continued to pursue synergies by effectively utilizing management resources and to aggressively release new products, while also promoting comprehensive Group-wide cost reductions. Nonetheless, profit from operations for fiscal 2009 decreased by 71.5% compared with fiscal 2008 to ¥43,419 million due mainly to a decrease in demand and product selling price erosion. Income before income taxes decreased by 68.0% to ¥55,982 million due to the decrease in profit from operations. Net income decreased by 72.5% to ¥29,506 million.
Average exchange rates for fiscal 2009 were ¥101 to the U.S. dollar and ¥143 to the Euro, marking appreciation of ¥13 and ¥19, respectively, compared with fiscal 2008. As a result, net sales and income before income taxes after translation into the yen for fiscal 2009 were, for calculation purposes, pushed down by approximately ¥91,000 million and ¥23,000 million, respectively.

Net Sales, Profit from Operations, Income before Income Taxes, Net Income (Consolidated)

Net Sales

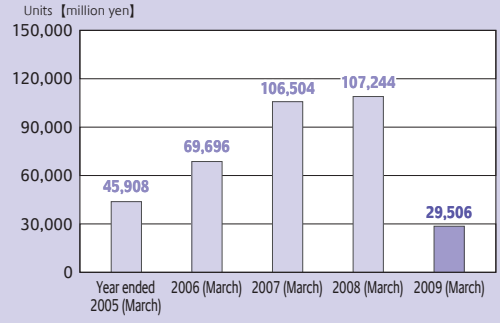


Income before Income Taxes



Profit from Operations

Net Income

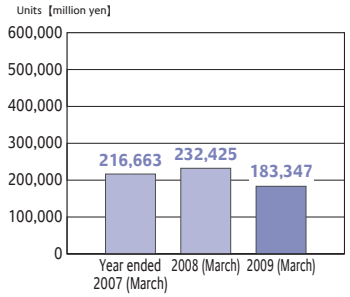


* Consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. Figures shown in this report have been rounded off. In addition, certain reclassifications of previously reported amounts have been made to the economic report in order to conform to the current year presentation.
* In fiscal 2007, KYOCERA Corporation sold its shares of KYOCERA Leasing Co., Ltd., a subsidiary engaged in financing services. As a result, business results and profit on sale of its shares of KYOCERA Leasing Co., Ltd. for fiscal 2007 were recorded as income (or loss) from discontinued operations in accordance with accounting principles generally accepted in the United States. As a result, figures for fiscal 2005 and 2006 have been retrospectively reclassified.
* In fiscal 2005, 2006 and 2007, income from continuing operations before income taxes and minority interests are presented in the income before income taxes section.

The State of Sales by Region

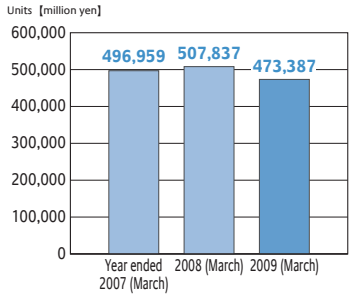
The Kyocera Group is a diverse corporate group of 222 companies* (as of March 31, 2009) with Kyocera as the core company. Cooperation and ties among the individual Group companies promote business development in countries all over the world. In addition to regional contributions which it makes with products and services, the Kyocera Group aims to contribute to employment and development in local cultures.

Asia



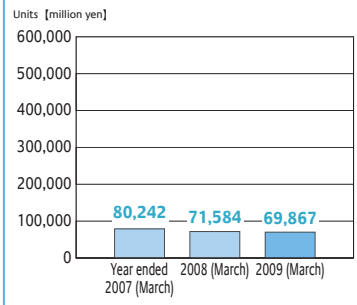
Sales decreased compared with fiscal 2008 due mainly to a decline in demand for components for digital consumer equipment and to the yen's appreciation.

Japan

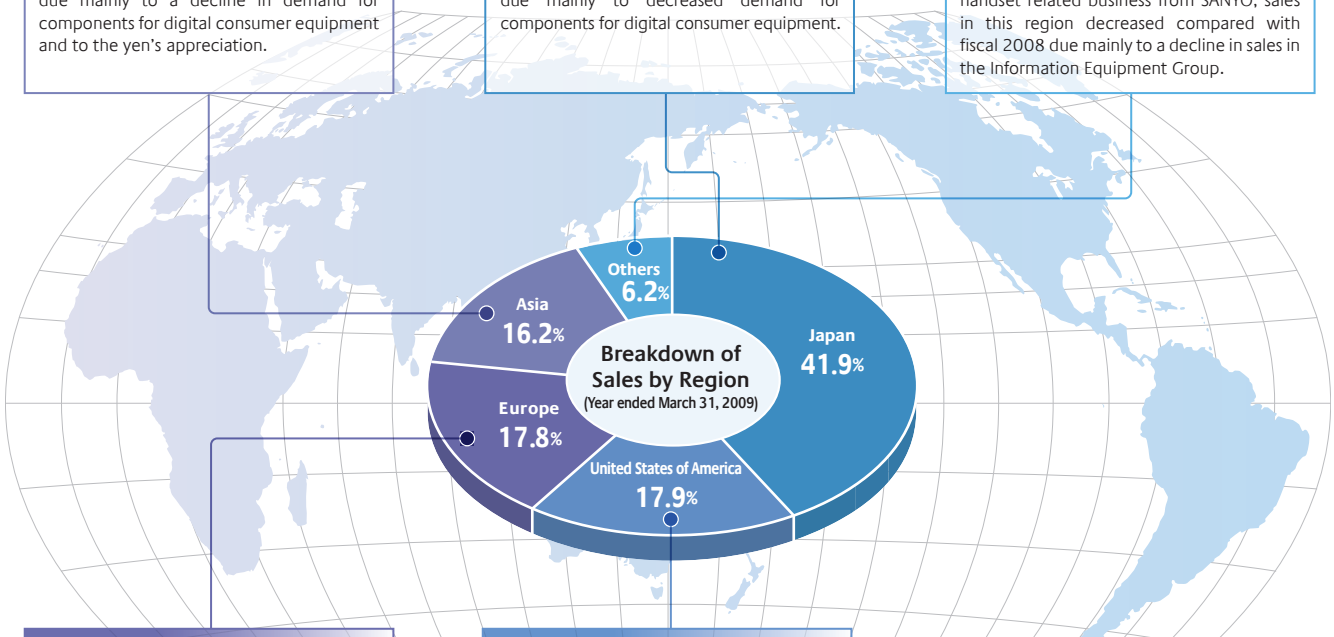


Sales decreased compared with fiscal 2008 due mainly to decreased demand for components for digital consumer equipment.

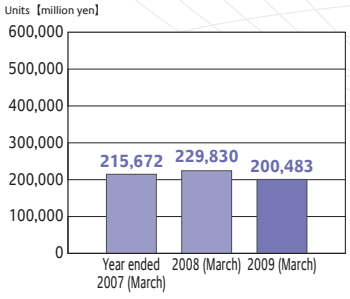
Others



Despite the addition of the mobile phone handset related business from SANYO, sales in this region decreased compared with fiscal 2008 due mainly to a decline in sales in the Information Equipment Group.

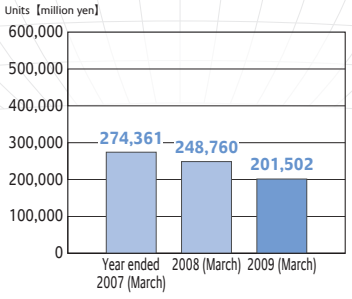


Europe



Sales decreased compared with fiscal 2008 due mainly to the yen's appreciation, in addition to sales decline in the Information Equipment Group affected by a slowdown in information technology investment.

United Sates of America



Sales decreased compared with fiscal 2008 due to impact of the yen's appreciation, in addition to a decline in sales in the Telecommunication Equipment Group and the Information Equipment Group, and to a decline in demand for electronic components.

* KYOCERA Corporation : 1 company
Consolidated subsidiaries: 209 companies
Non-consolidated subsidiaries: 2 companies
Affiliate companies: 10 companies

Total: 222 companies
(As of March 31, 2009)

The State of Operations by Segment

1.Components Business

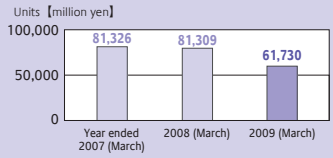
Fine Ceramic Parts Group

As a result of a substantial slump in component demand led by sharp decline in production activity in numerous industries, namely the semiconductor and automotive industries, overall sales and operating profit in this reporting segment decreased compared with fiscal 2008.

Net sales	¥61,730 million,	down 24.1% year on year
Operating profit	¥–240 million,	down ¥11,407 million year on year

- Information & Telecommunication Components
- Sapphire Substrates
- Components for Semiconductor Processing Equipment
- Components for LCD Manufacturing Equipment
- Automotive Components
- General Industrial Ceramic Components

Net Sales



Sapphire Substrates for LEDs

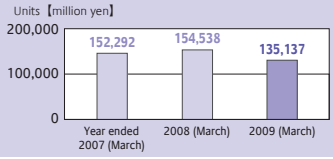
Semiconductor Parts Group

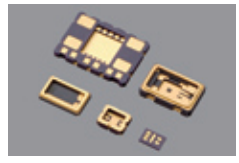
As a result of rapid deterioration in demand for ceramic packages used mainly in digital consumer equipment and organic packages used mainly in servers from the latter half of the second quarter of fiscal 2009, sales and operating profit in this reporting segment both decreased compared with fiscal 2008.

Net sales	¥135,137 million,	down 12.6% year on year
Operating profit	¥8,671 million,	down 56.7% year on year

- Ceramic Packages for Crystal and SAW Devices
- CCD/CMOS Sensor Ceramic Packages
- LSI Ceramic Packages
- Wireless Communication Device Packages
- Optical Communication Device Packages and Components
- Organic Multilayer Packages and Substrates

Net Sales





Ceramic Packages for Crystal and SAW Devices

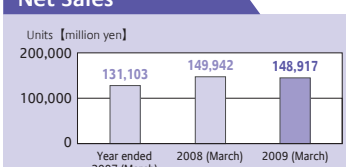
Applied Ceramic Products Group

Demand continued to show strong expansion until the third quarter, particularly in Europe and the United States, resulting in sales growth in the solar energy business compared with fiscal 2008. However, a significant decline in production activity in the automotive industry from the second half led to a decrease in demand for cutting tools. As a result, sales in this reporting segment decreased slightly compared with fiscal 2008. Operating profit was down due to one-off charge relating to an impairment of goodwill at a subsidiary as well as decreased sales for cutting tools.

Net sales	¥148,917 million,	down 0.7% year on year
Operating profit	¥27,469 million,	down 15.9% year on year

- Residential and Industrial Solar Power Generating Systems
- Solar Cells and Modules
- Cutting Tools, Micro Drills
- Medical and Dental Implants
- Jewelry and Application Products

Net Sales



Solar Power Generation System

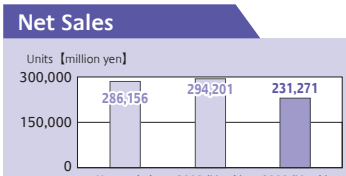
Electronic Device Group

Demand for digital consumer equipment declined due to the global economic downturn, forcing a rapid decline in production of digital consumer equipment and inventory adjustments for components thereof from the second half. Further, the impact of a decline in component prices and yen appreciation coupled with an impairment loss of certain fixed assets led to decreases in sales and operating profit in this reporting segment compared with fiscal 2008.

Net sales	¥231,271 million,	down 21.4% year on year
Operating profit	¥–4,070 million,	down ¥40,594 million year on year

- Ceramic Capacitors
- Tantalum Capacitors
- Timing Devices
  [TCXOs, Crystal Units, Clock Oscillators and Ceramic Resonators]
- SAW Devices
- RF Modules
- EMI Filters
- Connectors
- Thermal Printheads
- Inkjet Printheads
- Amorphous Silicon Photoreceptor Drums
- Liquid Crystal Displays

Net Sales



Timing Devices

2. Equipment Business

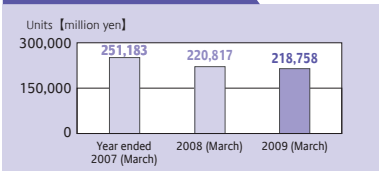
Telecommunications Equipment Group

Although the mobile phone handset related business newly acquired from SANYO Electric Co., LTD. (“SANYO”) contributed to sales from fiscal 2009, replacement demand for mobile phone handsets in the Japanese market weakened sharply while sales in overseas markets also decreased. As a result, sales in this reporting segment decreased only slightly compared with fiscal 2008. This reporting segment recorded an operating loss in fiscal 2009 due to the impact of a decrease in sales combined with decline in product price and the execution of structural reform at an overseas subsidiary.

Net sales	¥218,758 million,	down 0.9% year on year
Operating profit	¥–17,713 million,	down ¥24,499 million year on year

- CDMA Mobile Phone Handsets
- Personal Handy Phone System (PHS) related Products [PHS Mobile Phone Handsets and PHS Base Stations]
- Wireless Broadband Systems such as iBurst™

Net Sales



Mobile Phone Handset [W65K]

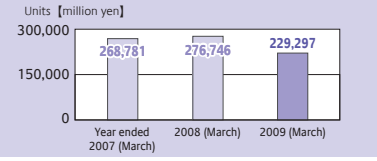
Information Equipment Group

Despite implementing various strategies to expand sales, such as continuous new product launches and extending sales networks, the impact of the yen’s appreciation against the Euro and U.S. dollar coupled with significant restrictions on information technology investment in the corporate sector resulted in a decrease in sales of printers and digital MFPs. As a result, both sales and operating profit in this reporting segment decreased compared with fiscal 2008.

Net sales	¥229,297 million,	down 17.1% year on year
Operating profit	¥13,497 million,	down 65.9% year on year

- ECOSYS Printer
- Copying Machines
- Multifunction Peripheral

Net Sales



Color Multifunctional System [TASKalfa 500ci series]

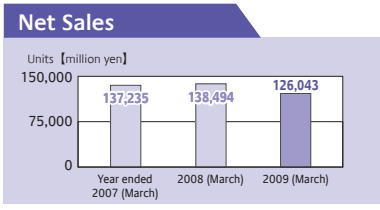
3. Others

Sales in this reporting segment for fiscal 2009 decreased compared with fiscal 2008 due primarily to a decrease in sales of materials for electronic components. Despite an impairment to goodwill at a subsidiary, operating profit increased compared with fiscal 2008 due to one-time gains from sales of real estate.

Net sales	¥126,043 million,	down 9.0% year on year
Operating profit	¥14,106 million,	up 46.4% year on year

- Telecommunication Engineering Business
- Integration Business on Information Systems and Network Infrastructures
- Data Center Business
- Management Consulting Business
- Chemical Materials for Electronic Components, Electrical Insulators, Molded Products
- Hotel Business

Net Sales



Flexible Printed Wiring Board Materials

Together with Customers

The Kyocera Group is focused on developing valuable businesses. Based on our Customer-First Principle, we have a strict quality policy and constantly strive for improvement. This enables us to provide customers with products and services that bring full satisfaction and enjoyment. By these means we are aiming for the state of "Quality Kyocera". To realize this state, we have an established policy on quality, and are striving to raise the standard.
We have also established a product safety policy. The aim of this policy is product manufacture with the highest priority placed on the global environment and product safety.

Thorough application of the Customer-First Principle

Kyocera Quality Policy

1. Kyocera places top priority on our environmental management and product safety systems.
2. Kyocera provides products and services to our customers that exceed their expectations by putting them first.
3. Kyocera aims to be a world leader in quality by doing every job right the first time.

To produce quality goods that fully satisfy our customers, the Kyocera Group is setting a Kyocera Quality Policy. The objective is constantly in the minds of all employees. We develop our businesses on the basis of this quality policy, and aim to become a corporation that is worthy of trust all over the world.
Regarding product safety, the Kyocera Group has formulated a Product Safety Policy. Additionally, to achieve product quality based on our customers' expectations, we have set up an All-Company CS* Improvement Committee. To enable our work to give high satisfaction to customers, we are doing everything possible to ensure observance and correct application of the rules, right from the planning stages.

* CS …… Customer Satisfaction

Strengthening the Quality Management System

Kyocera is working to strengthen and improve its Quality Management System.

- Maintaining certification of the international standard (ISO9001) for the Quality Management System*
- Identifying true causes of defects and taking steps to prevent recurrence of problems, using Tree Diagrams and other means, through CS Improvement Committee activities.
- Setting quality targets based on Management Direction and Quality Policy, establishing actions for achieving targets and undertaking improvement activities.
- Sharing information

* Information on the state of international standard certification relating to the Quality Management System is in the section "Facts and Figures," on Page 86.

Kyocera Group All-Company CS Improvement Committee

The Kyocera Group established the Customer-First Principle as part of the Management Direction. Pleasing customers and earning strong trust is one of the most important management issues. The All-Company CS Improvement Committee meets each month to promote activities for raising the level of customer satisfaction and improving quality. The Committee is chaired by Kyocera's president and includes representatives of domestic Kyocera Group companies as members.

● Structure of the All-Company CS Improvement Committee

With "Practice the Customer-First Principle" as the objective of the All-Company CS Improvement Committee, attention focuses on measures for improving CS indices in each business division. Specific action includes the sharing of information among divisions to prevent recurrence of quality problems.

● Reforming awareness of quality

One of the Committee's priority issues is reformation of awareness of quality. In particular, the Committee is engaged in reforming quality awareness of workplace employees who are directly involved in manufacturing. Employees need to know how a product is to be used by the customer, and how it can contribute to society. Equipped with that knowledge, employees will be able to put their hearts into the manufacture of each product. "Quality First is the foundation of the workplace. Practice the Customer-First Principle with all your heart." Appealing thus to all employees, the Committee is reforming awareness of quality.

Product Safety Policy

1. Kyocera is fully acquainted with the latest information related to Product Liability and Product Safety.
2. Kyocera maintains the world-leading standard of Product Safety.
3. Kyocera systematically practices Product Safety in accordance with manuals.

"Safety is the utmost priority for all products made and/or sold by Kyocera. Regardless of form or function, they must not endanger a person's life or well-being, nor inflict damage on property." From that perspective, Kyocera has set a Product Safety Policy, in addition to a Quality Policy. Kyocera has established Product Safety System Guidelines as a concrete code of action at all levels of corporate activity. Additionally, Guidelines for Product Safety Labeling serve as supplementary guidelines for understanding international standards relating to safety labels.

Product Safety Review

The CS Promotion Department supports activities relating to Kyocera product safety, coordinating with individual business divisions and related departments.

- Based on the Product Safety policy and the manual, we review the safety of our products in each process. In accordance with the specified ways, we work on it starting with the design and development stages.
- Using Kyocera's official labeling checking system, relevant departments review user safety information such as product labels and operating instructions, to ensure observance of legal requirements and public standards.

Official Labeling Checking System

The mechanism for checking sections of labels subject to legal and official standards, by specialized staff in each area of operation

Divisions	Relevant fields	Relevant documents
CS promotion	Safety labels	Labels & packaging
Risk management	Trademarks and patents	Written warranty
Legal affairs	Warranty/Indemnity	Instruction manuals
Intellectual property	Contracts	Sales promotion documents
Public announcements	etc.	Catalogs Advertisements

Response for accidents involving company products

In the case of a serious accident involving a company product, Kyocera has clarified emergency contact numbers for immediate response. The system enables immediate notification of reports from customers. At the same time, the Ministry of Economy, Trade and Industry is promptly advised of any matters, and information is disclosed on the relevant websites and in other media.

Emergency Contact System

Peace of mind for customers after installation of solar power systems

"Perfect Customer Satisfaction (PCS)" is the basic rationale of KYOCERA Solar Corp., the company that sells Kyocera's solar power systems. To supply systems customers can use with peace of mind, KYOCERA Solar Corp. introduced the "Kyocera Solar Certified Technician System" in January 2008.

This certification system is aimed at workers in dealerships that install Kyocera-made solar power systems for residential use. The objective is to provide customers with high quality products through "Quality Design and Installation" and "Safe Work Practices" by ensuring certified technicians undertake, manage and supervise correct installation. Participation in professional skills seminars is one requirement for attaining certification. In FY2009, 25 such seminars were held at the Kyocera Chiba Sakura Office.

In addition to the industry's first long-term product guarantee (a 10-year guarantee including damage by typhoon, lightning and fire), KYOCERA Solar Corp. itself confirms completion of installation and market quality after conducting a final test and inspection. The Certified Technician System further raises quality.

Technician Certification Seminar

*PCS: Perfect Customer Satisfaction

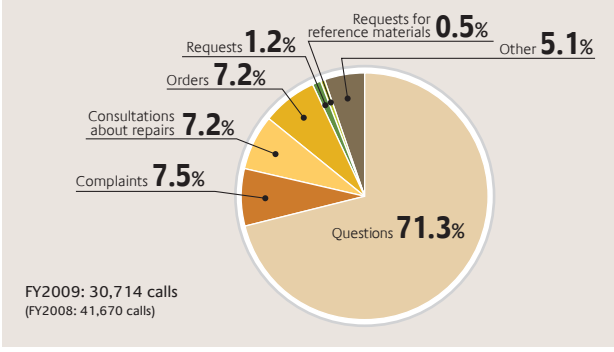
Together with Customers

Responding to the Voice of Customers

Customer Support Center

Kyocera has a Customer Support Center (Call Center) to handle matters concerning consumer products for general customers. Kyocera aims to raise the level of customer satisfaction by always responding earnestly, correctly and promptly to customer inquiries, consultations, complaints, and other matters.
Valuable information and inquiries received from our customers are reported to top management and related business divisions in a timely manner, so that they are used to improve the quality of our products and services.
Private information of our customers is completely protected and controlled by the corporate rules and regulations on information security.

Break-down of Inquiries (FY2009)



Compared with the previous fiscal year, the number of calls fell by more than 10,000.
The main reasons for the decline were:

- Fewer calls due to enrichment of the Kyocera website (enrichment of FAQ relating to communications equipment, etc.)

- Fewer calls due to improved quality of PHS units
- Fewer calls relating to optical equipment

Promotion of universal design

KYOCERA MITA Corp. has set two development objectives: the unification of environmental concerns and economic viability in the Ecosys concept, and to "Manufacture of people-friendly products." The company is therefore incorporating universal design into products. This includes technological standards required by the revised Rehabilitation Act Section 508 in the USA. Specifically, engineers and designers use wheelchairs, senior citizen "experience kits," and other means to determine whether a product can be easily used by people with disabilities and by senior citizens.
Additionally, studies of conditions in which customers use the products are applied to facilitate product improvement. The "Easy-to-Use" universal design features incorporated into the monochrome MFPs [KM-4050/5050] were highly acclaimed. As a result of such activities, KYOCERA MITA Corp. received a Good Design Award for the first time. KYOCERA MITA Corp. will continue to enhance universal design measures, undertaking development of people-friendly products that will satisfy customers.


Testing usability from a wheelchair


Testing usability while wearing a senior citizen "Experience Kit"

Received "Smart Products 2008" award at Paris international trade fair

The general trade fair for daily goods, Foire de Paris, was held in Paris, France, from April 30 to May 12, 2008. Kyocera's ceramic knife won the "Smart Products 2008" award during the fair.
Exhibits were evaluated by visitors to the fair and certain mass media companies. In the Kitchen Division, Kyocera's ceramic knife was highly rated for design and performance. This was the first time a product by a Japanese corporation won the award.


The Kyocera Booth

Together with Employees

The Management Rationale of the Kyocera Group is "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". In our quest to achieve this Rationale, we constantly strive to optimize our organization. Kyocera is setting up personnel and education systems necessary to develop and train employees, while actively undertaking measures for improved safety and the prevention of accidents or disaster. Optimizing our organization gives employees a sense of pride in their company and the feeling that their work is worthwhile.

Personnel Matters

The "material and intellectual growth" targeted by the Management Rationale encompasses more than simply economic stability and prosperity. It embraces an enrichment of the spirit – something to live for and a sense of doing worthwhile work – through self-fulfillment. To achieve the Management Rationale, our personnel systems are adaptable to the characteristics and societal norms of individual countries. Such systems must be able to adapt to diverse values and the changing environment of an aging society, in addition to the changing labor environment that stems from mobility of employment and globalization of corporate activity.

The Personnel Vision

To work continually on innovation of various personnel measures. To create a workplace climate in which all employees can take pride in the company and feel that their work is worthwhile, while sharing both hardships and joys. To thereby contribute to achieving the Management Rationale.

Respect for Human Rights

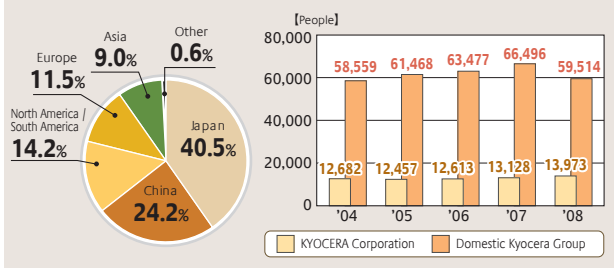
Aside from compliance with the laws of individual countries, the Kyocera Group explicitly prohibits the use of forced labor, child labor and other practices highlighted by the United Nation's Universal Declaration of Human Rights, Fundamental Human Rights Convention by the International Labor Organization (ILO), the United Nations Global Compact, and other international conventions. The Kyocera Group also prohibits discriminatory treatment on the basis of gender, age, beliefs, nationality, physical features, etc. Furthermore, the Kyocera Group endeavors to exchange views and share information with employees through organizations such as labor unions and workplace associations. The Kyocera Group promotes development of appealing work environments that foster motivation to work. Meanwhile, great importance is placed on individual character and ability when hiring and appointing diverse talented people.

Adapting to Globalization

Examination of employee ratios according to region indicates that about 2/3 of Kyocera Group employees are working outside of Japan. Since the first overseas office was established in 1968 (in the USA), localization has been the basic principle of recruitment and has always endeavored to appoint local employees to management positions. Furthermore, to foster a sense of unity among local employees, energy is put into various activities, such as sporting events.

A sports festival (China)

Ratio & No. of Employees by Region (As of March 31, 2009)



Approach to Labor-Management Relations

At Kyocera, great emphasis is put on building relationships based on trust and heart-to-heart bonds among employees. Labor-management relations at Kyocera go beyond the generally accepted idea of harmony between management and labor. At Kyocera, the basis of the relations is "coaxial labor and management," where perspectives are shared on the same level. Such relations are stimulated and sustained through unity in participation in sporting events, summer festivals and many other kinds of events.

● Regulations Review Project

The Regulations Review Project, undertaken jointly by labor and management, was launched in 2005. Employees' needs and lifestyles are diversifying alongside changes in the environment of the times. Labor and management are therefore working together on checking criteria and standards, to ensure they are always appropriate, fair and impartial.

● Labor & Management Exchange Conference

Meetings of labor and management representatives are held each month in Kyocera plants and offices. The purpose of the meetings is to verify working conditions for employees and workplace environment, and to actively exchange views on matters needing improvement, among other issues.

Together with Employees

Kyocera Group Sports Festival (Also called "All-Sports")

All-Sports is a notable event jointly organized by labor and management. It is held each year to heighten mutual trust and solidarity in the Kyocera Group through competition, victory celebrations and so on. The 31st All-Sports was held in 2008. Having won in regional preliminaries, 32 teams engaged in heated competition at Kyocera Dome Osaka.

Measures for raising workplace vitality

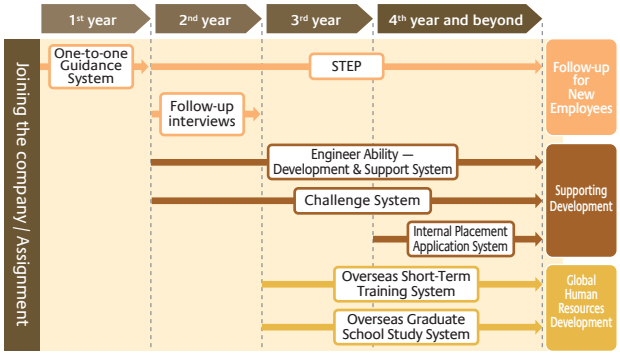
Since FY2007, Kyocera has conducted an opinion survey to all employees. The survey focuses on the level of satisfaction with the work and workplace atmosphere, the management situation, the sense of trust in the company, and suggestions for improvements, etc. Results are analyzed for each organizational unit, allowing for the diagnosis of the "vitality level" in each workplace. Using results as one reference indicator, workplace leaders take the lead in improvement activities for heightening workplace vitality.

Development of Human "Assets"

Kyocera regards human resources as human "assets" and supports activities enabling employees to raise awareness of personal development and their contribution in the workplace.

In particular, personal development can be achieved to a great extent through work. Therefore, Kyocera is striving to create a workplace environment that enables each employee to work cheerfully and energetically, and draws out "natural talents" to the maximum extent.

Kyocera aims to match the ideas and ambitions of employees with the business requirements of the company, thereby realizing employee growth and company development simultaneously. The flowchart below illustrates the development of human assets.



● One-to-One Guidance System (Supporting Growth of New Employees)

Couches are selected for each new employee. Based on personalized development plans, coach gives fine-tuned guidance through communication with each individual.

Additionally, each employee meets with the Human Resources Department Staff. New employees can thus receive advice from several perspectives. The Human Resources Department Staff then conduct follow-up interviews in the second year of employment.

● STEP (Support Training and Education at Workplace)

STEP is a system for supporting certain and steady development of young employees, as they progress from one stage to the next. Regular opportunities are provided for communication between superiors and subordinates. These allow subordinates to express their views and wishes to superiors, as superiors listen carefully. Sharing thoughts in this manner builds workplace unity and supports the growth of young employees. STEP was introduced for employees in FY2009 and continues functioning for each person until the end of the fifth year with the company.

● Skill Development Support System for engineers

This system supports engineers as they independently strive to enhance their qualities as engineers. Specifically, the system clarifies the ideal state of an engineer for each job category and grade, while giving a quantitative grasp of the skills needed to get there (specific job requirements and levels). Every year, each person sets a target and then undertakes skills development through on-job and off-job training. Results are evaluated once a year and engineers receive certification for a higher grade according to the level of acheivement. This system leads to improved engineering capability for the organization as a whole.

● Challenge System (Superior–Subordinate Interview System)

Once a year, each employee shares work targets with a superior in an interview aimed at setting direction for skills development.

With a clear understanding of his or her functions, each employee can concentrate independently on the work and skills development. Supervisors, by heeding subordinate feedback, can thus smooth the way for raising ability as an organization to reach goals and accomplish business affairs.

● Internal Placement Application System

When divisions anticipate the need for an addition of personnel for new operations, expansion of operations, or other purposes, this system enables employees throughout the company to apply for placement.

Employees can accept the challenges of diverse business fields of the Kyocera Group in accordance with their aspirations. The aim is to offer positions with heightened activity to talented people who have drive and ambition.

● Overseas Training Systems

Kyocera has an Overseas Short-Term Training System and an Overseas Graduate School Study System. The objective of these systems is to cultivate human resources who can function on the global stage.

The systems were established in 1984, and 109 people have been sent abroad for study since then. In FY2009, six employees were sent overseas for short-term training, and one employee was sent to study at an overseas graduate school.

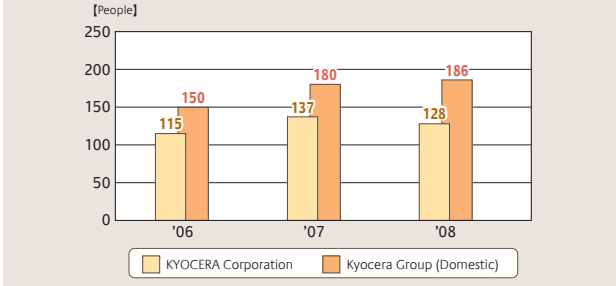
Kyocera is thus cultivating employees with improved language skills, the ability to obtain up-to-date knowledge and technology that can only be acquired abroad, and a sense of international awareness.

A Balance of Work and Life

● Measures for Child Care and Nursing

To support the coexistence of work and home life, Kyocera introduced a child-care leave system in FY1993. In FY1996, Kyocera established a family nursing care leave system that surpasses legal requirements. Employees can take a maximum of one year off work to nurse sick family members. In FY2007, we introduced a short-time work system for pregnant employees, and employees raising children through the third year of elementary school. So far, 208 employees have used the short-time work system, in total

No. of Employees Taking Child Care Leave



● Promoting Career of Women in the Workplace

Promoting the role of women in the workplace is an important management issue. In January 2006, Kyocera set up the Positive Action Promotion Committee, chaired by the personnel director, and the Women's Activity Promotion Committee. While increasing the number of female employees and broadening job options for women, Kyocera is building a system to improve the balance of work and life, through introduction of the short-time work system and other measures.

● Return-to-Work System

In December 2007, Kyocera introduced a system whereby people who left the company due to marriage, childbirth, childrearing, nursing care or other unavoidable reasons can return to work as regular employees. This system expands the options for working when thinking about plans for life, and supports realization of a balance of work and life for individual employees.

Offering Employment Opportunities to Match Diverse Needs

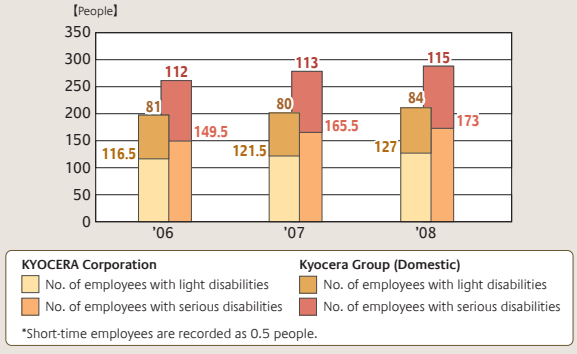
● Employing People with Disabilities

Kyocera actively promotes an environment that supports the employment of people with disabilities and makes it easier for them to work. Each employee is assigned to a workplace upon consideration of aptitude, the nature of the work, and other matters.

As of March 2009, the ratio of people with disabilities, employed by Kyocera, was 1.91%. This surpasses the legally required ratio (1.8%).

Kyocera will continue to actively provide employment opportunities for people with disabilities.

No. of Employees with Disabilities

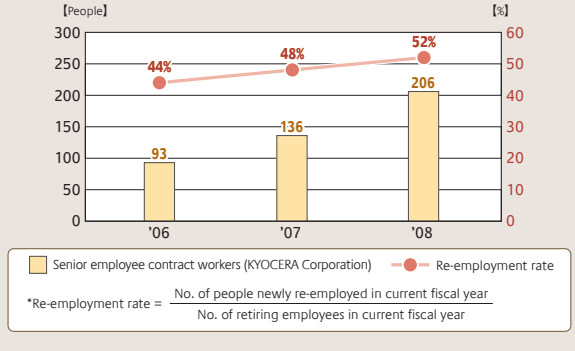


● Senior Employee Contract Workers

In FY2002, Kyocera introduced a system for offering re-employment to employees approaching retirement at the age of 60 years.

This system satisfies the needs of both employees and Kyocera. For employees reaching regular retirement age, it offers the chance to continue with meaningful work. Meanwhile, continued application of acquired abilities and skills contributes to further development of the company and perpetuation of corporate climate and culture.

Senior Employee Contract Workers



Together with Employees

Employee Education

Since foundation of the company, Kyocera has practiced management based on the Kyocera Philosophy. The Kyocera Philosophy is the driving force behind Kyocera's development and it is essential that the Philosophy continues to be passed on correctly to employees. Therefore, study of the Philosophy is the cornerstone of training in the Kyocera Group. Employees systematically study the fundamental ideas contained in the Philosophy and the management methods embodying those ideas. By spreading the practice of Philosophy study throughout Japan and abroad, the Kyocera Group cultivates human resources who can contribute to the advancement and development of humankind and society.

Kyocera Management Research Institute

The Education Rationale

The Education Rationale is based on Kyocera's Management Rationale. Kazuo Inamori, the founder of Kyocera, devised the Management Rationale as the fundamental approach of Kyocera after thinking long and carefully about "why a company exists." The goal of the Education Rationale is to cultivate human resources who can contribute to achieving the Management Rationale.

The Kyocera Group cultivates highly capable human resources who acquire the Kyocera Philosophy and contribute to the advancement and development of humankind and society, while pursuing the global development of Kyocera and the happiness of all employees through earnest efforts and a focus on creativity.

Education Objectives and System

To achieve the Education Rationale, the Kyocera Group has set five Education Objectives. To achieve these objectives, an education system corresponding to each of the five has been constructed.

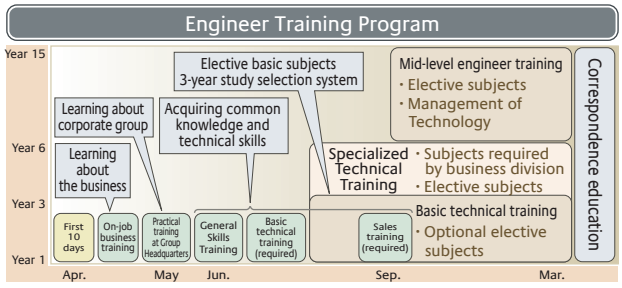
	Training Type	Education Objective
1	Philosophy Education	Spreading the Kyocera Philosophy among all employees
2	Management Education	Cultivating executives with high-level management skills
3	Skills-specific Training	Cultivating human resources with job skills that meet specific qualifications
4	Technical Training	Cultivating human resources with high-level specialized knowledge and high technological skills
5	Job-specific Training	Cultivating professional human resources for specialized job types

Training Type		Top Management	Mid-level Employee	Employee	Part-time Employee
Philosophy Education	Inside Japan	Director & Executive Philosophy Training	Supervisor & Assistant Supervisor Philosophy Training	Employee Philosophy Training	Part-time Employee Training
	Outside of Japan	Top Management Seminars	Middle Management Seminars	Employee Philosophy Training	
Management Education		Kyocera Business Management Course			
		Plant Manager & Division General Manager Training / Sales Manager Training	Human Assessment (HA)Training*		
Skill-specific Training		Management Skills Training / Administrative Skills Training	Supervisor / Leader Skills Training / Advanced General Skills Training	General Skills Training	
Technical Training			Mid-level Engineer Training / Specialized Technical Training / Basic Technical Training		
Job-specific Training			Product Manufacture Skills Training / Sales Dept. / Administrative Dept. Training		
Other Training		Research Task Reports / Chinese Language Studies / Correspondence Education / e-Learning / etc.			

*HA: Human Assessment

● Engineer Training System

Engineer training policy is: "To cultivate creative and innovative professional human resources, possessing highlevel specialized knowledge, and high-level technical skills covering all areas of business – manufacturing, engineering, development, sales, and administration". The engineer training program is based on this policy. Employees attend Basic Technical Training from their first year with the company through the third year, followed by Specialized Technical Training until the end of the sixth year. From their seventh year until the 15th year, engineers undertake Mid-Level Engineer Training. This includes learning how to apply their expertise in management, through Management of Technology studies.



● FY 2009 Education Results

In FY2009, as many as 117,243 employees in Japan and abroad attended employee courses on the Kyocera Philosophy (the cornerstone of employee education) and other topics.

Courses in Philosophy education have been held continually since FY2003. Regular and systematic training is implemented for all employees at all levels of employment, from top management to part-timers, with the aim of sharing, spreading and sustaining the Kyocera way of thinking.

Participation in the Kyocera Business Management Course has been expanded. Employees study Amoeba Management (a business management method developed by Kyocera) and Kyocera Management & Accounting Principles, among other topics. Additionally, training for mid-level engineers has been enriched to enhance application of engineering expertise in management.

No. of Employee Training Course Participants (FY2009)

Name of Course	Philosophy Education		Management Training	Skills-specific Training	Technical Training	Total
	Domestic	Outside of Japan				
No. of Course Participants*	44,232	51,023	11,121	5,084	5,783	117,243

* Results above refer to training conducted by training departments within Kyocera.

● Preparing a new Kyocera Philosophy Pocketbook

The Kyocera Philosophy Pocketbook currently in use was published in 1994 in commemoration of the 35th anniversary of the foundation of Kyocera. The Pocketbook is a compilation of thoughts on mental attitude and the right way of thinking, as explained to employees by Kyocera's founder, Kazuo Inamori. This pocket-sized notebook is distributed to Kyocera Group employees along with copies of the explanatory lectures "Talking about the Kyocera Philosophy."

After publication of the Pocketbook, Kazuo Inamori continued to use lecture meetings and many other opportunities to explain the Kyocera Philosophy to employees. Now, to commemorate the 50th anniversary of Kyocera's foundation, records of lectures on the Philosophy have been organized and topics not included in the Pocketbook 15 years ago are to be included in a new edition, "Kyocera Philosophy Pocketbook II."

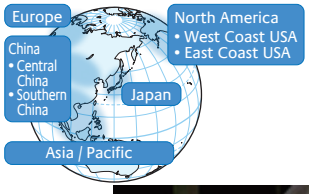
Furthermore, Kazuo Inamori gave a total of nine lectures on the various points in the Pocketbook. Copies of the lectures will also be published as a complete edition, titled "Talking about the Kyocera Philosophy II."

Both publications will be used as teaching materials during training. We will continue to spread the corporate philosophy of Kyocera and ensure it is passed on by all employees.

Globalization of Kyocera Philosophy Education

Ongoing Kyocera Philosophy training is held each year across the Kyocera Group. The training is designed for people working at all levels and classifications – directors, regular employees, part-timers and contract workers. The same program is used all over the world. Sharing the Kyocera Philosophy throughout the Group and basing business activity on the Philosophy – in other words practicing the Philosophy – generates true motivation and the desire to work. Practice of the Philosophy can help each person lead a wonderful life. Furthermore, practicing management that meets the expectations of stakeholders contributes to further strengthening of the management foundation.

Kyocera has divided the world into five regions: Japan, North America, China, Europe, and Asia/Pacific. The Group companies in all regions maintain mutual cooperation and hold regular Kyocera Philosophy training.



A Seminar in North America

Developing Philosophy Education Overseas

● Top Management Seminars

These seminars are at the heart of philosophy education. Group corporate executive employees gather for two-day training every six months in one of six regional seminar venues: two in North America, two in China, one in Europe and one in the Asia/Pacific region.

● Middle Management Seminars / Employee Seminars

These are conducted by each Group company. The training program is based on Top Management Seminars and is similar to that for executive employees, the seminars have several curricula, such as one-day and half-day training.

Enriching Teaching Materials in Various Languages

To promote correct understanding of the Kyocera Philosophy, we are steadily enriching teaching materials for languages of various countries. The Kyocera Philosophy Pocketbook, a compact summary of the Philosophy, has been translated for use in other countries. Overseas as well as in Japan, it is being used as training material, and in day-to-day workplace activities.

Publications: English / Chinese / German editions
To be published soon: Portuguese / Czech / Korean / Thai editions

Video recordings of Kyocera founder Kazuo Inamori talking in detail about the Kyocera Philosophy have been dubbed in English and Chinese. They too are in continual use as teaching materials for training and self-development.

Training texts are set out with Japanese/English or Japanese/Chinese parallel translations. In training and in workplace business, they are used as tools for better mutual understanding among employees speaking different languages.

● Kyocera Philosophy Pocketbook

English Edition　Chinese Edition　German Edition

● Training Texts

English Edition　Chinese Edition

Together with Employees

Safety & Health / Fire & Disaster Prevention

Provision of a safe and healthy work environment is a major requirement for achieving the material and intellectual growth of employees, as set out in the Management Rationale. Therefore, the Kyocera Group actively promotes safety and health alongside disaster prevention activities, while concentrating on building a corporate climate embodying the concept of "Safety First."

Countermeasures for New Influenza

In preparation for outbreak of a new type of influenza, Kyocera has prepared the "Kyocera Avian & New Influenza Countermeasures Action Plan". Among other sources, this is based on "Guidelines for New Influenza Countermeasures for Businesses and in the Workplace", issued by the Ministry of Health, Labor and Welfare.

In the Action Plan, the fundamental approach is: "Kyocera employees, etc., are to act on the basis of protecting themselves (self-help) while cooperating to help each other (mutual aid), and working to protect that country and local community (public assistance)".

Furthermore, basic policy is in two parts: "Preventing infection of Kyocera employees, etc., and preventing the spread of infection" and "Minimizing suspension of business activities". Our aim is to continue business activity wherever possible, on the precondition of having secured employee safety.

Steps taken upon outbreak of the new influenza in April 2009 were based on this Action Plan.

Obtaining OHSAS18001 Certification

The Kyocera corporate culture places maximum priority on the safety and health of employees. Aiming to enhance a workplace environment in which employees can work safely and with peace of mind, Kyocera introduced an "Occupational Health and Safety Management System" in April 2005. The system is based on the OHSAS18001 standard. Operation of the system was later expanded to cover all Group companies.

In FY2009, almost all production and non-manufacturing locations in the Kyocera Group (Domestic), totaling 124 locations, received certification. The extent of certification had roughly tripled from that of FY2008.

Due to progressive OHSAS18001 certification in the Kyocera Group (Domestic) the safety record has improved. As safety improvement and other benefits of introducing OHSAS are becoming apparent, we are now studying introduction of similar administrative systems in affiliate companies outside Japan.

As a result, production bases of SKO (Dongguan City, China) and KSE (Czech Republic) obtained OHSAS18001 certification in FY2009.

SKO (Dongguan Shilong KYOCERA Optics Co., Ltd.)

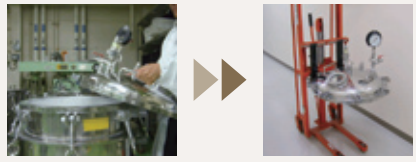
KSE (KYOCERA Solar Europe s.r.o.)

Registration Certificates

Example of OHSAS18001-based Improvement

<Better handling of heavy loads (Kagoshima Kokubu Plant)>

Lids on certain equipment weigh more than 20kg. Hand-lifters are now used to reduce risk of back injury or injury resulting from dropping the lids when manually opening and closing. This has improved safety and reduced workload.



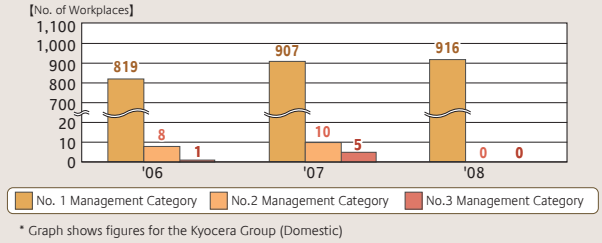
Enhancement of Mental Healthcare

The Kyocera Group is steadily enhancing measures relating to mental health management, based on mental health management criteria in OHSAS18001. In particular, the number of people taking leave due to mental health problems in FY2009 fell about 20% compared with the figure for FY2008. This was an outcome of active use of a system allowing leave-takers to resume their duties gradually upon return, and establishment of a return-to-work support program in companies throughout the Kyocera Group. The Kyocera Group will continue reducing the number of leave-takers, through effective use of the gradual work system. Additionally, we are focused on implementing new training and development systems as preventive measures, while improving communication skills.

Creating a Comfortable Work Environment

To realize "A workplace environment where employees can function safely and with peace of mind", the Kyocera Group (Domestic) is applying independent management standards at less than 1/10th of the concentrations permitted by law, particularly in work areas handling dangerous and hazardous chemical substances. Work environment measurements taken in FY2009 showed all workplaces in the Kyocera Group (Domestic) had improved to No. 1 Management Category (meaning no further improvement is required).

Environment Measurement Results at Workplaces Handling Chemical Substances

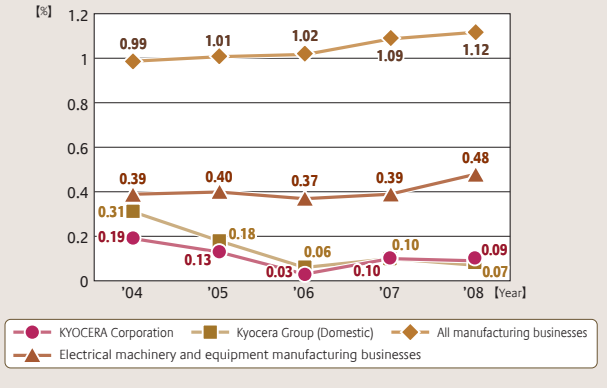


* Graph shows figures for the Kyocera Group (Domestic)

Kyocera and Kyocera Group (Domestic) Safety Record

In 2008, the rate of absence from work due to work-related injury was 0.07% for the Kyocera Group (Domestic) (KYOCERA Corporation = 0.09%). The results show improvement from 2007. Moreover, they are significantly lower than the absence rates for the entire manufacturing industry and the electrical machinery and equipment manufacturing industries.

Kyocera Group (Domestic) Rate of Absence Due to Work-Related Injury



* Work-injury absence rate: No. of injured / 1,000,000 hours
* Calculation of no. of days absence is based on standards used by the Ministry of Health, Labor and Welfare

Introduction of Earthquake Emergency Warning System

Kyocera has introduced an earthquake warning system for the safety of employees and visitors, and to minimize risk of secondary disasters. The system uses the Earthquake Early Warnings issued by the Japan Meteorological Agency. It has been operating since January 6, 2009, at Kyocera headquarters, plants, offices and sales centers – all 50 Kyocera Corporation sites in Japan.

Earthquake Early Warning drills

Received "Japan Association for Safety of Hazardous Materials – Director's Award".

Nagano Okaya Plant received the "Japan Association for Safety of Hazardous Materials – Director's Award" during the Association Conference held in June 2008. Okaya Plant conducts training courses on handling hazardous materials used at the plant, for hazardous material engineers and work supervisors. The plant implements thorough facility inspections and other independent safety management criteria. As a result, there has not been one accident or violation of safety codes relating to hazardous materials since the plant was opened in 1983. These points were the basis for presentation of the award.

The 6th Environment & Safety Promotion Plan and Results

Name of Plan	Goal Content	Scope*	Reference or Index	FY2009 Goal First Half	FY2009 Goal Second Half	FY2009 Results	FY2010 Goals First Half	FY2010 Goals Second Half	FY2011 Goals First Half	FY2011 Goals Second Half	Long-term Goal (FY2018)
Safety & Health Promotion Plans	1. Work-Related Injury Reduction Plan										
	(a) Reduction of work-related injuries	KYOCERA Corporation	Frequency of work-related injuries in2007	50% reduction		27.6% reduction	75% reduction		Zero cases		Zero cases
		Domestic/Overseas							87.5% reduction		
	(b) Reinforcing workplace supervision system by increasing personnel qualified in safety and disaster prevention issues	KYOCERA Corporation /Domestic	No. of personnel required by law	10% increase		24.1% increase	30% increase		50% increase		—
	(c) Accident-free commendation system	KYOCERA Corporation /Domestic	5 commendation levels (500 days to 2500 days)	Introduced in the Kyocera Group (Domestic)		Start of operation	—		—		—
	(d) Introducing risk assessment in overseas Kyocera Group	Overseas	—	Introduced at model bases	Introduced at all overseas production plants	Study introduction at model bases	Ongoing operation				—
	2. Promotion Plan for Creating Comfortable Workplace Environment										
	(a) Setting independent standard for workplace environment management	KYOCERA Corporation /Domestic	Chemical substances (less than 1/10th of legal standard) Noisy operations (constantly 80dB)	Application of independent management standards		Ongoing application	—		—		—
	(b) Strengthening management and introducing improvements at workplaces handling chemical substances	KYOCERA Corporation /Domestic	—	Implementation of workplace improvements (dust)		Ongoing implementation of improvements	Implementation of workplace improvements (dust)		Ongoing		—
				—		—	Implementation of workplace improvements (organic solvent)				
				Enhancing worker health education for supervisors and workers		Ongoing base-by-base implementation	Enhancing worker health education for supervisors and workers				
	(c) Strengthening management and introducing Improvements at noisy workplaces	KYOCERA Corporation /Domestic	—	Improvements at Nos. 2 & 3 Management Category workplaces, reinforcing administration, enhancing worker health education for workers in noisy environments		Improvement planning or strengthening management	Improvements at Nos. 2 & 3 Management Category workplaces, reinforcing administration, enhancing worker health education for workers in noisy environments				—
				—		—	Time restrictions for hazardous work at No. 3 Management Category workplaces				
	3. Mental Health Promotion Plan										
	(a) Reducing unscheduled leave-taking	KYOCERA Corporation /Domestic	No. of people commencing leave in FY2008 due to mental health problems	5% reduction		18.8% reduction	10% reduction		15% reduction		50% reduction
	(b) Enhancing mental healthcare	KYOCERA Corporation /Domestic	—	Enhancing supervisor training (2 hr/year) & general employee training (1 hr/year)		Ongoing base-by-base implementation	Enhancing supervisor training (2 hr/year) & general employee training (1 hr/year)				—
Fire & Disaster Prevention Promotion Plan	1. Reducing fire & explosive accidents	KYOCERA Corporation /Domestic	No. of fires and explosions	1 case		9 cases	Zero cases		Zero cases		Zero cases
	(a) Strengthening standards for storage of dangerous materials (strengthening internal standards)	KYOCERA Corporation	Workplaces storing dangerous materials at less than the small-stock quantity specified by Kyocera Corporation in-house standards (0.02~0.2 times the specified quantity) hold no more than is required for use in a single week	30%+ conformity		35% conformity	60%+ conformity		100% conformity		—
		Domestic		—		—	30%+ conformity		60%+ conformity		100% conformity (FY2012)
	(b) Strengthening requirements for installation of automatic fire alarms	KYOCERA Corporation /Domestic	Buildings or no. of rooms legally exempt from need to install automatic fire alarms	Countermeasures completed: 30%+		Countermeasure completed: 11%	Countermeasures completed: 60%+		Countermeasures completed: 100%		—
	2. Implementation of earthquake measures										
	(a) Setting fixation standards for machinery and equipment	KYOCERA Corporation	—	Establish standards & countermeasures		Examine fixation standards	Countermeasures completed: 20%		Countermeasures completed: 40%		Countermeasures completed: 100% (FY2014)
		Domestic					—		Countermeasures completed: 20%		Countermeasures completed: 100% (FY2015)
	(b) Installation of emergency equipment	KYOCERA Corporation	—	Establishment of standards		Examine installation standards	Emergency equipment installation		—		—
		Domestic					—		Emergency equipment installation		—

* Scope: Kyocera Corporation / Domestic = Kyocera Group companies in Japan / Overseas = Kyocera Group companies outside Japan.

Together with Employees

Kyocera Perfect 5S Promotion Activities

Perfect 5S is at the heart of work (5S: Seiri – Sort / Seiton – Set in Order / Seiso – Shine / Seiketsu – Sanitize / Shitsuke – Sustain). Kyocera Group efforts to implement the Perfect 5S system are called "Perfect 5S Promotion Activities." They were introduced in Kyocera in October 2005, followed by Group companies in Japan in April 2006, and Group companies overseas in October 2007. Perfect 5S is thus being deployed on a global scale. Thorough implementation is helping the Kyocera Group toward realization of The Company.

Overseas Deployment

5S activities are recognized overseas. However, 5S training must be tailored for local conditions to ensure correct understanding of Kyocera's independent Perfect 5S activities, and for ongoing implementation. The practice of 5S activities is reforming awareness and heightening sensitivity. Our goal is to be a company in which employees maintain high morale – a company with a work environment in which everyone can work safely and with peace of mind.

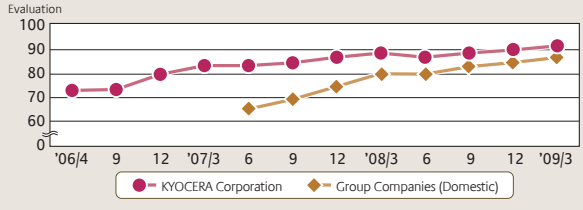
5S classes
(Dongguan Shilong KYOCERA Optics Co., Ltd.)

Fixed storage space
(KYOCERA International, Inc.)

Trends of 5S Inspection Evaluations

Inspections are conducted each quarter using 5S Checklists of about 200 items. 5S levels are rising with each inspection.

Trends of 5S Inspection Evaluations Average



Improved State of Workshops

＜Example No. 1＞

Space for safety equipment and other items used in the workplace, storage places for trolleys, etc., are clearly divided and named. Everything is tidy and in order, making items easy to find and use. When entering the workplace, workers proceed down the traffic line, first putting on safety boots, then placing equipment on a trolley and finally putting on a helmet. This is an efficient storage area with no waste.

Storage area after improvements

＜Example No. 2＞

Connection pipes for chemicals show labels with a different color and number for each chemical. Additionally, each pipe has a different diameter and connecting screw diameter. Making the differences "visible" has effectively eliminated the possibility of connection errors.

Facility with countermeasures to prevent connection errors

The 6th Environment & Safety Promotion Plan and Results

Name of Plan	Goal Content	Scope*	Reference or Index		FY2009 Goal First Half	FY2009 Goal Second Half	FY2009 Results	FY2010 First Half	FY2010 Second Half	FY2011 First Half	FY2011 Second Half	Long-term (FY2018)
Perfect 5S Promotion Plan	1. Increase in audit assessment scores	KYOCERA Corporation	5S audit assessment scores (Reference value set for each group)	Lowest score	+5 points		– 2.0 points	+10 points		+15 points		90 points
				Average score	+3 points		+ 6.8 points	+ 5 points		+ 7 points		95 points
		Domestic		Lowest score	+5 points		+ 0.5 points	+10 points		+15 points		90 points
				Average score	+5 points		+16.6 points	+15 points		+20 points		95 points
		Overseas		Lowest score	+5 points		–15.1 points	+15 points		+20 points		90 points
				Average score	+5 points		+10.0 points	+10points		+20 points		95 points
	2. Expanding to group companies overseas	Overseas	—		Expanding to divisions with production processes		Implementation completed	Expanding to all divisions				—
	3. Application of the "perfect 5S certified-workshops"	KYOCERA Corporation /Domestic	—		Start of application		Under examination	Issue of certificate		—		—

* Scope: Kyocera Corporation / Domestic = Kyocera Group companies in Japan / Overseas = Kyocera Group companies outside Japan.

Together with Shareholders and Investors

The Kyocera Group is striving to improve the transparency of business activities. At the same time, we are working to ensure the prompt, appropriate and fair disclosure of information to shareholders, investors and all others who have interests in the corporation.

General Meeting of Shareholders

Kyocera regards the "General Meeting of Shareholders," the highest decision-making organ of corporation, as an important opportunity to communicate with shareholders and strives for openness.
The report we send to our shareholders is designed to promote clear understanding, and includes photographs, graphs and other reference information such as explanations of end-of-year figures. We strive to ensure that the opinions of shareholders are reflected in management by sending out meeting notices to shareholders earlier than legally required and by making voting rights exercisable via the internet.

Reports to Shareholders

Proactive Disclosure

In Japan, Kyocera shares are traded on the Tokyo Stock Exchange and Osaka Stock Exchange. On the New York Stock Exchange, they are traded as American Depositary Receipts (ADRs). In Japan and overseas, Kyocera actively discloses information to shareholders and investors. Much of this information is available on Kyocera's website.
URL: http://global.kyocera.com/ir/index.html
The website shows financial statements and other information that must be disclosed by law. In addition to legally required disclosure, Kyocera actively posts various kinds of timely information, including share prices and recent news items.
In recognition of our efforts toward information disclosure via the website and elsewhere, the Tokyo Stock Exchange presented Kyocera with a disclosure award – the 2008 Listed Company Award of the Year.

Profit Distribution

Kyocera has set a dividend policy focused on the link between consolidated results and dividend payout.
Specifically, the benchmark for the consolidated dividend payout ratio is 20% to 25%. Dividend payouts are determined from an overall perspective, taking into consideration funding needed for medium– to long-term corporate growth.
Based on this dividend policy, the annual dividend for the fiscal year ended March 2008 was set at 120 yen per share.

Assessment of Socially Responsible Investment (SRI)

Socially Responsible Investment (SRI) has been expanding in recent years. Under SRI, in addition to financial analysis, investment-options selection is based on a corporation's social fairness and ethics, consideration for the environment and human rights, and other assessments of social responsibility.
The Kyocera Group is proceeding with diverse measures to fulfill the social responsibilities of the corporation. This stance is highly acclaimed and has earned the Group selection distinction as an investment benchmark stock.

Main SRI Indices and Funds (also Eco-funds) in which Kyocera is Included

SRI Index

- Ethibel Sustainability Index (As of May 20, 2009)
- Dow Jones Sustainability Index Asia Pacific (As of March 31, 2009)
- Dow Jones Sustainability Index Asia Pacific 40 (As of March 31, 2009)
- Morningstar Socially Responsible Investment Index (As of April 1, 2009)

Domestic SRI (Eco–funds)

- Daiwa Eco-fund (As of February 20, 2009)
- AIG/Resona Japan CSR Fund "Seijitsu-no-mori" (As of March 16, 2009)
- Global Warming Prevention – Related-Shares Fund "Chikyuryoku" (As of June 20, 2008)
- Daiwa SRI Fund (As of May 19, 2008)
- Fukoku SRI (Socially Responsible Investment) Fund (As of April 21, 2009)
- Morningstar SRI Index Open "Tsunagari" (As of July 15, 2008)
- Eco-Partners "Midori no Tsubasa" (As of January 27, 2009)
- Eco-Balance "Umi to Sora" (As of September 25, 2008)
- Mitsui Trust Socially Responsible Investment Fund (As of February 26, 2009)

Together with Business Associates

To our business associates, procurement departments are windows into the company. We must constantly be wary of buyer's logic, or the logic of a party in a stronger position. To consistently engage in fair purchasing activities, we have adopted the following rationale: "Purchasing is the face of the company. Always be fair. Let's become a reliable and valuable Purchasing Group with gratitude toward others, humbly reflecting on our behaviors and giving our best efforts at all the times"

Relations with Business Associates

Kyocera regards business associates as "valued partners" and places great importance on joint growth and mutual improvement achieved by learning from each other. For instance, for business associates actively suggesting improvements, both parties can apply knowledge and insight toward bettering the quality, environment, delivery time and cost of a product or service.
Additionally, to foster a better understanding of Kyocera's basic approach to business transactions, we actively visit suppliers and use various opportunities to build communication. In this way, we build partnerships based on mutual trust.

Supplier Selection Policy

Kyocera adheres to the Supplier Selection Policy outlined below. If a new supplier seeks to conduct business with Kyocera, that prospective supplier is asked to provide a report giving a general overview of the company, and to complete a questionnaire about Environment-Related Activities.
The supplier is assessed and then selected or denied based on these materials and various findings as established in the Supplier Selection Policy. Similarly, established suppliers are periodically surveyed, assessed and reviewed.

Supplier Selection Policy

- Whether the fundamental thinking of the Kyocera Group is understood.
- Whether the thinking of the business operator and the management rationale of the prospective supplier are acceptable to Kyocera.
- Whether the company aims to improve management ability, technological strength and manufacturing ability; and whether business management is appropriate and stable in terms of scale and finances. (e.g.: VA/VE* proposal strength)
- Whether the company excels in such areas as quality, price, delivery time, service response, etc. (e.g.: ISO 9000 series or equivalent quality management systems; lead-time reduction activity)
- Whether the company is seriously involved in global environmental conservation activity. (e.g.: ISO 14001 certification)

* VA: Value Analysis
VE: Value Engineering

Supplier Seminars

Each year, business associates are invited to supplier seminars at Kyocera. The purpose is to give suppliers a better understanding of the Management Direction, business policies and other facets of the Kyocera Group, and to appeal for even greater cooperation in the future. In FY2009, Supplier Seminars were held in Yokohama and Kyoto. Some 384 people from 236 companies involved in communications equipment and solar energy businesses took part.
During the seminars, top management explained the Management Direction, future goals, measures for dealing with management issues, as well as policies of the procurement departments and details of business development in the various business fields. A social gathering held after each seminar provided an ideal opportunity for exchanging opinions with business associates and for building relationships based on trust.

Supply Chain CSR Questionnaire

Kyocera is systematizing CSR-related measures such as observance of laws and environmental conservation while implementing diverse sustainability measures. Promoting these activities requires further cooperation from business associates. Therefore, in FY2009 we prepared a "Supply Chain CSR Promotion Guidebook." The aim of the guidebook is to raise understanding among business associates regarding Kyocera's perspective of CSR. The guidebook was sent to about 800 business associate companies, together with a copy of "Kyocera Corporation Basic Policy on Purchasing." Additionally, the roughly 800 business associates were asked to complete a "Supply Chain CSR Questionnaire." The purpose of the questionnaire was to give Kyocera an understanding of the current state of CSR measures being taken by each company. In the future, Kyocera will be promoting various activities encouraging business associates to enhance measures relating to matters listed in the "Supply Chain CSR Promotion Guidebook."

Together with Society

The Kyocera Group continues to develop new technologies and provide high-quality, high-performance products. Our corporate activities are guided by the rationale of "Contributing to the advancement and development of humankind and society." Recognizing that a corporation is a public institution, the Kyocera Group will continue to work actively not just in business, but also in contributing to society in diverse ways.

Supporting Academic Advancement and Research

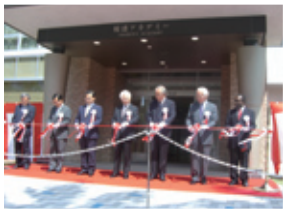
Supporting operation of The Inamori Frontier Research Center at Kyushu University

The Inamori Frontier Research Center was established at Kyushu University to undertake research activities contributing to the harmony of minds and technology, and to support exchange and education of young researchers. Kyocera concurs with the aims of the Center, and has supported operations since 2008 through donation of scholarship funds.

Press interview during the Scholarship Donation Ceremony

Supported construction of Inamori Academy Building at Kagoshima University

In September 2008, a new lecture building named Inamori Academy Building was opened at Kagoshima University. Kyocera supported establishment of the facility. In 2000, the Kyocera Chair of Management Studies was established in the Department of Engineering. In 2005, the course was expanded and upgraded to a university-wide organization named "Inamori Academy of Management & Technology." In 2008, it was reorganized into the Inamori Academy. The academy offers education aimed at comprehensive cultivation of human strengths.



Opening ceremony for Inamori Academy Building

Supporting operation of the Kyocera Chair of Management Philosophy at Kyoto University

In April 2007, Kyocera established the Kyocera Chair of Management Philosophy in the Kyoto University Graduate School of Management. The aim of establishing the course was to systematize and finally organize the theory of management philosophy, while cultivating researchers. Through this course, Kyocera supports the steady output of business people possessing a universal philosophy of management and corporate ethics.

Press interview on establishment of the Contributed Chair

Contribution to Alfred University, USA

In March 2005, Kyocera established the Kazuo Inamori School of Engineering at Alfred University (New York State, USA). The university is renowned worldwide for education and research in ceramics and glass. Fine ceramics research is conducted at the Kazuo Inamori School of Engineering, which features a Fine Ceramics & Nanotechnology Laboratory and "Inamori Professorships." Additionally, construction of the Inamori Kyocera Fine Ceramics History Museum is advancing toward opening in 2010.

Fine Ceramics & Nanotechnology Laboratory

Supporting Culture and Arts

Supporting musical productions by Shiki Theatre Company

Following support for musical productions by Shiki Theatre Company in FY2008, in FY2009 Kyocera supported the "Kokoro no Gekijo [Theater of the Heart]" project whereby children all over Japan are invited to performances. Kyocera supported nationwide performances of "Yuta and His Mysterious Companions," "Once Upon a Time an Elephant Came" and "The Cat Who Wanted to Become a Person."

Brochure for a performance

Supporting Kyoto Hanatouro projects

Kyocera supported Kyoto Arashiyama Hanatouro 2008 and Kyoto Higashiyama Hanatouro 2009. Each of these projects uses the richly Japanese expressions of "lanterns" and "flowers" to highlight the historical and cultural heritage and natural scenery of Kyoto.

Brochure for the 2008 Arashiyama event

Together with Society

Donation of a Kamakura-period verse manuscript to Saiku Historical Museum

Following the discovery of the ancient manuscript "Suketsunebon Saiku Nyougo-shu," in February 2008 KYOCERA MITA Corp. donated funds for purchase of the manuscript by Mie Prefecture. The manuscript contains verse connected with the historic site Saiku, and has been added to the collection of prefectural Saiku Historical Museum. It has value equivalent to a National Important Cultural Property. A replica of the newly acquired manuscript is now on permanent display and is fascinating many visitors.

Replica of the ancient manuscript "Suketsunebon Saiku Nyougo-shu"

Support for The Kirishima International Music Festival & Workshops

The Kirishima International Music Festival in Kagoshima Prefecture is held each year. Classical concerts are given by musicians active on the world stage, and workshops are held for music students. Kyocera supports these activities.

Brochure for the 2008 festival

Environment Protection Activities

Donations to schools in Tanzania and Nepal

From FY2010, Kyocera is donating solar photovoltaic systems to four Tanzanian schools each year for five years (total 20 schools). Tanzanian education is concentrating on the cultivation of future human resources. Our aim is to aid improvement of the education environment. Additionally, from FY2010, we are donating solar photovoltaic systems to three schools in Nepal each year for five years (total 15 schools). The aim is to provide Nepalese children in areas lacking electric power with a better environment for study.

Presentation of the donation list to President Kikwete of Tanzania

Donations to elementary schools in Cambodia

At the request of a Japan-based NGO involved in international cooperation, Kyocera donated solar photovoltaic systems to five elementary schools and child welfare facilities in Cambodia, from 2007 to 2008.

Chrang Khpos Primary School, Cambodia

Participation in afforestation activities in South Africa

KYOCERA MITA South Africa has built a partnership with [Food & Trees for Africa], a non-governmental organization (NGO) involved in greening activities. Since FY2008, KYOCERA MITA South Africa has donated 5,000 trees. We are continuing activities aimed at achieving "carbon-neutrality" of CO_2-producing business activities.

Planting trees

Supporting the "World Student Environmental Summit in Kyoto"

During the "World Student Environmental Summit in Kyoto" held in June 2008, students from 12 countries visited Kyocera Headquarters. The students were introduced to approaches and specific examples of environmental activities being undertaken by Kyocera. They also took part in exchange of views on renewable energy.

Students inspecting Headquarters facilities

Local Community Activities

Christmas volunteer activity – Donating toys to local children –

The Kyocera Group in the USA is participating in an annual toy donation campaign run by the US Marine Corp (Marine Toys for Tots Foundation). Toys collected from employees are presented to local children in needy circumstances.

Presenting toys to local children

Presenting a display at the Kyoto Product Creation Center

The <Kyoto City of Learning Pavilion> is a municipal career education facility for elementary and junior high school children. In February 2009, a corporate display area named Kyoto Product Creation Center was opened in the facility. The Kyocera Display introduces Kyocera's inventiveness and passion for product manufacture.

Kyocera Display

Local community clean-up activities

The Kyocera Group aims to be an integral part of local communities. All over the country, regular environmental clean-up activities are undertaken around Kyocera Group offices, factories and elsewhere.

Cleaning a local road

Headquarters building illumination

For the enjoyment of local people and visitors, the Kyocera Headquarters building is illuminated each night at the end of the year. Additionally, since 2007, many people have enjoyed an annual Christmas concert of hand-bells.

Illumination

2008 hand-bell concert

Other Activities

Promoting and Supporting Youth Soccer

Kyocera supports youth soccer with the aim of promoting local sports activities and the healthy development of young people, in both body and mind. In Kyoto, Kyocera supports the Sanga Cup Kyoto Youth Soccer Championships. Elementary school children from all over the prefecture take part. Additionally, Kyocera supports youth soccer schools coached by Kyoto Sanga F.C. professional coaches and others, in Kyoto, Kagoshima and other areas.

©KYOTO.P.S.

Supporting the Pink Ribbon Movement

Kyocera concurs with the aim of the Pink Ribbon movement to promote early detection and diagnosis of breast cancer. In 2008, Kyocera began selling pink-colored fine ceramic kitchen ware. Part of the profit from these goods is donated to the Japan Fund for Breast Cancer, run by the Japan Cancer Society. Similar donation activities are being undertaken in North America and Australia.

Fine ceramic kitchen ware

Support for the All-Japan Wheelchair Rider Ekiden

The aim of the All-Japan Wheelchair Rider Ekiden is to promote social participation and sports activities by people with disabilities. Kyocera has supported the race since it was first run in 1990.

Athletes pushing hard during the race

Other Main Contributions (FY2009)

Supporting Academic Advancement and Research
- Contribution towards CSIS Kyoto Forum 2008

Supporting Arts and Culture
- Support for The 2008 Saito Kinen Festival in Matsumoto

Supporting International Exchange and Cooperation
- Support for The 13th Youngsters' Science Festival in Kyoto

Local Community Activities
- Contributed to the Centennial Festival of Brazilian Immigration
- Support for the light pageant "Twinkle Joyo"

Supporting Sports Activities / Other
- Donation to the Sports Fund Foundation
- Support for Nenrinpic Kagoshima 2008 (Silver Society Sports Festival)

Kyocera Group offers aid funds to Sichuan Province earthquake zone in China

After the magnitude 8 earthquake struck Sichuan Province, China in May 2008, the Kyocera Group donated aid funds for the victims and disaster zone. About 84.6 million yen were raised through donations from Kyocera Group companies and contributions by individual employees.A letter of thanks was received from the Consulate General for the People's Republic of China.

Green Management

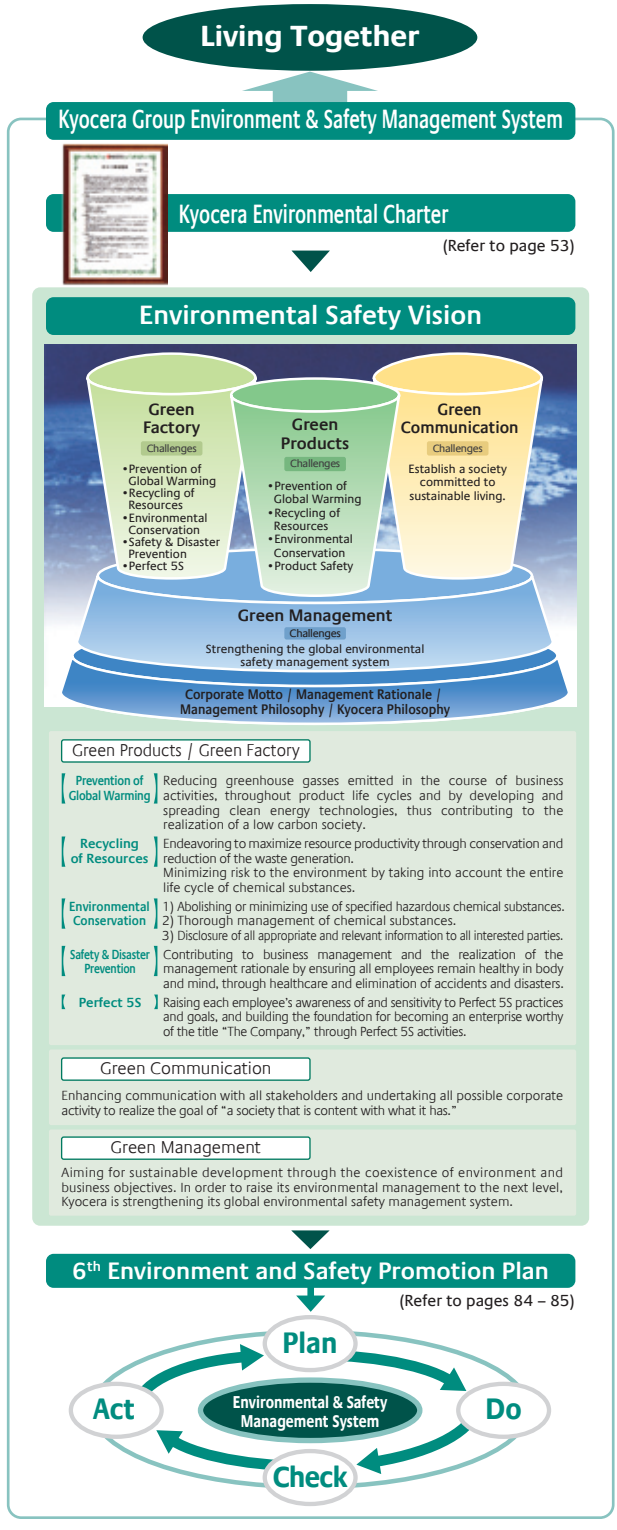
Under our corporate motto, “Respect the Divine and Love People” we have always positioned, at the center of all corporate activities, our three concepts of “Living Together”: living together with our community, living together with our global society and living together with nature.
The Kyocera Philosophy, which is the basis of management for the Kyocera Group, is founded on ethical values, morals, and social rules such as “doing what is right as a human being.” Since our founding, we have also thoroughly practiced this philosophy in the environmental arena.

Promotion of Environmental Management Based on Management Rationale

The Kyocera Group handles many kinds of chemical substances in its production processes, including raw materials for fine ceramics and chemicals. When performing effluent treatment at our plants, we must purify discharge water to a state cleaner than that of the destination rivers before releasing it. Kazuo Inamori, founder of Kyocera (presently Chairman Emeritus), tells us that such water must be rendered as harmless as possible using the latest technology available.
Since our founding, we have practiced complete control according to the “Kyocera Environmental Management Standard” we established based on the above policy, which is stricter than legal and public regulations.
The companywide environmental management promotion system was organized in 1990 when the Kyocera Green Committee was set up. In 1991, the Kyocera Group Green Committee was launched by organizing domestic and overseas group companies. We started implementing environmental protection activities by unifying all the group companies based on the Kyocera Environmental Charter established on October 1, 1991.
Since then, all the group companies have been working on “Sustainable Management” and aiming for sustainable development while achieving a good balance between ecology and economy.

Kyocera Group’s Environmental Management

The Kyocera Group has established a vision of environmental safety based on the idea of “Living Together.” The vision underscores the Kyocera Environmental Charter, our fundamental philosophy on the environment, advocating a long-term view that takes into account current regulations, social trends, etc. Based on the Environmental and Safety Vision, we are drawing up the 6th Environment and Safety Promotion Plan, containing specific targets and action plans. These targets and action plans are broken down in the Environmental Management Systems based on the ISO 14001 requirements, which are now operating at all Kyocera sites in Japan and abroad. The Plan, Do, Act, Check (PDCA) cycle is applied monthly in order to spread continuous environmental conservation activities.



Kyocera Environmental Charter (Extracted)

Established: October 1, 1991
Previous revision: January 1, 2006

Ⅰ Preface

Technological progress and economic development in the industrialized countries have given rise to affluent societies with high standards of living. At the same time, they have led to the mass consumption of natural resources and mass discharge of chemical substances – which, in turn, now threaten to destroy the earth's ecosystem. In addition, explosive population growth and widespread poverty in developing countries have aggravated these environmental problems with large-scale deforestation. The social and economic activities of both advanced and developing countries are intertwined, and with all parties intent on greater material consumption, nature's recuperative powers have been exceeded. As a result, the Earth's natural capacity for recycling has been damaged on a global scale.

One of our major premises up to this time – that the earth's ecosystem is infinitely large – is now being rejected in favor of the idea that the Earth is a closed ecosystem. Such a change in view affects the very foundation of mankind's existence and demands a re-evaluation of the quality and quantity of the products used by mankind. This, in turn, will lead to a fundamental change in the industrial/technological system within which such products are manufactured.

In the course of history, mankind has witnessed three eras of rapid development: the Agricultural Revolution, the Industrial Revolution and the Information Revolution. It is generally felt that the current environmental movement will someday be regarded as mankind's fourth era of rapid development: the Environmental Revolution.

Our future thus requires new policy goals. These should state that development and economic growth may be pursued only when proper consideration is given to the balance between nature and society. In view of the fact that small acts by each of the more than six billion people on this planet could result in complete environmental destruction, it is essential to establish a basic philosophy of coexistence and co-prosperity between the developed and developing countries, between business and government, and between individuals and societies. All must be viewed as participants in the stewardship of "Mother Earth," not as opposing forces with conflicting interests.

The greatest responsibility for promoting the Environmental Revolution lies with the advanced countries. In particular, businesses in such countries play a vital role, as they control production technologies and are directly engaged in industrial activities.

Ⅱ Basic Management Philosophy

In accordance with our corporate motto – "Respect the Divine and Love People" – Kyocera has long complied with its management philosophy: "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." We try to conduct business in harmony with the life-giving force of our universe.

Kyocera had early insight into the mindset that today's global environmental problem demands of every business enterprise. This mindset implies that business should uphold the dignity of man and contribute to the sustainable development of human society.

Based on the management philosophy stated above, Kyocera and its domestic and overseas affiliates will adopt comprehensive measures of environmental preservation – including energy conservation, global warming prevention, resource conservation, the development of environmentally friendly products, and improvements that contribute to global environmental protection in a sustainable manner.

Ⅲ Environmental Management Policies

In the course of business activities, Kyocera will take a serious view of global environmental protection in compliance with the Company's basic management philosophy, stated above, and will emphasize the following points:

1. Compliance with internal environmental standards that make global environmental protection our first priority;
2. Most efficient utilization of resources and development of innovative processing technologies;
3. Development of Earth-friendly products in two categories: (A) Environmental Improvement Products that will make a positive contribution and improve the global environment; and (B) Environmentally Gentle Products, that will impose a reduced impact on the global environment.
4. Cooperation with government environmental policies, and participation in or support of social contribution activities.

Ⅳ Environmental Management Objectives

1. In order to minimize impact on the natural environment and any harmful effects on the ecosystem, Kyocera will establish and comply with internal standards which are more stringent than those specified by applicable international agreements, or the regulations of regions where the Company's facilities are located.
2. At all levels, Kyocera will scientifically study and evaluate the effects of business activities on the environment, and then take the necessary protective measures.
3. Kyocera will develop processing technologies and production facilities that will have maximum resource and energy efficiency in all production activities. At the same time, the Company will aim to reduce raw material and chemical consumption in all processes.
4. Kyocera will promote in-house energy conservation activities, such as more efficient use of electricity and fossil fuels, the introduction of high efficiency equipment, and the reutilization of thermal energy. At the same time, the Company will promote measures for global warming prevention.
5. Kyocera intends to purchase recyclable materials which contribute to resource conservation while maximizing resource-utilization efficiency by establishing recycling systems for wastewater and waste materials. The Company will take aggressive steps to recycle, decontaminate and reduce the volume of all waste.
6. Kyocera will increase its research, development and production of "Environmental Improvement Products" that make a positive contribution to the enhancement of the global environment.
7. Kyocera will increase its research, development and production of "Environmentally Gentle Products" that are gentle to the Earth and place a lighter burden on the environment at every stage of production, sales, distribution, consumption and disposal.
8. Kyocera will promote the "greening" (forestation) of its facilities in an organized effort to create grounds which are lush and inviting. At the same time, the Company will participate in and support social contribution activities.

Green Management

Environmental Management Promotion System

Kyocera established the Kyocera Green Committee and Kyocera Group Green Committee (KGGC), to allow the entire Kyocera Group to prepare for the promotion of environmental protection activities based on the Kyocera Environmental Charter.

The Kyocera Green Committee — consisting of the president as chairperson and departmental managers as members — is the supreme decisions-making body for Kyocera group companies in the environmental field.

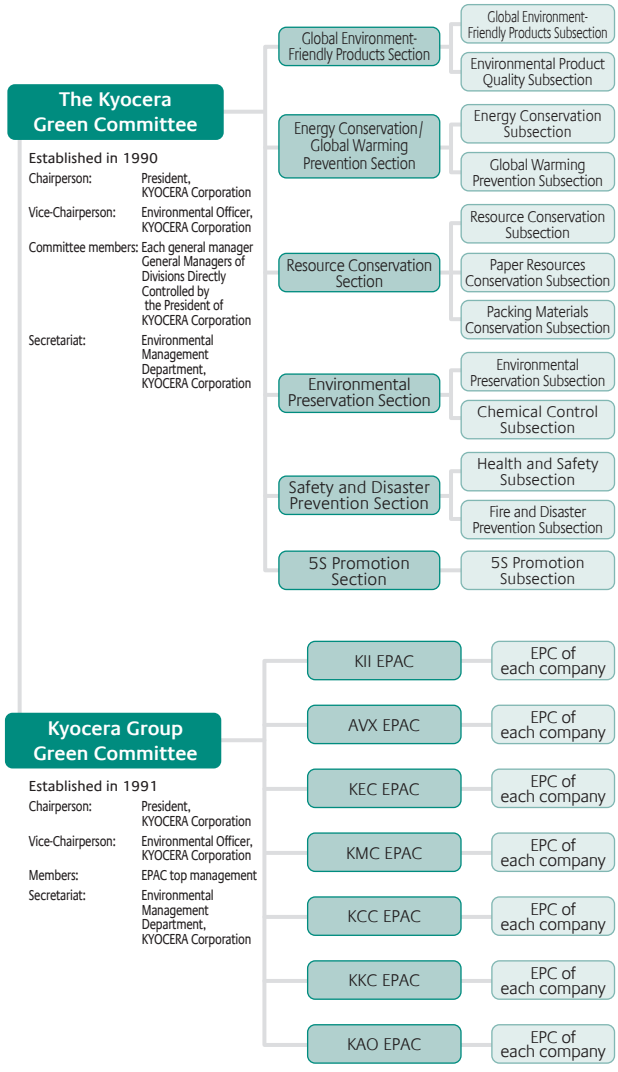
The Kyocera Green Committee's charter is to promote an environmentally-safe vision, as well as the ensuing targets, measures, and action plans for the Kyocera group.

Matters of concern are reviewed by each special subcommittee as well as the board. The special subcommittees and the board are organized to tackle comprehensive projects through specific actions. Such projects include global environmental products, energy conservation, and the prevention of global warming. Other related projects that they address are resource conservation, environmental conservation, safety and disaster prevention and complying with 5S promotion.

The KGGC was established to spread the vision and targets determined by the Kyocera Green Committee among the Kyocera group companies. The KGGC periodically reviews the challenges of each group company and exchanges opinions. The KGGC also supports deployment of voluntary activities adopted by each area.

Targets and action plans determined by the Kyocera Green Committee are broken down in the Environmental Management System based on the ISO 14001 Standard. The Plan, Do, Act, Check (PDCA) cycle is applied monthly, under the organizational controls shown on the next page, in order to spread continuous environmental conservation activities.

We adopted and applied an Environmental Management System in 1996 when the ISO Standard was established. We globally build systems in the following four categories and now deploy and apply them at all 370 locations at home and abroad.



Number of Locations Applying the Environmental Management System (as of March 2009)

Kyocera Group Integrated Environment & Safety Management System	211
Environmental Management System (individual certification)	75
Self-Certification Environmental Management System (AVX Group)	4
KGEMS*	80
Total	370

* KGEMS stands for Kyocera Group Environmental Management System, and is Kyocera's own self-certification system, closely based on the ISO 14001 Standard.

EPAC: Environmental Protection Assurance Committee

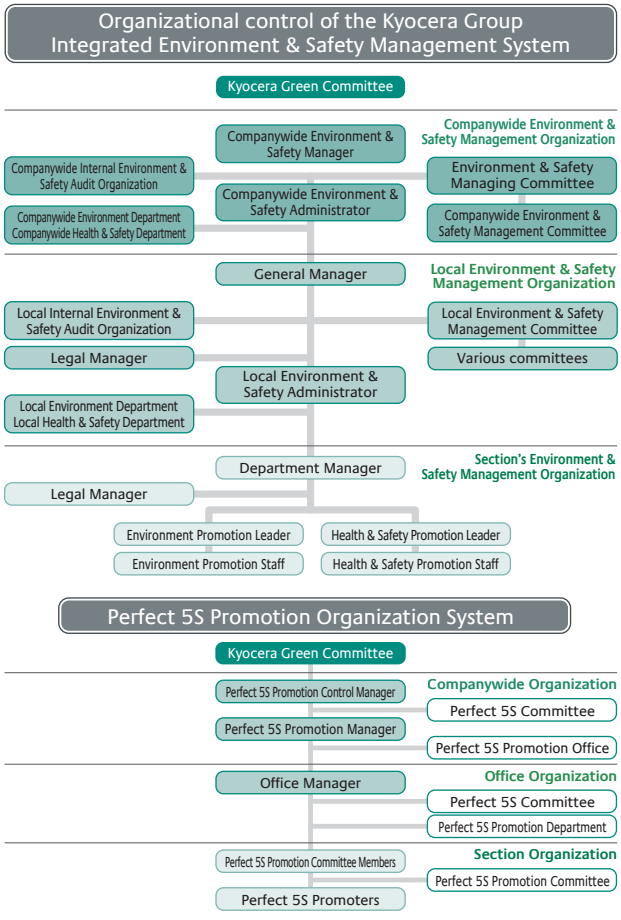
EPAC guides and supports each group company's Environmental Protection Committee (EPC) in promoting conservation activities based on the Kyocera Environmental Charter. In order to promote protection activities for the entire group, the EPAC also conducts audits in cooperation with each EPC. There are seven EPACs.

- KII (KYOCERA International, Inc.) Group
- AVX (AVX Corp.) Group
- KEC (KYOCERA ELCO Corp.) Group
- KMC (KYOCERA MITA JAPAN Corp.) Group
- KCC (KYOCERA Chemical Corp.) Group
- KKC (KYOCERA KINSEKI Corp.) Group
- KAO (KYOCERA Asia & Others) Group

EPC: Environmental Protection Committee

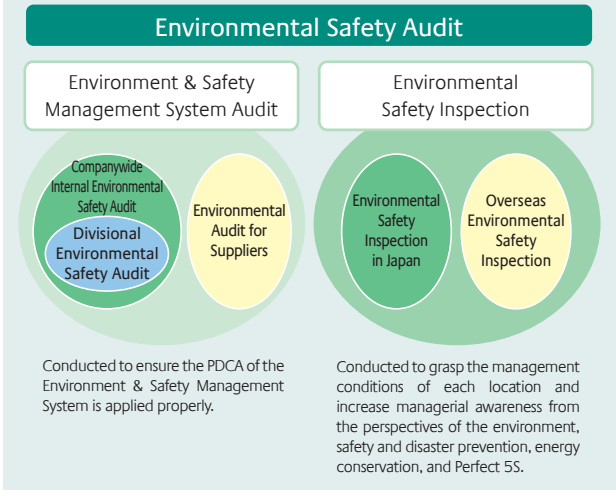
An Environmental Protection Committee is set up at each group company. Each EPC independently makes, conducts and evaluates activity plans and periodically releases a report to EPAC.

The Kyocera Group (in Japan) applies and spreads the targets and measures determined at the Kyocera Green Committee through the Kyocera Group Integrated Environment & Safety Management System.



Environmental Safety Audit

The Kyocera Group periodically conducts two environmental safety audits as shown in the figure below.



Environment & Safety Management System Audit

In the Kyocera Group Integrated Environment & Safety Management System, a companywide Internal Environmental Safety Audit and a Divisional Internal Environmental Safety Audit are performed at each division and office. The purpose of the audit is to examine the effectiveness of the internal audit and work performance relating to the Environment & Safety Management System. An auditor from another office/division conducts the audit.

These audit results are reported to the office managers and the companywide environmental safety manager. Corrective actions are taken immediately. The results and corrective actions are reflected in the review and in the improvement of the Environment & Safety Management System.

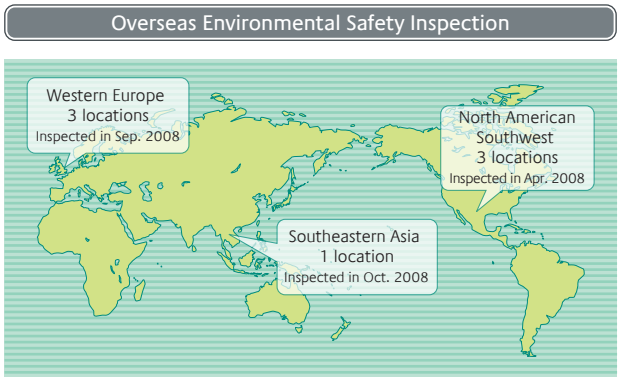
Furthermore, Kyocera is assessed by an external certification organization every year.

In FY 2009, although there were two areas in the ISO 14001 audit and four areas in the OHSAS 18001 that required attention, our overall evaluation still showed improvement. These six deficiencies have all been addressed.

Environmental Safety Inspection

The Kyocera Group performs annual self-inspections of its environmental safety management system to grasp the state of environmental safety management at each office throughout the Kyocera Group and to improve the level of management.

In FY 2009, we inspected a total of 14 locations during Environmental Awareness Month (June) and Safety and Disaster Prevention Month (October) in Japan. In FY 2009, we also inspected seven overseas locations in the three regions shown below.



Site inspection in Southeastern Asia

Meeting in the North American Southwest

Green Management

Environmental Education

The Kyocera Group systematically performs environmental education by helping our employees to understand the significance of working on environmental conservation activities and the role each person plays at each division to raise overall environmental awareness.
The education system also includes periodic internal training seminars to instruct internal environmental safety auditors, who play a prominent role in continuously improving the management system. Those who pass the end-of-seminar test are certified as internal environmental safety auditors.
In FY 2009, 26 chief internal environmental safety auditors and 92 internal environmental safety auditors passed the test. At present, 663 employees are actively working as internal environmental safety auditors.

Number of Personnel Completing Environmental Training (FY 2009)

Classification of education	Course name	Number of trained personnel
Education by hierarchy*	Education for new employees	2,221
	Education for section chiefs	1,018
Education by function	Education for office managers	11
	Education for local environmental managers	2
	Education for personnel responsible for local environmental departments	11
	Education for department managers	77
	Education for environmental enhancement leaders	116
	Education for environmental enhancement personnel	194
Education for personnel engaging in specific environmental jobs		20,060
Education for employees of in-plant resident companies		1,775
Education for vendor companies		280
Total		25,765

* Includes employees at locations that have just started applying the Environment & Safety Management System.

Green design education for new employees

Last year, Kyocera introduced a two-day environmental training program so that new employees will be able to provide environmentally conscious designs from the outset of their work.
For green design, which we focus on during this training program, we explain and provide practice for our original Environmental Consciousness Evaluation System using the LCA (Life Cycle Assessment) method (refer to page 62 for details).
Through lectures and training employees learn that environmentally conscious design is very important for designers and developers as approximately 80% of the environmental burden is determined in the design and development stages. We teach them that it is important to quantify the burden on the environment (such as CO_2 emissions) in the life cycle of each product before designing and developing it.
In 2006, we launched the Environmental Consciousness Evaluation System in all research and development sections.


Lecturing


Group discussion

Promotion of Kyocera Group Environmental Awareness Month

Designating each June as “Kyocera Group Environmental Awareness Month,” the Kyocera Group (in Japan) undertakes various efforts to raise environmental awareness and enhance environmental management and conservation activities in each division.
In FY 2009, activities such as environmental safety inspections, safety and disaster prevention, 5S, environmental patrols by each office manager, and the presentation of environmental clipping data at morning meetings were performed under the theme, “Take action against global warming.” In addition, each office conducted unique activities such as the “lights off” campaign, and other community activities.
During the month of June, we received 467 environmental posters and 18,720 environmental slogans from employees. We gave awards for excellent contributions and will use them in our annual awareness campaigns throughout the company.

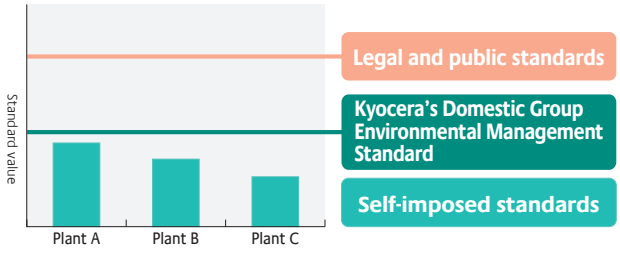
Best Slogan of FY 2009	Each employee plays an important part on the earth. Everyone should protect the future earth by taming their ego and practicing ecology.

Environmental Posters

Environmental Risk Management

Kyocera's Domestic Group Environmental Management Standard

In April 2008, the Kyocera Group revised the Kyocera Environmental Management Standard to meet Kyocera's Domestic Group Environmental Management Standard. This extended the present management system at Kyocera to include domestic group companies and will carry forward countermeasures for equipment in 2010. Also, each office specifies stricter self-imposed standards than legal and public standards in order to assure thorough management.
Kyocera's environmental management is steadily improving as a result of introducing new environmentally friendly equipment and improving performance.



Example of Kyocera's Domestic Group Environmental Management Standard (extracted from a total of 44 water-related substances)

Item	Unit	Water Pollution Control Law	Kyocera's Domestic Group Environmental Management Standard	Self-management Standard (Example: Shiga Gamo Plant)
Biochemical oxygen demand (BOD)	mg/ℓ	160 and under	10 and under	7.2 and under
Chemical oxygen demand (COD)	mg/ℓ	160 and under	10 and under	9.5 and under
Suspended solid (SS)	mg/ℓ	200 and under	5 and under	4.75 and under
Soluble iron content	mg/ℓ	10 and under	5 and under	0.42 and under
Chromium content	mg/ℓ	2 and under	0.1 and under	0.03 and under
Soluble manganese content	mg/ℓ	10 and under	5 and under	0.27 and under
Lead and its compounds	mg/ℓ	0.1 and under	Not detected	Not detected

Dealing with Emergencies

Assuming the inevitability of accidents and emergencies which may affect the environment, we have taken preventative countermeasures, such as the installation of dikes. We have also prepared procedures for dealing with emergencies. To ensure that employees are familiar with these procedures, we hold emergency training drills more than once each year.

Emergency training (Kagoshima Hayato Plant)

Observing environment-related regulations

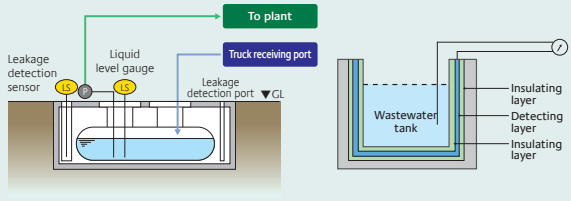
In FY 2009, the Kyocera Group received administrative advice for waste management of effluent recycling at the San Diego Plant of KAI (KYOCERA America, Inc.), a Kyocera group company in the U.S. We completed the prescribed countermeasures.

Monitoring Soil and Groundwater Contamination

Kyocera performs yearly soil evaluations and measurements, in accordance with the Kyocera Environmental Management Standard.
Furthermore, we established an "Underground Installation Handling Standard" in 1996. We specify that the piping structures and storage tanks for discharged water containing soil contaminants must be easy to visually inspect, enabling the early detection of leaks to prevent contamination.
We also installed double-layered structures that serve as a leakage detection system. Should a leak occur, we are able to take immediate action before any contaminants infiltrate the soil.

Leakage Detection System

An insulating layer and conductive-detecting layer are applied to the inner surface of the pipe or wastewater tank. If the insulating layer is damaged, this system detects leakage according to a change in electrical resistance between the wastewater and the detecting layers.



Double-layered underground tank storage　　Leakage detection system

In 2003, contamination of underground water was found at the Kawaguchi Plant of KYOCERA Chemical Corporation during self-inspection. We continuously take measures for purification and have resolved the problem.
At KYOCERA OPTEC Co., Ltd., where measures for remediation are taken based on past survey results, groundwater is continuously monitored and neither soil nor groundwater have been affected in the surrounding area.

Green Management

Environmental Accounting

The Kyocera Group established an Environmental Accounting System in FY 2003. By introducing quarterly data collection in FY 2005, we have now improved the accuracy and timely review of our data. We will continue to use the system as a global environmental management indicator.

Range of data collection : 236 sites
1. Sites collectively certified for the Kyocera Group Integrated Environment & Safety Management System – 211 sites
2. Dongguan Shilong KYOCERA Optics Co., Ltd. (China), Shanghai KYOCERA Electronics Co., Ltd. (China), AVX Group (19 sites), KII Group (4 sites)

Period covered : April 2008 through March 2009

Guideline for reference : Ministry of the Environment's "Environmental Accounting Guidelines 2005"

Environmental Accounting Analysis Results

The Kyocera Group has introduced consolidated environmental accounting based on the Kyocera Group Environmental Accounting System.

In FY 2009, environmental preservation costs were 2.206 billion yen for investments and 15.033 billion yen for expenses.

The FY 2009 investment was increased by 468 million yen as compared with that for FY 2008. This was due to the introduction of energy-saving equipment during building construction at subsidiaries and an increase in research and development costs.

The expenses increased by 1.351 billion yen because of an increase in publicity and advertising costs as well as an increase in research and development expenses for energy conservation, energy creation, and pollution control measures.

Meanwhile, the enhanced economic effects from environmental conservation measures increased by 1.514 billion yen, as compared to last year. This includes essential measures for the prevention of global warming and the reduction of waste. Particularly, revenue due to changing wastes to valuable materials greatly increased.

Note that these economic effects do not include product development which contributes to environmental conservation.

In FY 2009, the economic effects resulting from environmental preservation measures exceeded expenses by 1.236 billion yen, (excluding research and development costs).

The data collected by business segment reveals that the highest investment amounts were from the businesses related to information equipment and the highest expense amounts were from businesses related to electronic devices.

In regard to environmental conservation benefits (cumulative calculations), the effective amount of CO_2 reduction increased by 67.6% as compared with that in FY 2008. This was the result of installing energy-saving equipment in addition to posting the effects of measures taken in FY 2008.

Environmental conservation benefits for 9 out of the 13 environmental load items, such as total input of energy and greenhouse gas emissions, improved on the gross amount and four items improved on a basic unit-per-sale amount as compared with FY 2008.

Kyocera will continue to promote such positive environmental conservation initiatives.

Concept of Environmental Accounting

Double reporting of internal transactions is prevented in companies subject to data collection.

For group companies with an equity ratio not equal to 100%, data collection is performed by regarding the investment amount, expense amount, and environmental conservation effects as 100%.

Concept of Environmental Conservation Costs

For environmental conservation facilities, the investment amount and running costs are totaled.

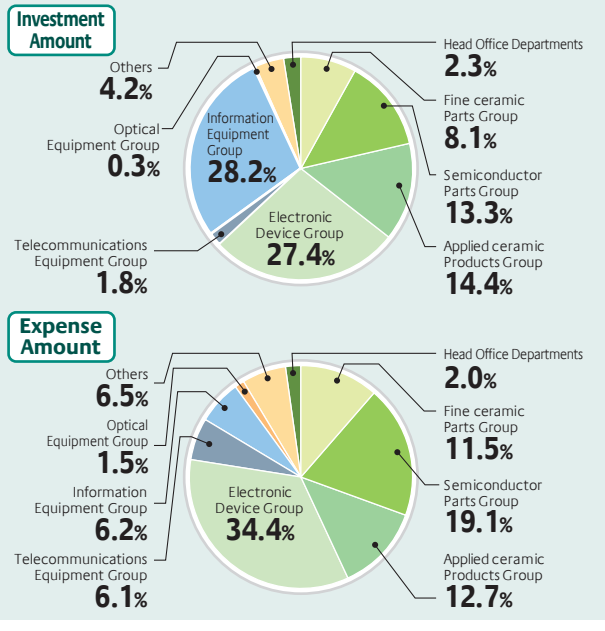
Research and development costs included in costs for environmental conservation are included in fundamental research and development.

The definition of Environmental Conservation Effects and Economic Benefits

The economic benefits of environmental conservation efforts are computed only for cases in which there is clear, quantifiable evidence of the improvement on environmental conservation.

The economic effects as a result of environmental conservation measures for research and development costs are not computed.

Analysis by Business Segment



Environmental Conservation Costs

(Unit: Million yen)

Cost Classification	Investment		Cost		Main Measures	Appropriate Page
	FY2008	FY2009	FY2008	FY2009		
Business area costs	1,133	1,380	6,980	6,596		
① Pollution prevention costs	513	606	3,594	3,485	Introduction and maintenance / Management of pollution prevention equipment / Measurement and analysis of environmental load	P.57, P.78
② Global environmental conservation costs	192	578	854	855	Introduction of energy-saving devices / Greenhouse gas reduction activities	P.70~73
③ Resource recycling costs	428	196	2,532	2,256	Resource-saving activities / Introduction and maintenance / Management of waste-recycling equipment	P.74~77
Upstream / downstream costs	—	—	313	405	Responding to green procurement / Collection and recycling of used products	P.68~69
Management costs	72	173	1,153	1,969	Improvement and application of the environmental management system / Coping with PRTR	P.52~59, P.79
R & D costs	532	653	5,211	6,020	Product development contributing to environmental conservation	P.62~69
Social activity costs	1	—	16	29	Co-sponsored donations for environment-related associations, Environmental classes onsite	P.80~82
Environmental remediation costs	—	—	9	14	Cleanup and monitoring of groundwater	P.57
Total	1,738	2,206	13,682	15,033		

Economic Effects of Environmental Preservation Measures

(Unit: Million yen)

Item	Amount of Money		Main Matters
	FY2008	FY2009	
Income	3,081	3,767	The sale of property
Cost cutting measures	5,654	6,482	Reduction in electric expenses, reduction in fuel expenses, reduction in waste disposal costs
Total	8,735	10,249	

Cost-effectiveness

(Unit: Million yen)

	FY2008	FY2009
Expense amount excluding research and development costs (1)	8,471	9,013
Economic effects resulting from environmental preservation measures (2)	8,735	10,249
Cost-effectiveness (2 - 1)	264	1,236

Environmental Conservation Effects

Effect Content	Annual Effect		
	FY2008	FY2009	Unit
Reduction of electricity	94,572	149,878	MWh
Reduction of fuel	13,212	18,346	Kℓ(Crude oil equivalent)
Reduction of greenhouse gases such as PFC	26,154	30,931	Ton-CO_2
Reduction of water usage	42,762	41,376	1,000m^3
Reduction of chemical substances	17,372	21,885	Tons
Reduction of waste	38,590	40,193	Tons

CO_2 equivalent

	CO_2 Reduction Effect	
	FY2008	FY2009
Amount of reduction	91,625 Tons-CO_2	153,607 Tons-CO_2
Monetary equivalent	277 million yen	464 million yen

3,019yen/ton-CO_2, which is the EU emissions trading average price for the whole financial year of 2009, is used as the monetary equivalent of the CO_2 reduction effect.

Environmental Conservation Effects (total gross)

			Unit	FY2008	FY2009	Total Environmental Conservation Effects	Benefit of Environmental Conservation Effects per Net Sales*1
Environmental conservation effects concerning resources used for business activities	Total input of energy		GJ	17,205,219	16,341,054	–864,165	7.1%
	Introduction of energy by type	Electricity	MWh	1,518,535	1,435,430	–83,105	6.6%
		Fuel	Kℓ (Crude oil equivalent)	58,773	57,554	–1,219	10.4%
	Handled volume of materials subject to PRTR		Tons	5,152	4,125	–1,027	–9.7%
	Input water resource		m^3	11,794,529	11,047,937	–746,592	5.6%
Environmental conservation effects concerning environmental impact and waste discharged by business activities	Greenhouse gas emissions		Ton-CO_2	762,936	771,488	8,552	14.0%
	Greenhouse gas emission by type	CO_2	Ton-CO_2	759,475	767,167	7,692	13.9%
		PFC	Ton-CO_2	3,461	4,321	860	40.8%
	Release / transfer of materials subject to PRTR		Tons	363	288	–75	–10.4%
	Total discharge of industrial waste		Tons	29,851	26,159	–3,692	–1.2%
	Total drainage volume		m^3	7,328,518	6,736,742	–591,776	3.7%
	NOx emission		Tons	53.9	44.1	–9.8	–7.8%
	SOx emission		Tons	2.0	2.3	0.3	31.4%

Note: Since the range of data collected for environmental conservation effects (gross amount) is adjusted to the range of data collected for environmental conservation costs, they are different from the total values on other pages.

Note: Data in FY 2008 was corrected due data collection errors.

*1: Indicates environmental conservation effect values by percentage change per sales amount of 100 million yen in FY 2009 and FY 2008. (Benefit Per Net Sales)

Major Greenhouse Gas Reduction Measures

Plant Name	Subject	Summary	Investment Amount*2	Effects Expected (annually)	
				Reduction	Economic Effects
Shiga Yohkaichi Plant	Energy savings from photovoltaic cell production equipment	CO_2 reduction by installing a highly efficient furnace	—	444 Ton-CO_2	12 million yen
Kagoshima Hayato Plant	Energy savings from clean room	CO_2 reduction by adjusting the air-conditioning equipment to meet production needs	11 million yen	999 Ton-CO_2	24 million yen
KYOCERA KINSEKI Yamagata Corp.	Installation of centrifugal chiller	Reduction of CO_2 by high-efficiency centrifugal chillers	30 million yen	234 Ton-CO_2	9.1 million yen

*2: The reported investment amount for environmental conservation.

Major Environmental Conservation Measures

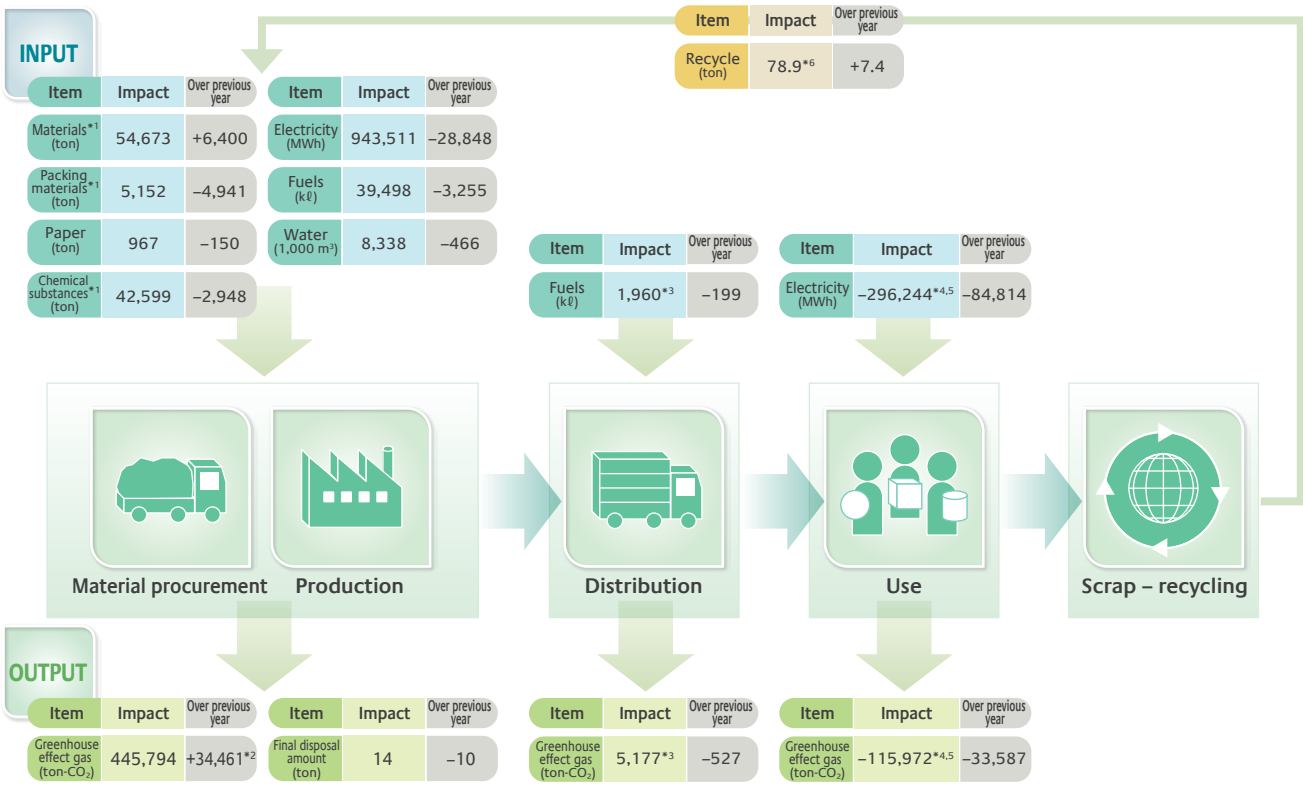
Plant Name	Subject	Summary	Investment Amount	Effects Expected (annually)	
				Reduction	Economic Effects
Kagoshima Kokubu Plant	Installation of recycling system for lead effluent	100% recycling of discharged water by removing lead from lead effluent	256 million yen	Lead discharge: Zero	—
				Reduction of water: 119,000 m^3	300,000 yen
Tamaki Plant of KYOCERA MITA Corp.	Internal treatment of toner effluent	Volume reduction of effluent discharged when manufacturing toner	40 million yen	Waste reduction: 348 tons	5.2 million yen
Kagoshima Kokubu Plant	Installation of plastic-waste compressor	Compressing plastic-waste into valuable materials	1.4 million yen	Waste reduction: 143 tons	8.5 million yen

Overall Environmental Impact

This diagram shows the environmental impact of the entire Kyocera Group, clarifying the relationship between our business activities and the environment.

Scope of data collection

Sites certified under Kyocera Group Integrated Environment & Safety Management System (refer to page 87)



*1 Materials, packing materials, and chemical substances were annually converted based on the records from July through September.
*2 An increase in greenhouse gasses in FY 2009 was significantly affected by the worsened CO_2 emission coefficients of some electric power companies.
*3 Loads related to distribution were calculated in accordance with the Energy Savings Act and based on the report data, such as the energy usage related to transport of the specified shipper (Kyocera).
*4 Annual value was calculated based on LCA data of solar cell modules and cellular phones/PHS (15 major items) delivered in FY 2009.
*5 Electricity and greenhouse gases at use-level were calculated based on the balance between energy effect by solar power generation and load at time of use.
*6 Weight of toner containers (25 items) reused in FY 2009 was calculated.

Input Items

Materials	Consumption amount of main raw materials and sub-materials
Packing materials	Consumption amount of packing materials
Paper	Amount of copy paper and forms used in manufacturing process
Chemical substances	Amount of toxic/hazardous chemicals monitored by the related ordinances and used in our production, which are specified by 12 ordinances including the Hygiene Health Poisonous and Deleterious Substances Control Law, Fire Service Act (hazardous materials), Industrial Safety Law, PRTR Law, and the Law Concerning the Examination and Regulation of Manufacture of Chemical Substances
Electricity	Electricity purchased from electric power companies
Fuels	Amount of fuels used as energy, such as LPG, light oil, and heavy oil (crude oil equivalent)
Water	Amount of city water, industrial water and groundwater consumption

Output Items

Greenhouse gases	Amount of 5 major gases discharged, including CO_2 and PFC, as a result of electricity, gas and fuel consumption
NOx	Amount of nitrogen oxides discharged from gas and fuel consumption
SOx	Amount of sulfur oxides discharged from gas and fuel consumption
Industrial waste	Amount of discharged industrial waste generated by business activities
General waste	Amount of discharged general waste generated by business activities
Final disposal amount	Amount sent to landfill for both industrial and general waste, including residues after intermediate treatment
Water discharge	Amount of discharged water into rivers (except water discharged to sewage system)
BOD	Load of discharged biochemical oxygen demand
COD	Load of discharged chemical oxygen demand
Chemical substances	Release and transfer amount of chemical substances specified by PRTR (Class 1 chemical substances)

Major Results of the 6th Environment and Safety Promotion Plan

Kyocera launched a new activity plan, the 6th Environment and Safety Promotion Plan, in April 2008.
The plan details specific goals and action plans for the next three years through March 2011. Goals and actions plans are included for research and development, as well as, the spread and expansion of environmentally-friendly products and environmental protection activities at factories. Additionally the plan also includes the destination point ten years into the future (FY 2018), summarizing the plan in 13 plan documents.

Major Results in FY 2009 (Refer to Pages 84 – 85)

Global Environmentally Friendly Products Promotion Plan	•Achieved the FY 2009 target of 80% towards the goal of 100% certification for Kyocera's global environmentally friendly products.
Products Environmental Quality Promotion Plan	•Launched the green supplier certification system at Kyocera. •Established preliminary registration and searched for substances of very high concern in order to comply with European chemical substance control "REACH".
Energy Saving Promotion Plan	•The electricity consumption per net sales increased by 8.9%. Our goal was a 3% reduction in the Kyocera Group.
Global Warming Prevention Promotion Plan	•Our total greenhouse gas emissions increased by 14.3% as compared with our GHG emissions for FY 1991 due to the effect of the worsening CO_2 emission coefficients of some electric power companies. The greenhouse gas emissions per net sales were reduced by 27.5%; our target was a 38% reduction. When calculated with the same CO_2 emission coefficient as in the previous fiscal year, the total emissions were reduced by 0.7%, and the emissions per net sales reduced by 37.0%, as compared with those for FY 1991. •For Kyocera, the CO_2 emissions resulting from cargo shipping were reduced by 8.8%; our target was a 2% reduction.
Resource Conservation Promotion Plan	•At the production plants of the Kyocera Group, the water consumption per net sales increased by 7.6% and had a target of a 4% reduction.
Paper Resource Conservation Promotion Plan	•In the Kyocera Group, the office paper purchase per net sales increased by 9.9% and had a 3% reduction target.
Packing Materials Improvement Promotion Plan	•In the Kyocera Group, the packing materials purchased per net sales were reduced by 1.6% against a 3% reduction target.
Kyocera Environmental Management Standard	•Established the Kyocera's Overseas Group Environmental Management Standard.
Waste Reduction Promotion Plan	•For the Kyocera Group, the industrial waste weight per net sales was reduced by 15.6% against a 5% reduction target.
Chemical Substances Measurement Promotion Plan	•The PRTR-Law-subject materials (21 subject materials) consumption per net sales was reduced by 11.1% against a target of a 5% reduction for the Kyocera Group (in Japan).

Note: Values per net sales show the environmental impact amount per million yen of sales.

Major Evaluation for Sustainable Management

(Published in December 2008)
Ninth place in the manufacturing industry's overall ranking for the 12th corporate "Sustainable Management Survey"
(Hosted by: Nikkei Inc.)

Kyocera gained high marks in each area of measurement: pollution control (11th place), resources recycling (3rd place), environmental measures taken for products (13th place), and efforts against global warming (4th place). The high level of performance was due to environmental performance achievements such as reduction of CO_2 emissions and waste disposal as compared with the previous fiscal year, the strict control based on the Kyocera Environmental Management Standard, and the introduction of a system for evaluating the cyclicality of products. Consequently, we took the ninth place overall in the ranking for the manufacturing industry and were placed among the top ten (out of 510 companies) for two consecutive years.

(Published in January 2009)
2008 PRTR Award "Incentive Award"
(Hosted by: Center for Environmental Information Science)

We received this award at two of our plants: Kagoshima Sendai Plant and Kagoshima Kokubu Plant. We have properly controlled chemical substances according to our company-wide management policy and tried to reduce the effects on the environment in line with the specific targets for reduction of consumption. We also continue to regularly communicate with local communities through various activities such as factory tours, social events held by neighborhood community associations, and CSR report meetings. These received recognition and led to our receiving this award.

(Published in March 2009)
Japan Environmental Management Award "Award for Environmental Management Excellence"
(Hosted by: Mie Prefecture)

The Shiga Gamo Plant and Shiga Yohkaichi Plant received this award. We undertook many environmental performance improvement measures such as the promotion of changing sludge treated as industrial waste to value added materials, building of waste heat utilization systems, energy-saving activities, and water recycling after effluent treatment. We have also participated in "Nanohana Eco Project" conducted by Higashi-Ohmi-shi for the first time as a private enterprise. These activities also included the evaluation of the use of biodiesel fuel in forklifts. All of these efforts led to our reception of this award. This is the third time the Kyocera Group has received this award. Previously the Kagoshima Kokubu Plant and the Tamaki Plant of KYOCERA MITA Corp. have received it.

Green Products

Environmental Assessment in Product Development

The Kyocera Group strives for all of its products to be "Kyocera Global Environmentally Friendly Products". In FY 2007, Kyocera launched and applied the "Environmental Consciousness Evaluation System" at all divisions and research groups in order to facilitate the manufacture of Environmentally Friendly products.
For new products and technologies, this system is designed to evaluate in three steps: planning, prototype creation, and mass production. Products that meet the internal criteria at the final stage will be certified as "Kyocera Global Environmentally Friendly Products."
Therefore, we have established and operate an internal system and certification program for supplying top-class, environmentally friendly products with a focus on environmental consciousness that begins at the R&D stage.

Concept of Environmental Consciousness

Kyocera considers the three themes of "Global Warming Prevention and Energy Conservation," "Resource Recycling" and "Environmental Preservation and Safety" as high-priority issues. For each of these, we have established clear guidelines for environmental protection at the product development stage.

Concept of Lowering Environmental Impact

These products minimize environmental impact at all stages of the product life cycle, including manufacturing, sales, distribution, use, and disposal.

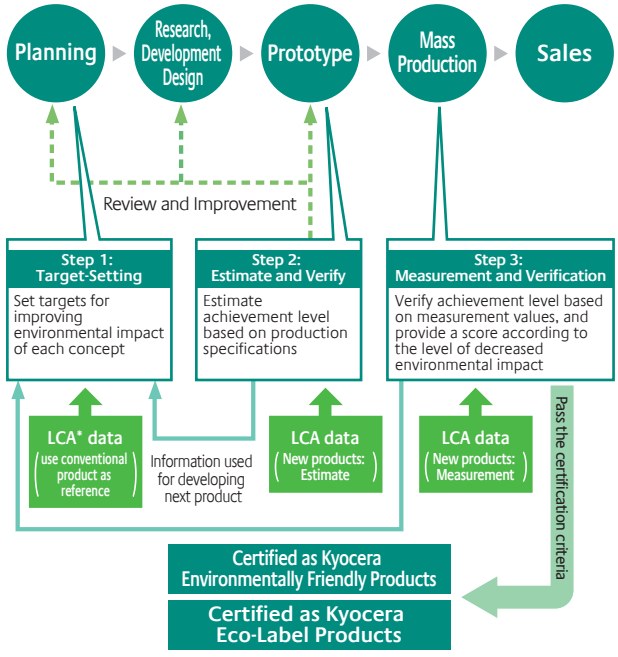
Concept of Contributing to Environmental Protection

These products allow customers and end-users to contribute to the reduction of environmental impact through use of our products.

Kyocera Environmentally Friendly Products

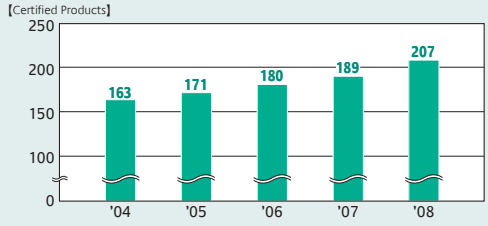
Environmental Assessment Steps

For research and development of new products and technologies, environmental consciousness is evaluated in the following three steps: planning, prototype creation, and mass production.

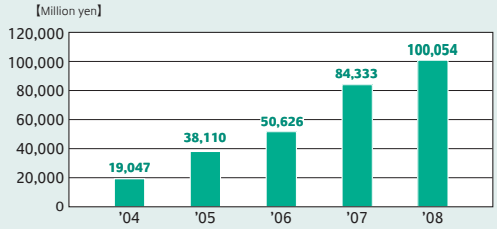


*LCA
LCA stands for Life-Cycle Assessment.
This is a technique to quantitatively evaluate environmental impact through all stages of a product, including material procurement, production, distribution, use and disposal.

Kyocera Global Environmentally Friendly Products – Total Number of Certified Products



Increasing Sales of Kyocera Global Environmentally Friendly Products *



* Sales of Kyocera Global Environmentally Friendly Products for consumers

Kyocera Global Environmentally Friendly Products

Example of Kyocera's certified environmentally friendly product for FY 2009

Liquid crystal display for use with industrial equipment

Liquid Crystal TL Series TCG057QVLBA

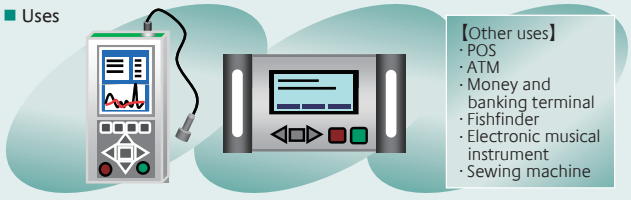
Liquid crystal display for use with industrial equipment with thin type, lightweight and low power consumption as concept

【Preventing warming / energy saving】
The adoption of a small and low-power-consumption LED chip for the backlight of the display greatly reduces power consumption in use (45% reduction as compared to our previous model), thus contributing to the prevention of global warming and energy conservation.

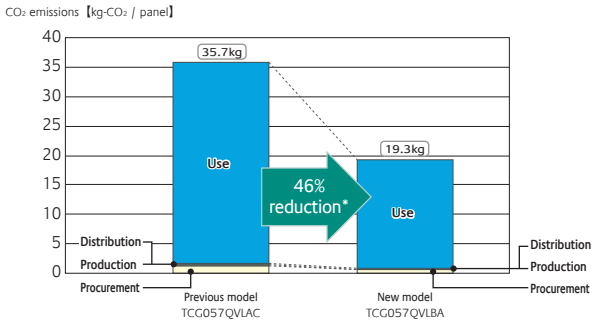
【Resources recycling】
The adoption of a small LED chip makes the display thin and lightweight (thickness reduced by 56% and weight by 50% as compared with our previous model), contributing to resource savings.

【Environment conservation / product safety】
The adoption of the LED chip makes the product completely mercury free. The adoption of Pb-free solder conforms to the RoHS Directive.

■ Uses



Comparison of new and old models



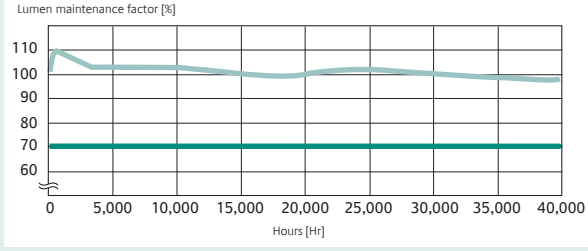
* CO_2 reduction in the stages of procurement, production, distribution, and use (compared with previous model)
* Calculation is performed by excluding the liquid crystal display from the subject of LCA because a burden on the environment in each of the disposal and recycling stages varies according to the usage at each customer, etc.

Contributing to realization of the low carbon society using long-life and low-power-consumption LED lighting

Kyocera has developed LED lighting using the fine ceramics technology we have acquired since our foundation. Resin is used for the package in general conventional LED lighting but its life is said to be about 40,000 hours (about 4 years and 7 months). The LED lighting developed by Kyocera this time has realized a life of about 100,000 hours (about 11 years and 5 months)*, which is 2.5 times that of the conventional LED lighting, by using ceramics for the package.

The ceiling area lighting at convenience stores is costly in power consumption and is a cause of trouble to owners. By combining the illuminance sensor with the high-efficiency LED lighting apparatus, Kyocera has succeeded in reducing ceiling area lighting power consumption and CO_2 emissions by half.
Using fine-ceramics technology, Kyocera has developed long life and low-power-consumption LED lighting, thus contributing to realization of a low carbon society.

* Deterioration test data (under the normal environmental conditions)
The adoption of the ceramic substrate and ceramic reflector considerably reduces heat and light deterioration. Results from the running test showed the reduction of output was within 10% for about 40,000 hours. It was confirmed that the expected life exceeded 100,000 hours in the accelerated test. (Based on "expected life of light source: lumen maintenance factor of 70%")

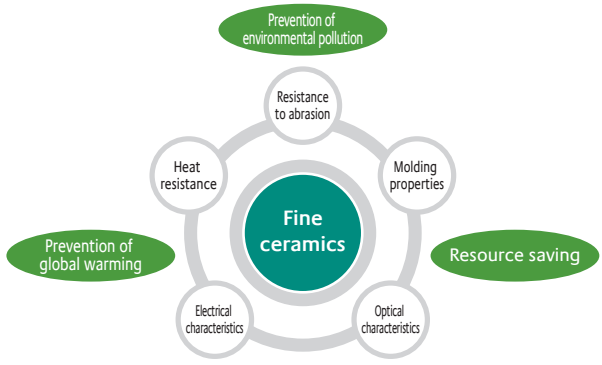


LED lighting

Green Products

Environmental Measures ① Fine Ceramic Products

Fine ceramics – Kyocera's core technology – are used in various fields such as industrial machinery, electronic devices, and in-vehicle parts. Fine ceramics have superior resistance to abrasion, heat resistance, electrical characteristics, optical characteristics, and molding properties, and therefore contribute to the prevention of global warming, resource saving, and prevention of environmental pollution. The main products are introduced below.



Uses for industrial machinery

Gas filters

The gas filter element with high heat resistance and low pressure drop is used with gas treatment systems in large waste incineration plants, etc. The heat resistance of ceramics makes it possible to collect gases in a high-temperature range, thus contributing to the control of dioxin production.

Use for electronic devices

Single crystal sapphire

Single crystal sapphire is composed of mono-crystallized alumina and widely adopted by many LED manufacturers for base substrates supporting the crystal growth of LEDs (epitaxial). LED is a kind of semiconductor element which emits light when current flows through it and is of low power consumption, long life and small-size. Therefore, this material is used in many kinds of electronic devices including the backlights of cellular phones.

Automotive use

Glow plugs

Taking advantage of the durability at high temperature and 'heat up' characteristics of fine ceramics, this glow plug is used for helping start diesel engines. The glow plug makes exhaust gas clean by optimizing the combustion immediately after starting the engine. The glow plug has been adopted in diesel engines expanding in Europe in order to prevent global warming.

Oxygen sensor heaters

The oxygen sensor heater is used to detect the level of oxygen in exhaust gas of automobiles. It enables rapid heating and helps to precisely detect oxygen density by activating the sensor immediately after starting the engine when the exhaust gas is at a low temperature, thus optimizing combustion and contributing to making the exhaust gas clean.

Multilayer piezo elements

The multilayer piezo element is used for the high pressure injection of diesel engine fuel and the precise control of injection quantity. This is enabled because piezo ceramics expand and contract when subjected to voltage. The optimization of fuel injection contributes to reducing harmful substances in exhaust gas.

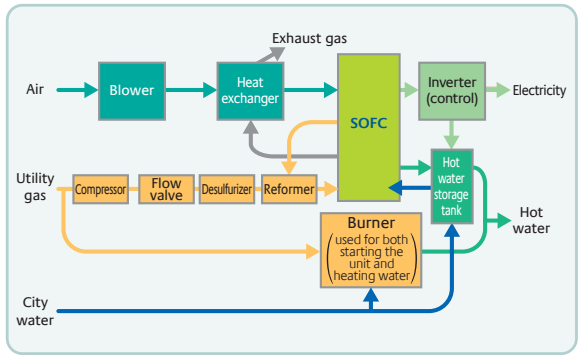
Working for development of fuel cells

Kyocera is working to develop Solid Oxide Fuel Cell (SOFC) by applying our fine ceramics technology we have accumulated since our company was established.

The fuel cell, with its high energy efficiency, is expected to be a new source of energy. It should lead to the reduction of carbon dioxide (CO_2) emissions, which is considered a cause of global warming. It also releases extremely low amounts of nitrogen oxide (NO_x) and sulfur oxide (SO_x) into the atmosphere as well as having very low noise.

Since 2004, we have worked in cooperation with Osaka Gas Co., Ltd., to increase the durability and reduce the size of a home SOFC cogeneration system in order to facilitate the practical realization of this technology. Since FY 2008, we have installed 45 units in actual residences in the Osaka Gas area, demonstrating its high energy saving performance.

We agreed on joint development with Osaka Gas Co., Ltd., Toyota Motor Corporation, and Aisin Seiki Co., Ltd. in March 2009 and aim to complete development in the early 2010's.



SOFC Cogeneration System (Total System Flow)

The generating unit was jointly developed by Osaka Gas Co., Ltd., and the hot-water supply/heating unit was developed by Osaka Gas Co., Ltd. and Chofu Seisakusho Co., Ltd.

Small SOFC Generating Unit (left)
and Slim Hot-water Supply/heating Unit (right)

Environmental Measures ② Solar Photovoltaic System

Realization of the low carbon society through solar power generation

The solar power generation business of Kyocera has been in operation for 34 years. Initially, this business was considered as an alternative energy to oil and now has assumed a role of being clean energy for solving the global warming problem.
In 2008, Kyocera produced and shipped solar cells of 290 MW (290,000 kW), amounting to a total production volume of 1,253 MW (1,253,000 kW).
The electric power to be generated by these solar cells per year will amount to about 1.3 billion kWh when calculated on the assumption that the climate conditions are the same as the average in Japan. This is equivalent to electric power consumed by about 240,000 normal houses in Japan.
The total area of solar cells produced and shipped so far amounts to about 10 km², corresponding to an area 20 times the size of Tokyo Disneyland.

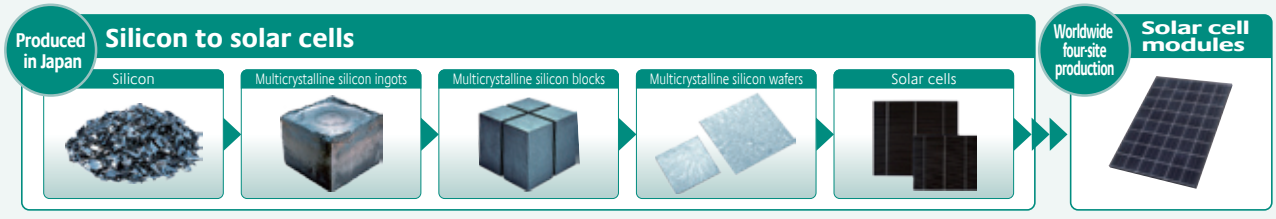

Bob Hope Airport (America) 268 kW


European Court of Law (Luxemburg) 400 kW


Toyota Motor Corporation Tsutsumi Plant (Japan) 2,000 kW

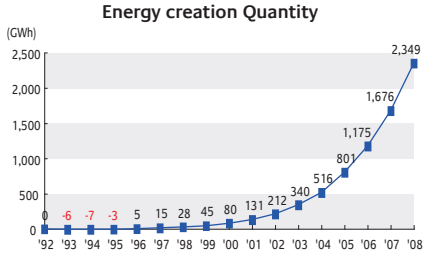
"Local production for local consumption" Building of a production system while considering the environment

The standard solar cell module for power generation (rating of 210 W) measures 1.5 m² and weighs 18 kg per panel. It is almost of the same size and weight as a "tatami" mat. Considering the fact that this market is expanding around the world, the environmental burden on transportation is not small and it is also important to reduce such a burden.
Kyocera is working on the timely supply of these products and the reduction of the environmental burden due to their transportation. Kyocera has built production systems for solar cell modules in the worlds largest markets: (1) the European market centering around Germany, (2) the U.S. market centering around California, and (3) the East Asian market including Japan.
Kyocera is supplying the European market with solar cell modules produced in Czech Republic, the U.S. market with solar cells produced in Mexico, and the East Asian market with solar cells produced in Japan and China. With this system, only the solar cells, or the solar cell components, are transported from Japan in the Far East, and the modules are assembled locally. This should result in reduction of the environmental burden and eventually lead to cost reduction.



Energy Creation effect of the solar power generation system

The value obtained by subtracting the used electric energy during production*2, *3 from the accumulative electricity*1 generated after installing the solar power generation system is calculated as "energy effect."
The electric power to be consumed for producing a 1 kW solar power generation system is about 1,550 kWh*4. The electric power to be generated by this solar power generation system over 20 years (expected lifetime) will be 20,640 kWh*1 therefore the energy effect per kW will be 19,090 kWh.
The solar power generation systems Kyocera has produced and sold so far total 1,253 MW and the energy effect by these systems reached a total of 2,349 GWh in 2008. The energy effect after continuing power generation for the next 20 years will be 24,970 GWh and consequently, the CO_2 emission reduction effect will be 8,989,000 tons*5. This corresponds to about 10% of the amount of carbon dioxide absorbed by all forests in Japan per year*6, *7.

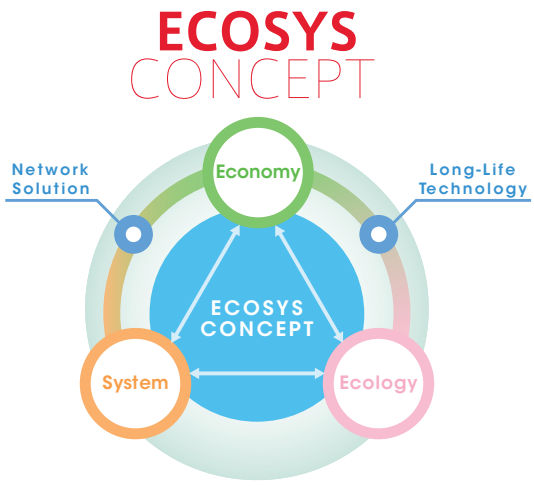


*1. Calculated from the average of expected power energy at 16 sites of Kyocera Corporation around the country.
*2. The estimated used electric energy during production is calculated (system scale 30 MW/year roof mount) with the energy payback period of 2.2 years for a single-year output of less than 100 MW, and the energy payback period of 1.5 years for 100 MW or more and the expected lifetime is 20 years (source: "Survey Research of Solar Power Generation Assessment" 1996 NEDO Commissioned business working paper (Photovoltaic Power Generation Technology Research Association), March 1997).
*3. The estimated electric energy used during production of solar power generation systems that were shipped from 1992 to 2007 was recorded in the year when the products began to generate electricity. (Example: The produced electric energy in 1992 was recorded in 1993.)
*4. Kyocera calculates the payback time of 1.5 years because the annual production volume exceeds 100 MW at present.
*5. 360g-CO_2 per kWh
*6. The CO_2 sink by 1 ha (10,000 m²) of forest is 3.57 tons-CO_2 (source: Solar Power Generation Introduction Guidebook < Main > 2000 Revised Edition NEDO)
*7. Calculated assuming that the forest area in Japan is 251,000 km² (Source: Forestry Agency "Present State of Forest Resources (as of March 31, 2007)").

Green Products

Environmental Measures ③ Printers and Multi-functional Products

Printers of KYOCERA MITA JAPAN Corp. have been developed based on the ECOSYS Concept. This is the concept where environmental ecology and economy are balanced at a high dimension and intend to be integrated into the IT system.



ECOSYS Technology

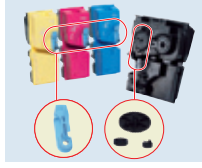
Supporting the ECOSYS is the original long-life technology concept of KYOCERA MITA JAPAN Corp. The aim of which is to create various kinds of technologies that will lead to parts and units with longer life. We are developing printers and multi-functional products pursuing 3R (Reduce, Reuse and Recycling) based on long-life technology (ECOSYS technology).

● Long-life technology

Use of the "Amorphous Silicon Drum a-Si" with high-grade hardness and superior wear resistance of the photoconductive drum has made it possible to change conventional consumable photoconductive drums to long-life parts equivalent to the lifetime of the product, implementing the reduction of wastes.

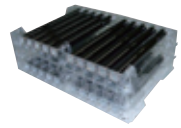
● Environmentally friendly structure design

Many insert-type part "subsets" permitting smooth removal and disassembly are used to form a product. We provide structural design that assumes the product will be reused and recycled.



● Environmental consciousness for packing

For transporting photoconductive drums, we use returnable packing without producing unnecessary waste. The packing we have adopted since 2007 realized 36% volume reduction by improving the cushioning material.

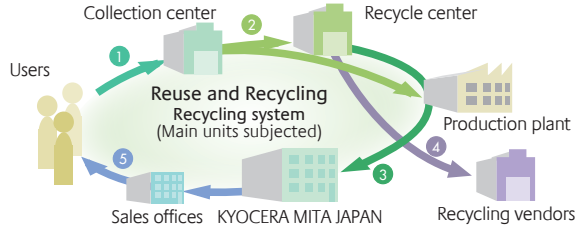


Reuse and Recycling

We are not only concerned about the environment at the time of design but also at disposal. We collect used toner containers and main units from customers for reuse and recycling.

● Collection, reuse and recycling of used multi-functional products

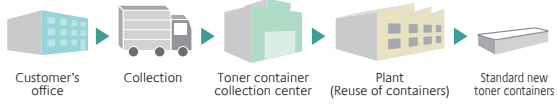
To aim at effective utilization of resources and realize a recycling society, KYOCERA MITA JAPAN Corp. has built an original resource recycling system. We conduct full activities for recycling not only by reusing parts but also subjecting parts that are unusable as raw materials to thermal recycling.



1 Collection	Used products are collected at the collection center.
2 Sorting	Machines to be reconditioned are sent to the plant, and machines to be recycled are sent to the recycling center.
3 Recondition	Maintenance parts and consumables are cleaned and replaced according to the maintenance list. The functions and image are checked according to the quality criteria equivalent to those of a newly manufactured machine.
4 Recycling	Machines not reusable are dismantled, sorted thoroughly by material and sent to raw materials recycling. Parts, which cannot be recovered as raw materials, are subjected to thermal recycling for fuel for furnaces, etc.
5 Selling	Such machines will be sold as reconditioned multi-functional products.

● Reuse and recycling of toner containers

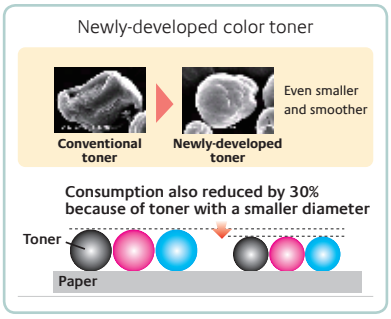
Collected used toner containers are divided into reusable containers and containers which are not reusable. Reusable containers are cleaned and inspected for reuse. Containers not reusable are also sent for recycling.



Ecosys Printer

FS-C5200DN

The Ecosys Printer "FS-C5200DN" uses newly-developed color toner whose toner particles are even smaller and more uniform and smoother in shape as compared with conventional toner. Use of the newly-developed toner provides printing with high resolution and high quality and reduces the toner consumption by about 30% for the same image density as compared with the conventional toner, contributing to resource saving. Also, a "one-sheet package" consisting of one sheet is used for the packaging material for the toner container, which improves recycling efficiency along with its high cushioning function and packing function.



Kyocera wins "Green Product" of the Year 2008 at Document Manager Awards

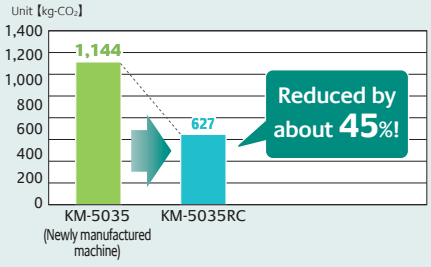
KYOCERA MITA Corp. received for its ECOSYS printer "Green Product" held by Document Manager Magazine (DM Magazine), a business magazine in Britain.
The "Green Product" Award is one of the DM Awards, which was set up in 2008, and voted on by more than 5000 readers in the Year 2008.
KYOCERA MITA Corp. won the prestigious "Green Product" Award in the first year because of its concept that the drum and parts are given longer life in order to reduce wastes.

Reconditioned machine with a parts reuse ratio of more than 90%

Recycled Multi-functional Product
KM-5035RC

A reconditioned machine which has become a product equivalent to a newly manufactured machine. This has been done by disassembling and cleaning a collected product, followed by assembly, adjustment and inspection. KYOCERA MITA JAPAN Corp. has achieved a reuse percentage of about 90% in terms of mass ratio.
These machines have reduced CO_2 emissions in the processes of manufacturing to distribution and scrapping by as much as 45% as compared with newly manufactured machines, and have minimized the environmental impact.

Comparison of environmental impact per unit in the entire life cycle (Global warming impact - CO_2 equivalent)



Certification of Environmental Labels (FY 2009)

In order to help customers identify products that have a low environmental impact, KYOCERA MITA Corp. actively seeks certification by various environmental labels.

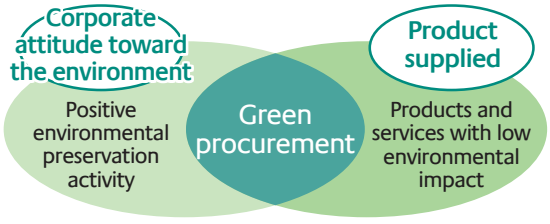
< Japan > Eco Mark	< Japan > Eco Leaf	< Japan, USA, Europe > Energy Star (International Energy Star Program)
Copiers: 5 models Printers: 4 models	Printers: 4 models	Copiers: 18 models Printers: 7 models
< Northern Europe > Nordic Swan	**< Taiwan > Green Mark**	**< Germany > Blue Engel**
Copiers: 4 models Printers: 5 models	Copiers: 10 models	Copiers: 5 models Printers: 1 model

The number of models newly certified in FY 2009 is shown.

Green Products

Green Procurement

To deal with the increasing global environmental problem, it is important that not only your company but also the entire supply chain including suppliers take appropriate actions.
Kyocera established its Green Procurement Standard in 1998 to purchase products and services with low environmental impact from suppliers positively promoting environmental preservation activities. In this way, we are actively promoting green procurement activities.



Guidelines for Green Procurement

Kyocera established its Guidelines for Green Procurement starting requests to suppliers for green procurement in 1998 and is promoting green procurement activities with the support of such suppliers.
The Guidelines for Green Procurement specifies that we will check suppliers' attitudes toward protection of the global environment and environmental burdens (the chemical substances that are contained, etc.) on products to be purchased from them.
We annually check the environmental preservation activities of each supplier based on the guidelines. Then according to the results of the check, we request that suppliers improve, thereby involving our suppliers in promoting environmental preservation.
In September 2008, in addition to Kyocera's green supplier certification system whose application began in order to strengthen management with regard to chemical substances contained in products, we revised the Guidelines for Green Procurement reflecting the latest environment-related regulations, etc.

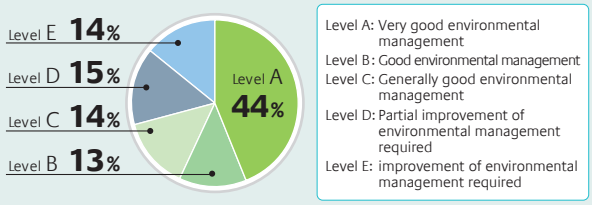
Content revised in September 2008

- Added Kyocera's green supplier certification system (a survey of management of chemical substances in products).
- Added 14 substances including perfluorooctane sulfonate to the list of banned chemical substances.
- Included additions and changes to the containing chemical substances survey sheet for procured materials.

Evaluation of activities of suppliers

In FY 2009, we conducted a survey for 1,209 suppliers except those subject to the newly applied Kyocera's green supplier certification system.

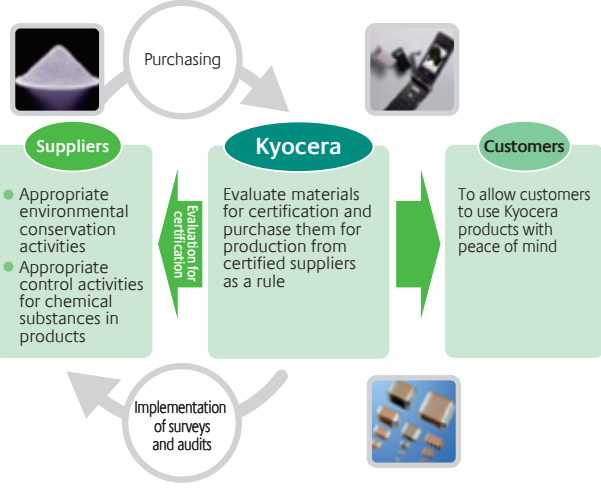
Supplier Environmental Status Survey Results in FY 2009



In FY 2009, we changed the previous four levels of evaluation of suppliers to five levels. According to the survey results, we distribute requests to suppliers who were ranked level D or E so that they can better understand Kyocera's way of thinking in regards to the environment and asked them for their cooperation on environmental conservation activities.
We also conducted a visiting audit for some suppliers at level E and asked them to improve items as required.

Initiation of Kyocera's green supplier certification system

Regulations on control of chemical substances in products are increasing in countries and regions in the world including Europe in recent years. In such a situation, requests for control of chemical substances in products from Kyocera's suppliers are also increasing. We began applying Kyocera's green supplier certification system in 2008.

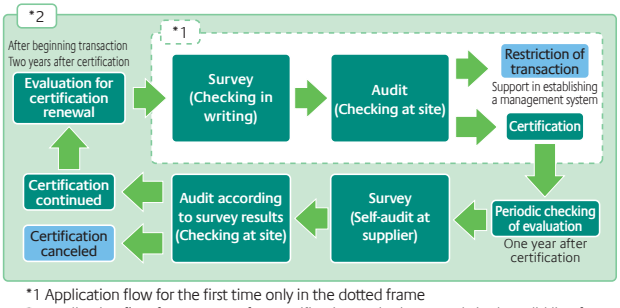


In the past, we evaluated the status of environmental conservation activities of each supplier according to responses from them. In this certification system, we closely check the environmental conservation activities and activities for control of chemical substances in products through a survey and audit for each supplier. We certify suppliers who will cooperate with us to manufacture environmentally friendly products, calling them "Kyocera green supplies."

When Kyocera initiated the application of the certification system, we held an explanatory meeting for suppliers in Kyoto, Tokyo and Kagoshima in October 2008.

Explanatory meeting for suppliers

In FY 2010, we will check the survey documents submitted from suppliers as a preparatory step for certification. We expect to conduct an audit of suppliers in FY 2011, followed by formal certification.

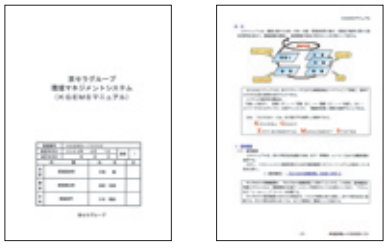


*1 Application flow for the first time only in the dotted frame
*2 Application flow for one year after certification and subsequently in the solid line frame

Support for Building Environment Management Systems by Suppliers

To support suppliers in obtaining certification of an environmental management system standard, Kyocera discloses the KGEMS Manual, which is Kyocera's own system based on the ISO 14001 Standard.

Kyocera provides without charge the manual to suppliers in order to establish environmental management systems. We are active in helping them construct these environmental management systems.



KGEMS Manual

Complying with REACH

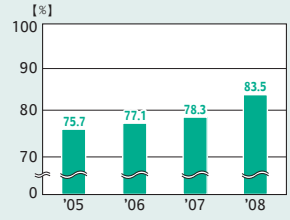
To strictly observe the new European chemical substance control known as "REACH", which was enforced in June 2007, Kyocera periodically exchanges information with its group companies in Europe for responding to this matter.

We also completed the procedure for "preliminary registration" to the European Chemicals Agency within a time limit, which started in June 2008, and we are conducting a content survey for substances of very high concern which require "notification."

Promotion of Green Procurement

Kyocera is seeking to purchase eco-friendly products and services. We check materials related to production for chemical substances and confirm that they conform to the laws and regulations and the customers' requirements. For office appliances and company-owned cars, we also promote preferential purchase of eco-friendly products meeting the Act on Promoting Green Purchasing, etc.

Green procurement percentage
【Office paper, stationery, office appliances】



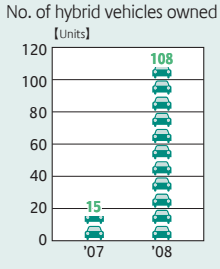
Full-scale introduction of hybrid vehicles

In January 2008, Kyocera began full-scale introduction of hybrid vehicles for general company-owned cars to be used for operating activities and transfer between plants. We introduced 93 hybrid vehicles in FY 2009 and now own 108 hybrid vehicles (53% of general company-owned cars) as of March 2009.

We will change general company-owned cars to hybrid vehicles sequentially, promoting the prevention of global warming.

Introduction of hybrid vehicles

No. of hybrid vehicles owned
【Units】



Green Factory

Energy Conservation

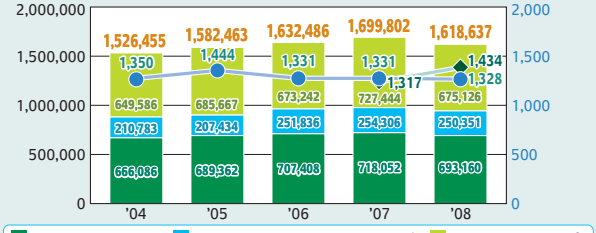
Increased energy consumption has an impact on environmental issues such as global warming. It is now a common practice for corporations to utilize limited energy levels more effectively to complete their industrial activities.
Kyocera began its energy conservation measures in FY 1993 with the goal of reducing energy consumption.

FY 2009 Result

● Reduced Electricity Consumption

We enacted energy saving measures for production equipment, such as reviewing production processes and increasing calciner efficiency. We also increased the efficiency of utility equipment by such measures as using inverters in air-conditioning equipment and installing high-efficiency air compressors. As a result, Kyocera's electricity consumption was reduced by 0.3% per net sales (1,328 kWh/million yen) against a targeted 3% reduction per net sales (1,331 kWh/million yen) from the FY 2008 levels.
Meanwhile, the Kyocera Group's electricity consumption increased by 8.9% due to its reduced sales, as compared with per net sales in FY 2008.

Electricity Consumption

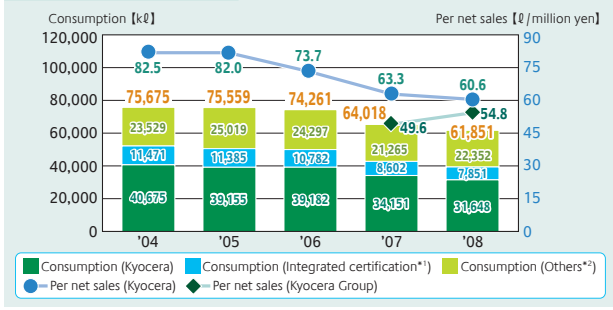


* In-house power generation is not included because it is included in Fuel Consumption.

● Reduced Fuel Consumption

To reduce fuel consumption, we installed high-efficiency boilers, used external air energy, recovered waste heat, and shifted from absorption-type chillers to turbo chillers. As a result, Kyocera's fuel consumption was reduced by 4.3% per net sales (60.6 ℓ/million yen) against a targeted 3% reduction per net sales (63.3 ℓ/million yen) from the FY 2008 levels.
Meanwhile, the Kyocera Group's fuel consumption increased by 10.5% due to its reduced sales, as compared with FY 2008.

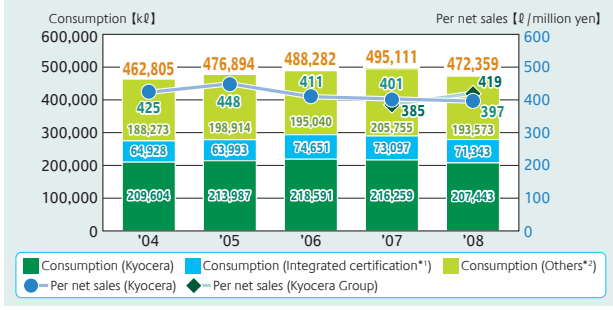
Fuel Consumption



● Reduction in Total Amount of Energy

Kyocera's total amount of energy (electricity and fuel consumption) was reduced by 0.9% per net sales (397 ℓ/million yen) against per net sales (401 ℓ/million yen) from FY 2008 levels.
Meanwhile, the Kyocera Group's total amount increased by 9.1% as compared with per net sales in FY 2008.

Total Amount of Energy



Examples of Energy Saving Measures

■ Energy savings for photovoltaic-cell production equipment (Shiga Yohkaichi Plant)

An energy-saving calciner adopting new technology was introduced into the photovoltaic-cell production process. This calciner has increased heat efficiency by improving the heating structure and photovoltaic-cell transfer system and has reduced heater capacity by 30% as compared with conventional calciners.

【Annual electricity reduction】1,313,000kWh
【Annual CO_2 reduction】 444 ton-CO_2


Energy-saving calciner

■ Energy savings for the clean room (Kagoshima Hayato Plant)

A new inverter was installed in the air-conditioning equipment in the clean room. The electricity consumption was reduced by operating the equipment according to production status. The operational control in the clean room was simplified by streamlining the operation of the air-conditioning equipment and enabling visualization of the energy-savings operation. We also intensified production to efficiently use the clean room, promoting even more energy savings.

【Annual electricity reduction】2,665,000kWh
【Annual CO_2 reduction】 999 ton-CO_2


Control panel of the air-conditioning equipment

Notes	*1 Integrated certification: sites collectively certified under the Kyocera Group Integrated Environmental Management System except KYOCERA Corporation (refer to page 87) *2 Others: except KYOCERA Corporation and integrated certified sites Note: Data in FY 2008 was corrected because there were some errors in the data collection.
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Global Warming Prevention

The Kyocera Group set a greenhouse gas reduction target and is taking various measures to prevent global warming including energy savings measures. As we face the first commitment period specified in the Kyoto Protocol, we are conducting activities to prevent global warming more aggressively.

FY 2009 Results

We have implemented ways to help prevent global warming by taking energy-saving measures, such as installing turbo chillers. However, due to the establishment of new sites, Kyocera's greenhouse gas emissions in FY 2009 were 329,280 ton-CO_2, up 14.3% against a targeted 6% reduction of FY 1991 emissions (288,066 ton-CO_2).

The value per net sales (631 kg-CO_2/million yen) was reduced by 27.5% against a targeted 44% reduction per net sales (871 kg-CO_2/million yen) in FY 1991.

An increase in emissions in FY 2009 as compared with the previous year is greatly influenced by the worsening CO_2 emission coefficients of some electric power companies. When calculated assuming the same CO_2 emission coefficient as the previous year, greenhouse gas emissions (286,145 ton-CO_2) were reduced by 0.7% from FY 1991 levels and the value per net sales was reduced by 37.0% from FY 1991 levels.

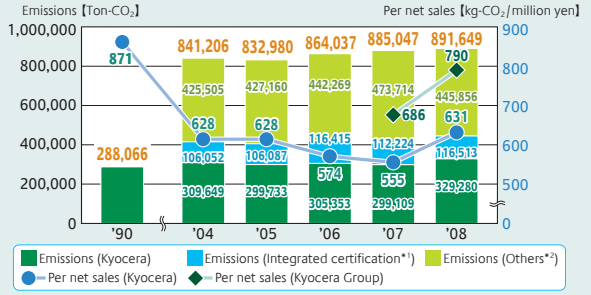
The emissions of gasses, such as PFC, resulting from an increase in production were controlled by installing scrubbers. These measures allowed the total amount of PFC to be significantly reduced by 92.3% as compared with the base year.

The Kyocera Group's greenhouse gas emissions were 891,649 ton-CO_2, up 0.7% against FY 2008 emissions (885,047 ton-CO_2). The greenhouse gas emissions per net sales were 790 kg-CO_2/million yen, up 15.2% as compared with FY 2008 (686 kg-CO_2/million yen) due to the reduced sales.

When calculated assuming the same emission coefficient as the previous year, the greenhouse gas emissions in FY 2009 (840,407 ton-CO_2) were reduced by 5% from the FY 2008 level, and the value per net sales increased by 8.6%.

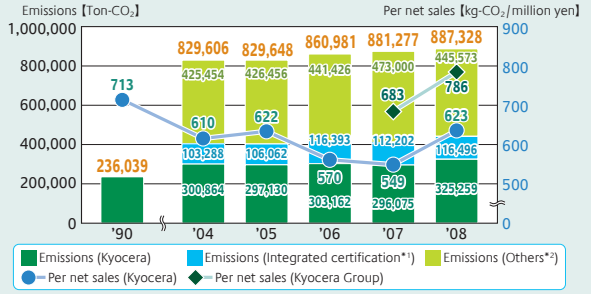
We will continue to actively promote activities for the prevention of global warming, such as energy savings, which enable the coexistence of economic and environmental interests.

Greenhouse Gases Emissions

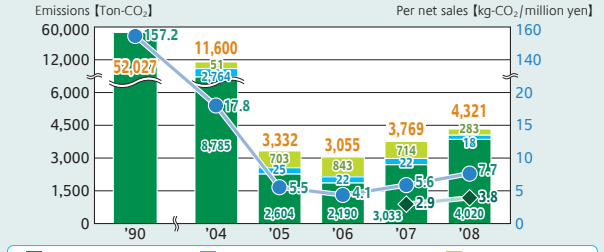


* From FY 2009, emission coefficients are calculated based on the Act on Promotion of Global Warming Countermeasures.
* Greenhouse gas emissions are figured by adding CO_2 emissions and PFC gas emissions that arise from fuel consumption.

Energetic origin CO_2 Emissions



PFC and Others Emissions



* PFC and others: CO_2, CH_4, N_2O, PFC, HFC, and SF_6 emissions from the manufacturing process.

Participating in a trial implementation of a domestic integrated market for emissions trading

In December 2008, Kyocera participated in a trial to implement the domestic integrated market of emissions trading, which the government is promoting as a way of preventing global warming. Kyocera is active in taking measures to prevent global warming.

The government began trial implementation of a domestic integrated market for emissions trading in October 2008, assuming that it was necessary to encourage engineering development and emissions-reduction efforts by assigning transaction prices to CO_2 using the market mechanism.

523 companies have applied for participation as of March 2009; there are 20 participating companies in the electrical and electronics industry to which our company belongs.

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Green Factory

Environmental Impact of Shipping

When shipping products, there are many environmental effects, such as global warming, air pollution, and traffic jams. The Kyocera Group takes action to minimize environmental impact caused by the transportation of our products.

Kyocera is actively working to reduce CO_2 emissions and has set a reduction target for CO_2 emissions due to cargo shipping in FY 2009. The company also seeks to reduce the number of shipping services by providing regularly scheduled service, reviewing transport paths, and reducing packing material weight.

In FY 2009, CO_2 emissions due to cargo shipping were reduced by 8.8% against a targeted 2% reduction per net sales from FY 2008 levels.

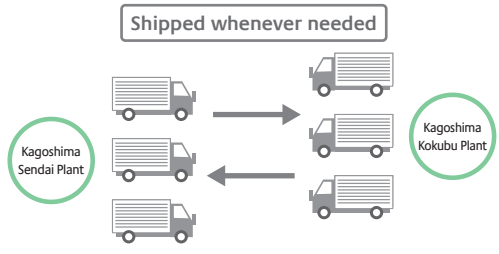
● Reduction of the number of shipping services by providing regularly scheduled service

There used to be frequent transportation between the Kagoshima Sendai Plant and Kagoshima Kokubu Plant because transportation took place whenever it was needed.

In January 2009, we arranged a delivery schedule and operate regular service.

This allowed transportation to be reduced between the plants and the CO_2 emissions produced during transportation to be reduced by 2,800 kg-CO_2 per month.

Transportation method before change



Monthly environmental impact: 4,100 kg-CO_2

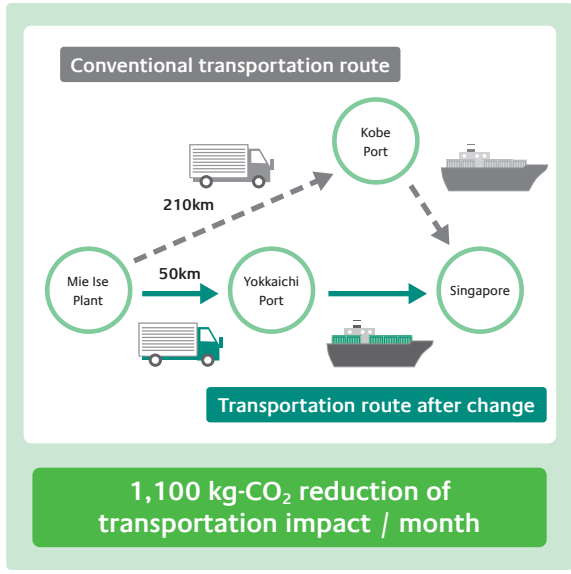
Transportation method after change

Monthly environmental impact: 1,300 kg-CO_2

Reduction of 2,800 kg-CO_2 / month

● Reviewing the transportation route

Transporting solar modules from the Mie Ise Plant to Singapore, used to involve shipping to Kobe Port before sending them to Singapore. In February 2009, we began delivering them from Yokkaichi Port to Singapore. This allowed transportation impact to be reduced by 1,100 kg-CO_2 of land transportation per month.



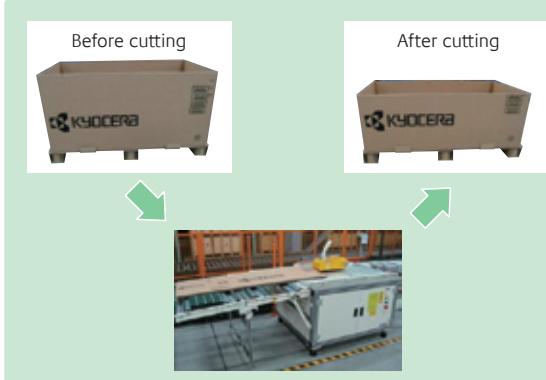
1,100 kg-CO_2 reduction of transportation impact / month

● Reduction of packing material weight

Fixed-size packing boxes were used at the Kagoshima Kokubu Plant. When products did not fill the entire box, packing material was stuffed into the gaps between the products before transportation.

In December 2008, we installed cutting equipment for packing boxes, which cuts a packing box to the size appropriate for the number of products being packed.

This reduces the weight of packing material by about 15%, leading to the reduction of environmental impact during transportation.



Packing box cutting equipment

Site information Please refer to environmental impact data for individual sites on our web page (http://global.kyocera.com/ecology/).

Utilization of Green Electricity

Shanghai KYOCERA Electronics Co., Ltd., a production site in China, has used green electricity by generating 720,000kWh of wind power every year since 2006, thus contributing to a reduction of 555 ton-CO_2.

KYOCERA MITA's sales agent in Holland has used only green electricity in its office from April through December 2008. Use of this green electricity is equivalent to a reduction of 360 ton-CO_2.

* The reduction of carbon dioxide is calculated using the GHG protocol and the emission coefficient released by the supplying electric company.

Green Electricity Certificate

Organizing an eco-golf tour

Jointly hosted with the Ladies Professional Golfers Association of Japan (Chairwoman: Hisako Higuchi), Kyocera organized a Legends Tour for professional women golfers, "The 3rd Kyocera Ladies Open" in Satsuma, from October 10 to 12, 2008. This tournament was held as an "eco-golf tour" using Green Electricity Certificates. All the electricity required for organizing the three-day tournament (equivalent to 15,000kWh) was covered by green electricity. This was the first golf tournament in Japan organized by using residential photovoltaic cells.

This enabled carbon dioxide to be reduced by about 4.7 ton-CO_2, which is equivalent to the CO_2 emissions absorbed by about 337 cedar trees in one year*.

* The CO_2 emissions annually absorbed by cedar trees were calculated at 14 kg per tree by referring to the "Green Absorption Source Measures for Prevention of Global Warming" jointly compiled by The Environmental Agency and Forestry Agency. Also, the CO_2 reduction per kWh of power energy was calculated at 314.5g-CO_2 by referring to various materials, such as data on the average CO_2 emissions of domestic electric companies in FY 2002 and a NEDO-commissioned business working paper.

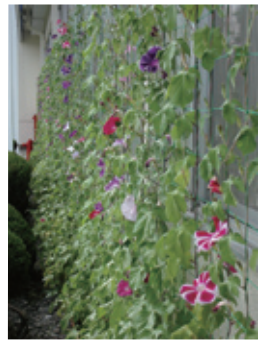
Working on Green Curtains

In the summer of 2008, at our Nagano Okaya, Shiga Gamo, Shiga Yohkaichi, Kagoshima Sendai and Kagoshima Kokubu Plants, Kyocera planted morning glory and bitter gourd on some outside walls of each plant building in order to create "green curtains."

These plants are intended to absorb carbon dioxide through their photosynthesis and block the blazing sun coming through the windows of the office, helping prevent excessive use of air conditioning.

Working on these green curtains began when the Nagano Okaya Plant participated in the Green Curtain Project – jointly requested by Okaya City, Nagano Prefecture and NGO "Environmental Citizens' Alliance Okaya – in May 2007. In 2008, the Nagano Okaya Plant expanded to the area for growing morning glory and bitter gourd to 148 planters over a total length of 140 m along the walls.

The bitter gourd fruit harvested at each plant was served as lunch at the company cafeteria and given to employees for free. Green curtains were also well-received because of their relaxing effect and some employees began to install similar "green curtains" in their homes.



Nagano Okaya Plant

Ecology Building at Kyocera's Headquarters

Kyocera's Headquarters Building in Kyoto City was constructed with the concept of "a building that is earth-friendly and coexists with the community." Completed in 1998, it marked its 10th anniversary in August 2008.

Having installed 1,392 solar cell modules on the south wall above the third floor and 504 solar module panels on the roof, this building boasted, at the time, the world's largest output for a building with panels installed on the vertical wall of a high-rise building. It is also an "ecology building" adopting many environmentally conscious utilities such as a natural gas cogeneration system and an ice storage air conditioning system.

The 10-year accumulative power energy of the solar power generation system amounted to 1,309,776kWh. The CO_2 reduction by this system is 115,342 m^2; if it were converted to forest, it would be equivalent to about eight times the area of the Koshien Stadium grounds.

We also work not only on equipment, but also on various activities such as lights-down campaigns like "Black Illumination" and "Kyoto All Lights Down." We will continue to actively promote environmental protection activities at the office, aiming at making the building even more ecologically sound.

Installed 1,896 solar cell modules on the roof and the south wall

Green Factory

Resource Conservation

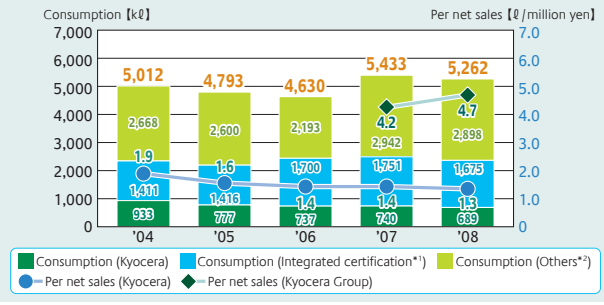
To maximize the utilization of limited resources and contribute to global environmental protection, the Kyocera Group is working on resource conservation for vehicle fuel, water, travel expenses, gas, paper and packing materials. In addition to these activities, Kyocera also promotes activities by setting new reduction targets for packing and shipping charges and non-renewable resources.

FY 2009 Results

● Reducing Vehicle Fuel Consumption

To effectively utilize our remaining fossil fuels and prevent global warming, we are replacing company cars with eco-cars, such as hybrid vehicles and fuel-efficient cars. We introduced 93 new hybrid vehicles in FY 2009. This resulted in a 3.9% reduction per net sales (1.3 ℓ/million yen) against a targeted 3% reduction per net sales (1.4 ℓ/million yen) from FY 2008 levels. Meanwhile, the Kyocera Group's vehicle fuel consumption increased by 10.7% per net sales (4.7 ℓ/million yen) against per net sales (4.2 ℓ/million yen) from the FY 2008 level because of its reduced sales.

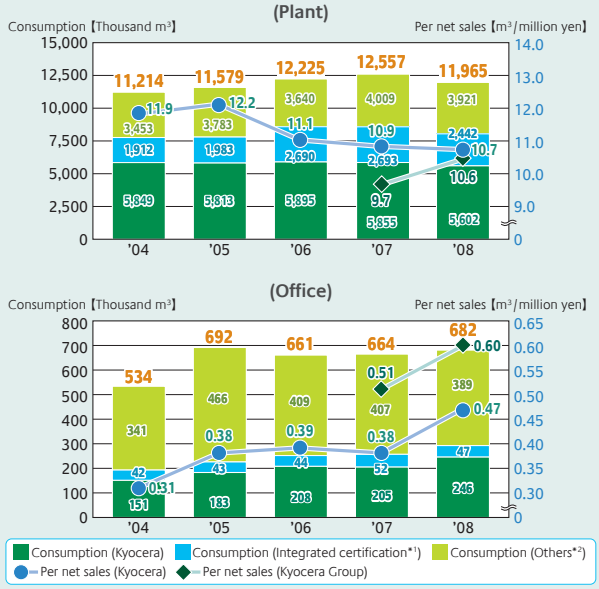
Vehicle Fuel Consumption



● Reducing Water Consumption

While the lack of water is becoming more serious around the world, Kyocera is working to reduce both city water and groundwater consumption in order to protect water resources and reduce environmental burdens resulting from discharging water. This resulted in a 1.1% reduction per net sales (10.7 m³/million yen) against a targeted 4% reduction per net sales (10.9 m³/million yen) from FY 2008 levels. Reductions were achieved by recycling treated discharged water at the Shiga Yohkaichi, Kagoshima Kokubu and Kagoshima Hayato Plants. Office locations, however, increased consumption by 24.3% per net sales (0.47 m³/million yen) against a targeted 2% reduction per net sales (0.38 m³/million yen) from FY 2008 levels because of added offices, even though we introduced ambient-noise privacy devices and improved water efficiency. Meanwhile, the Kyocera Group's water consumption increased by 8.9% per net sales at plants and by 17.4% at offices against per net sales from FY 2008 levels because of its reduced sales.

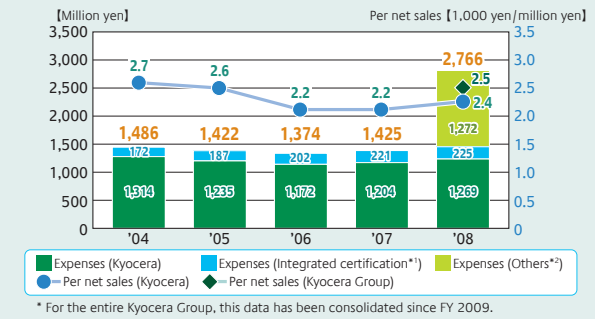
Water Consumption



● Reducing the gas expenses

To lower environmental impact, Kyocera works to reduce the amounts of nitrogen, hydrogen and argon gases which have a high consumption volume in Kyocera production processes. Kyocera's consumption increased by 8.8% per net sales (2,400 yen/million yen) against a targeted 2% reduction per net sales (2,200 yen/million yen) from FY 2008 levels because of increased production of some products, although we reviewed the gas supply amount of the growth furnace.

Gas expenses



* For the entire Kyocera Group, this data has been consolidated since FY 2009.

● Reducing travel expenses

Reducing the number of business trips and after-work events saves many resources, such as fuel for public transportation and resources used from hotel accommodations. At Kyocera, a video-conferencing system has been introduced sequentially into all plants and offices. Kyocera has also reconsidered what the appropriate occasions are for entertaining and going on business trips. This resulted in a 15.4% reduction per net sales (7,900 yen/million yen) against a targeted 2% reduction per net sales (9,300 yen/million yen) from FY 2008 levels.

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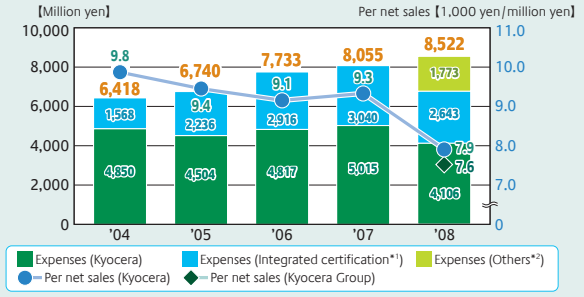
Travel Expenses



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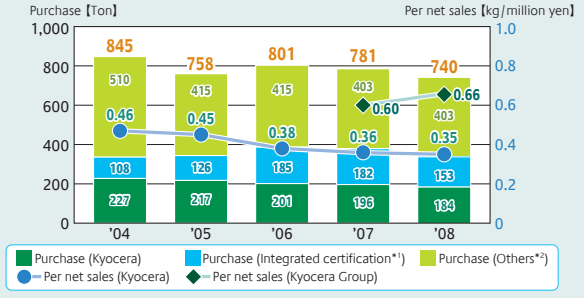
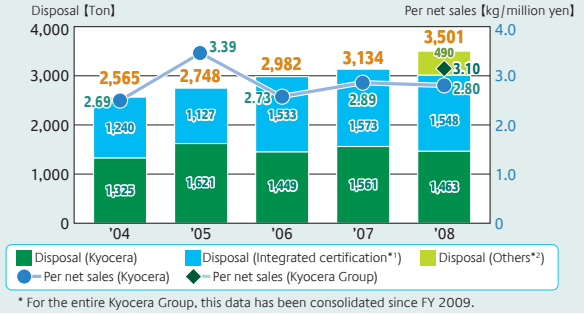
● Reducing purchase and disposal of office paper

To reduce the purchase and disposal of office paper, we installed an environmental data system and strictly instructed use of reduced-scale copy in addition to digitizing documents, effective use of email, and using both sides of the paper when printing. At Kyocera, these activities have resulted in a 2.9% reduction in purchase per net sales for office paper (0.35 kg/million yen) against a targeted 3% reduction for purchase per net sales for office paper (0.36 kg/million yen), and a 3.1% reduction for disposal per net sales for paper (2.80 kg/million yen) against a targeted 3% reduction for disposal per net sales for paper (2.89 kg/million yen), from FY 2008 levels. Meanwhile, the Kyocera Group's office paper purchase increased by 8.4% per net sales (0.66 kg/million yen) against per net sales (0.60 kg/million yen) from FY 2008 levels because of its reduced sales.

Office paper purchase



Paper disposal



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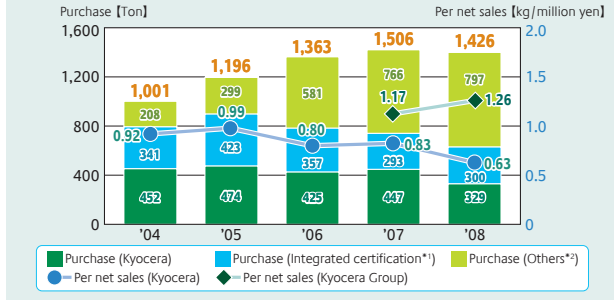
● Reduction in paper purchases for production processes

We also tried to reduce paper used in manufacturing processes in addition to office paper consumption by such measures as reconsidering the size of the paper used. These activities resulted in 23.9% reduction of purchase per net sales (0.63 kg/million yen) against a targeted 5% reduction per net sales (0.83 kg/million yen) from FY 2008 levels. Meanwhile, the Kyocera Group's purchase of paper increased by 8.3% per net sales (1.26 kg/million yen) against per net sales (1.17 kg/million yen) from FY 2008 levels because of its reduced sales.

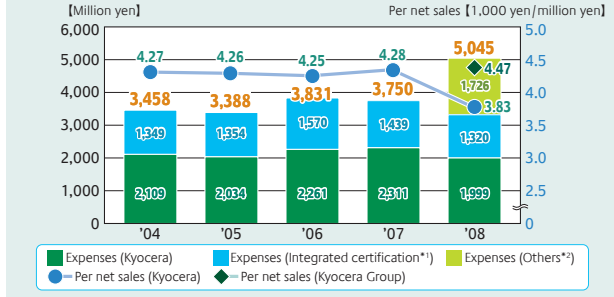
Purchase of paper for production processes



● Reduction of packing materials purchased

To reduce packing materials, we are continuously working toward improving our packing forms and adopting reusable packing containers for shipping products. In Kyocera, this resulted in a 10.6% reduction per net sales (3.83 kg/million yen) against a targeted 3% reduction per net sales (4.28 kg/million yen) from FY 2008 levels.

Packing materials purchased



* For the entire Kyocera Group, this data has been consolidated since FY 2009.

● Reducing packing and shipping charges and non-renewable resources

Since FY 2009, we have set a new reduction target for packing and shipping charges to reduce the size and weight of packages and reduce greenhouse gasses. These activities resulted in a 0.5% reduction in charges per net sales for packing and shipping (12,300 yen/million yen) against a targeted 2% reduction for charges per net sales for packing and shipping (12,400 yen/million yen) from FY 2008 levels. Amid concerns of dwindling non-renewable mineral resources, we worked by setting reduction targets of purchased amounts particularly for gold (used in gold plating solution and gold cyanide). However, the non-renewable resources purchased increased by 12.0% per net sales (7,100 yen/million yen) against per net sales (6,300 yen/million yen) from FY 2008 levels because of the rise in gold prices among other circumstances.

[Per unit sale: 1,000 yen/million yen]

Item	FY 2008 Standard per net sales (1,000 yen/million yen)	Reduction target	FY 2009 Actual per net sale (1,000 yen/million yen)	Increase / decrease
Packing and shipping charges	12.4	2% reduction	12.3	0.5% reduction
Non-renewable resources	6.3	2% reduction	7.1	12% increase

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Green Factory

Waste Reduction and Recycling Measures

To contribute to a recycling-based society, Kyocera started its activities for industrial waste reduction with a basic policy in FY 1992. Since 2008, Kyocera has been working to reduce waste while updating some of the previous basic policy.

Basic Policy for Waste Reduction

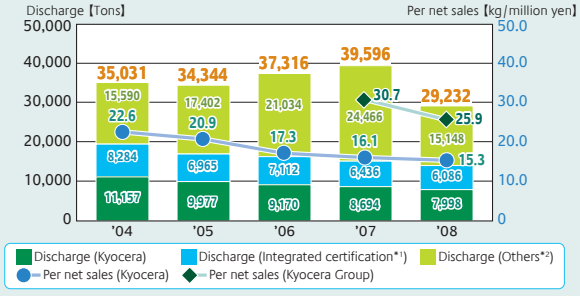
1. Do not bring in non-recyclable trash.
2. Minimize waste generated by business activities
3. Recycle waste once it is generated
4. Change non-recyclable waste into harmless materials

FY 2009 Results

● Reducing Industrial Waste Discharge

At the plants generating the majority of Kyocera's industrial waste discharge, we took waste-reduction measures by changing waste plastics into revalued materials and by introducing internal treatment equipment for liquid wastes. At the offices, we sold used furnitures, fixtures and plastic wastes as valuable materials. At Kyocera, these activities resulted in a 4.9% reduction per net sales (15.3 kg/million yen) against a targeted 5% reduction per net sales (16.1 kg/million yen) from FY 2008 levels.
Meanwhile, the Kyocera Group's industrial waste discharge (25.9 kg/million yen) decreased by 15.6%, as compared with per net sales (30.7 kg/million yen) in FY 2008.

Industrial Waste Discharge



Examples of Waste Reduction Measures at Offices

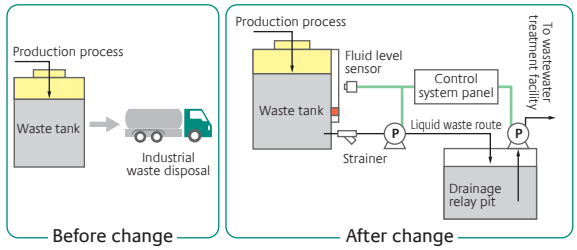
■ Changing waste into valuable materials thorough sorting and reusing office equipment (Kyocera Headquarters)

We thoroughly sort waste plastics, metals and office automation equipment, such as servers, and refashion them into valuable materials.
Reuse of discarded files and office equipment in offices resulted in an annual reduction of about 11.7 tons of waste, equivalent to 73.2% of the discharge.

Examples of Waste Reduction Measures at Plants

■ Reducing liquid waste through introduction of internal treatment equipment (Shiga Gamo and Kyoto Ayabe Plants of KYOCERA SLC Technologies Corporation)

At the Shiga Gamo Plant, the alkali waste produced in the plating process, which used to be disposed of as industrial waste, was internally treated by effectively using the existing wastewater treatment equipment, resulting in an annual reduction of 33 tons of waste.
At the Kyoto Ayabe Plant of KYOCERA SLC Technologies Corporation, the waste liquid produced from the manufacturing process, which used to be treated as special management industrial waste, was also internally treated by effectively using the existing wastewater treatment equipment, resulting in an annual reduction of 211 tons of waste.



■ Changing waste into valuable materials by thorough sorting (Kagoshima Kokubu Plant)

We have promoted changing waste into valuable materials by segmenting waste into about 190 categories and thoroughly sorting it, going back to the source of release, which is a basis for waste reduction. In FY 2009, in order to further promote changing waste into valuable materials, we installed compression equipment for waste plastics, resulting in an annual reduction of about 143 tons of waste.

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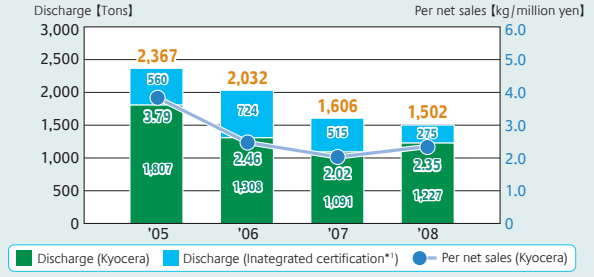
Reducing General Waste

We worked to reduce general office trash and properly controlled the sewage treatment tanks. However, Kyocera's general waste increased by 16.3% per net sales (2.35) against a targeted 3% reduction per net sales (2.02) from the FY 2008 level because of establishment of new sites, etc.

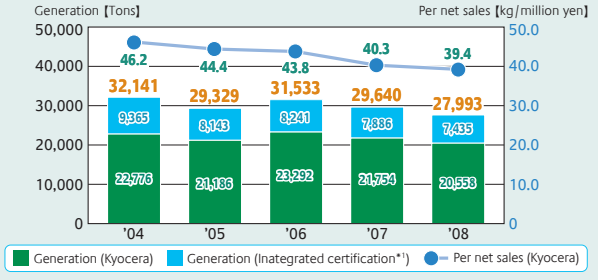
General Waste Discharge



Reducing Waste Generation

Kyocera not only undertakes activities to reduce industrial waste discharge, but also promotes activities that reduce the generation of waste. At plants generating the majority of Kyocera's industrial waste and valuable material, we made the carbon spacer life longer and reduced waste plastics containing solvent. This resulted in a 2.4% reduction per net sales (39.4 kg/million yen) against a targeted 3% reduction per net sales (40.3 kg/million yen) from FY 2008 levels.

Industrial Waste Generation



Promoting Zero Emissions

The Kyocera Group defined zero emissions as "an amount of waste landfilled at final landfill sites (including residue discharged from intermediate waste processing companies) that is no more than 0.5% of the total waste amount, excluding waste that must be disposed of by local governments through a specified method." We have achieved zero emissions in all sites certified by the Kyocera Group Integrated Environment & Safety Management System. We intend to continuously expand these activities. The Kyocera Group (overseas) is also working to expand measures to achieve the target by the end of FY 2011.

Proper Waste Disposal

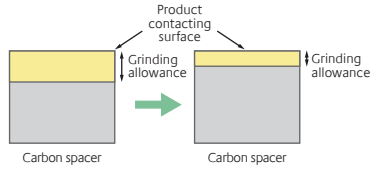
To encourage proper waste disposal, Kyocera has established a "treatment work management standard for waste" and conducts thorough investigations of companies on waste disposal, including financial stability and on-site surveys, before contracting with them.

Even after signing a contract with a waste-treatment company, Kyocera conducts field surveys of these disposal companies twice a year. In FY 2009, we conducted field surveys and exchanged information with 199 companies to ensure that waste was treated appropriately.

Examples of Industrial Waste Reduction Measures

Reducing waste generation by making the carbon spacer life longer (Kagoshima Kokubu Plant)

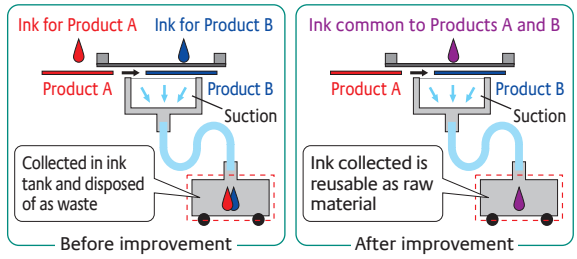
After use, the surface of the carbon spacer used in the calcination process is ground prior to reuse. We reconsidered the grinding allowance and made its life longer from the conventional use of two times to four times, thus reducing waste generation by about 7.6 tons per year.



Carbon spacer

Standardizing ink materials to reduce raw materials and waste (Kagoshima Sendai Plant)

In the conductive ink applying process, we previously used inks with different compositions depending on the ceramic material of each product. Since the production lines were shared, the inks collected after application were disposed of as waste. We have uniquely developed a standardized ink common to each product. This enabled the collected inks to be reused as raw material, resulting in a waste generation reduction of about 1.2 tons per year.



Notes	*1 Integrated certification: sites collectively certified under the Kyocera Group Integrated Environmental Management System except KYOCERA Corporation (refer to page 87)
Site information	Please refer to environmental impact data for individual sites on our web page (http://global.kyocera.com/ecology/).

Green Factory

Air Pollution and Water Pollution Prevention Activities

Kyocera has been involved in reducing pollutants because the environment and ecosystem are affected by the discharge of pollutants into the water, atmosphere and soil. In FY 2009, we revised the Kyocera Environmental Management Standard established in FY 1993 to the "Kyocera's Domestic Group Environmental Management Standard" to ensure thorough management.

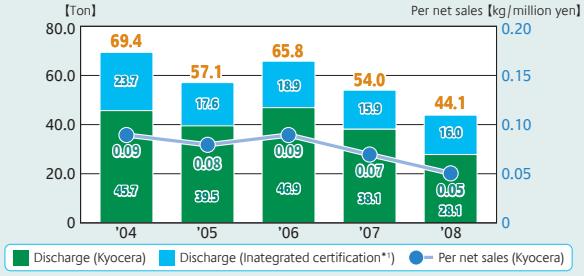
FY 2009 Results

● Air Pollution Prevention Activities

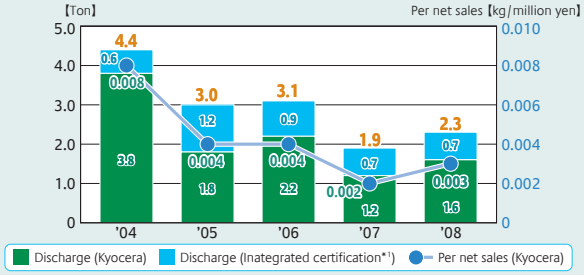
The Kyocera Group (in Japan) is working to reduce the emissions load of NOx and SOx, which are air contaminants.

At Kyocera, the total amount of NOx discharged was reduced by 26.2% (28.1 tons) against FY 2008 levels (38.1 tons). The total amount of SOx discharged increased by 26.8% (1.6 tons) against FY 2008 levels (1.2 tons) because of increased hours of operation of waste liquid treatment equipment.

Total Amount of NOx Discharged



Total Amount of SOx Discharged

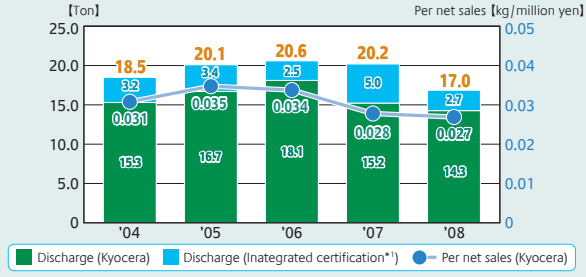


● Measures for Water Pollution Prevention

The Kyocera Group (in Japan) controls the total amount of "substances that impact human health" in discharged water, as specified by the Water Pollution Control Law.

Since the 6th Environmental Protection Promotion Plan began in FY 2009, Kyocera has built a recycling system for cyanogens discharged following the same recycling system used for lead discharged which was completed in FY 2008. Presently, we are working to reduce wastewater through thorough source control and reconsidering the wastewater recycling method. The Kyocera Group (in Japan) is also taking action to continuously reduce environmental impact on rivers through tight control of wastewater discharge from divisions. At the same time, we are actively working not only to improve water quality but also to reduce wastewater treatment chemicals and recycle treated water.

Total Amount of BOD Discharged



Example of Water Quality Improvement Activities

Reducing Wastewater Treatment Chemicals and Recycling Treated Water (Shiga Yohkaichi Plant)

Wastewater discharged from operating processes is made cleaner in quality than effluent streams through the treatment facility of each division before being released.

Since a number of different chemicals are used in wastewater treatment, it is necessary to use even less chemicals in treatment in order to reduce environmental impact on effluent streams.

At the Shiga Yohkaichi Plant, we readjusted the coagulation aid to reduce chemical dosage in coagulation sedimentation treatment and have been able to reduce not only chemical dosage, but also the amount of waste generated. We also recycle treated water for diluting chemicals and washing equipment, thus reducing the use of well water.

Wastewater treatment facility (Shiga Yohkaichi Plant)

Reduction of coagulation aid: 807 tons/year
Reduction of wastewater sludge: 62.4 tons/year
Reduction of well water consumption: 14,400 m³/year

Notes	*1 Integrated certification: sites collectively certified under the Kyocera Group Integrated Environmental Management System except KYOCERA Corporation (refer to page 87)
Site information	Please refer to environmental impact data for individual sites on our web page (http://global.kyocera.com/ecology/).

Chemical Substances Management

Some chemical substances cause environmental pollution and affect human health and the ecosystem as a result of long-term accumulation. To manage these substances, we have established a chemical substances control system to minimize the amount of toxic chemical substances released into air, water and waste.

FY 2009 Results

● Reduction of Class 1 Chemical Substances Specified by PRTR Law

The Kyocera Group (in Japan) expanded the reduction target to 21 chemical substances that account for more than 95% of the Class 1 (designated) chemical substances specified by the PRTR Law and used by Kyocera.

In FY 2009, the recovery efficiency of toluene-recovery equipment was improved at the Kagoshima Sendai and Kagoshima Kokubu Plants. This resulted in an 11.1% reduction in the amount used per net sales (1,942.2 g/million yen) against a targeted 5% reduction for the amount used per net sales (2,185.1 g/million yen); a 25.1% reduction for the released amount per net sales (230.3 g/million yen) against a targeted 10% reduction for the released amount per net sales (307.6 g/million yen); and a 5.6% reduction for the transferred amount per net sales (329.4 g/million yen) against a targeted 7% reduction for the transferred amount per net sales (348.8 g/million yen), all from FY 2008 levels.

Unit [g/million yen]

Item	FY 2008 Standard per net sales (g/million yen)	Reduction Target	FY 2009 Actual per net sale (g/million yen)	Increase/ decrease
Used amount per net sales (g/million yen)	2,185.1	5%	1,942.2	11.1% reduction
Released amount per net sales (g/million yen)	307.6	10%	230.3	25.1% reduction
Transferred amount per net sales (g/million yen)	348.8	7%	329.4	5.6% reduction

● Supporting the PRTR Law

At the Kyocera Group (in Japan), the used, released and transferred amounts of chemical substances subject to the PRTR Law, as reported in FY 2009, were reduced as shown in the table below, by improving the recovery efficiency of toluene, substituting alternative substances and other measures.

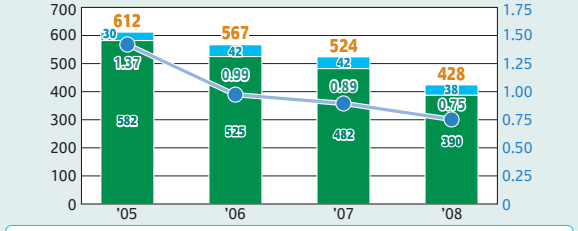
Unit [ton]

Item	FY 2008 Result	FY 2009 Result	Increase/Decrease
Utilized amount	5,151.6	4,125.3	−1,026.3
Released amount	166.8	118.2	−48.6
Transferred amount	196.5	170.3	−26.2

● Reducing Volatile Organic Compound (VOC) Emissions into the Air

The Kyocera Group (in Japan) is working to reduce the four substances (toluene, IPA, acetone and methanol) that comprise more than 95% of VOC emissions into the air. In FY 2009, this resulted in an 18.3% reduction for the released amount (428 tons) against a targeted 5% reduction for the released amount (524 tons) from FY 2008 levels. This was accomplished by improving efficiency of use and increasing the efficiency of the solvent-recovery equipment.

VOC Emissions



* FY 2006 reference is a value created by doubling the amount of emissions from the first half of FY 2006.

Examples of Reducing Chemical Substances

■ Reducing methanol and IPA by changing the storage method (Kagoshima Sendai Plant)

We have taken measures to prevent scattering from the solvent tank when the production line is not in operation, resulting in an annual reduction of about 3.6 tons of VOC emissions into the air.

■ Reduction by improving the recovery efficiency of toluene (Kagoshima Sendai Plant, Kagoshima Kokubu Plant)

Increasing the recovery efficiency of the toluene-recovery equipment and other measures resulted in an annual reduction of about 41 tons of toluene emissions into the air.

● Management and Disposal of PCB Waste

The Kyocera Group (in Japan) strictly controls and manages PCB (polychlorinated biphenyl) waste at specified locations with control sheets prepared in accordance with relevant laws.

Kyocera has already become an early registrant for disposal of these wastes with the Japan Environmental Safety Corporation and will dispose of them sequentially.

Storage space for PCB waste (Nagano Okaya Plant)

Notes	*1 Integrated certification: sites collectively certified under the Kyocera Group Integrated Environmental Management System except KYOCERA Corporation (refer to page 87)
Site information	Please refer to environmental impact data for individual sites on our web page (http://global.kyocera.com/ecology/).

Green Communication

The Kyocera Group is committed to fostering a mutual understanding with our stakeholders by ensuring interactive communication on the environment through various channels.

Employees and Families Promoting an Eco-Life at Home

A low carbon society cannot be realized by the work of one company alone, but requires us each to alter our state of awareness of the environment and to act on our conscience. In particular, CO_2 emissions, which cause global warming, have recently seen a significant increase in the residential sector.

In April 2008, the Kyocera Group distributed to its approximately 29,500 employees in Japan, "The ECO-LIFE NOTE: An Environmental Booklet for the Employee at Home" – which summarizes what employees can do in their own homes to protect the environment – as well as "Household Eco-Account Book."

Kyocera has been aggressively working to support environmentally friendly activities at employees' homes by holding informational meetings in each division. Additionally, in the second half of FY 2009, we began the "Household Eco-Account Book" Registration System in which 6,194 households participated in practicing "Eco-Life."

Explanatory meeting

Results of applying "Household Eco-Account Book"

Active period: October 2008 – March 2009 (6 months)
Consolidated: 3,253 households

Consolidated items	Electricity, utility gas, LP gas, city water, gasoline, light oil, kerosene, burnable garbage

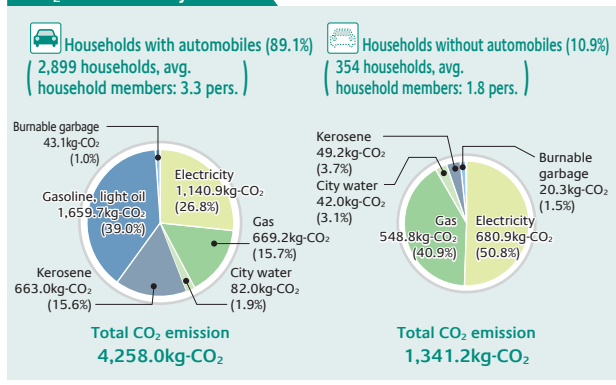
(Average household members: 3.2 persons)

	1 per.	2 pers.	3 pers.	4 pers.	5 pers.	6 pers.	7 pers. or more	Total
No. of households	586	511	661	985	363	103	44	3,253
Avg. emission ($kg\text{-}CO_2$)	1,839.5	3,393.6	4,359.3	4,203.4	5,539.7	5,904.4	7,879.0	3,934.7
Avg. emission per pers. ($kg\text{-}CO_2$)	1,839.5	1,696.8	1,453.1	1,050.8	1,107.9	984.1	1,086.8	1,244.7

The average emission per household was 3,934.7 $kg\text{-}CO_2$. This value was larger than the national average total of October through March (3,267.0 $kg\text{-}CO_2$*). This may have resulted from the fact that the average number of household members was higher (the national average was 2.49 persons) and the percentage of households owning automobiles was as high as 89.1% (the national average was about 55%).

The CO_2 emission by item for households owning automobiles and households not owning automobiles is shown in the following circle graphs.

CO_2 Emission by Item



Impressions and opinions from participating families

- "We use a thermal ceramic pot to cook food by boiling or stewing."
- "We say to our children, 'Don't waste things. Remember to separate the trash.'"
- "We are aware of renewable energy because we installed a solar power generation system, but we haven't yet worked on other items."

* The national averages were calculated by referring to the following:
- Ministry of International Affairs and Communications "Family budget survey results (households with two or more family members) (FY 2007)"
- The Japan Gas Association "City gas sales figures (FY 2007)"
- The Oil Information Center "FY 2007 actual propane gas consumption survey" "FY 2007 actual kerosene consumption survey"
- Japan Electrical Manufacturers' Association "New water rate and sewerage usage (February 2004)"
- Environment Ministry "Discharge and disposal condition of general wastes (FY 2007 record)"
- Ministry of International Affairs and Communications "Population/population dynamic state and households according to the Basic Resident Register (as of March 31, 2006)"

Conducting Conservation Activities for *Satoyama* (the border zone and arable flat land at the foot of a mountain)

In June 2008, in the yard of Kyocera's Shiga Gamo Plant, we began to conduct conservation activities for *satoyama* by removing fallen trees and planting new ones with the help of employee volunteers. Recently, Japanese red pines growing in *satoyama* have been damaged by disease and pests. In June 2008, 86 people, including employees and their families, helped remove fallen trees and planted about 200 acorn trees under the direction of a professional. The nursery trees were cultivated by employees using acorns picked in the *satoyama*. In February 2009, we held the second "Satoyama Conservation Event" where 58 people participated in removing fallen trees and improving the green space.

We will periodically conduct such activities where our employees can come in contact with, and learn about the environment, in order to conserve the ecosystem and raise their environmental awareness.

Onsite Environmental Classes for Children – Leading the Next Generation

Since February 2003, the Kyocera Group has offered a community social action program, providing onsite environmental classes, which allows children – leaders of the next generation – to deepen their understanding of environmental problems and energy converns, as well as nurture their thinking towards concerns for the earth in the course of school education.

In FY 2009, we offered this program to 5,895 children from areas near the 25 locations of the Kyocera Group (11 prefectures). The total number of students having participated in the program has exceeded 10,000.

Kyocera's onsite environmental classes are of a participatory and applied nature. Employees themselves become lecturers and visit elementary schools, helping children to enjoy learning about photovoltaic cells. Kyocera's original experiment kits and photovoltaic cell toys are used as lesson materials. Quizzes are also given. Through this method we convey the importance of taking good care of the earth's environment to children.

KYOCERA MITA Corp. also participates in the the Ministry of Economy, Trade and Industry's mentor education support project and in the science experiment program, which gives simplified explanations of how electrco-magnets work.

The Kyocera Group feels it is important to continue such educational activities. We will continue to create opportunities for children to develop a sense of caring for the earth.

Children's impressions after taking onsite environmental classes

- "I want to participate in many eco-activities from now on. I want people not doing eco-activities to take part in such activities as early as possible."
- "I hope we can more easily apply solar cells to many things in the future."
- "I learned new things through experiments and watching videos. From now on, I want to reconsider my daily life and lead an earth-friendly life."

Introducing Biodiesel Fuel Using Edible Oil Waste

The Shiga Gamo and Shiga Yohkaichi Plants started to use biodiesel fuel (BDF*1) produced by refining edible oil waste that used at cafeterias in June 2008.

We were the first (since 1998) private company in the city to participate in the Rape Blossom Eco Project promoted by Higashi Ohmishi, Shiga Prefecture.

We agreed with the city's goal to develop a regional self-sustaining and recycling society integrated with the government, research institutes, and local residents and companies. We participated in the Rape Blossom Eco Project as a co-sponsor. The Rape Blossom Eco Project was chosen as one of the Top 100 New Energies*2 by NEDO in April of 2009.

At both plants, edible oil waste (about 260 liters / month) at cafeterias used by about 3,000 employees is collected, refined to BDF at Aito Eco-Plaza Nanohana-Kan, and used as fuel for in-plant forklifts and shuttle buses for part-time employees.

*1 BDF (Bio Diesel Fuel) generally refers to non-fossil fuel using rapeseed oil, edible oil waste and vegetable oil as raw materials. Carbon dioxide emitted when such material is used (burned) as fuel is cancelled out when plants are grown as raw materials. Therefore, it is characterized as being carbon neutral (no additional CO_2 emissions).

*2 The "Top 100 New Energies" was created by NEDO (New Energy and Industrial Technology Development Organization) and the Ministry of Economy, Trade and Industry. Taking into account regional differences, they assessed various new energies and chose the best ones in April 2009.

Environmental Advertising

For wider dissemination of information about our environmentally friendly products, we distribute leaflets at exhibitions and others places. We advertise our environmentally friendly products in newspapers, magazines and other media.

Green Communication

Disclosure of Information by CSR Report and Website

To share the Kyocera Group's environmental conservation activities with our stakeholders, we have prepared an environmental report (currently the "CSR Report") every year since 2000 and released information through our website.
In FY 2009, to further strengthen communications, we posted new information for children on our site, such as an environmental picture book and the Kyocera Group's on-site environmental classes. Additionally we have created a downloadable environmental account book, posted examples of past activities and our detailed environmental impact data from each division. This has deepened our site content which can now be visited by an even wider range of stakeholders.

Opening Kyocera's "Solar Power Expo"

The power of the sun creates the future for every life on the earth. Early on, Kyocera paid attention to the power of the sun as a widely usable energy source and has been working on research and development, practical realization, and the spread of solar energy generation for many years.
The site created this time is an online "expo" highlighting the power of solar energy generation to combat global environmental concerns. This site seeks to raise awareness of current environmental problems and educate visitors on how solar generation systems are one of the solutions.

Participation in Environmental Exhibition

In December 2008, the Kyocera Group made a presentation at Eco-Products 2008, which is the largest environmental exhibition in Japan. Our booth displayed activities at our plants and offices for reducing environmental impact as well as the Kyocera Group's main products including long-life printers which contribute to resource conservation. More than 19,000 people visited this booth during the three-day exhibition.
In November 2008, we also made a presentation at the Lake Biwa Environmental Business Exhibition 2008, which is the largest class environmental industry fair.

Eco-Products 2008

Lake Biwa Environmental Business Exhibition 2008

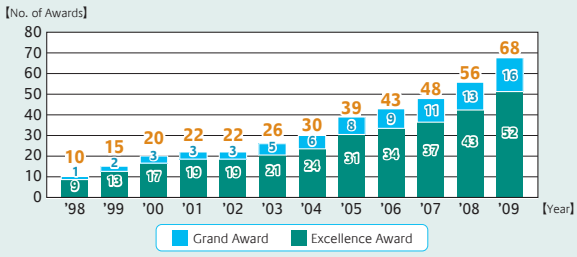
Participation in Environmental Events – Earth Day Tokyo 2008 –

Earth Day (April 22) is a day when we express our appreciation for the beautiful earth, share our plans to protect it, and take action.
The world's largest environmental festival, "Earth Day," was celebrated in locations around the world where many citizens, from children to adults, have participated since 1970, regardless of nationality, ethnicity, religion, or politics.
The main location every year for Earth Day Tokyo is Yoyogi Park. The number of exhibitors, amount of content, and number of attendees increases each year. This day has become the largest environmental fair for the general public.
Kyocera made a presentation for the first time in 2007, and we were able to deepen exchanges with citizens and non-profit organizations by exchanging opinions about solar power generation.

Kyocera Global Environment Contribution Award

Kyocera established its "Kyocera Global Environment Contribution Award" in 1996 to encourage environmental preservation activities. Every year this internal award commends original and creative ideas that make a great contribution to the global environment through our environmental preservation activities.

Accumulated No. of Kyocera Global Environment Contribution Awards



13th Kyocera Global Environment Contribution Award

Grand Award

"Global Environmentally Friendly Product Development" Category

◉ Solar Cell Module KD Series (model using 156 mm² solar cells) and G-Frame Installed Module (high-strength frame)

The KD Series is a solar cell module which previously used 155 X 150 mm cells. These cells were swapped for the the largest in the industry, 156 mm² cells, which increases the energy-generating capacity per module. The energy-generating capacity per module is increased to reduce man-hours and expense per watt, thereby reducing the manufacturing cost of modules and CO_2 emissions throughout the life cycle.
The G-frame installed module's design has been optimized using computer simulation to increase the positive load pressure resistance of the entire module to the world's highest level of 5,400 Pa. At the same time, aluminum usage has been reduced from the previous model. This module passed German TÜV certification which involves a strict safety inspection.

◉ PHS Phone HONEY BEE & HONEY BEE 2

This candy-bar-style PHS phone is a compact and lightweight model with a 9.9-mm thickness, 73-g weight and 50–cc volume. With its reduced power consumption, this phone lowers CO_2 emissions during use and has improved its recycling efficiency and serviceability by improving the ease with which is can be disassembled.
This is also Kyocera's first PHS phone with a built-in antenna. The newly developed first transmission/reception diversity method has made this phone compact and lightweight, thus reducing resource consumption. Furthermore, this phone features a protracted-phone-call notification function and a power-saving screen setting function, giving consideration to lessening environmental impact.

"Energy Conservation" Category

◉ Energy saving for photovoltaic cell production equipment (Ref. to Page 70)

An energy-saving calciner adopting the new technology and improving the heating structure and photovoltaic cell transfer system has greatly reduced electricity consumption.

Excellence Award

"Global Environmentally Friendly Product Development" Category

◉ Liquid Crystal TL Series TCG057QVLBA (Ref. to Page 63)

Using a small LED chip, this liquid crystal display is thin and lightweight, and has low power requirements, thereby reducing the environmental impact throughout its life cycles.

◉ Thermal Printhead / KRC Series

This thermal printhead is utilized in barcode printers, which mainly function at stores and plants to print various kinds of barcode labels. It was developed especially for use with our popular barcode printers. We have increased the operating life of the printhead by extending the print-running distance to twice that of the conventional product. We use small and lightweight ceramic substrates to reduce resource consumption, thereby greatly contributing to the reduced environmental impact of printers. We have also trademarked the term "EcoGeneration" and are selling this product as a thermal printhead with new environmental performance.

"Energy Conservation" Category

◉ Reducing electricity consumption by improving the heat efficiency of the growth furnace

We have improved the heat efficiency in the growth furnace for sapphire crystal with a high melting point and stabilized the furnace temperature to reduce electricity consumption and increase production efficiency.

◉ Energy saving for the clean room (refer to page 70)

We installed a new inverter in the air-conditioning equipment in the clean room and operated equipment according to production status in order to reduce electricity consumption.

"Resource Conservation" Category

◉ Standardizing ink materials to reduce raw materials and waste (refer to page 77)

We previously used inks with different compositions depending on the ceramic material, but we have since developed a unique standardized ink to reduce the ink material purchase and waste generation.

"Waste Reduction" Category

◉ Reducing waste generation by making the carbon spacer life longer (refer to page 77)

We reconsidered the grinding allowance of the carbon spacer used in the calcination process for reuse to make its life longer, thereby reducing waste generation.

◉ Changing waste plastics to valuable materials by thorough sorting of waste and compression of packing materials (refer to page 76)

We segmented waste into about 190 categories and introduced compression equipment for waste plastics, allowing waste to be changed into valuable materials.

"Chemical Substances Reduction" Category

◉ Improvement activities at the wastewater treatment facility at the Shiga Yohkaichi Plant (refer to page 78)

We readjusted the coagulation aid in coagulation sedimentation treatment to reduce, not only chemical dosage, but also the amount of waste generated. We also recycled treated water to reduce water consumption.

"Environmental Communication" Category

◉ New environmental protection activities at the Shiga Gamo Plant (refer to pages 61, 80 and 81)

We began using biodiesel fuel refined from edible oil waste together with *satoyama* protection activities at the plant. We received the "Excellence in Environmental Management Award" at the 7th Japan Environmental Management Award after these activities were appraised.

6th Environment and Safety Promotion Plan and Results

Name of Plan	Goal Content	Scope*1	Reference or Index	FY 2009 Goal		FY 2009 Result	FY 2010 Goal		FY 2011 Goal		Long-term Goal (FY 2018)	Details page
				First Half	Second Half		First Half	Second Half	First Half	Second Half		
Global Environmentally Friendly Products Promotion Plan	1. Development and sales expansion of environmentally friendly products											P62~69
	(a) Increase the certification percentage of Kyocera's global environmentally friendly products	KYOCERA Corporation	Certification percentage of Kyocera's global environmentally friendly products	80%		100%	90%		100%		100% maintenance	
	(b) Expand production and increase sales of Kyocera's global environmentally friendly products											
	(1) Sales increase of certified products in Kyocera's finished products category	KYOCERA Corporation	Sales proceeds of Kyocera's global environmentally friendly products in FY 2008	50% improvement		18.6% improvement	100% improvement		150% improvement		Total sales	
	(2) Production expension of certified products in Kyocera's parts category	KYOCERA Corporation	Production of Kyocera's global environmentally friendly products in FY 2009	Goal setting		Completion of goal setting	Implementation				—	
	(3) Production expansion and sales increase of certified products at group companies	Global	Production or sales of Kyocera's global environmentally friendly products in FY 2010	—		—	Goal setting		Implementation		—	
	(c) Expansion and development of environmentally related businesses											
	(1) Increase output of solar cells	KYOCERA Corporation	—	—		Expansion	—		Annual output 550MW		—	
	(2) Market introduction of solid-oxide fuel cell (SOFC)	KYOCERA Corporation	—	Early market introduction		Continuation of development	Early market introduction				—	
	2. Establishing and expanding the application of the Environmental Consciousness Evaluation System	Domestic	—	Start of application	Continuation of application	Review of application method	Continuation of application				—	
		Overseas		—	Start of application	Review of application method	Continuation of application					
	3. Creation of new environmentally friendly products and services	Global	—	Goal setting		Continuation of review	Implementation				—	
	4. Promotion of green procurement	KYOCERA Corporation/ Domestic	Green procurement percentage	85%		83.5%	95%		100%		100% maintenance	
Environmentally Conscious Product Promotion Plan	1. Application of the KYOCERA green supplier certification system	KYOCERA Corporation	—	Auditing for green supplier certification		Start of application	Auditing for green supplier certification	100% certification	100% certification maintenance		—	
		Domestic		—		—	Start of application	Continuation of application				
		Overseas		—		—	—	Start of application	Continuation of application			
	2. Enhancement of monitoring system for environmental product regulations and customer requirements											
	(a) Creation and application of management system for chemical substances in products	KYOCERA Corporation	—	Building	Start of application	Review of building	Continuation of application				—	
		Domestic		—		—	—	Start of application	Continuation of application			
		Overseas		—		—	—		Start of application	Continuation of application		
	(b) Obtaining the latest information on and observation of environmental product regulations	Global	—	Sharing information on environmental regulations and determining how best to respond to environmental product regulations		Continuation of review	Sharing information on environmental regulations and determining how best to respond to environmental product regulations				—	
	3. Compliance with European chemical substance control guidelines, "REACH"	Global	—	Creation, review and implementation of the response method		Continuation of review	Creation, review and implementation of the response method				—	
	4. Substitution and abolition of specified hazardous substances (lead, hexavalent chromium, etc.)	Global	—	Current situation survey	Review	Continuation of review	Policymaking System establishment	Implementation			—	
Energy Conservation Promotion Plan	1. Reduction of electricity consumption	Global	FY2008 electricity consumption per net sales	3% reduction		8.9% increase	6% reduction		9% reduction		30% reduction	P70~73
	2. Reduction of fuel consumption	Global	FY2008 fuel consumption per net sales	3% reduction		10.5% increase	6% reduction		9% reduction		30% reduction	
Global Warming Prevention Promotion Plan	1. Reduction of greenhouse gas emissions											
	(a) Aggregate reduction	KYOCERA Corporation	FY 1991 total amount of greenhouse gas emissions	—		14.3% increase	—		6% reduction		10% reduction maintained (10% reduction in FY 2013)	
		Domestic				68.9% increase						
		Overseas*2	FY 1991 total amount of greenhouse gas emissions	—		—	—		Below the first commitment period target for the Kyoto Protocol		—	
	(b) Reduction per net sales	KYOCERA Corporation	FY1991 greenhouse gas emissions per net sales	38% reduction		27.5% reduction	41% reduction		44% reduction		65% reduction (50% reduction in FY 2013)	
		Domestic				5.8% reduction						
		Overseas	FY 2008 greenhouse gas emissions per net sales	3% reduction		12.0% increase	6% reduction		9% reduction		30% reduction	
	2. Reduction of CO_2 emissions from cargo shipping	KYOCERA Corporation	FY 2008 CO_2 emissions per net sales Resulting from cargo shipping	2% reduction		8.8% reduction	4% reduction		6% reduction		20% reduction	
Resource Conservation Promotion Plan	1. Reduction of vehicle fuel consumption	Global	FY 2008 vehicle fuel consumption per net sales	3% reduction		9.7% increase	6% reduction		9% reduction		30% reduction	P74~75
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) vehicle fuel consumption per net sales	Understanding the current situation	1.5% reduction	34.5% increase	4.5% reduction		7.5% reduction			
	2. Reducing water consumption	Global	FY 2008 water consumption per net sales — Plants	4% reduction		7.6% increase	8% reduction		12% reduction		30% reduction	
			FY 2008 water consumption per net sales — Offices	2% reduction		11.4% increase	4% reduction		6% reduction		15% reduction	
		FY 2009 (2nd half) start base	FY 2009 (1st half) water consumption per net sales — Plants	Understanding the current situation	2% reduction	19.7% increase	6% reduction		10% reduction		30% reduction	
			FY 2009 (1st half) water consumption per net sales — Offices		1% reduction	12.7% increase	3% reduction		5% reduction		15% reduction	
	3. Reduction of gas purchased	Global	FY 2008 amount of gas purchased per net sales	2% reduction		15.0% increase	4% reduction		6% reduction		15% reduction	
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) amount of gas purchased per net sales	Understanding the current situation	1% reduction	19.1% increase	3% reduction		5% reduction			
	4. Reducing Travel expense	Global	FY 2008 traveling expenses per net sales	2% reduction		0.2% reduction	4% reduction		6% reduction		20% reduction	
		FY 2009 (2nd half) start base	FY 2009 (1st half) traveling expenses per net sales	Understanding the current situation	1% reduction	5.8% increase	3% reduction		5% reduction			
	5. Reducing packing and shipping charges	KYOCERA Corporation	FY 2008 packing and shipping charges per net sales	2% reduction		0.5% reduction	4% reduction		6% reduction		20% reduction	
	6. Reduction the use of exhaustible resource	KYOCERA Corporation	FY 2008 amount of gold purchased per net sales	2% reduction		12.0% increase	4% reduction		6% reduction		10% reduction	

*1 Coverage: Global – Entire Kyocera Group; Single – Kyocera; Domestic – Domestic Kyocera Group Companies; Overseas – Overseas Kyocera Group Companies.
*2 Covers countries and regions where reduction goals have been set in accordance with the Kyoto Protocol.

Name of Plan	Goal Content	Scope*1	Reference or Index	FY 2009 Goal		FY 2009 Result	FY 2010 Goal		FY 2011 Goal		Long-term Goal (FY 2018)	Details page
				First Half	Second Half		First Half	Second Half	First Half	Second Half		
Paper Resource Conservation Promotion Plan	1. Reducing office paper purchases	Global	FY 2008 office paper purchases per net sales	3% reduction		9.9% increase	6% reduction		9% reduction		20% reduction	P74~75
		FY 2009 (2nd half) start base	FY 2009 (1st half) office paper purchases per net sales	Understanding the current situation	1.5% reduction	23.7% increase	4.5% reduction		7.5% reduction			
	2. Reducing the purchase of paper used in production processes	Global	FY 2008 purchase of paper used in production processes per net sales	5% reduction		7.5% increase	10% reduction		15% reduction		30% reduction	
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) purchase of paper used in production processes per net sales	Understanding the current situation	2.5% reduction	15.6% reduction	7.5% reduction		12.5% reduction			
	3. Reducing paper discharged	Global	FY 2008 paper discharged per net sales	3% reduction		9.9% increase	6% reduction		9% reduction		20% reduction	
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) paper discharged per net sales	Understanding the current situation	1.5% reduction	9.5% reduction	4.5% reduction		7.5% reduction			
Packing Materials Improvement Promotion Plan	1. Abolitional use of vinyl chloride outer packing materials	KYOCERA Corporation	—	Continuation of complete elimination							Continuation of complete elimination	
		Domestic/ Overseas	—	—		Implementation of countermeasures	—		Achievement of complete elimination			
	2. Reduction of vinyl chloride inner packing materials purchased per net sales	Global	FY 2008 vinyl chloride inner packing materials purchased per net sales	10% reduction		55.7% reduction	20% reduction		30% reduction		Achievement of complete elimination*3	
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) vinyl chloride inner packing materials purchased per net sales	Understanding the current situation	5% reduction	1.1% increase	15% reduction		25% reduction			
	3. Reduction of packing materials purchased per net sales	Global	FY 2008 packing materials purchased per net sales	3% reduction		1.6% reduction	6% reduction		9% reduction		20% reduction	
		FY 2009 reduction (2nd half) start base	FY 2009 (1st half) packing materials purchased per net sales	Understanding the current situation	1.5% reduction	42.9% reduction	4.5% reduction		7.5% reduction			
Kyocera Environmental Management Standard	1. Reduction of hazardous substances in discharged water											P57, P78
	(a) Recycling system for discharged water in the cyanogens process	KYOCERA Corporation/ Domestic	—	—		Review of countermeasures	Countermeasures for equipment (Shiga Gamo Plant)		Countermeasures for equipment (each location*4)		—	
	(b) Recycling system for discharged water in the arsenic process	KYOCERA Corporation/ Domestic	—	Countermeasures for equipment (Shiga Yohkaichi Plant)		Prohibiting processes using arsenic	—		—		—	
	2. Application of Kyocera's Domestic Group Environmental Management Standard	Domestic	—	—		Review of countermeasures	—		Countermeasures for equipment		—	
	3. Establishment of Kyocera's Overseas Group Environmental Management Standard	Overseas	Values of government regulations and local regulations	Establishment of values 10% stricter than regulations		Establishment of values 10% stricter than regulations	Application		Change to values 20% stricter than regulations		—	
Waste Reduction Promotion Plan	1. Reduction of discharged waste weight per net sales											P76~77
	Industrial waste	Global	FY 2008 discharged waste weight per net sales	5% reduction		15.6% reduction	10% reduction		15% reduction		50% reduction	
	General waste	KYOCERA Corporation/ Domestic	FY 2008 discharged waste weight per net sales	3% reduction		1.3% increase	6% reduction		9% reduction		30% reduction	
	2. Zero emissions	KYOCERA Corporation/ Domestic	Recycling rate	99.2%		99.9%	99.3%		99.5% achievement		Continuation	
			Percentage of achieved sites	—		100%	—		100%		Continuation	
		Overseas (production sites)	Recycling rate	—		Promotion of countermeasures	—		99.0% achievement		Continuation	
	3. Reduction of generated waste weight per net sales											
	Industrial waste and variables	KYOCERA Corporation/ Domestic	FY 2008 generated waste weight per net sales	5% reduction		2.3% increase	10% reduction		15% reduction		50% reduction	
	General waste		FY 2008 generated waste weight per net sales	3% reduction		6.6% reduction	6% reduction		9% reduction		30% reduction	
Chemical Substances Measurement Promotion Plan	1. Reduction of consumption, discharge and transfer of materials subject to the PRTR Law											P79
	(a) Consumption	KYOCERA Corporation/ Domestic	FY 2008 consumption per net sales (21 subject materials)	5% reduction		11.1% reduction	10% reduction		15% reduction		25% reduction	
	(b) Discharge		FY 2008 discharge per net sales (21 subject materials)	10% reduction		25.1% reduction	20% reduction		30% reduction		50% reduction	
	(c) Transfer		FY 2008 transfer per net sales (21 subject materials)	7% reduction		5.6% reduction	14% reduction		20% reduction		30% reduction	
	(a) Consumption	Overseas*5	FY 2009 (1st half) consumption per net sales	2% reduction		16.3% reduction	4% reduction		6% reduction		12% reduction	
	(b) Discharge		FY 2009 (1st half) discharge per net sales	5% reduction		14.0% increase	10% reduction		15% reduction		25% reduction	
	(c) Transfer		FY 2009 (1st half) transfer per net sales	3% reduction		32.8% reduction	6% reduction		9% reduction		15% reduction	
	2. Reducing volatile organic compound (VOC) emissions	KYOCERA Corporation/ Domestic	FY 2008 emissions (absolute value) (subjects: IPA, toluene, acetone and methanol)	5% reduction		18.3% reduction	10% reduction		15% reduction		50% reduction	
		Overseas*6	FY 2009 (1st half) emission (absolute value)	—		Promotion of countermeasures	—		For reduction, values 20% stricter than the regulation are set as a voluntary standard		—	

*3 Excludes packing materials subject to material recycling and specially permitted packing materials.
*4 Kagoshima Sendai Plant, Kagoshima Kokubu Plant, Kagoshima Hayato Plant, KYOCERA SLC Technologies Corp., Kagoshima Sendai Plant.
*5 Covers materials notified according to the PRTR system of each country. However, for a company having set its own goals, the stricter standard will be applied.
*6 Subject to companies for which regulations apply. For a company where regulations are provided but do not apply, desired standards should be established for reduction.
Other, "Health and Safety/Fire and Disaster Prevention" (refer to page 45), "Kyocera Perfect 5S Promotion Activities" (refer to page 46).

ISO 9001 and OHSAS 18001 Certification State

ISO 9001 Certification State

Integrated Certification (6 companies)

(As of March 2009)

Country	Company	Date of registration
Japan	KYOCERA Corporation	Jan. 2002 (Registration No. JMI-0036)
	KYOCERA OPTEC Co., Ltd.	
	KYOCERA MITA Corporation (Including DAIKEN Co., Ltd.)	
	KYOCERA SLC Technologies Corp.	
	KYOCERA KINSEKI Corp. Shiga Yohkaichi Plant / Nagano Okaya Plant / Kagoshima Kokubu Plant / Quality Assurance Center	
	KYOCERA Solar Corp.	

Individual Certification (44 companies)

(As of March 2009)

Region		Company	Date of registration
Asia	Japan	KYOCERA ELCO Corp.*1	Jul. 2008
		KYOCERA Chemical Corp.	Dec. 2002
		KYOCERA KINSEKI Hokkaido Corp.	Mar. 1998
		KYOCERA KINSEKI Yamagata Corp.*1	May 2003
		KYOCERA KINSEKI Chiba Corp.	Nov. 2007
		Japan Medical Materials Corp.*2	May 2005
		KYOCERA Communication Systems Co., Ltd.	
		Six divisions related to computer systems and package software	Aug. 1997
		Two divisions related to mobile base stations	Sep. 2004
	China	Shanghai KYOCERA Electronics Co., Ltd.	Dec. 1998
		Dongguan Shilong KYOCERA Optics Co., Ltd.	Feb. 2003
		KYOCERA MITA Office Equipment (Dongguan) Co., Ltd.	Feb. 1994
		KYOCERA Chemical (Wuxi) Co., Ltd.	Apr. 2004
		KYOCERA (Tianjin) Solar Energy Co., Ltd.	Jul. 2004
		KYOCERA ELCO Hong Kong Ltd.	Mar. 2004
		KYOCERA MITA Industrial Co., (H.K.) Ltd.	Feb. 1994
		DAIKEN Hong Kong Limited	Oct. 2003
		AVX Electronics (Tianjin) Co., Ltd *1	Sep. 2007
	Singapore	KYOCERA ELCO Singapore Pte, Ltd.	Oct. 2004
		KYOCERA Chemical Singapore Pte, Ltd.	Mar. 2003
	Korea	KYOCERA ELCO Korea Co., Ltd.	Apr. 1998
		KYOCERA Precision Tools Korea Co., Ltd.	Feb. 2004
	Thailand	KYOCERA Chemical (Thailand) Ltd.	Feb. 2002
		KYOCERA KINSEKI (Thailand) Co., Ltd.*1	Sep. 2003
	Malaysia	TPC (Malaysia) Sdn.Bhd.	Mar. 2004
	Philippines	KYOCERA KINSEKI Philippines, Inc.*1	Mar. 2004
	Israel	AVX Israel Ltd.	Dec. 2003

Region		Company		Date of registration
North America	U.S.A.	KYOCERA America, Inc.		Apr. 1994
		KYOCERA Industrial Ceramics Corp.		Apr. 1995
		KYOCERA Wireless Corp.		Aug. 2000
		KYOCERA TYCOM Corp.		Aug. 1996
		KYOCERA MITA South Carolina, Inc.		Jan. 2004
		KYOCERA Telecommunications Research Corp.		Aug. 2000
		AVX Corp.	Biddeford	Nov. 2004
			Colorado Spring	Jul. 2003
			Conway	Jul. 2004
			Myrtle Beach*1	Jul. 2005
			Olean	Dec. 2003
			Raleigh	Jul. 2004
		AVX Filters Corporation		Dec. 2003
		American Technical Ceramics Corp.	Huntington	Oct. 1997
			Jacksonville	Oct. 1998
South and Central America	Mexico	KYOCERA Mexicana, S.A. de C.V.		Jun. 2005
		Avio Excelente, S. de R.L. de C.V.*1		Jan. 2004
	El Salvador	AVX Industries, Pte. Ltd.*1		Dec. 2003
	Brasil	AVX Components da Amazonia Ltda.		Jan. 2004
Europe	Sweden	American Technical Ceramics Europe Aktiebolag		Jan. 2003
	UK	AVX Limited	Coleraine*1	Nov. 2007
			Paignton	Nov. 2003
	France	TPC S.A.S*1		Dec. 2007
	Germany	ELCO Europe GmbH*1		May 2007
	Czech Republic	KYOCERA Solar Europe s.r.o.		Jul. 2005
		AVX Czech Republic s.r.o.	Lanskroun	Feb. 2006
			Uherske*1	Oct. 2007*3
				Dec. 2007*4

*1 Certification of the quality management standard (ISO/TS-16949) to which automotive special requirements are added based on ISO 9001.
*2 Certification of the quality management standard (ISO 13485) to which medical-related special requirements are added based on ISO 9001.
*3 Related to connectors.
*4 Related to electronic parts and capacitors.

OHSAS 18001 Certification State

Integrated Certification (124 Sites)

(As of March 2009)

Region	Company	Office/plant					Date of registration
Japan	KYOCERA Corporation	Headquarters	Hokkaido Kitami Plant	Fukushima Tanakura Plant	Chiba Sakura Office	Tokyo Yaesu Office	Oct. 2005 (Registration No. WC05J0006)
		Tokyo Harajuku Office	Tokyo Yoga Office	Yokohama Office	Nagano Okaya Plant	Mie Ise Plant	
		Shiga Gamo Plant	Shiga Yohkaichi Plant	Shiga Yasu Office	Kyoto Fushimi Office	R&D Center, Keihanna	
		Osaka Tamatsukuri Office	Kagoshima Sendai Plant	Kagoshima Kokubu Plant	R&D Center, Kagoshima	Kagoshima Hayato Plant	
		Sapporo Sales Office	Tohoku Sales Office	Takasaki Sales Office	Utsunomiya Sales Office	Omiya Sales Office	
		Tachikawa Sales Office	Kawaguchi Logistics Center	Komae Sales Office	Atsugi Sales Office	Kanazawa Sales Office	
		Matsumoto Sales Office	Hamamatsu Sales Office	Yamanashi Sales Office	Nagoya Sales Office	Mikawa Sales Office	
		Kyocera Management Research Institute	Kyocera Keiaikan	Osaka Sales Office	Himeji Sales Office	Okayama Sales Office	
		Hiroshima Sales Office	Takamatsu Sales Office	Kyushu Sales Office	Okinawa Sales Office	CV Ginza Store	
		CV Kyoto Store	CV Osaka Umeda Store	CV Kobe Sannomiya Store	CV Hiroshima Store	Kyocera Contax Salon Tokyo	
	KYOCERA ELCO Corp.	Headquarters	Ikebe Warehouse	Ikebe No.2 Warehouse	Ikebe No.3 Warehouse	Okaya Plant	
		Osaka Sales Office	Nagoya Sales Office	Omiya Sales Office	Tachikawa Sales Office	Matsumoto Sales Office	
	KYOCERA OPTEC Co., Ltd.	Headquarters	Chigase Plant	Tokyo Sales Office	Kansai Sales Office		
	KYOCERA MITA Corp.	Headquarters	Hirakata Plant	Tamaki Plant	Tokyo R&D Center		
	DAIKEN Co., Ltd.	Headquarters					
	KYOCERA MITA Japan Co., Ltd.	Headquarters					
	KYOCERA Chemical Corp.	Headquarters	Kansai Branch	Kyushu Branch	Kawaguchi Plant	Kawasaki Plant	
		Kohriyama Plant	Mooka Plant				
	KYOCERA SLC Technologies Corp.	Headquarters	Shiga Yasu Plant	Kyoto Ayabe Plant	Kagoshima Sendai Plant	Kagoshima Kokubu Plant	
		Higashi Nihon Sales Office	Kyushu Sales Office				
	KYOCERA KINSEKI Corp.	Headquarters	Nagano Okaya Plant	Shiga Yohkaichi Plant	Kagoshima Kokubu Plant		
	KYOCERA KINSEKI Hokkaido Corp.	Headquarters	Ebetsu Plant				
	KYOCERA KINSEKI Yamagata Corp.	Headquarters					
	KYOCERA KINSEKI Chiba Corp.	Headquarters					
	Japan Medical Materials Corp.	Headquarters	Tokyo Branch	Kobe Plant	Shiga Gamo Plant	Shiga Yohkaichi Plant	
		Research Center	Kobe Product Control Center	Sapporo Sales Office	Tohoku Sales Office	Omiya Sales Office	
		Nagoya Sales Office	Kyoto Sales Office	Kobe Sales Office	Okayama Sales Office	Hiroshima Sales Office	
		Kyushu Sales Office					
	KYOCERA Display Institute Co., Ltd.	Headquarters	Yamato Office				
	KYOCERA Communication Systems Co., Ltd.	Headquarters	Tokyo Branch	Tokyo 1st Data Center (2 sites)	Tokyo 2nd Data Center	Shiga Office	
		Kyoto Karasuma Office	Osaka Office	Fukuoka Office	Sendai Office	Kokubu Office	
		Sapporo Sales Office	Nagoya Sales Office	Hiroshima Sales Office			

* The above 124 offices and plants are jointly ISO 14001 certified under the Kyocera Group Integrated Environment & Safety Management System.

Individual Certification (5 Sites)

(As of March 2009)

Region		Company	Date of registration
Asia	China	Shanghai KYOCERA Electronics Co., Ltd.	Oct. 2006
		Dongguan Shilong Optics Co., Ltd.	Mar. 2009
	Israel	AVX Israel Ltd.	May 2003
South and Central America	El Salvador	AVX Industries Pte, Ltd.	Nov. 2008
Europe	Czech Republic	KYOCERA Solar Europe s.r.o.	Jan. 2009

ISO 14001 Certification State

Integrated Certification (211 Sites)

(As of March 2009)

Region	Company	Office/plant				Date of registration
Japan	KYOCERA Corporation	Headquarters	Hokkaido Kitami Plant	Fukushima Tanakura Plant	Chiba Sakura Office	Oct. 1996 (Registration No. EC99J2032)
		Tokyo Yaesu Office	Tokyo Harajuku Office	Tokyo Yoga Office	Yokohama Office	
		Tsunashima Building	Nagano Okaya Plant	Gifu Office	Mie Ise Plant	
		Shiga Gamo Plant	Shiga Yohkaichi Plant	Shiga Yasu Office	Kyoto Fushimi Office	
		R&D Center, Keihanna	Osaka Tamatsukuri Office	Osaka Daito Office	Kagoshima Sendai Plant	
		Kagoshima Kokubu Plant	R&D Center, Kagoshima	Kagoshima Hayato Plant	Sapporo Sales Office	
		Tohoku Sales Office	Takasaki Sales Office	Utsunomiya Sales Office	Omiya Sales Office	
		Tachikawa Sales Office	Kawaguchi Logistics Center	Komae Sales Office	Atsugi Sales Office	
		Kanazawa Sales Office	Matsumoto Sales Office	Hamamatsu Sales Office	Yamanashi Sales Office	
		Nagoya Sales Office	Mikawa Sales Office	Kyocera Management Research Institute	Kyocera Keiaikan	
		Osaka Sales Office	Himeji Sales Office	Okayama Sales Office	Hiroshima Sales Office	
		Takamatsu Sales Office	Kyushu Sales Office	Okinawa Sales Office	CV Ginza Store	
		CV Kyoto Store	CV Osaka Umeda Store	CV Kobe Sannomiya Store	CV Hiroshima Store	
		Kyocera Contax Salon Tokyo				
	KYOCERA ELCO Corp.	Headquarters	Ikebe Warehouse	Ikebe No. 2 Warehouse	Ikebe No. 3 Warehouse	
		Okaya Plant	Osaka Sales Office	Nagoya Sales Office	Omiya Sales Office	
		Tachikawa Sales Office	Matsumoto Sales Office			
	KYOCERA OPTEC Co., Ltd.	Headquarters	Chigase Plant	Tokyo Sales Office	Kansai Sales Office	
	KYOCERA MITA Corp.	Headquarters	Hirakata Plant	Tamaki Plant	Tokyo R&D Center	
	DAIKEN Co., Ltd.	Headquarters				
	KYOCERA MITA Japan Co., Ltd.	Headquarters	Sapporo Office	Sendai Office	Tokyo Office	
		Nihonbashi Office	Nagoya Office	Kansai Office	Hiroshima Office	
		Fukuoka Office	Branches: 72 locations (including area offices)			
	KYOCERA Chemical Corp.	Headquarters	Kansai Branch	Kyushu Branch	Kawaguchi Plant	
		Kawasaki Plant	Kohriyama Plant	Mooka Plant		
	KYOCERA SLC Technologies Corp.	Headquarters	Shiga Yasu Plant	Kyoto Ayabe Plant	Kagoshima Sendai Plant	
		Kagoshima Kokubu Plant	Higashi Nihon Sales Office	Kyushu Sales Office		
	KYOCERA KINSEKI Corp.	Headquarters	Nagano Okaya Plant	Shiga Yohkaichi Plant	Kagoshima Kokubu Plant	
	KYOCERA KINSEKI Hokkaido Corp.	Headquarters	Ebetsu Plant			
	KYOCERA KINSEKI Yamagata Corp.	Headquarters				
	KYOCERA KINSEKI Chiba Corp.	Headquarters				
	Japan Medical Materials Corp.	Headquarters	Tokyo Branch	Kobe Plant	Shiga Gamo Plant	
		Shiga Yohkaichi Plant	Research Center	Kobe Product Control Center	Sapporo Sales Office	
		Tohoku Sales Office	Omiya Sales Office	Nagoya Sales Office	Kyoto Sales Office	
		Kobe Sales Office	Okayama Sales Office	Hiroshima Sales Office	Kyushu Sales Office	
	KYOCERA Display Institute Co., Ltd.	Headquarters	Yamato Office			
	KYOCERA Communication Systems Co., Ltd.	Headquarters	Tokyo Branch	Tokyo 1st Data Center (2 sites)	Tokyo 2nd Data Center	
		Shiga Office	Kyoto Karasuma Office	Osaka Office	Fukuoka Office	
		Sendai Office	Kokubu Office	Sapporo Sales Office	Sendai Sales Office	
		Nagoya Sales Office	Kanazawa Sales Office	Hiroshima Sales Office	Takamatsu Sales Office	
		Kagoshima Sales Office				

* The above 211 offices and plants are jointly ISO 14001 certified under the Kyocera Group Integrated Environment & Safety Management System.

Individual Certification (75 Sites)

(As of March 2009)

Region		Company	Site	Date of registration
Asia	China	Shanghai KYOCERA Electronics Co., Ltd.	—	Jul. 2000
		Dongguan Shilong KYOCERA Optics Co., Ltd.	—	Dec. 2000
		KYOCERA MITA Office Equipment (Dongguan) Co., Ltd.	—	Oct. 2001
		KYOCERA Chemical (Wuxi) Co., Ltd.	—	Apr. 2001
		KYOCERA MITA Industrial Co., (H.K.) Ltd.	—	Nov. 2000
		AVX Electronics (Tianjin) Co.,Ltd.	—	Sep. 2007
		DAIKEN Hong Kong Limited	—	Oct. 2003
		KYOCERA MITA Hong Kong Limited	—	May 2008
		KYOCERA (Tianjin) Telecom Equipment Co., Ltd.	—	Jun. 2006
	Singapore	KYOCERA MITA Taiwan Corporation	—	Feb. 2008
		KYOCERA ELCO Singapore Pte, Ltd.	—	Sep. 2001
		KYOCERA Chemical Singapore Pte, Ltd.	—	Jun. 1999
		KYOCERA MITA Singapore Pte, Ltd.	—	Feb. 2008
	Korea	KYOCERA ELCO Korea Co., Ltd.	—	Sep. 1999
		KYOCERA Precision Tools Korea Co., Ltd.	—	Feb. 2004
	Thailand	KYOCERA Chemical (Thailand) Ltd.	—	May 2005
		KYOCERA KINSEKI (Thailand) Co., Ltd.	—	Dec. 1999
		KYOCERA MITA (Thailand) Corp., Ltd.	—	Aug. 2006
	Philippines	KYOCERA KINSEKI Philippines, Inc.	—	Jun. 2003
	Israel	AVX Israel Ltd	—	May 2003
	Malaysia	TPC (Malaysia) Sdn Bhd	—	Feb. 2008
		KYOCERA Telecom Equipment (Malaysia) Snd.Bhd.	—	Nov. 1998
North America	Canada	KYOCERA MITA Canada, Ltd.	—	Jul. 2008
	U.S.A.	KYOCERA America, Inc.	—	Aug. 1997
		KYOCERA Industrial Ceramics Corp.	Vancouber	Apr. 1998
			Mountain Home	Dec. 1998
			SanDiego	Aug. 1997
		KYOCERA Wireless Corp.	—	Nov. 2000
		KYOCERA TYCOM Corp.	—	Nov. 2005
		KYOCERA MITA South Carolina, Inc.	—	Jun. 2002
		AVX Corporation	Conway	Feb. 2008
			Myrtle Beach	Feb. 2008
		American Technical Ceramics Corp.	—	Dec. 2004
		KYOCERA MITA America, Inc.	Fairfield	Mar. 2007
			Irvine	Mar. 2007
			Norcross	Mar. 2007
			Wood Dale	Mar. 2007
			New York	Mar. 2007
			Irving	Mar. 2007
			Miami	Mar. 2007
			Arlington	Mar. 2007
			Memphis	Mar. 2007

Region		Company	Site	Date of registration
North America	U.S.A.	AVX Tantalum Corporation	—	Feb. 2008
		KYOCERA Technology Development, Inc.	—	Jul. 2008
		KYOCERA International, Inc.	—	Aug. 1997
		KYOCERA Solar, Inc.	—	Aug. 1997
		KYOCERA Telecommunications Research Corporation	—	Aug. 1997
South and Central America	Mexico	KYOCERA Mexicana, S.A. de C.V.	—	Sep. 1998
		Avio Excelente, S. de R.L. de C.V.	—	Feb. 2008
		KYOCERA MITA Mexico, S.A. de C.V.	—	Nov. 2008
	El Salvador	AVX Industries Pte, Ltd.	—	Jun. 2005
	Brazil	KYOCERA do Brasil Componentes Industriais Ltda.	—	Sep. 2000
Africa	South Africa	KYOCERA MITA South Africa (PTY) Ltd.	—	Apr. 2008
Europe	Austria	KYOCERA MITA GmbH	—	Apr. 2008
	Belgium	S.A. KYOCERA MITA Belgium N.V.	—	Apr. 2008
	Czech Republic	AVX Czech Republic s.r.o.	Lanskroun	Sep. 2004
			Uherske	Feb. 2008
		KYOCERA Solar Europe s.r.o.	—	Mar. 2009
	Denmark	KYOCERA MITA Danmark A/S	—	Apr. 2008
	Finland	KYOCERA MITA Finland OY	—	Apr. 2008
	France	TPC S.A.S.	—	Feb. 2008
		KYOCERA MITA France S.A.S	—	Apr. 2008
	Germany	ELCO Europe GmbH	—	Feb. 2008
		KYOCERA MITA Deutschland GmbH	—	Apr. 2008
	Italy	KYOCERA MITA Italia S.p.A.	—	Apr. 2008
	Netherlands	KYOCERA MITA Nederland B.V.	—	Apr. 2008
	Portugal	KYOCERA MITA Portugal LDA.	—	Apr. 2008
	Spain	KYOCERA MITA Espana S.A.	—	Apr. 2008
	Sweden	KYOCERA MITA Svenska AB	—	Apr. 2008
	U.K.	KYOCERA MITA (U.K.) Ltd.	—	Apr. 2008
		AVX Ltd.	Paignton	Jun. 2000
			Coleraine	Aug. 2000
	Netherlands	KYOCERA MITA Europe B.V.	Hoofddorp	Mar. 2007
Oceania	New Zealand	KYOCERA MITA New Zealand Ltd.	—	Oct. 2007
	Australia	KYOCERA MITA Australia Pty. Ltd.	—	Jun. 2006

Glossary

Stakeholders »» P. 10

"Stakeholders" mean interested parties. This covers not only customers and shareholders with monetary interest but also all persons concerned about the execution of corporate activities (regional residents, government and municipal officials, researchers, bankers, suppliers, and employees).

CSR (Corporate Social Responsibility) »» P. 10

This is based on the idea that a company has a social responsibility and should act not only for profit or economic gratification but must also take the total interest of the stakeholders into consideration. A company should also be responsible for social aspects such as legal compliance, environmental preservation, human rights awareness, and consumer protection.

Corporate Governance »» P. 12

The objective of corporate governance is to ensure the sound management of the company. Corporate governance achieves this by avoiding the adverse effects from the concentration of authority, preventing organization-wide illegal activity, and ensuring the correct direction of business activities in order to carry out the corporate rationale.

Compliance »» P. 14

The original meaning of this word is "to strictly observe ... and comply with." In Japan, "compliance" came to mean not only strict observance of laws and regulations, but also social norms including the rules, ethics and morality of a company.

Risk Management »» P. 14

This is the framework constructed to deal with any risk that could hinder the achievement of a business goal.

Universal Design »» P. 38

This is a concept by which you design a city or living environment so that a diverse range of people will be able to easily use it regardless of handicap, age or sex.

A Balance of Work and Life »» P. 41

This describes a corporate system that supports employees in acheiving both a worthwhile job and a fulfilling life. The system applies not only to working mothers, but all employees.

Environmental Accounting »» P. 58

Environmental Accounting ensures the efficient and effective promotion of environmental preservation activities and good relationships with society in order to achieve sustainable development. The environmental accounting system identifies the cost of environmental preservation in business activities as well as the benefits from it. It includes measures and reports that show the costs and benefits quantitatively (indicated as a monetary unit or physical unit) as much as possible.

Green Procurement »» P. 68

Green procurement means the green purchase of raw materials, components, and others materials used for products.

REACH »» P. 69

"REACH" stands for "Registration, Evaluation, Authorization and Restriction of Chemicals." REACH is a comprehensive system of evaluation put into effect by the EU (European Union) on June 1, 2007.

Green Electricity »» P. 73

This is a program in which consumers (businesses, citizens/residents) can participate in by paying additional fees for natural energy power generation programs mainly offered by electric power companies.

PRTR Law »» P. 79

PRTR stands for Pollutant Release and Transfer Register. The PRTR Law concerns the discharge of specified chemical substances into the environment and the improvement of their management. Companies are required to report the release and transfer of certain chemical substances (Class 1 designated chemical substances as specified by PRTR Law) to the national government through prefectures. The government then calculates and releases the statistics.

VOC »» P. 79

"VOC" stands for "volatile organic compound." This compound easily volatilizes into the air at normal temperature and normal pressure. It has a specific gravity heavier than water and is low in viscosity and often persistent. It infiltrates grains in the layer of the earth to contaminate soil and groundwater when it is released into the air and is said to be related to the generation of oxidant due to photochemical reaction and suspended particulate matter.

Source: Environmental White Paper, Environmental Information and Communication Network, Japanese Industrial Standards, and Financial Services Agency's White Paper

Independent Assurance Report

Kyocera has this report certified by a third party to ensure impartiality and reliability.

PRICEWATERHOUSECOOPERS

This English language report is a translation of the original Independent Assurance Report in Japanese on KYOCERA Corporation's CSR Report 2009.

Independent Assurance Report

To: Mr. Tetsuo Kuba, President
KYOCERA Corporation

June 15, 2009

1. Objectives and Scope

We, PricewaterhouseCoopers Aarata Sustainability Certification Co., Ltd., have been commissioned by KYOCERA Corporation (hereafter the "Company") to provide independent assurance on the Company's "CSR Report 2009" (hereafter the "Report"). The scope of the assurance covers the economic, social, and environmental performance data, and relevant qualitative information. The objective of our assurance engagement is to independently express our conclusions using the Company's policies and standards as criteria as to:

- Whether the economic (P.30-35), social (P.11, 36-51) and environmental (P.52-85) performance data, and the relevant qualitative information for the year ended March 31, 2009 included in the Report were collected and reported in accordance with the Company's policies and standards (P.2), in all material respects; and
- Whether the significant environmental information stipulated in the Standards for Environmental Reporting Assurance and Registration by the Japanese Association of Assurance Organizations for Sustainability Information (J-SUS) is included in the Report, in all material respects.

The preparation of the Report is the responsibility of the Company's management. Our responsibility is limited to independently express a conclusion on the Report.

The quantitative information within the scope of our assurance engagement is limited to that of the Company and its domestic subsidiaries.

2. Summary of Assurance Procedures Performed

We performed our work in accordance with International Standard on Assurance Engagement 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE3000), revised in December 2003 by the International Federation of Accountants, the Assurance Standards for Environmental Reporting (Draft), published in March 2004 by the Ministry of the Environment of Japan, and the Practical Guidelines of Sustainability Information Assurance, revised in February 2008 by the J-SUS. Therefore, we provide limited assurance on data and information reported in the Report in accordance with the aforementioned standards under the scope of our assurance engagement. Accordingly, we do not intend to express auditor's opinion as this is not an audit work conducted in accordance with generally accepted auditing standards.

The summary of the procedures we performed for our assurance engagement is as follows:

- Reading the relevant documents with regard to the Company's overall status and economic, social and environmental management, and interviewing personnel responsible thereof;
- Interviewing personnel with regard to the establishment and implementation of the Company's policies and standards under the scope of our assurance engagement in the headquarters and the sites visited as listed in the following;
- Reading the relevant documents in the headquarters and the sites visited as listed in the following with regard to the methodologies for measuring, compiling, and reporting the information under our scope, and interviewing personnel responsible thereof;
- Assessing the consistency of the supporting documents, performance of analytical procedures, and reconciliation of sample data to supporting documents in the headquarters and the sites visited; and
- Assessing internal documents in the headquarters and interviewing with responsible personnel to evaluate if the significant environmental information stipulated in the Standards for Environmental Reporting Assurance and Registration by the J-SUS is fully stated in the Report.
- Sites visited

Name of Site		Functions
KYOCERA Corporation	Headquarters	Headquarters
KYOCERA Corporation	Shiga Yohkaichi Plant	Manufacturing

3. Our Conclusion

Based on our work performed, we have reached the following conclusion:

- To the extent of our procedures performed, nothing has come to our attention that causes us to believe that the economic, social and environmental performance data, and the relevant qualitative information for the year ended March 31, 2009 included in the Report were not collected and reported in accordance with the Company's policies and standards, in all material respects; and
- To the extent of our procedures performed, nothing has come to our attention that causes us to believe that the significant environmental information stipulated in the Standards for Environmental Reporting Assurance and Registration by the J-SUS is not included in the Report, in all material respects.

4. Independence

In accordance with the Assurance Standards for Environmental Reporting (Draft), the Practical Guidelines of Sustainability Information Assurance and the provisions of the Certified Public Accountants Law of Japan, no reportable relationship exists between the Company and PricewaterhouseCoopers Aarata Sustainability Certification Co., Ltd.

PricewaterhouseCoopers Aarata Sustainability Certification Co., Ltd.
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KYOCERA

KYOCERA Corporation

About the cover design

U-Shaped Kelcima

Kyocera was established in 1959 as a small suburban workshop where 28 young colleagues pursued big dreams. Our first product was a U-shaped ceramic insulator (known as a *Kelcima*) for use within early television picture tubes.

Today, Kyocera is a highly diversified global enterprise. We pursue boundless dreams by accepting challenges that others avoid.

We believe that a strong will can make dreams come true, and that limitless effort can overcome any obstacle. These beliefs from Kyocera's history remain the driving force behind our growth.

We aim to become a creative company that grows continuously throughout the future. Kyocera Group employees around the world who have adopted this challenging spirit personify our path to growth.

The illustration on the cover page of this report was designed in the likeness of the U-Shaped Kelcima.

To minimize environmental impact, the following practices were adopted in producing this report.

【Printing Method】 A waterless printing technique was used.
【Ink】 The report is printed with soy ink, VOC-free (Volatile Organic Compounds).
【Paper】 "Kanbatsu White" – containing 70% domestic lumber and 10% thinned wood pulp – has been used for the covers of this document.

【Issued】 September, 2009