



THE NEW VALUE FRONTIER

July 30, 2009

Financial Results of Three Months Ended June 30, 2009 Conference Call Material

KYOCERA Corporation

Financial Results of Q1 FY3/2010

- Comparison with Q1 FY3/2009 -

(Unit: Yen in billions)

	Three months ended June 30,				Change	
	2008		2009			
	Amount	% of net sales	Amount	% of net sales	Amount	%
Net sales	331.8	100.0	225.4	100.0	-106.4	-32.1
Profit from operations	28.0	8.4	-5.6	-2.5	-33.6	—
Pre-tax income	36.9	11.1	0.7	0.3	-36.2	-98.1
Net income attributable to shareholders of Kyocera Corporation	22.0	6.6	-0.5	-0.2	-22.5	—
EPS (diluted-yen)	115.82	—	-2.50	—	—	—
Capital expenditures	18.0	5.4	5.6	2.5	-12.4	-68.9
Depreciation	19.3	5.8	14.8	6.6	-4.5	-23.0
R&D expenses	16.9	5.1	13.1	5.8	-3.8	-22.4

Summary of Q1 FY3/2010 - Comparison with Q1 FY3/2009 -

1. Decline in sales and profit due to deterioration in business environment

Components business

- Low demand for parts for digital consumer equipment/semiconductor fabrication equipment/automotive industries

Equipment business

- Weak replacement demand for mobile phone handsets in Japan, and stagnant sales of handsets in the United States due to economic downturn
- Decrease in the number of models manufactured by former SANYO
- Decrease in sales of printers and multifunctional peripherals due to restrictions on IT investment

2. Impact of yen appreciation against U.S. dollar and Euro

		Three months ended June 30,			
		2008		2009	
Average exchange rate (yen)		US\$: ¥105	€ ¥163	US\$: ¥97	€ ¥133
Foreign currency fluctuation effect on: (compared with the previous same period)	net sales	¥ -20.8 billion		¥ -19.0 billion	
	pre-tax income	¥ -2.9 billion		¥ -5.5 billion	

3. Progress in cost-cutting: approx. ¥ -39.0 billion (year on year)

- Decline in depreciation cost: approx. ¥ -4.5 billion
- Reduced various expenses (including labor costs): approx. ¥ -34.5 billion

Financial Results of Q1 FY3/2010

- Comparison with Q4 FY3/2009 -

(Unit: Yen in billions)

	Three months ended March 31, 2009		Three months ended June 30, 2009		Change	
	Amount	% of net sales	Amount	% of net sales	Amount	%
Net sales	226.0	100.0	225.4	100.0	-0.6	-0.3
Profit from operations	-23.8	—	-5.6	-2.5	+18.2	—
Pre-tax income	-26.4	—	0.7	0.3	+27.1	—
Net income attributable to shareholders of Kyocera Corporation	-27.3	—	-0.5	-0.2	+26.8	—
Capital expenditures	7.8	3.5	5.6	2.5	-2.2	-28.2
Depreciation	21.9	9.7	14.8	6.6	-7.1	-32.3
R&D expenses	14.5	6.4	13.1	5.8	-1.4	-9.4

Summary of Q1 FY3/2010 - Comparison with Q4 FY3/2009 -

1. Rapid recovery in component demand beyond expectations

- Rapid recovery in demand for components used in digital consumer equipment and PCs
- Semiconductor Parts Group and Electronic Device Group drive sales growth for components business

2. Improvement in profit from operations

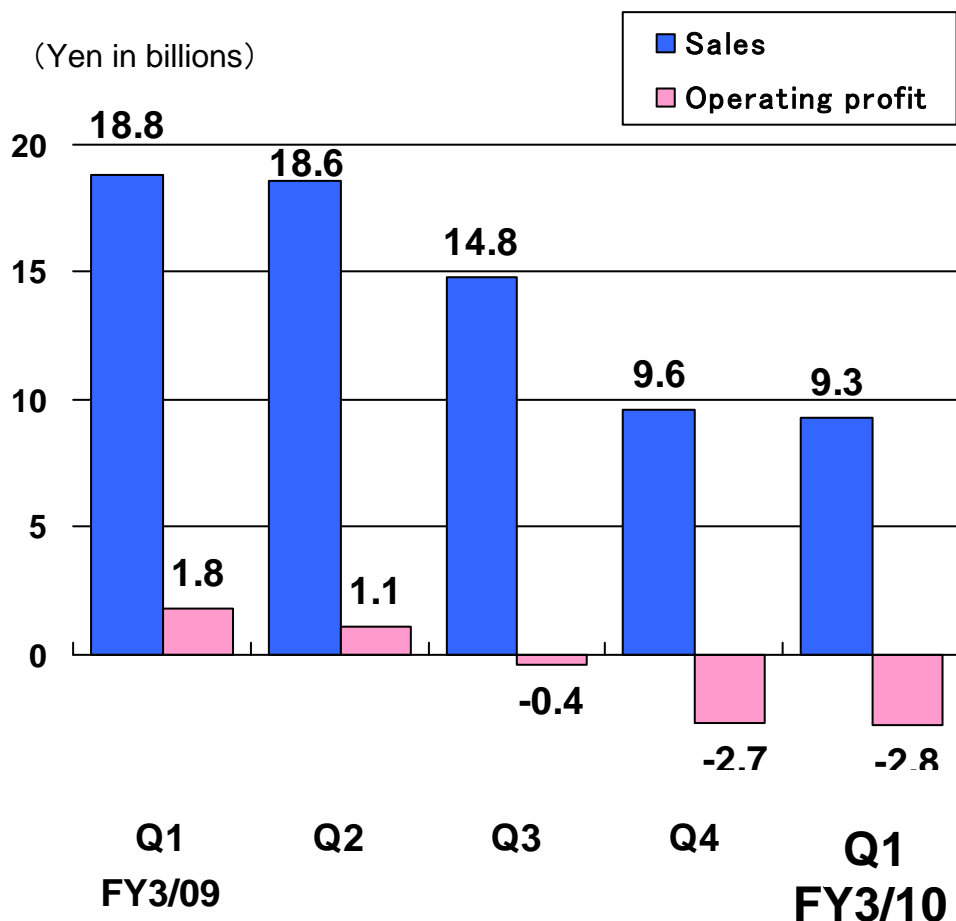
(Yen in billions)

	Q4 FY3/2009	Q1 FY3/2010	Change
Profit from operations	-23.8	-5.6	18.2
One-off costs*	-7.5	—	7.5
Excl. one-off costs	-16.3	-5.6	10.7

*One-off costs: Impairment loss on goodwill, restructuring costs, etc.

Quarterly Trends by Reporting Segment

Fine Ceramic Parts Group



Comparison with Q1 FY3/2009

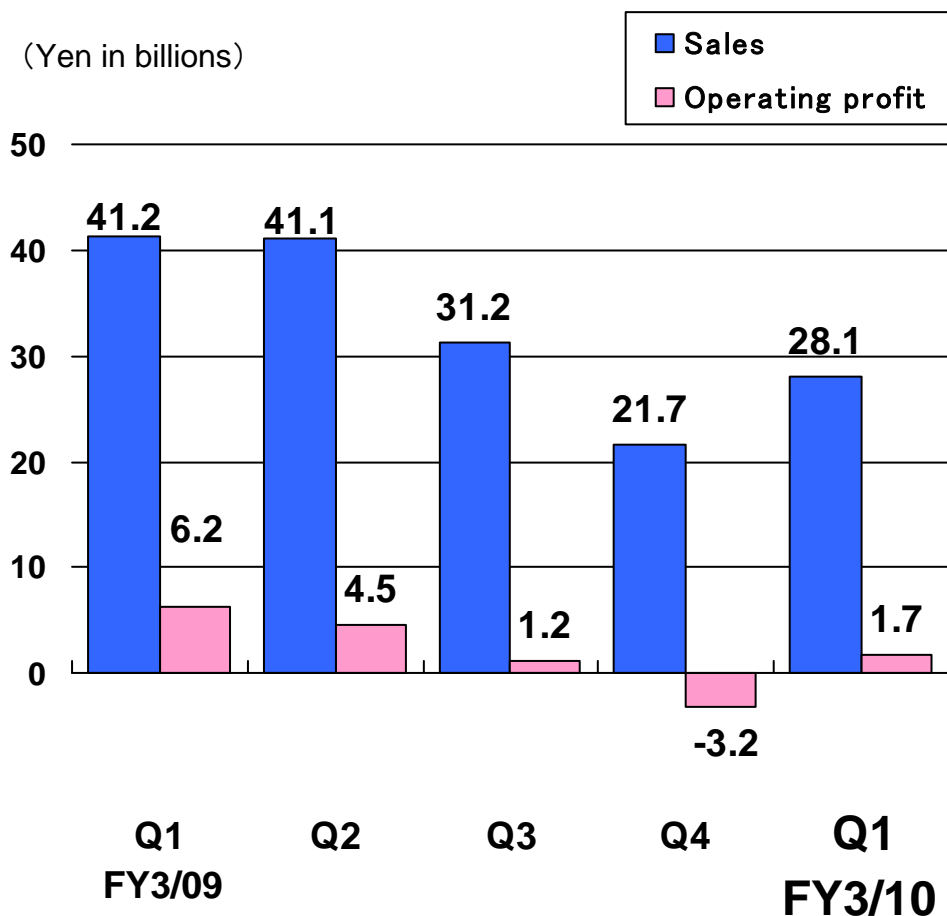
- Decline in demand for core products: parts for semiconductor fabrication equipment, automotive-related markets, digital consumer equipment, etc.

Comparison with Q4 FY3/2009

- Recovery in demand for components for digital consumer equipment such as sapphire substrates
- Persistent stagnation in demand for parts for semiconductor fabrication equipment, automotive-related parts, etc.

Quarterly Trends by Reporting Segment

Semiconductor Parts Group



Comparison with Q1 FY3/2009

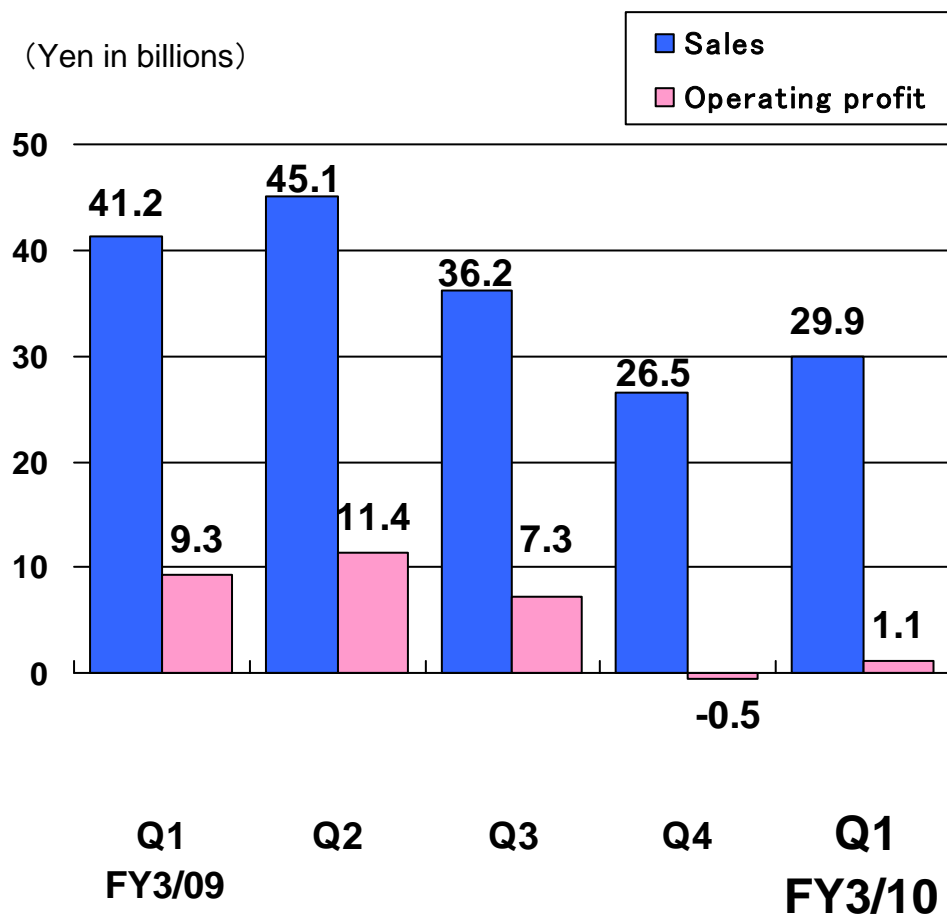
- Decline in demand for ceramic packages used in digital consumer equipment
- Decline in demand for organic packages used in servers

Comparison with Q4 FY3/2009

- Rapid recovery in demand for ceramic packages for mobile phone handsets and digital cameras
- Recovery in demand for SiP substrates for mobile phone handsets

Quarterly Trends by Reporting Segment

Applied Ceramic Products Group



Comparison with Q1 FY3/2009

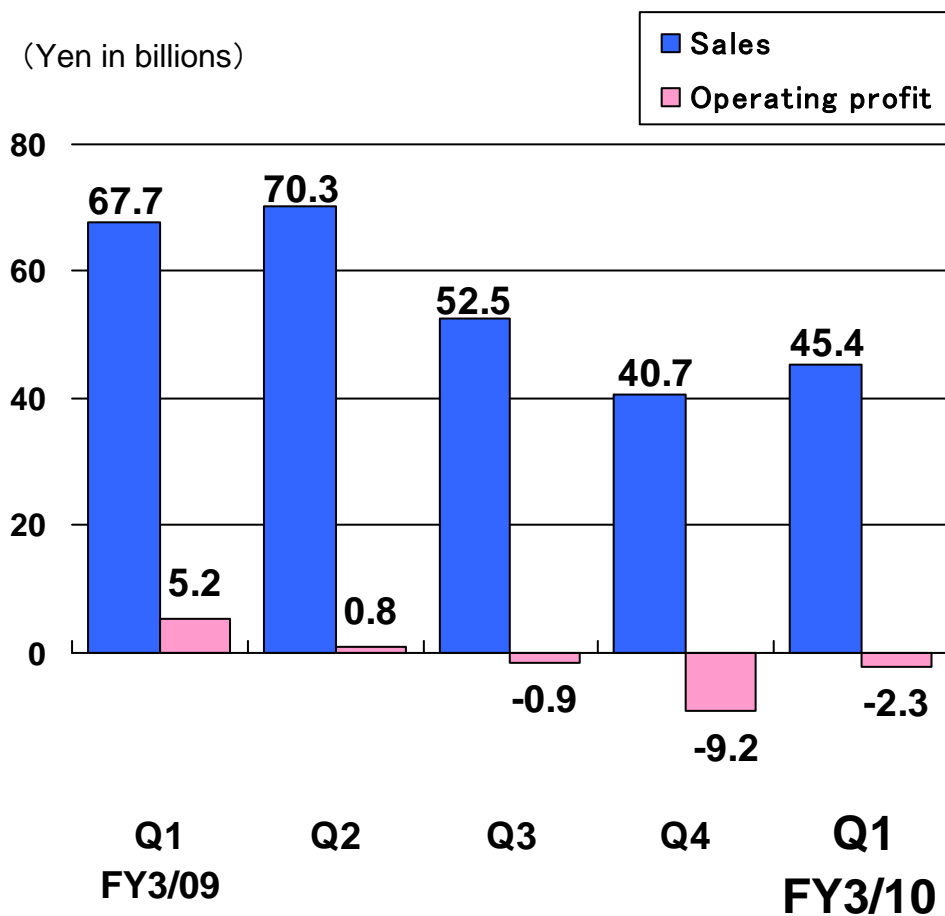
- Slowdown in solar energy business due to deterioration in business environment and yen appreciation
- Decline in demand for cutting tools due to decreased production in automotive industry

Comparison with Q4 FY3/2009

- Increased sales in solar energy business
- Continued slow demand for cutting tool business
- Recorded impairment loss on goodwill of approx. ¥2.2 billion in Q4 FY3/2009

Quarterly Trends by Reporting Segment

Electronic Device Group



Comparison with Q1 FY3/2009

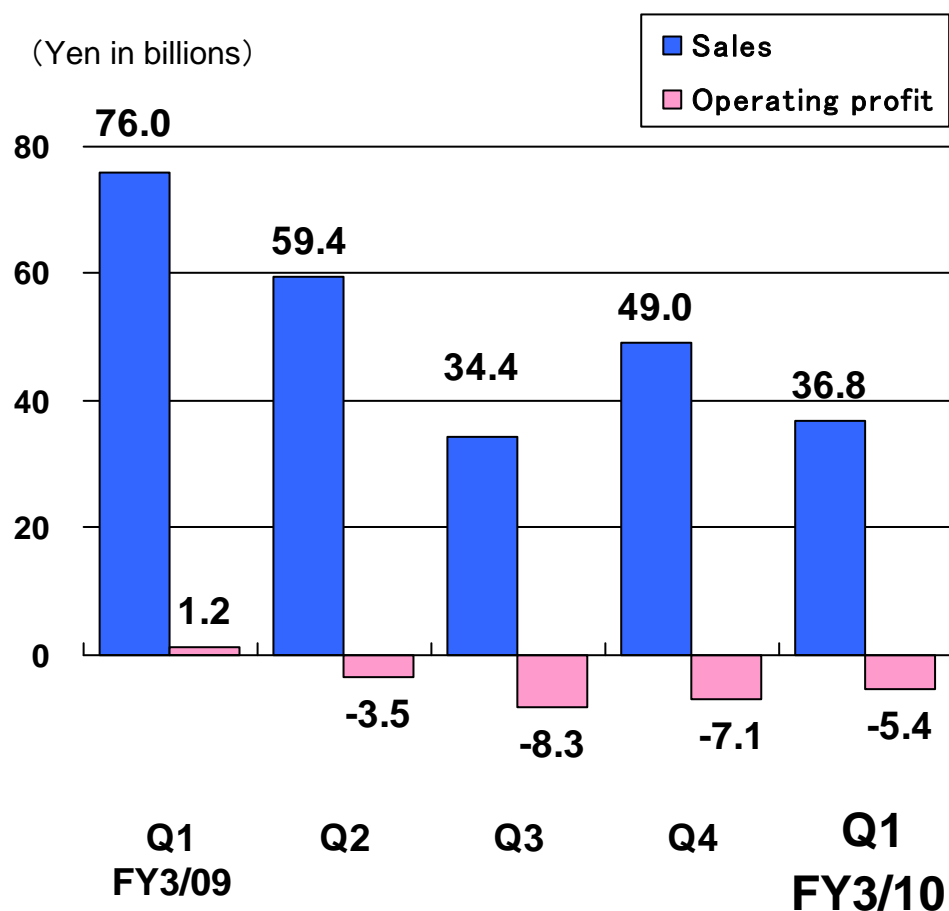
- Decline in demand for crystal related products, capacitors and connectors in core markets such as digital consumer equipment and PCs

Comparison with Q4 FY3/2009

- Rapid recovery in demand for components used in digital consumer equipment and PCs
- Reduced operating loss due to improvement in capacity utilization rate as a result of an increase in demand, and due to effects of cost reduction measures
- Recorded approx. ¥3.0 billion in restructuring costs in Q4 FY3/2009

Quarterly Trends by Reporting Segment

Telecommunications Equipment Group



Comparison with Q1 FY3/2009

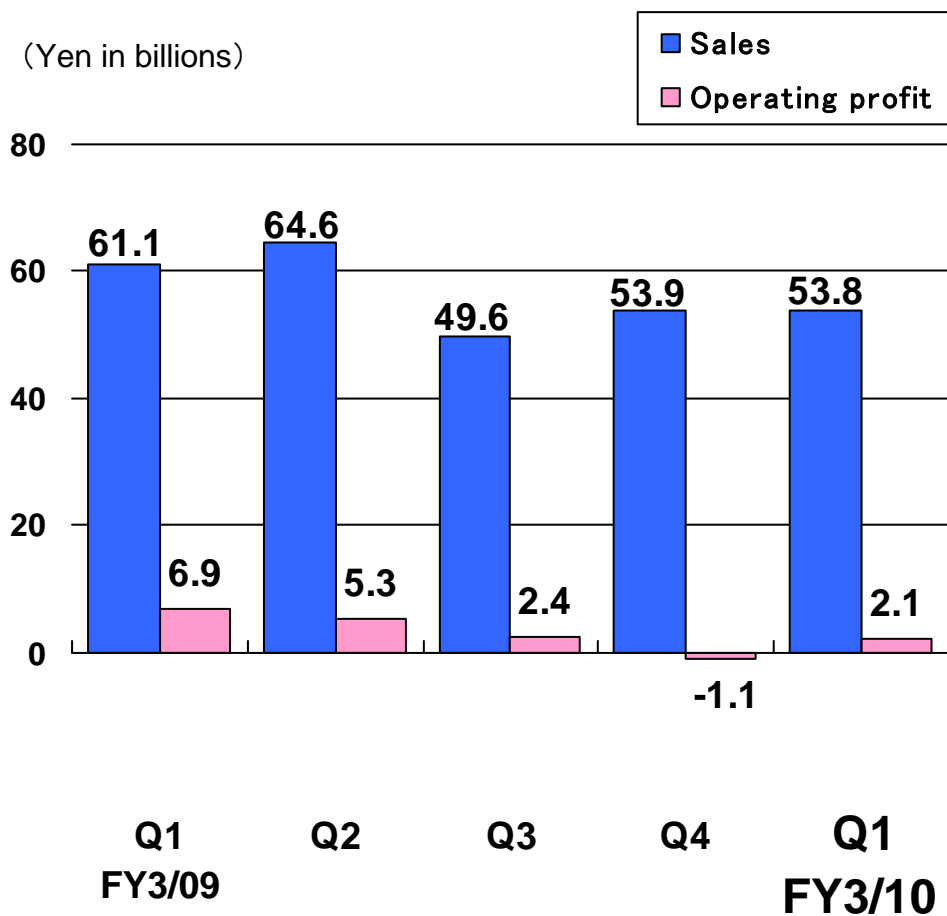
- Weak replacement demand for mobile phone handsets in Japan due to impact of introduction of installment payment plans
- Stagnant demand for mobile phone handsets overseas due to economic downturn

Comparison with Q4 FY3/2009

- Sales decreased due to a reduced sales quantity for handsets and base stations
- Reduced operating loss by cost cutting through structural reforms
- Recorded approx. ¥1.5 billion in restructuring costs in Q4 FY3/2009

Quarterly Trends by Reporting Segment

Information Equipment Group



Comparison with Q1 FY3/2009

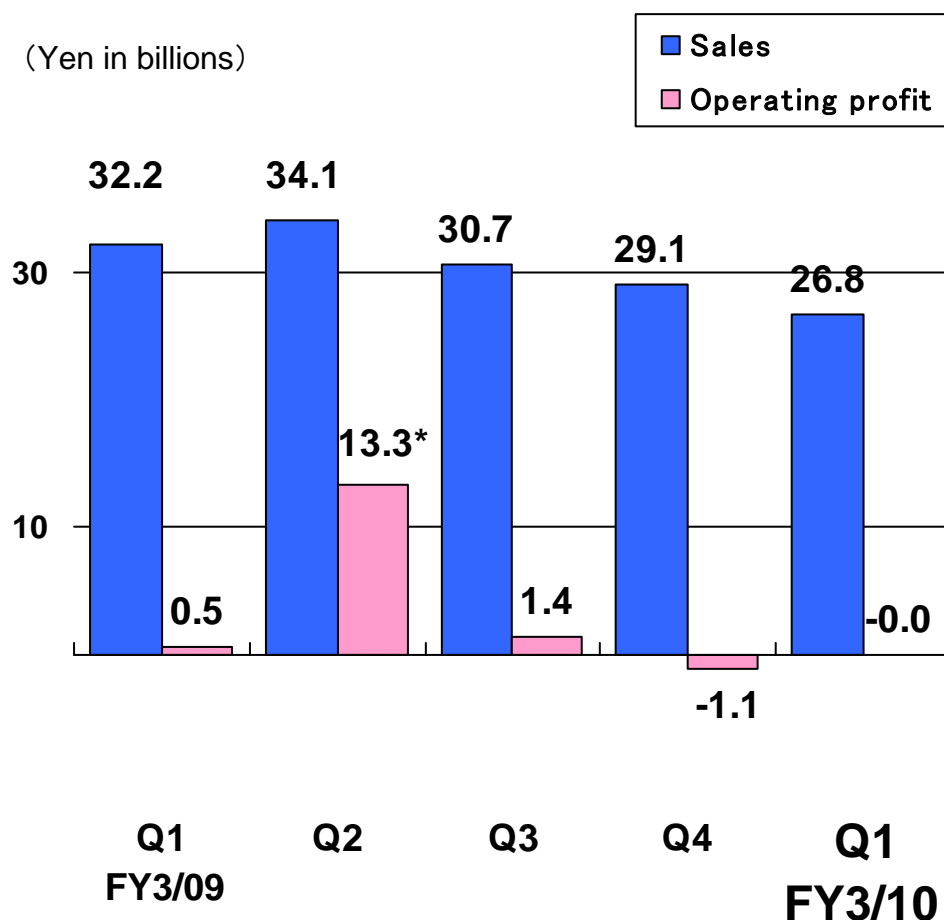
- Decline in demand due to restrictions on IT investment
- Impact of fierce price competition and yen appreciation

Comparison with Q4 FY3/2009

- Flat sales due to stagnant demand
- Profitability restored owing to progress in cost reductions by integrating R&D and production systems

Quarterly Trends by Reporting Segment

Others



Comparison with Q1 FY3/2009

- Decline in demand for materials for electronic parts used in various electronic devices
- Stagnation in telecommunications engineering business due to restrictions on telecommunications infrastructure related investment

Comparison with Q4 FY3/2009

- Decrease in sales at Kyocera Communication Systems Co., Ltd.
- Sales and profit improved at Kyocera Chemical Corp.
- Recorded approx. ¥1.2 billion in impairment loss on goodwill in Q4 FY3/2009

* Includes one-off gains on the sale of real estates

Financial Forecast

- Year ending March 31, 2010 -
(forecast unchanged)

(Unit: Yen in billions)

	Year ended March 31,		Year ending March 31,		% change
	2009		2010		
	Amount	% to net sales	Amount	% to net sales	
Net sales	1,128.6	100.0	1,040.0	100.0	-7.8
Profit from operations	43.4	3.8	44.0	4.2	1.3
Pre-tax income	56.0	5.0	57.0	5.5	1.8
Net income	29.5	2.6	34.0	3.3	15.2
EPS (diluted - yen)	157.23	—	185.26	—	17.8
Capital expenditures	63.1	5.6	43.0	4.1	-31.8
Depreciation	83.8	7.4	68.0	6.5	-18.8
R&D expenses	65.9	5.8	58.0	5.6	-12.0
Average exchange rate (yen)		US\$: ¥ 101	€: ¥ 143	US\$: ¥ 92	€: ¥ 123
Foreign currency fluctuation effect on: (compared with the previous fiscal year)	net sales	¥ -91 billion		¥ -78 billion	
	pre-tax income	¥ -23 billion		¥ -24 billion	

Note: Forecast of earnings per share attributable to shareholders of Kyocera Corporation is computed based on the diluted average number of shares outstanding during the three months ended June 30, 2009. Please refer to forward-looking statements on the final page.

Sales Forecast by Reporting Segment

- Year ending March 31, 2010 -
(forecast unchanged)

(Unit: Yen in billions)

■ Reporting Segment	Year ended March 31,		Year ending March 31,		% Change
	2009 Result		2010 Forecast		
	Amount	% of total	Amount	% of total	
■ Fine Ceramic Parts Group	61.7	5.4	50.0	4.8	-19.0
■ Semiconductor Parts Group	135.1	12.0	110.0	10.6	-18.6
■ Applied Ceramic Products Group	148.9	13.2	158.0	15.2	6.1
■ Electronic Device Group	231.3	20.5	185.0	17.8	-20.0
Components Business	577.1	51.1	503.0	48.4	-12.8
■ Telecommunications Equipment Group	218.8	19.4	200.0	19.2	-8.6
■ Information Equipment Group	229.3	20.3	234.0	22.5	2.1
Equipment Business	448.1	39.7	434.0	41.7	-3.1
■ Others	126.0	11.2	123.0	11.8	-2.4
Adjustments and eliminations	-22.6	-2.0	-20.0	-1.9	—
Net sales	1,128.6	100.0	1,040.0	100.0	-7.8

Operating Profit Forecast by Reporting Segment

- Year ending March 31, 2010 -
(forecast unchanged)

(Unit: Yen in billions)

■ Reporting Segment	Year ended March 31,		Year ending March 31,		% Change
	2009 Result		2010 Forecast		
	Amount	% to net sales	Amount	% to net sales	
■ Fine Ceramic Products Group	-0.2	—	0.0	—	—
■ Semiconductor Parts Group	8.7	6.4	4.0	3.6	-53.9
■ Applied Ceramic Products Group	27.5	18.4	18.0	11.4	-34.5
■ Electronic Device Group	-4.1	—	2.0	1.1	—
Components Business	31.8	5.5	24.0	4.8	-24.6
■ Telecommunications Equipment Group	-17.7	—	-6.0	—	—
■ Information Equipment Group	13.5	5.9	11.0	4.7	-18.5
Equipment Business	-4.2	—	5.0	1.2	—
■ Others	14.1	11.2	4.0	3.3	-71.6
Operating profit	41.7	3.7	33.0	3.2	-20.9
Corporate and others	14.3	—	24.0	—	68.3
Pre-tax income	56.0	5.0	57.0	5.5	1.8

Notes regarding information in this material

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

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