

An abstract geometric background on the left side of the page, composed of many overlapping triangles in shades of red, orange, yellow, and blue. A large, white, stylized number '6' is centered within the upper portion of this background.

# 6

## Toward the creation of new value for society

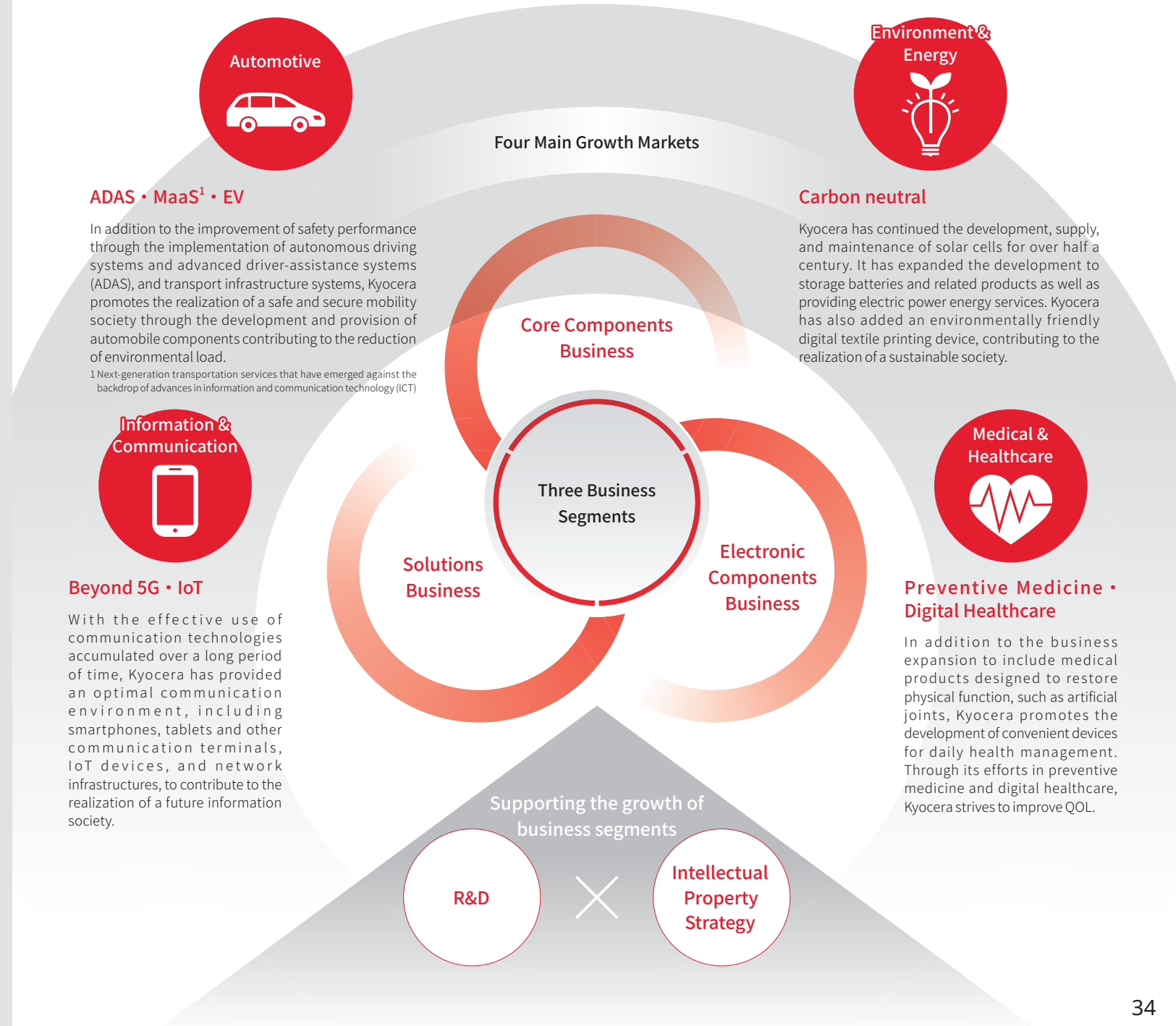
1.Business Segments and Four Main Growth Markets	P.34
2.Core components	P.35
3.Electronic components	P.37
4.Solutions	P.39
5.Promotion of R&D	P.41
6.Intellectual Property Strategy	P.43
7.Creation of new businesses	P.44

# 6-1

Toward the creation of new value for society

## Business Segments and Four Main Growth Markets

Kyocera has established portfolios corresponding to diverse markets based on three business segments: Core Components, Electronic Components, and Solutions. These three business segments are supported by Kyocera's cross-sectoral R&D functions and intellectual property strategy. Through the enhancement of fundamental technologies and the effective use of intellectual properties, Kyocera places a priority on creating new businesses and enhancing the sophistication of existing businesses. Furthermore, in order to resolve social issues and achieve business growth, Kyocera has designated Four Main Growth Markets; "automotive," "information and communication," "environment and energy," and "medical and healthcare." Leveraging the comprehensive capabilities of the Group, Kyocera concentrates management resources into the areas that are a driving force for future growth.



# 6-2

Toward the creation of new value for society

## Core Components

The Core Components segment comprises components businesses such as fine ceramic components (our founding product line), automotive components, optical components, ceramic packages, organic packages, display products, and medical devices. Centered on semiconductor-related markets, which show strong medium- to long-term growth potential, we aim to achieve our Management Rationale and develop core products that support society's sustainable progress and enrich people's lives.



**Michinori Yamada**

Director and Managing Executive Officer  
Executive General Manager of Core  
Components Business

## Innovating in technologies only Kyocera can develop

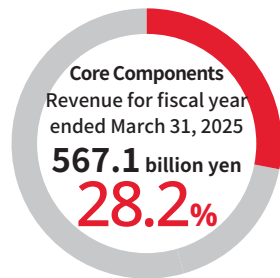
Blazing a path to the future by returning to the roots of our competitive strength and reaffirming our technological power

### Business results for the fiscal year ended March 31, 2025

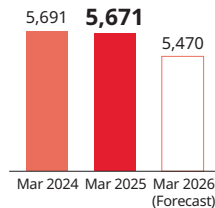
Despite an increase in sales of fine ceramic components for semiconductor production equipment, the decrease in sales of organic packages has had an impact

Revenue in the fiscal year ended March 31, 2025, was down slightly by 2.0 billion yen (0.4%) year-on-year to 567.1 billion yen, remaining almost unchanged. Business profit decreased by 58.3 billion yen, resulting in a loss of 1.1 billion yen. Revenue was impacted by lower sales of FCBGA organic package boards for general-purpose data centers, even as sales of products such as fine ceramic components for semiconductor processing equipment (SPE) increased. Profit decreased sharply to about 43 billion yen due to factors such as decreased sales in the organic materials semiconductor components business and impairment losses on property, plant, and equipment.

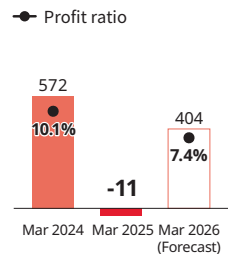
Sales composition ratio



Revenue (100 million yen)



Business profit (100 million yen)



\*As announced in May 2025

In the year ending March 2026, we will transfer the jewelry business from the Core Components Business to the Solutions Business and the display business from the Solutions Business to the Core Components Business.

### Business outlook for the fiscal year ending March 31, 2026

Concentration of management resources on core ceramics businesses that leverage our strengths

In the fiscal year ending March 31, 2026, revenue is projected to decrease to 547.0 billion yen. Business profit is projected to increase sharply to 40.4 billion yen because the one-time costs that arose in organic packages and board business last year have been resolved. Profit margin is projected to be 7.4% in this period because of efforts to reduce fixed costs and improve variable costs, particularly in organic packages and board business. Moving forward, we will aim to improve profitability by concentrating management resources on ceramics, which we consider a core business field.

### Priority measures

#### ■ Growing the business of components for semiconductor processing equipment (SPE)

Leveraging our advanced ceramic materials and manufacturing technologies, we will advance efforts such as sharing our development roadmap with major SPE customers, expanding production capacity in response to demand, and continually evolving ceramic materials and manufacturing technologies. Our targets for the coming four years are to increase revenue by 45% and profit margin by 3.0 points.

#### ■ Growing the ceramic packages business

We will put to maximum use our strengths, such as our crystal device package miniaturization technologies and a 100% share<sup>1</sup> in ultracompact products<sup>2</sup>, our technological power in image sensor package manufacturing, and our technologies for optical communication package integration and acceleration. We also plan to share development roadmaps and develop technologies with strategic customers, expand production capacity in Vietnam, and promote migration to ceramic chiplet packages. We will target growth of 21% in sales and 5.6 points in profit margin over the coming four years while aiming to achieve double-digit growth for the segment overall.

<sup>1</sup> 1210 size (1.2 mm × 1.0 mm)  
<sup>2</sup> June 2025 Kyocera research

## Core Components

## Concrete strategic initiatives

Developing our business portfolio with greater agility and appropriateness, while realizing the revival and growth of our founding business group

An important management vision of the Core Component Business segment is reformation and evolution into a more agile and appropriate business portfolio. As stewards of Kyocera's founding legacy business, we will return to the Kyocera Philosophy, apply our ingenuity and wisdom, and continue striving for enduring value creation.

Kyocera has newly established project structures to strengthen technological development for ceramic and organic packages for SPE and the information and communication markets to improve competitiveness and speed. In addition, we are striving to optimize resources, such as cooperation with external partners when necessary.

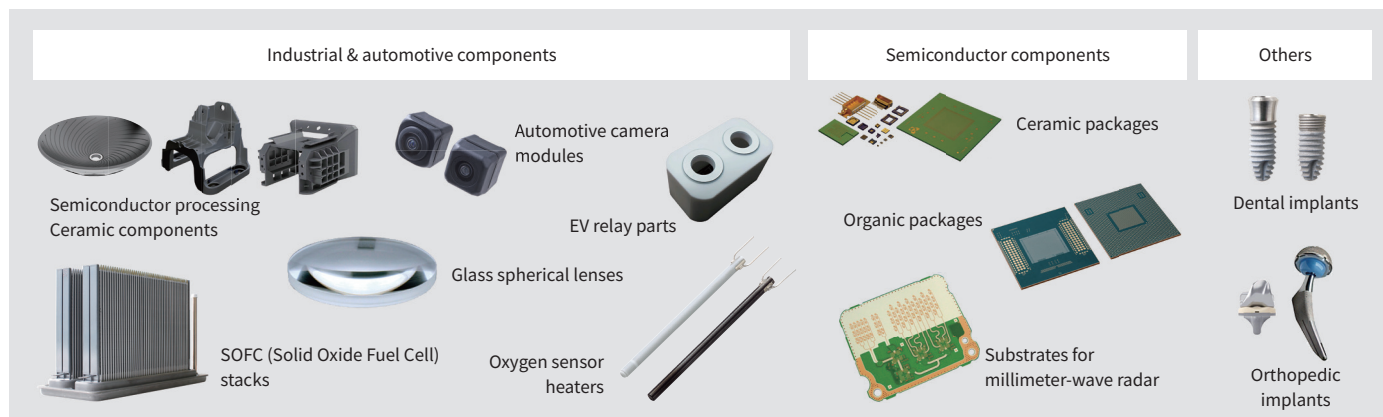
Seeking collaboration among technology, development, and sales backed by optimal allocation of personnel to achieve an environment in which competitiveness and collaboration lead to co-creation, and all employees can shine even brighter

A top priority is strengthening our organizational capabilities. In addition to enhancing the competitiveness of each business, we will emphasize the ability to work together to increase cooperation between businesses. To facilitate this, we are working to optimize personnel allocation. We plan to consolidate areas such as technology, development, and sales that have been handled by each division and strengthen cooperation to enhance our overall capabilities. We are confident that doing so will create synergy while significantly improving speed and efficiency and increasing customer satisfaction. In addition to simply aiming for optimization, we are focused on developing and supporting human resources to serve as the next generation of leaders by creating an environment in which each employee can shine even brighter. We aim to realize a team effort fully capable of co-creation by combining competitiveness and collaborative agility.

Reviewing production systems and manufacturing bases while improving factory utilization rate and management efficiency through prioritization and focus

To leverage the benefits of prioritization and focus, we are implementing reviews and optimization of our production system and manufacturing bases. In the organic packages and board business, in particular, there is an urgent need to invest in improving quality and optimizing production lines; and we will end production of some products to concentrate manufacturing and technical resources on areas such as next-generation FCBGAs, which are expected to grow in the future. Similarly, in the display business, mainly automotive, where competition is fierce and profitability is an issue, we aim to accelerate internal improvements, promote the adoption of locally sourced components overseas, and reduce fixed costs. With regard to capital investment, we are reviewing demand forecasts and other measures to ensure timely and effective deployment in areas where growth is expected.

## Main products





# 6-3

Toward the creation of new value for society

## Electronic Components

The Electronic Components segment combines the technological capabilities and know-how of Kyocera's Electronic Components Group and its U.S. subsidiary, KYOCERA AVX (KAVX), cultivated over many years, to create a competitive edge.

Based on the trust we have built between the two companies over more than 30 years, we will continue to develop and provide unique products and solutions in a market that is expected to grow and improve in profitability.



Koichi Kano

Director and Managing Executive Officer  
Executive General Manager of Electronic Components Business

## Creating devices only Kyocera can propose

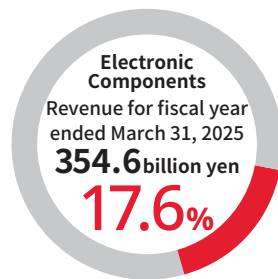
Supporting our customers' product development with Kyocera's unique technological and solution capabilities, and contributing to the advancement of society

### Business results for the fiscal year ended March 31, 2025

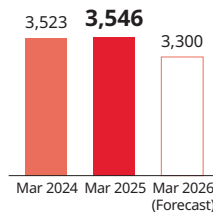
Decreased demand due to a downturn in the European automotive market and lower profit due to weak operating rate at a new KAVX plant

Revenue in the fiscal year ended March 31, 2025, increased by 2.4 billion yen (0.7%) from the previous consolidated fiscal year to 354.6 billion yen, almost unchanged. Business profit decreased by 7.3 billion yen year-on-year, resulting in a loss of 800 million yen. In terms of sales, although demand declined due to a downturn in the European automobile market, sales of capacitors and crystal components for the information communication and industrial equipment markets increased. In addition, the depreciating yen has had an impact. In terms of profit, the cost ratio increased due to the sluggish operating rate at a new KAVX Group plant, while labor costs have decreased significantly.

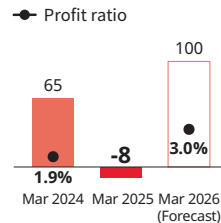
#### Sales composition ratio



#### Revenue (100 million yen)



#### Business profit (100 million yen)



\* As announced May 2025

### Business outlook for the fiscal year ending March 31, 2026

Segment-wide implementation of "prioritization and focus" on profitable MLCCs and high-market-share tantalum capacitors

In the fiscal year ending March 31, 2026, we expect sales to decrease to 330 billion yen. This reflects the impact of structural reforms through "prioritization and focus," economic slowdowns, currency fluctuations, and U.S. tariffs. On the other hand, we expect business profit to increase to 10 billion yen.

In terms of profit, we expect an increase due to KAVX's efforts to improve the profitability of its multilayer ceramic capacitors (MLCCs) and tantalum capacitors businesses. We will focus on high-profit businesses, with an emphasis on products with a high market share, and strive to strengthen our competitive advantage.

### Priority measures

#### ■ Restructuring our business portfolio and strengthening global competitiveness

We will concentrate management resources on MLCCs, tantalum capacitors, connectors, and timing devices with high-profit and differentiated technologies, and accelerate expansion into high-value-added markets such as advanced semiconductors, aviation and aerospace, defense, and medical. On the other hand, we will reduce or withdraw from unprofitable areas, and we will leverage M&A to expand technology and markets to strengthen competitiveness.

#### ■ Growth strategy centered on core competencies

We will take advantage of KAVX's strong customer base by bringing together Kyocera manufacturing, technology, and development resources to provide high-value-added custom products such as MLCCs, quartz crystal devices, and connectors for the advanced semiconductors, aviation and aerospace, defense, and medical markets. We will differentiate ourselves by proposing solutions that leverage the comprehensive capabilities of the Kyocera Group, and strengthen our sales capabilities by deploying our global distributor network and local management human resources.

## Electronic Components

## Concrete strategic initiatives

Aiming to demonstrate synergies through shared understanding and focusing on the optimization of our production systems segment-wide

In the Electronic Components Business segment, a high percentage of sales (94%) and employees (85%) are in overseas markets. This global segment operates in locations around the world. KAVX plays a central role in this segment and had a major impact on our business results in the previous period. To make swift improvements, we are dispatching engineers from Japan and focusing on the integration of manufacturing sites and internal manufacturing reforms to increase yield rates and improve productivity. In our sales divisions, we launched the “Global One Face Sales Structure” initiative in April 2023, seeking to integrate the customer contact points, contracts, and material flows of Kyocera’s Electronic Components Group and

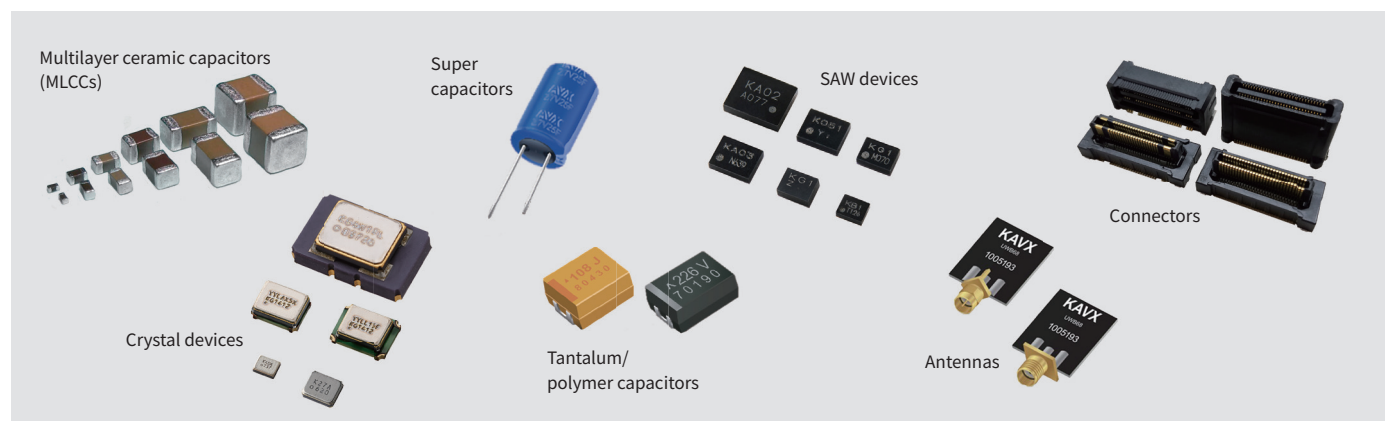
KAVX.

Sharing the Kyocera Philosophy is essential to achieving the close-knit operational structure we envision. “Providing opportunities” is an important part of the Kyocera 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” – but we need to consider how best to communicate the Kyocera Philosophy in regions with different cultures. We believe that to demonstrate synergies, it is also vital to deepen our shared understanding and align our business aims while respecting diversity.

Improving segment profitability overall by reforming our business portfolio through business transfers

We will strive to reform our business portfolio while looking toward projected market growth rates and rapidly achieving target profit margins. We are working toward solutions to reinforce our competitive strengths and improve profitability in fields like small-form-factor, high-capacity MLCCs, automotive MLCCs, and tantalum capacitors. At the same time, based on a policy of prioritization and focus, we announced the sale and transfer of our silicon diode and power semiconductor businesses in January 2026. We plan to continue to revise the business portfolio in phases moving forward. We will continue structural reforms aimed at improving our earnings power and concentrating on businesses with high growth potential.

## Main products



# 6-4

Toward the creation of new value for society

## Solutions

The Solutions segment's diverse product line includes document solutions, industrial tools, information and communication equipment and services, smart energy, printing devices, and, starting this fiscal year, jewelry & applied ceramic products. In addition to promoting the development of each business, we aim to contribute to the sustainable growth of society and solve societal challenges by leveraging diversity to create innovations that are not bound by existing frameworks.



Norihiko Ina

Director and Senior Managing Executive Officer  
Senior Managing Executive Officer in charge of Strategic Business Transformation Project and Executive General Manager of Solutions Business

## Addressing issues facing customers and society with solutions only Kyocera can produce

Driving innovation for transformative solutions based on high-quality, high-value-added products and services

### Business results for the fiscal year ended March 31, 2025

Increased revenue in the document solutions business and improved profitability through structural reforms in communication equipment and smart energy

In the fiscal year ended March 31, 2025, both revenue and business profit increased. Revenue increased by 9.4 billion yen (0.9%) from the previous consolidated fiscal year to 1,111 billion yen. Business profit increased by 3.1 billion yen (4.4%) to 72.9 billion yen, and profit margin improved to 6.6%. Revenue and profit for document solutions increased due to strong sales of printers and MFPs, our main products, and depreciation of the yen. In addition, continued structural reforms in communication equipment and smart energy progressed smoothly and improved profitability.

### Business outlook for the fiscal year ending March 31, 2026

Actively tackling urgent issues and further promoting next-generation growth scenarios

For the fiscal year ending March 31, 2026, we expect revenue of 1,041 billion yen and business profit of 64 billion yen. This is due to uncertain prospects that include U.S. tariffs and exchange rate fluctuations, rearranging of the display business and the jewelry & applied ceramic products businesses, and changes involving certain sales standards in the information and communication services business between segments. We will actively tackle urgent issues and continue to promote structural reforms. We will also identify growth businesses and businesses that require downsizing or withdrawal.

As a future growth scenario, we will promote a shift toward a business portfolio focused on solving customer needs and societal challenges, and the sale of "products × solutions."

### Priority measures

#### ■ Growth and efficiency through the optimization of management resources by product line

We will optimize management resources by clarifying growth businesses and businesses requiring downsizing or withdrawal by product line.

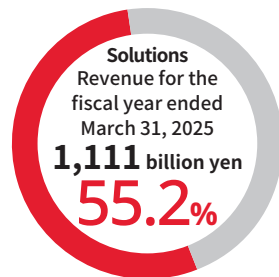
#### ■ Shifting to a business portfolio focused on solutions to issues facing customers and society

After clarifying Kyocera's strengths and core competencies, we will shift from a business portfolio focusing on individual products to one that emphasizes solutions to issues facing customers and society.

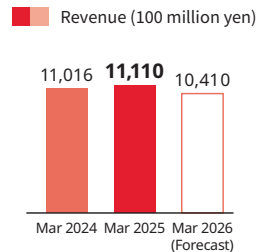
#### ■ Promoting the sale of "products × solutions"

While continuing to strengthen manufacturing, we will contribute to improving customer value by promoting the sale of "products × solutions" that provide valuable information and services to our customers.

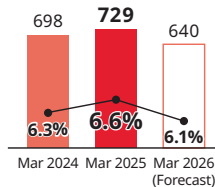
### Sales composition ratio



### Revenue (100 million yen)



### Business profit (100 million yen)



\*As announced in May 2025

From the fiscal year ending March 31, 2026, the jewelry & applied ceramic products divisions previously included in the Core Components segment will henceforth be included in the Solutions segment, and the display business, which has previously been included in the Solutions segment, will henceforth be included in the Core Components segment.



## Solutions

## Concrete strategic initiatives

## Growth and efficiency through optimizing management resources for each product line

We will optimize management resources for growth and higher management efficiency. Specifically, we will clearly identify businesses to grow and those slated for curtailment or withdrawal in each product line and reinforce our competitive strengths in growth businesses through various means, such as new product development and sales channel enhancement. For businesses slated for curtailment or withdrawal, we will formulate clear policies and execution plans and take swift action. By reallocating management resources freed through curtailment or withdrawal, giving top priority to growth businesses, we will make business management more efficient and further accelerate growth.

## Transformation toward a business portfolio better able to deliver solutions to customers and society

Increasingly diverse customer needs and societal challenges have made the concept of co-creation of value with customers even more important to future business growth. We will respond to this changing environment by revising our business portfolio, which has traditionally been based on individual products, to one focused on solutions for customers and society. Moving forward, we will aim to build a business structure that delivers high levels of value for society by moving toward businesses centered on sales of both products and services, by adding services for high-quality customer solutions, in addition to the high-performance product manufacturing that we have pursued until now.

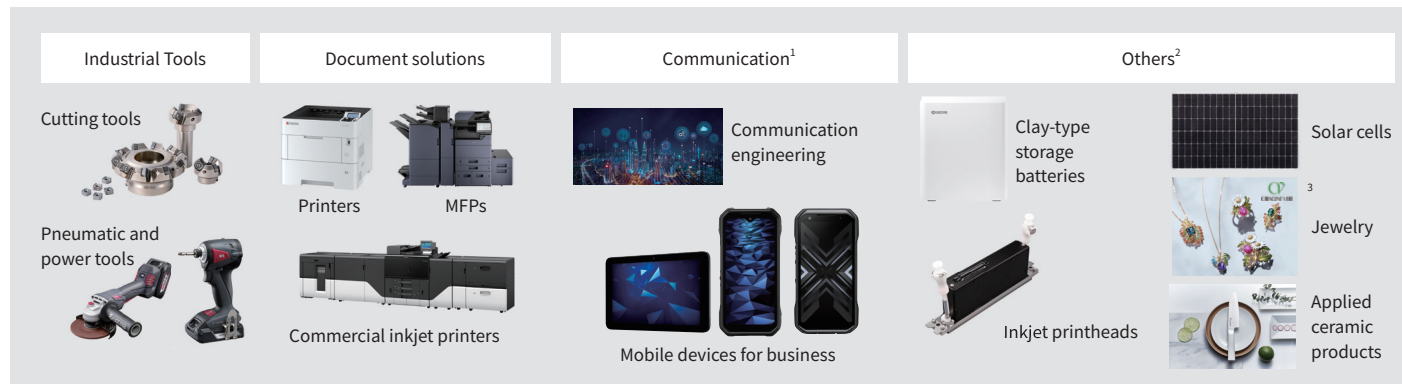
## Promoting sales of products and solutions

Kyocera will promote sales of products and as well as solutions by providing high-value-added information and services to our existing product lines.

To do so, we will need systems for providing core business concepts and information and services that have value for customers.

This promotion of sales of products and services will be based on building common business models as the basis of our approaches, common platforms for data connection and analysis, and the provision of valuable information and services to customers and society.

## Main products



<sup>1</sup> Communication devices, information and communication services

<sup>2</sup> Smart energy, printing devices, jewelry & applied ceramic products

<sup>3</sup> CRESCENT VERT is a registered trademark of Kyocera Corporation.



# 6-5

Toward the creation of new value for society

## Promotion of R&D

The Kyocera Group has pursued new value through manufacturing as it extends the vision of our founder, Dr. Kazuo Inamori, who once said, “What we aim to do next is what other people tell us we could never do.” Centered on our four priority markets, we promote R&D across a wide range of fields from materials through systems and services. In response to accelerating technological progress and increasingly diverse social challenges, we will achieve our Management Rationale and contribute to a sustainable society by integrating technologies in our research networks.

## Our vision for the future through R&D

Promoting open innovation and taking on the challenges of social solutions while focusing on both technology development and business development

R&D enhancement is an essential materiality issue for achieving the Management Rationale and Management Philosophy and contributing to the globalized society and economy. R&D has two main missions. The first is to strengthen existing businesses with the potential for large-scale growth in priority markets. The second is to create new businesses for the future, from a medium- to long-term perspective.

In recent years, we have been promoting collaboration across sections to strengthen existing businesses. We will create new value by sharing information and expertise while aiming for business development through seamless cooperation from an early stage between R&D and business segments and among multiple segments.

In new businesses, we will strengthen more open research networks. In addition to enhancing internal collaboration, through corporate venture capital (CVC) we will invest in companies in the early stages of their businesses and support startups in Japan, Asia, Europe, and the Americas, to respond with high

sensitivity to future technical needs. Looking toward the future, we also will enhance collaboration with academia (University of Tokyo and Kyushu University), not only to use the technologies we can offer in R&D but also to gather information needed for new business creation from diverse perspectives including sociology. Of course, it also is important to carry out urgent R&D toward social solutions, including responsible manufacturing and lessening environmental impact across the product life cycle. At the same time, as we aim to make permanent contributions as a business enterprise, it is important to ensure a high level of business potential. We will aim to be a pioneer who always remains at the front lines of creating new value through our R&D in the future.

### Future policies

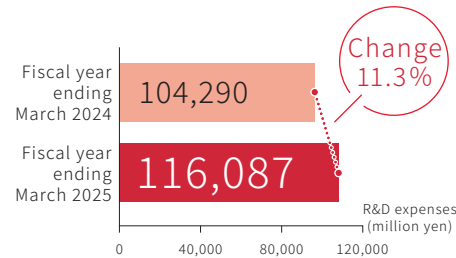
#### ■ Concentration of development themes on strengthening core businesses

In the fiscal year ending March 31, 2026, we will concentrate on core business domains through prioritization and focus of businesses. By narrowing down themes, we will reallocate in a more optimal way R&D human resources, activities, and investment, which traditionally have been widely dispersed. We will take on enhancement of existing businesses in the near future with an even greater sense of urgency.

#### ■ Promoting business development strategies

As described above, in revising development themes and in new R&D for the future, we are focusing strongly on potential for business development. We are sharing and analyzing information with business segments through a borderless approach and closely studying business feasibility from an earlier stage of R&D. We are aiming to increase the speed of R&D in a more continuous way, through the final stage of business development, as a vital strategy.

### ● R&D expenses



### Case: Highly durable SOFCs

Solid oxide fuel cells (SOFCs) generate energy with high efficiency through a chemical reaction between hydrogen and oxygen. Kyocera has advanced its compact SOFC technologies since it began fuel-cell development in 1985. Currently, we are focusing on development of highly durable SOFCs that realize carbon neutrality.

### Case: ITS\* cooperative vehicle-highway system

Aiming for a level of zero traffic accidents, Kyocera is testing smart poles to provide information on nearby dangers in the inevitable blind spots of onboard vehicle sensors. We will contribute to a safer, more comfortable mobility environment by broadening applications of this technology in the future.

\*Intelligent Transport System

## Promotion of R&D

### R&D facilities

Activating exchange and free exchange of opinions and accelerating implementation of R&D by connecting engineers and information among facilities

Kyocera continues to focus on its R&D environment. Core facilities are the Minatomirai Research Center, the Keihanna Research Center, and the Kirishima R&D Center. In particular, the Kirishima R&D Center, which began operation in September 2022, has enhanced collaboration by bringing together the Manufacturing Laboratory, which researches materials technologies, the Production Technology Section, and the Analytics Section. All three of these units previously had operated at the Kokubu Plant in Kagoshima Prefecture. This has established a system able to provide comprehensive support from product launch through subsequent facility automation and production efficiency planning,

#### Kirishima R&D Center (Kirishima, Kagoshima Prefecture)



Located adjacent to the Kokubu Plant, the center is composed of three core units: the Manufacturing Laboratory, which conducts research on materials technologies; the Production Technology Division, which develops process technologies; and the Analytics Center, which focuses on analytical and evaluation technologies. The facility is built around the concept of "CAMP," derived from "Change, Challenge, Create = Analytics × Material × Process", and this concept is also reflected in the interior floor design.

■ Main research fields  
Information and communications (electronic parts, semiconductor materials and components), environmental energy (fuel cells, carbon-neutral materials), industry for living (new materials, functional formed ceramics components), etc.

in addition to accelerating product and technology development.

The floor environment has been designed to serve as a place where engineers from both inside and outside the company can interact, to share information and technologies, develop human resources, and create innovation through everyday projects.

In the fiscal year ending March 31, 2026, we expect to enhance the R&D environment further with the opening of the Yasu Development Center in Yasu, Shiga Prefecture. Of course, we also are actively sharing existing knowhow with overseas facilities, and we will promote R&D through a global structure that includes KAVX.

#### Yasu Development Center (Yasu, Shiga Prefecture)



This six-story facility has prototyping workplaces on the first three floors and offices, a cocreation cafeteria, and a training space for new engineers on the fourth through sixth floors.

Its main missions are to develop core technologies, production processes, and equipment needed for component manufacturing and to optimize production processes to achieve carbon neutrality. It also helps to develop the next generation of engineers.

### Collaboration with outside partners

Promoting innovative initiatives through further enhancing industry-government-academy collaboration and carrying out research and testing from new perspectives

Kyocera's strengths include its vertical integration based on the Group's amassed knowhow and systems and its comprehensive R&D and support. Collaboration with outside partners makes it possible to create new businesses with greater speed through more diverse outlooks on future trends.

While we have carried out co-creation and cooperation with various partner firms through now, in recent years we have been focusing on CVC in particular. The aim is to utilize Kyocera's knowhow from new perspectives to accelerate and more reliably apply in society the exciting and innovative technologies that startups can offer. The Kyocera Venture Innovation Fund-I (KVIF-I), a CVC investment fund established in April 2024 by Kyocera and Global Brain Corporation, supports startups engaged in R&D on the cutting edge in four priority markets. Already it has invested in fully autonomous driving field. Creative new technologies that have reached the practical stage combine Kyocera's sensors and advanced driver assistance systems (ADAS) to help realize the future of mobility. In addition to technology fusion, we also are taking on the challenges of open innovation and HR development through exchange activities.

In addition to business development based on technology, we also are taking action to develop science and technology for the future and forecast

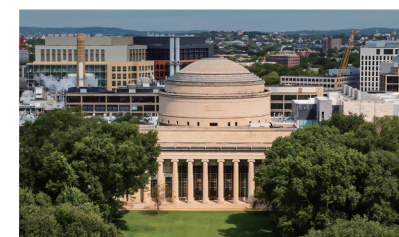
economic and social developments. We have concluded comprehensive agreements with the University of Tokyo and Kyushu University, and already we have begun joint research with the University of Tokyo through social collaboration courses. We are envisioning a new future and studying R&D policies through exchange with researchers in sociology and various other fields in addition to providing our technologies.

Our collaboration with the University of Tokyo, which began in 2022, aims for swift implementation in society and solutions to social challenges. Centered on the School of Engineering, which plays a central role in practical technology research, we are carrying out four social collaboration courses and six joint research projects across multiple schools, including those of science, medicine, the humanities, and the social sciences. We also are collaborating with the Massachusetts Institute of Technology (MIT) in the United States. The aim is to combine MIT's knowledge and Kyocera's technologies and social implementation abilities to contribute to urgent solutions for society. Joint research already has begun on technologies to reduce GHG emissions, which have a strong impact on climate change, and to convert them to basic materials. This research is aiming for solutions in areas such as the environment and energy.

#### University of Tokyo



#### Massachusetts Institute of Technology



# 6-6

Toward the creation of new value for society

## Intellectual Property Strategy

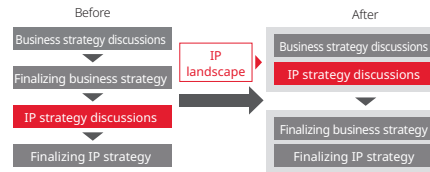
“Committing to the highest legal and intellectual property standards to strengthen and protect our business.” This statement represents Kyocera’s basic principle concerning legal and intellectual property (IP) activities. Amid rapidly changing markets and evolving societal demands, the Kyocera Group holds an unyielding standard for intellectual property (IP) principles and practices.

## Our Concept of Intellectual Property (IP)

Using knowledge learned from IP landscapes, we collaborate with business units to incorporate intellectual property strategy into their business strategies from the initial stages of new business opportunities

With the Kyocera Group’s multi-layered technological foundations, intellectual property is a core management resource that supports competitive advantages. In its IP activities, Kyocera focuses on incorporating IP strategy into business strategy as part of its missions and priorities.

Using IP<sup>1</sup> landscapes, i.e., collecting and analyzing intellectual property information including information derived from patents held by other companies, which can then be utilized to inform business strategy and management decisions, we collaborate to incorporate and implement intellectual property strategies from the early stages of planning to strengthen each business.



### Building trusting relationships opens the door to new business

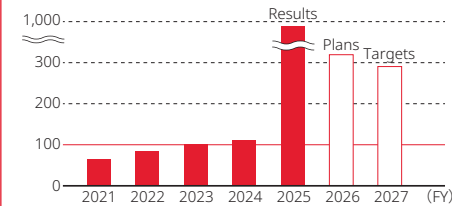
Ryuga Asayama

Corporate Legal and Intellectual Property Group, Kyocera Corporation

I am working in the Corporate Legal and Intellectual Property Group, where we develop proposals for new markets using IP landscapes. We follow a process of trial and error, but we communicate closely with engineers and employees in sales to meet their needs. This attitude helps to build trusting relationships, and this in turn has resulted in requests for consultations on intellectual property strategy for new products from the frontline of sales. Based on the strategy, we have been building co-creation relationships that go well beyond simple support to include such activities as actively pursuing patent applications that incorporate the customer’s unique perspective related to sales. Through the development of partnerships across divisions, we are now cultivating future businesses.

## Visualizing IP contributions to business using Kyocera’s unique KPI (key performance indicator)

Kyocera visualizes the results of its IP activities using a unique KPI known as "Value of Contributions to Business." This value is calculated based on 1) increased sales attributable to ownership of patents covering our products, 2) income from patent licensing, and 3) reduction of licensing expenditures due to cross-licensing and negotiations. We examine this value, not patent counts, each year as a key performance indicator (KPI), which provides a clear picture of the growth and economic value of our IP activities. Due to large transactions, FY2025 revealed significantly increased KPI.



\*Changes and target values shown above are calculated by setting the value of contributions to business in FY2023 as the standard value (=100).

## Official Kyocera Group Intellectual Property website to expand the recognition of its unique technologies and promote collaboration with other companies

Kyocera promotes the establishment of co-creation partnerships to make its technologies and intellectual properties available to society, and the Official Kyocera Group Intellectual Property website was established as a contact point. This website provides information about our concepts and technologies to help match us with partner companies that share our vision. We recently began a collaboration in the consumer products field with a partner company that resonates with our corporate stance.

Sharing HAPTIVITY®, Kyocera’s tactile transmission technology, made it possible to help the partner company realize the comfortable user experience they were looking to achieve. This is a good example of the collaborative creation of value that Kyocera aims for. We continue working on the creation of new value with partner companies in a broad range of industries using our technologies and intellectual property to contribute to the advancement of society.

- Official Kyocera Group Intellectual Property website
- The collaborative creation of value using HAPTIVITY® technology (News release)



### Making our organization into one team

Taiki Murakami

Corporate Legal and Intellectual Property Group, Kyocera Corporation

Before the new business unit could begin production, it faced the barrier of dealing with other companies’ patent networks. At first, there was no immediate alignment between the site, which was looking to prioritize speed, and IP Group which saw the management of intellectual property risks as a priority issue. To address both of these perspectives, we conducted intellectual property training on the offensive and defensive sides to promote awareness throughout the organization. Along with this, we visited the site many times for repeated discussions and worked very closely with them to analyze risk and return. This effort has resulted in intellectual property becoming even more "personal" for business departments, and a culture of intellectual property activities led by business divisions has now been rooted in the organization. By facing the challenges head-on, we were able to gain a stronger sense of unity.



# 6-7

Toward the creation of new value for society

## Creation of new businesses

To achieve sustained growth, the Kyocera Group is focusing on new business development to balance social and economic value.

Through now, we have generated numerous technologies through the process of diversification in which small “Amoeba” organizations expand, collaborate, integrate, and separate. By adding new R&D results to these technologies, we can launch new businesses rapidly.

### Wireless relay technology to expand the 5G millimeter-wave area

Seeking to accelerate practical use of the 5G millimeter-wave area (28 GHz band), which enables ultra-high-speed, large-capacity communications, we were the first in the world<sup>1</sup> to develop wireless relay technology that overcomes the issue of weakness to screening that is distinctive of millimeterwaves. We are developing a new business to expand the surface area of communications in urban areas by using compact, low-power relays. Commercial use already has begun in Tokyo.



### FOREARTH Textile Inkjet Printers

FOREARTH Textile Inkjet Printers use specially developed pigment ink and inkjet printheads to achieve water-free printing, greatly reducing industrial wastewater.



### Kyocera Robotics Service

This service uses AI and 3D vision for smarter collaborative robots, intended to broaden use of robots. This service is suitable for use in picking nonstandard, irregular parts and in processes involving wide ranges of products in small quantities, which traditionally have relied on human labor.

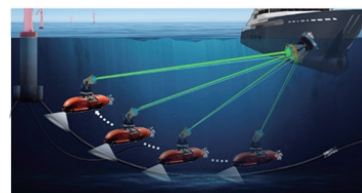
This new business combining the Kyocera Group's AI, controls, cloud computing, optical, and other technologies will contribute to solutions to the labor shortage.



### Underwater Wireless Optical Communication (UWOC)

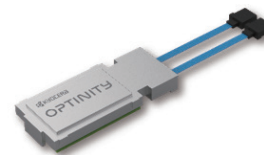
We are working on business development of an Underwater Wireless Optical Communication (UWOC) system to enable high-speed communication under the sea. Radio waves cannot be used for communication undersea because of the significant attenuation on water. Using visual lasers, which experience less attenuation in water, Kyocera has realized high-speed, stable 2 Gbps underwater wireless optical communication by combining technologies such as optical components from development of communication devices, laser controls, and mechatronics.

The aim is a practical communication infrastructure to support research on seabed resources and inspection of offshore facilities.



### OPTINITY® integrated optical module<sup>2</sup>

This module integrates light and electricity at high density to connect computer devices using light. It can help reduce the size and environmental impact of data centers through high-speed signal transmission with low power consumption. Practical testing with a major server maker began in 2024. We are aiming to bring this technology to market in FY2027, based on optoelectrical technologies developed in house.



### Cooperative vehicle-highway systems

We are developing cooperative vehicle-highway systems to improve safety at intersections and similar locations, to help support safe driving and achieve autonomous driving. This use dedicated ITS wavelengths to transmit to vehicles directly information on subjects such as unexpected vehicles and signals. They combine ITS wireless road units and far infrared (FIR) camera sensing technologies for traffic infrastructure to alert drivers and prevent accidents.



### Environmentally friendly sustainable aquaculture technologies

Kyocera is participating in a project to build an offshore aquaculture system combining LED lighting and IoT technologies. Using light from our advanced color-rendering CERAPHIC® LEDs<sup>3</sup>, which deliver gentle light to living creatures, this project is testing the impact on fish growth and spawning. Currently, it is analyzing how light color and intensity and water temperature affect yellowtail growth. The aim is to establish environmentally friendly sustainable aquaculture technologies.



### Rice cultivation in plant factories

Kyocera is developing a hydroponic rice cultivation system using LED lighting, based on a hydroponic LED lettuce-cultivation system. This system enables yearlong cultivation with high yields and water conservation difficult to achieve in rice paddies. It does so through light wavelength controls optimized for plant growth. As the world's population approaches 9 billion, we will aim to deploy this technology first in regions where water resources are scarce, as an option for achieving both food security and environmental protection.



<sup>1</sup> World's first millimeter-wave relay technology that autonomously forms and reshapes coverage areas (as of December 16, 2024; according to KDDI's research).

<sup>2</sup> OPTINITY is a registered trademark of Kyocera Corporation in Japan and other countries.

<sup>3</sup> CERAPHIC is a registered trademark of Kyocera Corporation.