

# Quarterly Report

(English summary with full translation of consolidated financial information)

(The Second Quarter of 70th Business Term)

From July 1, 2023 to September 30, 2023

**KYOCERA CORPORATION**

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|---|---|
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| [Applicable Law]                              | Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan                |
| [Filed with]                                  | Director, Kanto Local Finance Bureau  |
| [Filing Date]                                 | November 10, 2023   |
| [Fiscal Period]                               | The Second Quarter of 70th Business Term<br>(from July 1, 2023 to September 30, 2023)             |
| [Company Name]                                | Kyocera Kabushiki Kaisha  |
| [Company Name in English]                     | KYOCERA CORPORATION   |
| [Title and Name of Representative]            | Hideo Tanimoto, Director and President  |
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| [Contact Person]                              | Hiroaki Chida, Executive Officer and Senior General Manager of Corporate Management Control Group |
| [Place Where Available for Public Inspection] | Tokyo Stock Exchange, Inc.<br>(2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)                         |

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This is an English translation of the Quarterly Report filed with the Director of the Kanto Local Finance Bureau via Electronic Disclosure for Investors' NETwork (“EDINET”) pursuant to the Financial Instruments and Exchange Act of Japan. In this document, the terms “we,” “us,” “our,” “Kyocera Group” and “Kyocera” refer to Kyocera Corporation and consolidated subsidiaries or, as the context may require, Kyocera Corporation on a non-consolidated basis and the “Company” refers to Kyocera Corporation on a non-consolidated basis. The term “fiscal 2024” refers to the year ending March 31, 2024, with other fiscal years referred to in a corresponding manner.

## Part I. Information on Kyocera

### I. Overview of Kyocera

#### 1. Selected Financial Data

(Yen in millions unless otherwise stated)

|  | For the six months ended September 30, |           | For the year ended<br>March 31, 2023 |
|--|--|-----------|--------------------------------------|
|  | 2022                                   | 2023      |                                      |
| Sales revenue  | 1,012,172                              | 985,290   | 2,025,332                            |
| Profit before income taxes   | 104,311                                | 77,867    | 176,192                              |
| Profit attributable to owners of the parent                              | 75,586                                 | 56,487    | 127,988                              |
| Comprehensive income attributable to owners of the parent                | 240,206                                | 266,145   | 223,978                              |
| Equity attributable to owners of the parent                              | 3,079,279                              | 3,206,947 | 3,023,777                            |
| Total assets   | 4,149,994                              | 4,415,351 | 4,093,928                            |
| Earnings per share attributable to owners of the parent - Basic (Yen)    | 210.60                                 | 159.61    | 356.60                               |
| Earnings per share attributable to owners of the parent - Diluted (Yen)  | —                                      | —         | —                                    |
| Ratio of equity attributable to owners of the parent to total assets (%) | 74.2                                   | 72.6      | 73.9                                 |
| Cash flows from operating activities                                     | 60,050                                 | 111,268   | 179,212                              |
| Cash flows from investing activities                                     | (69,652)                               | (81,568)  | (168,833)                            |
| Cash flows from financing activities                                     | (49,143)                               | (28,679)  | (61,257)                             |
| Cash and cash equivalents at the end of the period                       | 378,080                                | 394,649   | 373,500                              |

|   | For the three months ended September 30, |         |
|---|--|---------|
|   | 2022                                     | 2023    |
| Sales revenue   | 520,218                                  | 505,870 |
| Profit attributable to owners of the parent                           | 25,612                                   | 19,095  |
| Earnings per share attributable to owners of the parent - Basic (Yen) | 71.36                                    | 54.13   |

- (Notes) 1. Kyocera prepared its condensed quarterly consolidated financial statements and consolidated financial statements in accordance with International Financial Reporting Standards (hereinafter, “IFRS”), and the figures are presented in Japanese yen and amounts less than one million yen are rounded.
2. Earnings per share attributable to owners of the parent - Diluted are not described in the above table, as there is no potential share.
3. As Kyocera prepares the condensed quarterly consolidated financial statements, the selected non-consolidated financial data is not set forth in this document.

#### 2. Description of Business

There were no significant changes in the business and operations of Kyocera and its associates during the six months ended September 30, 2023 (hereinafter, “the first half”). There were no changes in the organizations of major subsidiaries and associates.

## II. Business Overview

### 1. Risk Factors

There were no new risk factors recognized for the first half. There were no significant changes in risk factors stated in the Annual Report for the year ended March 31, 2023 pursuant to the Financial Instruments and Exchange Act of Japan.

### 2. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows

The future matter written in this document is determined at the date of submission of this Quarterly Report.

#### (1) Summary of Operating Results

(Yen in millions)

|   | For the six months ended September 30, |       |         |       | Change   |        |
|---|--|-------|---------|-------|----------|--------|
|   | 2022                                   |       | 2023    |       |          |        |
|   | Amount                                 | %*    | Amount  | %*    | Amount   | %      |
| Sales revenue                               | 1,012,172                              | 100.0 | 985,290 | 100.0 | (26,882) | (2.7)  |
| Operating profit                            | 76,488                                 | 7.6   | 54,002  | 5.5   | (22,486) | (29.4) |
| Profit before income taxes                  | 104,311                                | 10.3  | 77,867  | 7.9   | (26,444) | (25.4) |
| Profit attributable to owners of the parent | 75,586                                 | 7.5   | 56,487  | 5.7   | (19,099) | (25.3) |
| Average US\$ exchange rate (Yen)            | 134                                    | —     | 141     | —     | —        | —      |
| Average Euro exchange rate (Yen)            | 139                                    | —     | 153     | —     | —        | —      |

\* % represents the percentage to sales revenue.

During the first half, due to advancing global inflation and continuing uncertainty in the global situation, sluggish demand and inventory adjustments have continued in the semiconductor-related and information and communications markets, which are our principal markets.

As a result, despite an increase in sales in the Solutions Business, sales revenue for the first half decreased by 26,882 million yen, or 2.7%, to 985,290 million yen, as compared with the six months ended September 30, 2022 (“the previous first half”), due mainly to the decrease in demand for our principal products.

Profit decreased as compared with the previous first half, due mainly to factors such as increases in the prices of raw materials and energy costs, etc., caused by inflation, as well as the decrease in sales revenue. Operating profit decreased by 22,486 million yen, or 29.4%, to 54,002 million yen, profit before income taxes decreased by 26,444 million yen, or 25.4%, to 77,867 million yen, and profit attributable to owners of the parent decreased by 19,099 million yen, or 25.3%, to 56,487 million yen.

## Results by Reporting Segment

### Sales Revenue by Reporting Segment

(Yen in millions)

|   | For the six months ended September 30, |       |          |       | Change   |        |
|---|--|-------|----------|-------|----------|--------|
|   | 2022                                   |       | 2023     |       |          |        |
|   | Amount                                 | %*    | Amount   | %*    | Amount   | %      |
| Core Components Business                | 298,981                                | 29.5  | 282,402  | 28.7  | (16,579) | (5.5)  |
| Industrial & Automotive Components Unit | 96,790                                 | 9.6   | 109,165  | 11.1  | 12,375   | 12.8   |
| Semiconductor Components Unit           | 188,675                                | 18.6  | 158,916  | 16.1  | (29,759) | (15.8) |
| Others                                  | 13,516                                 | 1.3   | 14,321   | 1.5   | 805      | 6.0    |
| Electronic Components Business          | 195,882                                | 19.3  | 174,758  | 17.7  | (21,124) | (10.8) |
| Solutions Business                      | 524,078                                | 51.8  | 536,839  | 54.5  | 12,761   | 2.4    |
| Industrial Tools Unit                   | 162,244                                | 16.0  | 159,622  | 16.2  | (2,622)  | (1.6)  |
| Document Solutions Unit                 | 206,060                                | 20.4  | 212,891  | 21.6  | 6,831    | 3.3    |
| Communications Unit                     | 98,544                                 | 9.7   | 105,045  | 10.7  | 6,501    | 6.6    |
| Others                                  | 57,230                                 | 5.7   | 59,281   | 6.0   | 2,051    | 3.6    |
| Others                                  | 10,751                                 | 1.1   | 10,007   | 1.0   | (744)    | (6.9)  |
| Adjustments and eliminations            | (17,520)                               | (1.7) | (18,716) | (1.9) | (1,196)  | —      |
| Sales revenue                           | 1,012,172                              | 100.0 | 985,290  | 100.0 | (26,882) | (2.7)  |

\* % represents the component ratio.

### Business Profit (Loss) by Reporting Segment

(Yen in millions)

|   | For the six months ended September 30, |      |          |      | Change   |        |
|---|--|------|----------|------|----------|--------|
|   | 2022                                   |      | 2023     |      |          |        |
|   | Amount                                 | %*   | Amount   | %*   | Amount   | %      |
| Core Components Business                | 46,460                                 | 15.5 | 30,466   | 10.8 | (15,994) | (34.4) |
| Industrial & Automotive Components Unit | 10,879                                 | 11.2 | 11,737   | 10.8 | 858      | 7.9    |
| Semiconductor Components Unit           | 38,345                                 | 20.3 | 18,767   | 11.8 | (19,578) | (51.1) |
| Others                                  | (2,764)                                | —    | (38)     | —    | 2,726    | —      |
| Electronic Components Business          | 30,511                                 | 15.6 | 9,860    | 5.6  | (20,651) | (67.7) |
| Solutions Business                      | 25,697                                 | 4.9  | 31,803   | 5.9  | 6,106    | 23.8   |
| Industrial Tools Unit                   | 15,336                                 | 9.5  | 9,212    | 5.8  | (6,124)  | (39.9) |
| Document Solutions Unit                 | 13,269                                 | 6.4  | 19,352   | 9.1  | 6,083    | 45.8   |
| Communications Unit                     | (2,745)                                | —    | 593      | 0.6  | 3,338    | —      |
| Others                                  | (163)                                  | —    | 2,646    | 4.5  | 2,809    | —      |
| Others                                  | (12,959)                               | —    | (21,281) | —    | (8,322)  | —      |
| Total business profit                   | 89,709                                 | 8.9  | 50,848   | 5.2  | (38,861) | (43.3) |
| Corporate gains and others              | 14,602                                 | —    | 27,019   | —    | 12,417   | 85.0   |
| Profit before income taxes              | 104,311                                | 10.3 | 77,867   | 7.9  | (26,444) | (25.4) |

\* % represents the percentage to sales revenue of each corresponding segment.

The analysis of Reporting Segment is as follows:

***a. Core Components Business***

Sales revenue for the first half decreased by 16,579 million yen, or 5.5%, to 282,402 million yen, as compared with the previous first half. Business profit decreased by 15,994 million yen, or 34.4%, to 30,466 million yen, as compared with the previous first half. The business profit ratio for the first half declined to 10.8%.

Sales revenue decreased due mainly to weaker demand for ceramic packages for the smartphone markets as well as weaker demand for organic packages and boards for the information and communication infrastructure-related markets, both in the Semiconductor Components Unit. Business profit decreased due to decreased sales of the Semiconductor Components Unit, as well as an increase in depreciation charge of property, plant and equipment, etc.

***b. Electronic Components Business***

Sales revenue for the first half decreased by 21,124 million yen, or 10.8%, to 174,758 million yen, as compared with the previous first half. Business profit decreased by 20,651 million yen, or 67.7%, to 9,860 million yen, as compared with the previous first half. The business profit ratio for the first half declined to 5.6%.

Sales revenue decreased due mainly to inventory adjustments and decreased demand of components such as capacitors and crystal devices for the information and communication markets. Business profit decreased due to decreased sales of high-value-added components as well as higher cost of sales ratio resulting from a lower utilization rate.

***c. Solutions Business***

Sales revenue for the first half increased by 12,761 million yen, or 2.4%, to 536,839 million yen, as compared with the previous first half. Business profit increased by 6,106 million yen, or 23.8%, to 31,803 million yen, as compared with the previous first half. The business profit ratio for the first half improved to 5.9%.

Although sales of cutting tools in the Industrial Tools Unit decreased due to inventory adjustments, sales revenue increased due mainly to an increase in sales of the Document Solutions Unit due to the impact of weaker yen, etc. Business profit increased due to the increased sales and to improved profitability in the Communications Unit as a result of the progress of structural reforms initiated in the year ended March 31, 2023.

## (2) Summary of Cash Flows

(Yen in millions)

|   | For the six months ended September 30, |          | Change   |
|---|--|----------|----------|
|   | 2022                                   | 2023     |          |
| Cash flows from operating activities                            | 60,050                                 | 111,268  | 51,218   |
| Cash flows from investing activities                            | (69,652)                               | (81,568) | (11,916) |
| Cash flows from financing activities                            | (49,143)                               | (28,679) | 20,464   |
| Effect of exchange rate changes<br>on cash and cash equivalents | 22,696                                 | 20,128   | (2,568)  |
| Increase (decrease) in cash and cash equivalents                | (36,049)                               | 21,149   | 57,198   |
| Cash and cash equivalents at the beginning of the year          | 414,129                                | 373,500  | (40,629) |
| Cash and cash equivalents at the end of the period              | 378,080                                | 394,649  | 16,569   |

The balance of cash and cash equivalents at September 30, 2023 increased by 21,149 million yen, or 5.7%, to 394,649 million yen from 373,500 million yen at March 31, 2023.

### **a. Cash Flows from Operating Activities**

Net cash provided by operating activities for the first half increased by 51,218 million yen, or 85.3%, to 111,268 million yen from 60,050 million yen for the previous first half. This was due mainly to reduction in inventory growth as well as the absence of a transfer of retirement benefit liabilities of TA Triumph-Adler GmbH, a consolidated subsidiary of Kyocera Document Solutions Inc., to a third party in cash and other consideration which was carried out in the previous first half despite a decrease in profit for the period.

### **b. Cash Flows from Investing Activities**

Net cash used in investing activities for the first half increased by 11,916 million yen, or 17.1%, to 81,568 million yen from 69,652 million yen for the previous first half. This was due mainly to a decrease in withdrawal of time deposits despite a decrease in capital expenditures.

### **c. Cash Flows from Financing Activities**

Net cash used in financing activities for the first half decreased by 20,464 million yen, or 41.6%, to 28,679 million yen from 49,143 million yen for the previous first half. This was due mainly to an increase in proceeds from borrowings despite an increase in payments for purchase of treasury stock.

## (3) Liquidity and Capital Resources

Kyocera's primary source of fund is cash generated by operations. In addition, Kyocera conducts borrowings from financial institutions aiming at investment for further growth. Part of shares of KDDI Corporation held by Kyocera are pledged as collateral for some of borrowings in order to lower financing costs. For detailed information, please refer to Note "7. Borrowings" under "IV. Condensed Quarterly Consolidated Financial Statements and Other Information 1. Condensed Quarterly Consolidated Financial Statements."

As of September 30, 2023, our cash and cash equivalents were 394,649 million yen and the balance of borrowings was 209,516 million yen. The borrowings of Kyocera are mainly denominated in yen.

Kyocera's cash requirements for fiscal 2024 are funds for capital expenditures, R&D activities, dividend payments to shareholders and purchase of treasury stock, in addition to working capital of operating activities.

Kyocera plans to meet these cash demands with cash on hand acquired through operating activities and borrowings from financial institutions. However, Kyocera does not currently intend to use any other external financing sources that might affect our credit agency ratings. Kyocera has established good relationships with major financial institutions and recognizes that there will be no problem with respect to future business financing.

In the event of a large demand for funds for investment to expand existing businesses and create new businesses, Kyocera has several means to finance such as issuance of corporate bonds and stocks, in addition to borrowings from financial institutions.



There was no material impact on the liquidity of funds for the first half. However, if demand trends in Kyocera's major markets deteriorate or if product prices decline significantly beyond our expectations, Kyocera's liquidity may be adversely affected.

**(4) Significant Accounting Estimates and Judgments Involving Estimations**

Kyocera's significant accounting estimates and judgments by management in the condensed quarterly consolidated financial statements are as described in Note "4. Significant Accounting Estimates and Judgments Involving Estimations" under "IV. Condensed Quarterly Consolidated Financial Statements and Other Information 1. Condensed Quarterly Consolidated Financial Statements."

**(5) Major Management Challenges**

There were no new management challenges to be addressed with priority during the first half. There were no significant changes from the content in the Annual Report for the year ended March 31, 2023.

**(6) Research and Development Activities**

Research and development expenses for the first half increased by 5,040 million yen, or 11.0%, to 50,757 million yen from 45,717 million yen for the previous first half.

There were no significant changes in the status of research and development activities from the Annual Report for the year ended March 31, 2023.

**(7) Summary of Production, Orders Received and Sales**

Orders Received by Reporting Segment (Yen in millions)

|   | For the six months ended September 30, |       |          |       | Change |
|---|--|-------|----------|-------|--------|
|   | 2022                                   |       | 2023     |       |        |
|   | Amount                                 | %*    | Amount   | %*    | %      |
| Core Components Business                | 298,256                                | 29.3  | 277,875  | 28.2  | (6.8)  |
| Industrial & Automotive Components Unit | 101,036                                | 9.9   | 113,819  | 11.6  | 12.7   |
| Semiconductor Components Unit           | 183,219                                | 18.0  | 149,287  | 15.1  | (18.5) |
| Others                                  | 14,001                                 | 1.4   | 14,769   | 1.5   | 5.5    |
| Electronic Components Business          | 198,295                                | 19.5  | 175,445  | 17.8  | (11.5) |
| Solutions Business                      | 527,188                                | 51.8  | 540,044  | 54.7  | 2.4    |
| Industrial Tools Unit                   | 163,219                                | 16.0  | 160,717  | 16.3  | (1.5)  |
| Document Solutions Unit                 | 205,352                                | 20.2  | 211,517  | 21.4  | 3.0    |
| Communications Unit                     | 98,758                                 | 9.7   | 110,753  | 11.2  | 12.1   |
| Others                                  | 59,859                                 | 5.9   | 57,057   | 5.8   | (4.7)  |
| Others                                  | 9,150                                  | 0.9   | 10,747   | 1.1   | 17.5   |
| Adjustments and eliminations            | (15,392)                               | (1.5) | (17,992) | (1.8) | —      |
| Orders Received                         | 1,017,497                              | 100.0 | 986,119  | 100.0 | (3.1)  |

\* % represents the component ratio.

(Note) Kyocera flexibly produces in accordance with growing demands, customer's request and market changes.

Therefore, results of production are similar to results of sales. Summary of production and sales is correlated to the description on "Results by Reporting Segment" in "(1) Summary of Operating Results."

***(8) Major Equipment and Facilities***

***Plans for New Additions***

Kyocera decreased its total capital expenditures plan for fiscal 2024 by 105,000 million yen, or 38.2%, to 170,000 million yen from 275,000 million yen described in the Annual Report for fiscal 2023, considering business situations.

***3. Material Agreements***

There were no material agreements which were approved for conclusion or concluded during the three months ended September 30, 2023.

### III. Corporate Information

#### 1. Information on Kyocera's Shares and Others

##### (1) Total Number of Shares and Others

###### a. Total Number of Shares

| Class        | Total number of shares authorized to be issued (shares) |
|--------------|---|
| Common stock | 600,000,000   |
| Total        | 600,000,000   |

###### b. Shares Issued

| Class        | Number of shares issued as of September 30, 2023 (shares) | Number of shares issued as of the filing date (shares) (November 10, 2023) | Stock exchange on which Kyocera is listed or authorized financial instruments firm's association where Kyocera is registered | Description   |
|--------------|---|--|--|---|
| Common stock | 377,618,580   | 377,618,580  | Tokyo Stock Exchange Prime market  | This is Kyocera's standard stock. There is no restriction on contents of the right of the stock. The number of shares per one unit of shares is 100 shares. |
| Total        | 377,618,580   | 377,618,580  | —  | —   |

##### (2) Information on the Stock Acquisition Rights and Others

###### a. Details of Stock Option Plans

Not Applicable.

###### b. Other Information about Stock Acquisition Rights

Not Applicable.

##### (3) Information on Moving Strike Convertible Bonds

Not Applicable.

##### (4) Changes in the Total Number of Shares Issued, the Amount of Common Stock and Others

| Date                                    | Change in the total number of shares issued (shares) | Balance of the total number of shares issued (shares) | Changes in common stock (Yen in millions) | Balance of common stock (Yen in millions) | Changes in additional paid-in capital (Yen in millions) | Balance of additional paid-in capital (Yen in millions) |
|---|--|---|---|---|---|---|
| From July 1, 2023 to September 30, 2023 | —  | 377,618,580   | —   | 115,703                                   | —   | 192,555   |

**(5) Major Shareholders**

As of September 30, 2023

| Name   | Address   | Number of shares held (thousands of shares) | Ownership percentage to the total number of shares issued (Excluding treasury stock) (%) |
|--|---|---|--|
| The Master Trust Bank of Japan, Ltd.<br>(Trust Account)  | 2-11-3, Hamamatsucho, Minato-ku, Tokyo  | 79,277                                      | 22.48  |
| Custody Bank of Japan, Ltd.<br>(Trust Account)   | 1-8-12, Harumi, Chuo-ku, Tokyo  | 31,829                                      | 9.03   |
| The Bank of Kyoto, Ltd.  | 700, Yakushimae-cho, Karasumadori, Matsubara-Agaru, Shimogyo-ku, Kyoto  | 14,436                                      | 4.09   |
| SSBTC Client Omnibus Account<br>(Standing proxy: The Hongkong and Shanghai Banking Corporation Limited)                        | One Congress Street, Suite 1, Boston, Massachusetts<br>(3-11-1, Nihonbashi, Chuo-ku, Tokyo)                                   | 10,455                                      | 2.97   |
| Inamori Foundation   | 620 Suiginya-cho, Shimogyo-ku, Kyoto  | 9,360                                       | 2.65   |
| Stock Purchase Plan for Kyocera Group Employees  | 6, Takeda Tobadono-cho, Fushimi-ku, Kyoto   | 6,792                                       | 1.93   |
| State Street Bank West Client - Treaty 505234<br>(Standing proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Department) | 1776 Heritage Drive, North Quincy, MA 02171, U.S.A.<br>(SHINAGAWA INTERCITY Bldg.A 2-15-1, Konan, Minato-ku, Tokyo)           | 6,157                                       | 1.75   |
| MUFG Bank, Ltd.  | 2-7-1, Marunouchi, Chiyoda-ku, Tokyo  | 5,077                                       | 1.44   |
| JP Morgan Chase Bank 385632<br>(Standing proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Department)                   | 25 Bank Street, Canary Wharf, London, E14 5JP, United Kingdom<br>(SHINAGAWA INTERCITY Bldg.A 2-15-1, Konan, Minato-ku, Tokyo) | 5,057                                       | 1.43   |
| State Street Bank and Trust Company 505223<br>(Standing proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Department)    | P.O. BOX 351 Boston Massachusetts 02101 U.S.A.<br>(SHINAGAWA INTERCITY Bldg.A 2-15-1, Konan, Minato-ku, Tokyo)                | 4,372                                       | 1.24   |
| Total  | —   | 172,811                                     | 49.01  |

(Note) According to the report filed with EDINET system on June 19, 2023, Mitsubishi UFJ Financial Group, Inc. and its related partners held shares as of June 12, 2023, as shown in the following table. Despite this report, they are not included except MUFG Bank, Ltd. in the above list of major shareholders because Kyocera is not able to confirm the number of shares beneficially owned by them from Kyocera's shareholders records as of September 30, 2023.

| Name  | Address                              | Number of shares held<br>(thousands of shares) | Ownership percentage<br>to the total number of<br>shares issued (%) |
|---|--------------------------------------|--|---|
| MUFG Bank, Ltd.                                     | 2-7-1, Marunouchi, Chiyoda-ku, Tokyo | 5,077  | 1.34  |
| Mitsubishi UFJ Trust and Banking Corporation        | 1-4-5, Marunouchi, Chiyoda-ku, Tokyo | 6,269  | 1.66  |
| Mitsubishi UFJ Kokusai Asset Management Co., Ltd. * | 1-12-1, Yurakucho, Chiyoda-ku, Tokyo | 7,482  | 1.98  |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  | 1-9-2, Otemachi, Chiyoda-ku, Tokyo   | 508  | 0.13  |
| Total   | —                                    | 19,335   | 5.12  |

\* On October 1, 2023, Mitsubishi UFJ Kokusai Asset Management Co., Ltd. changed its name and address as follows:

| Name                                      | Address                                   |
|---|---|
| Mitsubishi UFJ Asset Management Co., Ltd. | 1-9-1, Higashishinbashi, Minato-ku, Tokyo |

**(6) Information on Voting Rights****a. Shares Issued**

As of September 30, 2023

| Classification  | Number of shares (shares)                             | Number of voting rights | Description  |
|---|---|-------------------------|--|
| Shares without voting rights                          | —   | —                       | —  |
| Shares with restricted voting rights (treasury stock) | —   | —                       | —  |
| Shares with restricted voting rights (others)         | —   | —                       | —  |
| Shares with full voting rights (treasury stock)       | (Number of treasury stock)<br>Common stock 25,037,500 | —                       | This is Kyocera's standard stock. There is no restriction on contents of the right of the stock.<br>The number of shares per one unit of shares is 100 shares. |
| Shares with full voting rights (others)               | Common stock 352,274,400                              | 3,522,744               | Same as above  |
| Shares less than one unit                             | Common stock 306,680                                  | —                       | —  |
| Number of shares issued                               | 377,618,580   | —                       | —  |
| Total number of voting rights                         | —   | 3,522,744               | —  |

(Note) The “Shares with full voting rights (others)” column includes 1,100 shares registered in the name of JASDEC and the “Number of voting rights” column includes 11 voting rights for those shares.

**b. Treasury Stock and Others**

As of September 30, 2023

| Name of shareholder | Address   | Number of shares held under own name (shares) | Number of shares held under the name of others (shares) | Total shares held (shares) | Ownership percentage to the total number of shares issued (%) |
|---------------------|---|---|---|----------------------------|---|
| Kyocera Corporation | 6, Takeda<br>Tobadono-cho,<br>Fushimi-ku, Kyoto | 25,037,500                                    | —   | 25,037,500                 | 6.63  |
| Total               | —   | 25,037,500                                    | —   | 25,037,500                 | 6.63  |

**2. Changes in Directors and Audit & Supervisory Board Members**

Not Applicable.

**IV. Condensed Quarterly Consolidated Financial Statements and Other Information**

**1. Condensed Quarterly Consolidated Financial Statements**

**(1) Condensed Quarterly Consolidated Statement of Financial Position**

(Yen in millions)

|   | Note  | As of            |                    |
|---|-------|------------------|--------------------|
|   |       | March 31, 2023   | September 30, 2023 |
| <b>Assets</b>                                     |       |                  |                    |
| <b>Current assets</b>                             |       |                  |                    |
| Cash and cash equivalents                         |       | 373,500          | 394,649            |
| Trade and other receivables                       | 10    | 380,972          | 381,385            |
| Other financial assets                            | 12    | 23,402           | 25,219             |
| Inventories                                       |       | 539,441          | 582,232            |
| Other current assets                              |       | 39,997           | 46,290             |
| Total current assets                              |       | 1,357,312        | 1,429,775          |
| <b>Non-current assets</b>                         |       |                  |                    |
| Equity and debt instruments                       | 7, 12 | 1,508,258        | 1,681,998          |
| Investments accounted for using the equity method |       | 16,752           | 16,801             |
| Other financial assets                            | 12    | 42,567           | 45,299             |
| Property, plant and equipment                     |       | 587,478          | 621,167            |
| Right-of-use assets                               |       | 62,620           | 77,333             |
| Goodwill  |       | 271,156          | 281,293            |
| Intangible assets                                 |       | 147,782          | 156,232            |
| Deferred tax assets                               |       | 39,759           | 43,411             |
| Other non-current assets                          |       | 60,244           | 62,042             |
| Total non-current assets                          |       | 2,736,616        | 2,985,576          |
| <b>Total assets</b>                               |       | <b>4,093,928</b> | <b>4,415,351</b>   |

The accompanying notes are an integral part of these statements.

(Yen in millions)

|   | Note  | As of          |                    |
|---|-------|----------------|--------------------|
|   |       | March 31, 2023 | September 30, 2023 |
| <b>Liabilities and Equity</b>                     |       |                |                    |
| <b>Liabilities</b>                                |       |                |                    |
| <b>Current liabilities</b>                        |       |                |                    |
| Borrowings  | 7, 12 | 29,060         | 9,730              |
| Trade and other payables                          | 10    | 203,864        | 193,492            |
| Lease liabilities                                 |       | 20,351         | 22,568             |
| Other financial liabilities                       | 12    | 4,741          | 9,000              |
| Income tax payables                               |       | 17,224         | 17,138             |
| Accrued expenses                                  | 10    | 135,836        | 136,435            |
| Provisions  |       | 8,014          | 7,704              |
| Other current liabilities                         | 10    | 41,984         | 44,158             |
| Total current liabilities                         |       | 461,074        | 440,225            |
| <b>Non-current liabilities</b>                    |       |                |                    |
| Borrowings  | 7, 12 | 107,726        | 199,786            |
| Lease liabilities                                 |       | 52,664         | 65,695             |
| Retirement benefit liabilities                    |       | 8,621          | 9,058              |
| Deferred tax liabilities                          |       | 393,961        | 446,954            |
| Provisions  |       | 10,239         | 10,530             |
| Other non-current liabilities                     |       | 10,808         | 10,133             |
| Total non-current liabilities                     |       | 584,019        | 742,156            |
| <b>Total liabilities</b>                          |       | 1,045,093      | 1,182,381          |
| <b>Equity</b>                                     |       |                |                    |
| Common stock                                      |       | 115,703        | 115,703            |
| Capital surplus                                   |       | 119,144        | 118,754            |
| Retained earnings                                 |       | 1,912,372      | 1,933,247          |
| Other components of equity                        |       | 969,801        | 1,179,311          |
| Treasury stock                                    | 8     | (93,243)       | (140,068)          |
| Total equity attributable to owners of the parent |       | 3,023,777      | 3,206,947          |
| Non-controlling interests                         |       | 25,058         | 26,023             |
| <b>Total equity</b>                               |       | 3,048,835      | 3,232,970          |
| <b>Total liabilities and equity</b>               |       | 4,093,928      | 4,415,351          |

The accompanying notes are an integral part of these statements.



**(2) Condensed Quarterly Consolidated Statement of Profit or Loss**

For the six months ended September 30, 2022 and 2023

(Yen in millions)

|   | Note  | For the six months ended September 30, |         |
|---|-------|--|---------|
|   |       | 2022                                   | 2023    |
| <b>Sales revenue</b>  | 5, 10 | 1,012,172                              | 985,290 |
| Cost of sales   |       | 721,318                                | 705,671 |
| <b>Gross profit</b>   |       | 290,854                                | 279,619 |
| Selling, general and administrative expenses                                    | 12    | 214,366                                | 225,617 |
| <b>Operating profit</b>   |       | 76,488                                 | 54,002  |
| Finance income  | 12    | 26,310                                 | 30,407  |
| Finance expenses  | 12    | 1,684                                  | 2,422   |
| Foreign exchange gains (losses)   |       | 1,953                                  | (5,633) |
| Share of net profit (loss) of investments accounted for using the equity method |       | 320                                    | 248     |
| Other, net  |       | 924                                    | 1,265   |
| <b>Profit before income taxes</b>   | 5     | 104,311                                | 77,867  |
| Income taxes  |       | 27,086                                 | 19,834  |
| <b>Profit for the period</b>  |       | 77,225                                 | 58,033  |
| <b>Profit attributable to:</b>  |       |  |         |
| Owners of the parent  |       | 75,586                                 | 56,487  |
| Non-controlling interests   |       | 1,639                                  | 1,546   |
| <b>Profit for the period</b>  |       | 77,225                                 | 58,033  |
| <b>Per share information:</b>   | 11    |  |         |
| <b>Earnings per share attributable to owners of the parent</b>                  |       |  |         |
| Basic and diluted (Yen)   |       | 210.60                                 | 159.61  |

The accompanying notes are an integral part of these statements.

For the three months ended September 30, 2022 and 2023

(Yen in millions)

|   | Note  | For the three months ended September 30, |         |
|---|-------|--|---------|
|   |       | 2022                                     | 2023    |
| <b>Sales revenue</b>  | 5, 10 | 520,218                                  | 505,870 |
| Cost of sales   |       | 372,100                                  | 361,704 |
| <b>Gross profit</b>   |       | 148,118                                  | 144,166 |
| Selling, general and administrative expenses                                    | 12    | 113,058                                  | 115,841 |
| <b>Operating profit</b>   |       | 35,060                                   | 28,325  |
| Finance income  | 12    | 1,634                                    | 3,052   |
| Finance expenses  | 12    | 837                                      | 1,388   |
| Foreign exchange gains (losses)   |       | (779)                                    | (3,033) |
| Share of net profit (loss) of investments accounted for using the equity method |       | (9)                                      | (96)    |
| Other, net  |       | 531                                      | 530     |
| <b>Profit before income taxes</b>   | 5     | 35,600                                   | 27,390  |
| Income taxes  |       | 9,127                                    | 7,441   |
| <b>Profit for the period</b>  |       | 26,473                                   | 19,949  |
| <b>Profit attributable to:</b>  |       |  |         |
| Owners of the parent  |       | 25,612                                   | 19,095  |
| Non-controlling interests   |       | 861                                      | 854     |
| <b>Profit for the period</b>  |       | 26,473                                   | 19,949  |
| <b>Per share information:</b>   | 11    |  |         |
| <b>Earnings per share attributable to owners of the parent</b>                  |       |  |         |
| Basic and diluted (Yen)   |       | 71.36                                    | 54.13   |

The accompanying notes are an integral part of these statements.

**(3) Condensed Quarterly Consolidated Statement of Comprehensive Income**

For the six months ended September 30, 2022 and 2023

(Yen in millions)

|  | Note | For the six months ended September 30, |         |
|--|------|--|---------|
|  |      | 2022                                   | 2023    |
| <b>Profit for the period</b>   |      | 77,225                                 | 58,033  |
| <b>Other comprehensive income, net of taxation</b>                                       |      |  |         |
| Items that will not be reclassified to profit or loss:                                   |      |  |         |
| Financial assets measured at fair value through other comprehensive income               | 12   | 57,556                                 | 121,042 |
| Re-measurement of defined benefit plans  |      | (37)                                   | 142     |
| Total items that will not be reclassified to profit or loss                              |      | 57,519                                 | 121,184 |
| Items that may be reclassified subsequently to profit or loss:                           |      |  |         |
| Net changes in fair value of cash flow hedge   |      | (56)                                   | (86)    |
| Exchange differences on translating foreign operations                                   |      | 107,915                                | 88,949  |
| Share of other comprehensive income of investments accounted for using the equity method |      | (84)                                   | 154     |
| Total items that may be reclassified subsequently to profit or loss                      |      | 107,775                                | 89,017  |
| <b>Total other comprehensive income</b>  |      | 165,294                                | 210,201 |
| <b>Comprehensive income for the period</b>   |      | 242,519                                | 268,234 |
| <b>Comprehensive income attributable to:</b>   |      |  |         |
| Owners of the parent   |      | 240,206                                | 266,145 |
| Non-controlling interests  |      | 2,313                                  | 2,089   |
| <b>Comprehensive income for the period</b>   |      | 242,519                                | 268,234 |

The accompanying notes are an integral part of these statements.

For the three months ended September 30, 2022 and 2023

(Yen in millions)

|  | Note | For the three months ended September 30, |        |
|--|------|--|--------|
|  |      | 2022                                     | 2023   |
| <b>Profit for the period</b>   |      | 26,473                                   | 19,949 |
| <b>Other comprehensive income, net of taxation</b>                                       |      |  |        |
| Items that will not be reclassified to profit or loss:                                   |      |  |        |
| Financial assets measured at fair value through other comprehensive income               | 12   | (9,984)                                  | 26,040 |
| Re-measurement of defined benefit plans  |      | 28                                       | 142    |
| Total items that will not be reclassified to profit or loss                              |      | (9,956)                                  | 26,182 |
| Items that may be reclassified subsequently to profit or loss:                           |      |  |        |
| Net changes in fair value of cash flow hedge   |      | (13)                                     | (50)   |
| Exchange differences on translating foreign operations                                   |      | 29,494                                   | 22,303 |
| Share of other comprehensive income of investments accounted for using the equity method |      | 45                                       | 56     |
| Total items that may be reclassified subsequently to profit or loss                      |      | 29,526                                   | 22,309 |
| <b>Total other comprehensive income</b>  |      | 19,570                                   | 48,491 |
| <b>Comprehensive income for the period</b>   |      | 46,043                                   | 68,440 |
| <b>Comprehensive income attributable to:</b>   |      |  |        |
| Owners of the parent   |      | 45,157                                   | 67,331 |
| Non-controlling interests  |      | 886                                      | 1,109  |
| <b>Comprehensive income for the period</b>   |      | 46,043                                   | 68,440 |

The accompanying notes are an integral part of these statements.

**(4) Condensed Quarterly Consolidated Statement of Changes in Equity**

For the six months ended September 30, 2022

(Yen in millions)

|   | Note | Total equity attributable to owners of the parent |                 |                   |                            |                |           | Non-controlling interests | Total equity |
|---|------|---|-----------------|-------------------|----------------------------|----------------|-----------|---------------------------|--------------|
|   |      | Common stock                                      | Capital surplus | Retained earnings | Other components of equity | Treasury stock | Total     |                           |              |
| <b>Balance as of April 1, 2022</b>          |      | 115,703   | 122,751         | 1,846,102         | 880,297                    | (93,299)       | 2,871,554 | 26,719                    | 2,898,273    |
| Profit for the period                       |      |   |                 | 75,586            |                            |                | 75,586    | 1,639                     | 77,225       |
| Other comprehensive income                  |      |   |                 |                   | 164,620                    |                | 164,620   | 674                       | 165,294      |
| Total comprehensive income for the period   |      | —   | —               | 75,586            | 164,620                    | —              | 240,206   | 2,313                     | 242,519      |
| Cash dividends                              | 9    |   |                 | (32,301)          |                            |                | (32,301)  | (994)                     | (33,295)     |
| Purchase of treasury stock                  |      |   |                 |                   |                            | (8)            | (8)       |                           | (8)          |
| Reissuance of treasury stock                |      |   | 33              |                   |                            | 69             | 102       |                           | 102          |
| Transactions with non-controlling interests |      |   | (261)           |                   |                            |                | (261)     | (52)                      | (313)        |
| Transfer to retained earnings               |      |   |                 | (403)             | 403                        |                | —         |                           | —            |
| Others                                      |      |   |                 | (13)              |                            |                | (13)      |                           | (13)         |
| <b>Balance as of September 30, 2022</b>     |      | 115,703   | 122,523         | 1,888,971         | 1,045,320                  | (93,238)       | 3,079,279 | 27,986                    | 3,107,265    |

For the six months ended September 30, 2023

(Yen in millions)

|   | Note | Total equity attributable to owners of the parent |                 |                   |                            |                |           | Non-controlling interests | Total equity |
|---|------|---|-----------------|-------------------|----------------------------|----------------|-----------|---------------------------|--------------|
|   |      | Common stock                                      | Capital surplus | Retained earnings | Other components of equity | Treasury stock | Total     |                           |              |
| <b>Balance as of April 1, 2023</b>          |      | 115,703   | 119,144         | 1,912,372         | 969,801                    | (93,243)       | 3,023,777 | 25,058                    | 3,048,835    |
| Profit for the period                       |      |   |                 | 56,487            |                            |                | 56,487    | 1,546                     | 58,033       |
| Other comprehensive income                  |      |   |                 |                   | 209,658                    |                | 209,658   | 543                       | 210,201      |
| Total comprehensive income for the period   |      | —   | —               | 56,487            | 209,658                    | —              | 266,145   | 2,089                     | 268,234      |
| Cash dividends                              | 9    |   |                 | (35,891)          |                            |                | (35,891)  | (967)                     | (36,858)     |
| Purchase of treasury stock                  | 8    |   |                 |                   |                            | (46,943)       | (46,943)  |                           | (46,943)     |
| Reissuance of treasury stock                |      |   | 48              |                   |                            | 118            | 166       |                           | 166          |
| Transactions with non-controlling interests |      |   | (438)           |                   |                            |                | (438)     | (157)                     | (595)        |
| Transfer to retained earnings               |      |   |                 | 148               | (148)                      |                | —         |                           | —            |
| Others                                      |      |   |                 | 131               |                            |                | 131       |                           | 131          |
| <b>Balance as of September 30, 2023</b>     |      | 115,703   | 118,754         | 1,933,247         | 1,179,311                  | (140,068)      | 3,206,947 | 26,023                    | 3,232,970    |

The accompanying notes are an integral part of these statements.

(5) Condensed Quarterly Consolidated Statement of Cash Flows

(Yen in millions)

|  | Note | For the six months ended September 30, |          |
|--|------|--|----------|
|  |      | 2022                                   | 2023     |
| <b>Cash flows from operating activities:</b>                             |      |  |          |
| Profit for the period  |      | 77,225                                 | 58,033   |
| Depreciation and amortization  |      | 72,673                                 | 75,361   |
| Finance expenses (income)  |      | (24,626)                               | (27,985) |
| Share of net profit of investments accounted for using the equity method |      | (320)                                  | (248)    |
| (Gains) losses from sales or disposal of property, plant and equipment   |      | (757)                                  | (886)    |
| Income taxes   |      | 27,086                                 | 19,834   |
| (Increase) decrease in trade and other receivables                       |      | 28,087                                 | 32,839   |
| (Increase) decrease in inventories                                       |      | (69,550)                               | (9,370)  |
| (Increase) decrease in other assets                                      |      | 5,722                                  | 1,588    |
| Increase (decrease) in trade and other payables                          |      | (23,586)                               | (26,339) |
| Increase (decrease) in accrued expenses                                  |      | (3,809)                                | (6,966)  |
| Increase (decrease) in other liabilities                                 |      | (30,107)                               | 3,300    |
| Other, net   |      | (483)                                  | (9,666)  |
| Subtotal   |      | 57,555                                 | 109,495  |
| Interests and dividends received   |      | 26,328                                 | 30,318   |
| Interests paid   |      | (1,214)                                | (1,942)  |
| Income taxes refund (paid)   |      | (22,619)                               | (26,603) |
| Net cash provided by operating activities                                |      | 60,050                                 | 111,268  |
| <b>Cash flows from investing activities:</b>                             |      |  |          |
| Payments for purchases of property, plant and equipment                  |      | (86,623)                               | (75,097) |
| Payments for purchases of intangible assets                              |      | (5,063)                                | (6,163)  |
| Proceeds from sales of property, plant and equipment                     |      | 1,592                                  | 1,914    |
| Acquisitions of business, net of cash acquired                           |      | (202)                                  | (623)    |
| Acquisition of time deposits and certificate of deposits                 |      | (12,207)                               | (4,097)  |
| Withdrawal of time deposits and certificate of deposits                  |      | 31,920                                 | 3,112    |
| Payments for purchases of securities                                     |      | (1,098)                                | (931)    |
| Proceeds from sales and maturities of securities                         |      | 2,274                                  | 325      |
| Other, net   |      | (245)                                  | (8)      |
| Net cash used in investing activities                                    |      | (69,652)                               | (81,568) |
| <b>Cash flows from financing activities:</b>                             |      |  |          |
| Increase (decrease) in short-term borrowings                             |      | —                                      | (20,000) |
| Proceeds from long-term borrowings                                       |      | 3,024                                  | 94,680   |
| Repayments of long-term borrowings                                       |      | (5,172)                                | (3,964)  |
| Repayments of lease liabilities  |      | (11,832)                               | (12,484) |
| Dividends paid   |      | (34,842)                               | (38,360) |
| Purchase of treasury stock   | 8    | (8)                                    | (46,943) |
| Other, net   |      | (313)                                  | (1,608)  |
| Net cash used in financing activities                                    |      | (49,143)                               | (28,679) |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>      |      | 22,696                                 | 20,128   |
| <b>Increase (decrease) in cash and cash equivalents</b>                  |      | (36,049)                               | 21,149   |
| <b>Cash and cash equivalents at the beginning of the year</b>            |      | 414,129                                | 373,500  |
| <b>Cash and cash equivalents at the end of the period</b>                |      | 378,080                                | 394,649  |

The accompanying notes are an integral part of these statements.

## ***Notes to Condensed Quarterly Consolidated Financial Statements***

### ***1. Reporting Entity***

Kyocera Corporation is a corporation domiciled in Japan, whose shares are listed on the Tokyo Stock Exchange. The registered address of headquarter and principal business offices are available on the Kyocera Corporation's website (<https://global.kyocera.com/>).

The condensed quarterly consolidated financial statements as of and for the six months ended September 30, 2023 consist of Kyocera Corporation and its consolidated subsidiaries and shares of associates of Kyocera.

Kyocera develops, produces and distributes worldwide various kinds of products primarily for the following markets: information and communications, industrial machinery, automotive-related and environment and energy. The details are described in Note "5. Segment Information."

### ***2. Basis of Preparation***

#### ***(1) Compliance with IFRS***

The condensed quarterly consolidated financial statements of Kyocera have been prepared in accordance with International Accounting Standard (hereinafter, "IAS") 34 "Interim Financial Reporting" pursuant to the provision of Article 93 of Regulations for Consolidated Financial Statements, as Kyocera meets the criteria of a "Designated IFRS Specified Company" defined under Article 1-2 of the regulations.

Condensed quarterly consolidated financial statements do not include all the information that required in the annual consolidated financial statements, therefore, condensed quarterly consolidated financial statements should be used with the consolidated financial statements for the year ended March 31, 2023.

#### ***(2) Basis of Measurement***

These condensed quarterly consolidated financial statements have been prepared under the historical cost basis, except for certain items, such as financial instruments that are measured at fair value and hyperinflationary accounting adjustments to subsidiaries whose functional currency is Turkish Lira.

#### ***(3) Functional Currency and Presentation Currency***

These condensed quarterly consolidated financial statements are presented in Japanese yen, which is the functional currency of Kyocera, and amounts less than one million yen are rounded.

### ***3. Material Accounting Policies***

Material accounting policies applied in the condensed quarterly consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended March 31, 2023, except for the following.

For the six months ended September 30, 2023, income tax expenses are accrued using the tax rate calculated based on the estimated average annual effective income tax rate.

#### **<Income Taxes>**

Kyocera has applied an amendment to IAS 12 "Income Taxes" (Clarified of accounting for deferred tax related to assets and liabilities arising from a single transaction) from the three months ended June 30, 2023. This adoption had no material impact on Kyocera's condensed quarterly consolidated financial statements.

#### **4. Significant Accounting Estimates and Judgments Involving Estimations**

In preparing condensed quarterly consolidated financial statements, the management is required to make judgments, estimates and assumptions that affect the application of accounting policies and carrying amounts of assets, liabilities, revenue and expenses. By the nature of the estimates or assumptions, however, actual results in the future may differ from those estimates and assumptions.

The estimates and underlying assumptions are continuously reviewed. Revision to accounting estimates are recognized in the period in which the estimates are revised as well as in the future periods.

The estimates and judgments that have material impact in condensed quarterly consolidated financial statements are the same as the consolidated financial statements for the year ended March 31, 2023.

#### **5. Segment Information**

##### **(1) Overview of Reporting Segment**

Kyocera's reporting segments are components of business activities for which discrete financial information is available, and such information is regularly reviewed by management in order to make decisions regarding the allocation of resources and assess its performance.

Kyocera's reporting segments are the same as the operating segments.

Main businesses and subsidiaries of each reporting segment are as follows.

| Reporting Segment              | Main Businesses and Subsidiaries  |
|--------------------------------|---|
| Core Components Business       | Fine Ceramic Components, Automotive Components, Optical Components, Ceramic Packages, Organic Packages and Boards, Medical Devices, Jewelry & Applied Ceramic Related Products  |
| Electronic Components Business | Electronic Components, Kyocera AVX Components Corporation   |
| Solutions Business             | Industrial Tools, Information Equipment (Kyocera Document Solutions Inc.), Telecommunications Equipment, Information Systems and Telecommunication Services (Kyocera Communication Systems Co., Ltd.), Smart Energy, Displays, Printing Devices |

##### **(2) Information on Reporting Segment**

The accounting policies of the reporting segments are the same as those described in the Note "3. Material Accounting Policies."

Intersegment sales and transfers are made with reference to prevailing market prices. Business profit (loss) for each reporting segment represents sales revenue, less related costs and operating expenses, excluding corporate gains, share of net profit (loss) of investments accounted for using the equity method and income taxes.



For the six months ended September 30, 2022

(Yen in millions)

|  | Reporting Segment              |                                      |                       | Others<br>* 1 | Total     | Adjustment<br>* 2 | Consolidated |
|--|--------------------------------|--------------------------------------|-----------------------|---------------|-----------|-------------------|--------------|
|  | Core<br>Components<br>Business | Electronic<br>Components<br>Business | Solutions<br>Business |               |           |                   |              |
| Sales revenue  |                                |                                      |                       |               |           |                   |              |
| External customers   | 298,620                        | 195,533                              | 512,490               | 5,529         | 1,012,172 | —                 | 1,012,172    |
| Intersegment sales<br>and transfers  | 361                            | 349                                  | 11,588                | 5,222         | 17,520    | (17,520)          | —            |
| Total  | 298,981                        | 195,882                              | 524,078               | 10,751        | 1,029,692 | (17,520)          | 1,012,172    |
| Business profit (loss)   | 46,460                         | 30,511                               | 25,697                | (12,959)      | 89,709    | —                 | 89,709       |
| Corporate gains and<br>others * 3  | —                              | —                                    | —                     | —             | —         | —                 | 14,282       |
| Share of net profit<br>(loss) of investments<br>accounted for using<br>the equity method | —                              | —                                    | —                     | —             | —         | —                 | 320          |
| Profit before income<br>taxes  | —                              | —                                    | —                     | —             | —         | —                 | 104,311      |
| Other items  |                                |                                      |                       |               |           |                   |              |
| Depreciation and<br>amortization charge  | 21,778                         | 16,699                               | 26,455                | 3,605         | 68,537    | 4,136             | 72,673       |
| Capital expenditures<br>(for property, plant<br>and equipment)                           | 28,312                         | 25,193                               | 11,828                | 10,535        | 75,868    | 9,548             | 85,416       |

(Notes) 1. The “Others” is an operating segment that is not included in the reporting segment and mainly includes the GaN device business and research and development expenses, which do not belong to each segment.

2. Adjustment represents as follows:

- (1) The adjustment of intersegment sales and transfers are elimination of intersegment transactions.
- (2) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which do not belong to each segment.
- (3) The adjustment of capital expenditures (for property, plant and equipment) includes capital expenditures for corporate, which do not belong to each segment.

3. Corporate gains and others include income and expenses which do not belong to any segments and mainly consists of finance income and expenses and a one-time cost recorded in connection with a litigation.

For the six months ended September 30, 2023

(Yen in millions)

|  | Reporting Segment              |                                      |                       | Others<br>* 1 | Total     | Adjustment<br>* 2 | Consolidated |
|--|--------------------------------|--------------------------------------|-----------------------|---------------|-----------|-------------------|--------------|
|  | Core<br>Components<br>Business | Electronic<br>Components<br>Business | Solutions<br>Business |               |           |                   |              |
| Sales revenue  |                                |                                      |                       |               |           |                   |              |
| External customers   | 281,946                        | 174,233                              | 522,897               | 6,214         | 985,290   | —                 | 985,290      |
| Intersegment sales<br>and transfers  | 456                            | 525                                  | 13,942                | 3,793         | 18,716    | (18,716)          | —            |
| Total  | 282,402                        | 174,758                              | 536,839               | 10,007        | 1,004,006 | (18,716)          | 985,290      |
| Business profit (loss)   | 30,466                         | 9,860                                | 31,803                | (21,281)      | 50,848    | —                 | 50,848       |
| Corporate gains and<br>others * 3  | —                              | —                                    | —                     | —             | —         | —                 | 26,771       |
| Share of net profit<br>(loss) of investments<br>accounted for using<br>the equity method | —                              | —                                    | —                     | —             | —         | —                 | 248          |
| Profit before income<br>taxes  | —                              | —                                    | —                     | —             | —         | —                 | 77,867       |
| Other items  |                                |                                      |                       |               |           |                   |              |
| Depreciation and<br>amortization charge  | 23,963                         | 15,827                               | 26,069                | 4,483         | 70,342    | 5,019             | 75,361       |
| Capital expenditures<br>(for property, plant<br>and equipment)                           | 22,867                         | 17,123                               | 12,877                | 3,730         | 56,597    | 9,366             | 65,963       |

(Notes) 1. The “Others” is an operating segment that is not included in the reporting segment and mainly includes the GaN device business and research and development expenses, which do not belong to each segment.

2. Adjustment represents as follows:

- (1) The adjustment of intersegment sales and transfers are elimination of intersegment transactions.
- (2) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which do not belong to each segment.
- (3) The adjustment of capital expenditures (for property, plant and equipment) includes capital expenditures for corporate, which do not belong to each segment.

3. Corporate gains and others include income and expenses which do not belong to any segments and mainly consist of finance income and expenses.

For the three months ended September 30, 2022

(Yen in millions)

|  | Reporting Segment              |                                      |                       | Others<br>* 1 | Total   | Adjustment<br>* 2 | Consolidated |
|--|--------------------------------|--------------------------------------|-----------------------|---------------|---------|-------------------|--------------|
|  | Core<br>Components<br>Business | Electronic<br>Components<br>Business | Solutions<br>Business |               |         |                   |              |
| Sales revenue  |                                |                                      |                       |               |         |                   |              |
| External customers   | 157,293                        | 100,316                              | 260,076               | 2,533         | 520,218 | —                 | 520,218      |
| Intersegment sales<br>and transfers  | 167                            | 165                                  | 5,999                 | 2,334         | 8,665   | (8,665)           | —            |
| Total  | 157,460                        | 100,481                              | 266,075               | 4,867         | 528,883 | (8,665)           | 520,218      |
| Business profit (loss)   | 25,706                         | 14,504                               | 10,976                | (6,800)       | 44,386  | —                 | 44,386       |
| Corporate gains and<br>others * 3  | —                              | —                                    | —                     | —             | —       | —                 | (8,777)      |
| Share of net profit<br>(loss) of investments<br>accounted for using<br>the equity method | —                              | —                                    | —                     | —             | —       | —                 | (9)          |
| Profit before income<br>taxes  | —                              | —                                    | —                     | —             | —       | —                 | 35,600       |
| Other items  |                                |                                      |                       |               |         |                   |              |
| Depreciation and<br>amortization charge  | 11,252                         | 8,639                                | 13,482                | 1,886         | 35,259  | 2,129             | 37,388       |
| Capital expenditures<br>(for property, plant<br>and equipment)                           | 15,371                         | 12,696                               | 7,102                 | 1,190         | 36,359  | 4,690             | 41,049       |

(Notes) 1. The “Others” is an operating segment that is not included in the reporting segment and mainly includes the GaN device business and research and development expenses, which do not belong to each segment.

2. Adjustment represents as follows:

- (1) The adjustment of intersegment sales and transfers are elimination of intersegment transactions.
- (2) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which do not belong to each segment.
- (3) The adjustment of capital expenditures (for property, plant and equipment) includes capital expenditures for corporate, which do not belong to each segment.

3. Corporate gains and others include income and expenses which do not belong to any segments and mainly consists of finance income and expenses and a one-time cost recorded in connection with a litigation.

For the three months ended September 30, 2023

(Yen in millions)

|  | Reporting Segment              |                                      |                       | Others<br>* 1 | Total   | Adjustment<br>* 2 | Consolidated |
|--|--------------------------------|--------------------------------------|-----------------------|---------------|---------|-------------------|--------------|
|  | Core<br>Components<br>Business | Electronic<br>Components<br>Business | Solutions<br>Business |               |         |                   |              |
| Sales revenue  |                                |                                      |                       |               |         |                   |              |
| External customers   | 148,077                        | 89,900                               | 265,015               | 2,878         | 505,870 | —                 | 505,870      |
| Intersegment sales<br>and transfers  | 260                            | 293                                  | 7,219                 | 1,799         | 9,571   | (9,571)           | —            |
| Total  | 148,337                        | 90,193                               | 272,234               | 4,677         | 515,441 | (9,571)           | 505,870      |
| Business profit (loss)   | 16,631                         | 5,798                                | 16,122                | (11,359)      | 27,192  | —                 | 27,192       |
| Corporate gains and<br>others * 3  | —                              | —                                    | —                     | —             | —       | —                 | 294          |
| Share of net profit<br>(loss) of investments<br>accounted for using<br>the equity method | —                              | —                                    | —                     | —             | —       | —                 | (96)         |
| Profit before income<br>taxes  | —                              | —                                    | —                     | —             | —       | —                 | 27,390       |
| Other items  |                                |                                      |                       |               |         |                   |              |
| Depreciation and<br>amortization charge  | 12,270                         | 8,215                                | 13,640                | 2,385         | 36,510  | 2,375             | 38,885       |
| Capital expenditures<br>(for property, plant<br>and equipment)                           | 13,013                         | 8,026                                | 7,250                 | 2,493         | 30,782  | 5,220             | 36,002       |

(Notes) 1. The “Others” is an operating segment that is not included in the reporting segment and mainly includes the GaN device business and research and development expenses, which do not belong to each segment.

2. Adjustment represents as follows:

- (1) The adjustment of intersegment sales and transfers are elimination of intersegment transactions.
- (2) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which do not belong to each segment.
- (3) The adjustment of capital expenditures (for property, plant and equipment) includes capital expenditures for corporate, which do not belong to each segment.

3. Corporate gains and others include income and expenses which do not belong to any segments and mainly consist of finance income and expenses.

### **(3) Information by Geographic Segments**

The breakdown of sales revenue to external customers by destination for the six months ended September 30, 2022 and 2023 is as follows:

Sales revenue to external customers (Yen in millions)

|               | For the six months ended September 30, |         |
|---------------|--|---------|
|               | 2022                                   | 2023    |
| Japan         | 278,795                                | 285,067 |
| Asia          | 282,922                                | 246,875 |
| United States | 230,954                                | 223,643 |
| Europe        | 181,168                                | 192,594 |
| Other Areas   | 38,333                                 | 37,111  |
| Total         | 1,012,172                              | 985,290 |

Of the countries included in “Asia,” “Europe” and “Other Areas,” there are no individual material countries in which the ratio of sales to external customers to the consolidated total is significant.

The breakdown of sales revenue to external customers by destination for the three months ended September 30, 2022 and 2023 is as follows:

Sales revenue to external customers (Yen in millions)

|               | For the three months ended September 30, |         |
|---------------|--|---------|
|               | 2022                                     | 2023    |
| Japan         | 141,263                                  | 142,651 |
| Asia          | 151,603                                  | 131,305 |
| United States | 117,406                                  | 116,364 |
| Europe        | 89,722                                   | 97,759  |
| Other Areas   | 20,224                                   | 17,791  |
| Total         | 520,218                                  | 505,870 |

Of the countries included in “Asia,” “Europe” and “Other Areas,” there are no individual material countries in which the ratio of sales to external customers to the consolidated total is significant.

### **6. Business Combination**

There were no business combinations that have a material impact on Kyocera’s financial position, operating results and cash flows.

## 7. Borrowings

Kyocera borrowed from financial institutions and pledged part of shares of KDDI Corporation held by Kyocera as collateral in order to lower financing costs. Those borrowings are as follows:

(Yen in millions)

|                       | As of          |                    |
|-----------------------|----------------|--------------------|
|                       | March 31, 2023 | September 30, 2023 |
| Short-term borrowings | 20,000         | —                  |
| Long-term borrowings  | 90,000         | 180,000            |
| Total                 | 110,000        | 180,000            |

The assets pledged as collateral for above borrowings are as follows:

(Yen in millions)

|                             | As of          |                    |
|-----------------------------|----------------|--------------------|
|                             | March 31, 2023 | September 30, 2023 |
| Equity and debt instruments | 162,648        | 278,637            |

(Note) Equity and debt instruments pledged as collateral for overdraft facilities (balance of unexecuted loans) with financial institutions except for above borrowings are 50,000 million yen as of March 31, 2023 and 70,000 million yen as of September 30, 2023.

## 8. Equity and Other Equity

### Treasury Stock

Kyocera Corporation has resolved, at the meeting of its Board of Directors held on May 15, 2023, to repurchase its own shares pursuant to Article 156, as applied through Paragraph 3 of Article 165, of the Companies Act of Japan. The repurchase of own shares is intended to be as part of its shareholder return initiatives and to facilitate flexible capital strategies in the future.

### (1) Details of the Resolution Relating to the Repurchase

|  |   |
|--|---|
| Type of shares to be repurchased         | Common stock  |
| Total number of shares to be repurchased | Up to 8,066,000 shares<br>(2.25% of the total number of shares outstanding, excluding treasury shares)  |
| Total amount of repurchase price         | Up to 50,000 million yen  |
| Repurchase period                        | From May 16, 2023 to March 22, 2024   |
| Methods of repurchase                    | Purchases through market<br>(i) Purchases through Off-Auction Own Share Repurchase Trading System of the Tokyo Stock Exchange (ToSTNeT-3)<br>(ii) Purchases through market under a consignment agreement for repurchase of its own shares |

### (2) Status of Repurchase

The status of repurchase during the six months ended September 30, 2023 is as follows:

|                                    |                    |
|------------------------------------|--------------------|
| Total number of shares repurchased | 6,351,900 shares   |
| Total amount of repurchase price   | 46,934 million yen |

Kyocera repurchased 6,771,400 of its own shares in the amount of 50,000 million yen during May 16, 2023 to October 31, 2023 by market purchases through the Tokyo Stock Exchange. As a result, the repurchase of its own shares by Kyocera as resolved at the meeting of its Board of Directors held on May 15, 2023 was completed on October 31, 2023.

## 9. Dividends

### (1) Dividends Paid

For the six months ended September 30, 2022

|  | Class of shares | Total amount of dividends (Yen in millions) | Dividends per share (Yen) | Record date    | Effective date | Source of dividends |
|--|-----------------|---|---------------------------|----------------|----------------|---------------------|
| The resolution of the Ordinary General Meeting of Shareholders held on June 28, 2022 | Common stock    | 32,301                                      | 90                        | March 31, 2022 | June 29, 2022  | Retained earnings   |

For the six months ended September 30, 2023

|  | Class of shares | Total amount of dividends (Yen in millions) | Dividends per share (Yen) | Record date    | Effective date | Source of dividends |
|--|-----------------|---|---------------------------|----------------|----------------|---------------------|
| The resolution of the Ordinary General Meeting of Shareholders held on June 27, 2023 | Common stock    | 35,891                                      | 100                       | March 31, 2023 | June 28, 2023  | Retained earnings   |

### (2) Dividends for which the Record Date Fall in the Six Months Ended September 30, 2022 and 2023 with an Effective Date in the Subsequent Period

For the six months ended September 30, 2022

|   | Class of shares | Total amount of dividends (Yen in millions) | Dividends per share (Yen) | Record date        | Effective date   | Source of dividends |
|---|-----------------|---|---------------------------|--------------------|------------------|---------------------|
| The resolution of the Board of Directors Meeting held on October 31, 2022 | Common stock    | 35,891                                      | 100                       | September 30, 2022 | December 5, 2022 | Retained earnings   |

For the six months ended September 30, 2023

|   | Class of shares | Total amount of dividends (Yen in millions) | Dividends per share (Yen) | Record date        | Effective date   | Source of dividends |
|---|-----------------|---|---------------------------|--------------------|------------------|---------------------|
| The resolution of the Board of Directors Meeting held on November 1, 2023 | Common stock    | 35,258                                      | 100                       | September 30, 2023 | December 5, 2023 | Retained earnings   |

## 10. Sales Revenue

### (1) Breakdown of Revenue

The main businesses of Kyocera are “Industrial & Automotive Components Unit,” “Semiconductor Components Unit,” “Electronic Components Business,” “Industrial Tools Unit,” “Document Solutions Unit” and “Communications Unit.” Revenues are broken down by these businesses. The relationship between the revenue breakdown and the reporting segment is as follows:

Revenue recognized from other sources includes revenues from leases in accordance with IFRS 16 “Leases.”

For the six months ended September 30, 2022

(Yen in millions)

|  | Reporting Segment                       |                                |        |                                |                       |                         |                     |        | Others | Total     |
|--|---|--------------------------------|--------|--------------------------------|-----------------------|-------------------------|---------------------|--------|--------|-----------|
|  | Core Components Business                |                                |        | Electronic Components Business | Solutions Business    |                         |                     |        |        |           |
|  | Industrial & Automotive Components Unit | Semi-conductor Components Unit | Others |                                | Industrial Tools Unit | Document Solutions Unit | Communications Unit | Others |        |           |
| Sales revenue                                    |   |                                |        |                                |                       |                         |                     |        |        |           |
| Revenue recognized from contracts with customers | 96,233                                  | 188,658                        | 13,729 | 195,533                        | 162,171               | 199,416                 | 86,671              | 57,692 | 5,504  | 1,005,607 |
| Revenue recognized from other sources            | —                                       | —                              | —      | —                              | 46                    | 6,494                   | —                   | —      | 25     | 6,565     |
| Total  | 96,233                                  | 188,658                        | 13,729 | 195,533                        | 162,217               | 205,910                 | 86,671              | 57,692 | 5,529  | 1,012,172 |

For the six months ended September 30, 2023

(Yen in millions)

|  | Reporting Segment                       |                                |        |                                |                       |                         |                     |        | Others | Total   |
|--|---|--------------------------------|--------|--------------------------------|-----------------------|-------------------------|---------------------|--------|--------|---------|
|  | Core Components Business                |                                |        | Electronic Components Business | Solutions Business    |                         |                     |        |        |         |
|  | Industrial & Automotive Components Unit | Semi-conductor Components Unit | Others |                                | Industrial Tools Unit | Document Solutions Unit | Communications Unit | Others |        |         |
| Sales revenue                                    |   |                                |        |                                |                       |                         |                     |        |        |         |
| Revenue recognized from contracts with customers | 108,783                                 | 158,877                        | 14,286 | 174,233                        | 159,499               | 204,372                 | 90,602              | 59,914 | 6,101  | 976,667 |
| Revenue recognized from other sources            | —                                       | —                              | —      | —                              | 22                    | 8,380                   | 108                 | —      | 113    | 8,623   |
| Total  | 108,783                                 | 158,877                        | 14,286 | 174,233                        | 159,521               | 212,752                 | 90,710              | 59,914 | 6,214  | 985,290 |



For the three months ended September 30, 2022

(Yen in millions)

|  | Reporting Segment                       |                                |        |                                |                       |                         |                     |        | Others | Total   |
|--|---|--------------------------------|--------|--------------------------------|-----------------------|-------------------------|---------------------|--------|--------|---------|
|  | Core Components Business                |                                |        | Electronic Components Business | Solutions Business    |                         |                     |        |        |         |
|  | Industrial & Automotive Components Unit | Semi-conductor Components Unit | Others |                                | Industrial Tools Unit | Document Solutions Unit | Communications Unit | Others |        |         |
| Sales revenue                                    |   |                                |        |                                |                       |                         |                     |        |        |         |
| Revenue recognized from contracts with customers | 49,568                                  | 100,750                        | 6,975  | 100,316                        | 80,306                | 101,263                 | 44,888              | 30,065 | 2,520  | 516,651 |
| Revenue recognized from other sources            | —                                       | —                              | —      | —                              | 18                    | 3,536                   | —                   | —      | 13     | 3,567   |
| Total  | 49,568                                  | 100,750                        | 6,975  | 100,316                        | 80,324                | 104,799                 | 44,888              | 30,065 | 2,533  | 520,218 |

For the three months ended September 30, 2023

(Yen in millions)

|  | Reporting Segment                       |                                |        |                                |                       |                         |                     |        | Others | Total   |
|--|---|--------------------------------|--------|--------------------------------|-----------------------|-------------------------|---------------------|--------|--------|---------|
|  | Core Components Business                |                                |        | Electronic Components Business | Solutions Business    |                         |                     |        |        |         |
|  | Industrial & Automotive Components Unit | Semi-conductor Components Unit | Others |                                | Industrial Tools Unit | Document Solutions Unit | Communications Unit | Others |        |         |
| Sales revenue                                    |   |                                |        |                                |                       |                         |                     |        |        |         |
| Revenue recognized from contracts with customers | 56,087                                  | 84,576                         | 7,414  | 89,900                         | 79,096                | 104,147                 | 47,575              | 28,973 | 2,847  | 500,615 |
| Revenue recognized from other sources            | —                                       | —                              | —      | —                              | 17                    | 5,104                   | 103                 | —      | 31     | 5,255   |
| Total  | 56,087                                  | 84,576                         | 7,414  | 89,900                         | 79,113                | 109,251                 | 47,678              | 28,973 | 2,878  | 505,870 |

**(2) Contract Balance**

The following table shows the components of receivables from contracts with customers, contract assets and contract liabilities.

In the condensed quarterly consolidated statement of financial position, contract assets are included in “Trade and other receivables,” and contract liabilities are included in “Trade and other payables,” “Accrued expenses” and “Other current liabilities,” respectively.

(Yen in millions)

|   | As of          |                    |
|---|----------------|--------------------|
|   | March 31, 2023 | September 30, 2023 |
| Receivables from contracts with customers | 333,213        | 345,679            |
| Contract assets                           | 1,640          | 1,105              |
| Contract liabilities                      | 37,468         | 37,199             |

## 11. Earnings Per Share

Earnings per share attributable to owners of the parent are as follows:

Earnings per share attributable to owners of the parent - Diluted is not stated, as there is no potential share.

|   | For the six months ended September 30, |         |
|---|--|---------|
|   | 2022                                   | 2023    |
| Profit attributable to owners of the parent (Yen in millions)         | 75,586                                 | 56,487  |
| Weighted average number of ordinary shares (Thousands of shares)      | 358,907                                | 353,901 |
| Earnings per share attributable to owners of the parent - Basic (Yen) | 210.60                                 | 159.61  |

|   | For the three months ended September 30, |         |
|---|--|---------|
|   | 2022                                     | 2023    |
| Profit attributable to owners of the parent (Yen in millions)         | 25,612                                   | 19,095  |
| Weighted average number of ordinary shares (Thousands of shares)      | 358,914                                  | 352,759 |
| Earnings per share attributable to owners of the parent - Basic (Yen) | 71.36                                    | 54.13   |

## 12. Financial Instruments

### (1) Fair Values of Financial Instruments

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of inputs that may be used to measure fair value are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

#### a. Financial Instruments Measured at Amortized Cost

Carrying amount and fair value of financial instruments measured at amortized cost are as follows:

(Yen in millions)

|                        | As of           |            |                    |            |
|------------------------|-----------------|------------|--------------------|------------|
|                        | March 31, 2023  |            | September 30, 2023 |            |
|                        | Carrying Amount | Fair Value | Carrying Amount    | Fair Value |
| Assets:                |                 |            |                    |            |
| Debt instruments       | 12              | 12         | 14                 | 14         |
| Other financial assets | 64,820          | 64,820     | 69,705             | 69,705     |
| Total                  | 64,832          | 64,832     | 69,719             | 69,719     |
| Liabilities:           |                 |            |                    |            |
| Borrowings             | 136,786         | 136,786    | 209,516            | 206,491    |
| Total                  | 136,786         | 136,786    | 209,516            | 206,491    |

Carrying amounts of Cash and cash equivalents, Trade and other receivables, and Trade and other payables approximate fair values because of the short maturity of these instruments.

Short-term borrowings are stated at their carrying amounts since they are settled in the short term and their fair values are nearly equal to their carrying amounts.

Long-term borrowings with variable interest rates are stated at their carrying amounts because they reflect market interest rates in a short period of time and their fair values are deemed to be close to their carrying amount.

Long-term borrowings with fixed interest rates are stated at the present value of future cash flows discounted at the interest rate that would be applied to a similar contract were newly executed.

**b. Financial Instruments Measured at Fair Value**

The levels of the fair value hierarchy of financial instruments measured at fair value are as follows:

(Yen in millions)

|  | As of March 31, 2023 |              |               |                  |
|--|----------------------|--------------|---------------|------------------|
|  | Level 1              | Level 2      | Level 3       | Total            |
| <b>Assets:</b>   |                      |              |               |                  |
| Equity and debt instruments  |                      |              |               |                  |
| Financial assets measured at fair value through other comprehensive income | 1,449,067            | —            | 49,138        | 1,498,205        |
| Financial assets measured at fair value through profit or loss             | —                    | —            | 10,041        | 10,041           |
| Other financial assets   | —                    | 1,149        | —             | 1,149            |
| <b>Total</b>   | <b>1,449,067</b>     | <b>1,149</b> | <b>59,179</b> | <b>1,509,395</b> |
| <b>Liabilities:</b>  |                      |              |               |                  |
| Other financial liabilities  | —                    | 4,741        | —             | 4,741            |
| Contingent consideration   | —                    | —            | 110           | 110              |
| <b>Total</b>   | <b>—</b>             | <b>4,741</b> | <b>110</b>    | <b>4,851</b>     |

(Yen in millions)

|  | As of September 30, 2023 |              |               |                  |
|--|--------------------------|--------------|---------------|------------------|
|  | Level 1                  | Level 2      | Level 3       | Total            |
| <b>Assets:</b>   |                          |              |               |                  |
| Equity and debt instruments  |                          |              |               |                  |
| Financial assets measured at fair value through other comprehensive income | 1,618,719                | —            | 52,321        | 1,671,040        |
| Financial assets measured at fair value through profit or loss             | —                        | —            | 10,944        | 10,944           |
| Other financial assets   | —                        | 813          | —             | 813              |
| <b>Total</b>   | <b>1,618,719</b>         | <b>813</b>   | <b>63,265</b> | <b>1,682,797</b> |
| <b>Liabilities:</b>  |                          |              |               |                  |
| Other financial liabilities  | —                        | 9,000        | —             | 9,000            |
| Contingent consideration   | —                        | —            | 87            | 87               |
| <b>Total</b>   | <b>—</b>                 | <b>9,000</b> | <b>87</b>     | <b>9,087</b>     |

Transfers between levels are recognized on the day when the event or change in circumstances that caused the transfer occurred. There were no significant transfers between Level 1 and Level 2 for the year ended March 31, 2023 and the six months ended September 30, 2023.

**c. Measurement Method of Fair Value of Financial Assets and Financial Liabilities**

The valuation techniques to measure fair value of financial instruments and input information are as follows:

The fair value of Level 1 investments is a quoted price in an active market with sufficient volume and frequency of transactions.

Other financial assets and other financial liabilities classified as Level 2 are derivatives, and their fair values are measured by discounting the value calculated using forward exchange rates on the date of condensed quarterly consolidated financial statements to the present value.

Equity securities classified as Level 3 are mainly unlisted stocks, and their fair values are measured by valuation technique such as discounted cash flows method. Contingent consideration recognized in a business combination is calculated based on expected payment by taking into account future business performances.

**d. Evaluation Process**

The fair value of unlisted stocks classified as level 3 is evaluated and the results of the evaluation are examined by external evaluation experts or appropriate persons in charge of evaluation in accordance with the evaluation policy and procedures approved by the management of finance division. The evaluation results are reviewed and approved by person in charge of management of finance division.

**e. Quantitative Information Related to Assets Classified as Level 3**

Information related to evaluation technique and significant unobservable inputs of assets measured at fair value on a recurring basis classified as level 3 is as follows:

As of March 31, 2023

| Classification   | Valuation Technique         | Unobservable Inputs | Range        |
|--|-----------------------------|---------------------|--------------|
| Financial assets measured at fair value through other comprehensive income | Discounted cash flow method | Discount rate       | 3.3% to 4.3% |

As of September 30, 2023

| Classification   | Valuation Technique         | Unobservable Inputs | Range        |
|--|-----------------------------|---------------------|--------------|
| Financial assets measured at fair value through other comprehensive income | Discounted cash flow method | Discount rate       | 3.2% to 4.3% |

The decline (increase) in the discount rate will increase (decrease) the fair value. For financial instruments classified as Level 3, significant changes in fair value are not expected when unobservable inputs are changed to reasonably possible alternative assumptions.

**f. Reconciliation of Financial Instruments Classified as Level 3**

Reconciliation of financial instruments classified as Level 3 from the opening balance to the closing balance is as follows:

(Yen in millions)

|   | For the six months ended September 30,                         |  |   |  |  |   |
|---|--|--|---|--|--|---|
|   | 2022   |  |   | 2023   |  |   |
|   | Financial assets measured at fair value through profit or loss | Financial assets measured at fair value through other comprehensive income | Financial liabilities measured at fair value through profit or loss | Financial assets measured at fair value through profit or loss | Financial assets measured at fair value through other comprehensive income | Financial liabilities measured at fair value through profit or loss |
| Opening balance   | 5,479  | 48,175   | 2,108   | 10,041   | 49,138   | 110   |
| Profit or loss *1   | 664  | —  | 73  | 554  | —  | —   |
| Other comprehensive income *2                                   | —  | 2,442  | —   | —  | 2,509  | —   |
| Purchase and assume   | 531  | 556  | —   | 264  | 662  | —   |
| Sales and settlements   | (127)  | (22)   | —   | (58)   | (48)   | (31)  |
| Transfer into or out Level 3                                    | —  | —  | —   | —  | —  | —   |
| Others  | 133  | 88   | (4)   | 143  | 60   | 8   |
| Closing balance   | 6,680  | 51,239   | 2,177   | 10,944   | 52,321   | 87  |
| Change in unrealized gains or losses included in profit or loss | 628  | —  | —   | 520  | —  | —   |

(Notes) 1. Those related to financial assets are included in “Finance income” and “Finance expenses,” while those related to financial liabilities are included in “Selling, general and administrative expenses” in the condensed quarterly consolidated statement of profit or loss.

2. Included in “Financial assets measured at fair value through other comprehensive income” in the condensed quarterly consolidated statement of comprehensive income.

## **(2) Equity Financial Assets Measured at Fair Value through Other Comprehensive Income**

The principal issuer of the equity financial assets measured at fair value through other comprehensive income and its fair values are as follows:

(Yen in millions)

|                  | As of          |                    |
|------------------|----------------|--------------------|
|                  | March 31, 2023 | September 30, 2023 |
| KDDI Corporation | 1,371,548      | 1,533,734          |

Stocks held mainly for enhancing and maintaining business relationships with the issuers are classified as financial assets measured at fair value through other comprehensive income.

Kyocera received dividends from KDDI Corporation and recognized as “Finance income” in the condensed quarterly consolidated statement of profit or loss for the six months ended September 30, 2022 and 2023. The amounts of dividends are as follows:

(Yen in millions)

|                                 | For the six months ended September 30, |        |
|---------------------------------|--|--------|
|                                 | 2022                                   | 2023   |
| Dividends from KDDI Corporation | 21,781                                 | 23,457 |

### **13. Commitments**

Contractual commitments for acquisition of property, plant and equipment are as follows:

(Yen in millions)

|  | As of          |                    |
|--|----------------|--------------------|
|  | March 31, 2023 | September 30, 2023 |
| Acquisition of property, plant and equipment | 120,747        | 151,967            |

### **14. Contingency**

As of September 30, 2023, there were no significant changes compared to the contents stated in the Annual Report for the year ended March 31, 2023 pursuant to the Financial Instruments and Exchange Act of Japan.

### **15. Additional Information**

Kyocera has resolved, at its meeting of the Board of Directors held on September 29, 2023, to undertake a stock split and a partial amendment to its Articles of Incorporation following the stock split.

#### **(1) Stock Split**

##### **a. Purpose of Stock Split**

The stock split will be undertaken with the aim of increasing the liquidity of the Company’s stock and expanding its investor base through a reduction in the price of share-trading units.

##### **b. Outline of Stock Split**

###### **(a) Method of Stock Split**

The record date of the stock split will be December 31, 2023, and it will consist of a split at the ratio of 4 for 1 of all common shares held by shareholders whose names appear or are recorded in the Registry of Shareholders as of the end of the record date.

Since this day falls on a non-business day of the shareholder registry administrator, the substantial record date will be December 29, 2023.

**(b) Increase in the Number of Shares Resulting from Stock Split**

|  |                      |
|--|----------------------|
| Total issued shares before the stock split               | 377,618,580 shares   |
| Increase in issued shares resulting from the stock split | 1,132,855,740 shares |
| Total issued shares after the stock split                | 1,510,474,320 shares |
| Total authorized shares after the stock split            | 2,400,000,000 shares |

**(c) Schedule**

|  |                   |
|--|-------------------|
| Public notice date of record date (plan) | December 13, 2023 |
| Record date                              | December 31, 2023 |
| Effective date                           | January 1, 2024   |

**c. Impact on Per Share Information**

Per share information assuming this split were conducted at the beginning of the year ended March 31, 2023 is as follows:

Earnings per share attributable to owners of the parent - Diluted is not stated, as there is no potential share.

|   | For the six months ended September 30, |           |
|---|--|-----------|
|   | 2022                                   | 2023      |
| Profit attributable to owners of the parent (Yen in millions)         | 75,586                                 | 56,487    |
| Weighted average number of ordinary shares (Thousands of shares)      | 1,435,629                              | 1,415,602 |
| Earnings per share attributable to owners of the parent - Basic (Yen) | 52.65                                  | 39.90     |

|   | For the three months ended September 30, |           |
|---|--|-----------|
|   | 2022                                     | 2023      |
| Profit attributable to owners of the parent (Yen in millions)         | 25,612                                   | 19,095    |
| Weighted average number of ordinary shares (Thousands of shares)      | 1,435,656                                | 1,411,037 |
| Earnings per share attributable to owners of the parent - Basic (Yen) | 17.84                                    | 13.53     |

**(2) Partial Amendment to the Articles of Incorporation Following the Stock Split**

**a. Reason for Amendment**

In conjunction with the stock split described above, the Company will amend the total number of shares authorized to be issued described in Article 6 of its Articles of Incorporation in accordance with the split ratio with an effective date of January 1, 2024, pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act of Japan.

**b. Details of Amendment**

The details of the amendment are as follows:

(Amended portions are underlined.)

| Current Articles of Incorporation   | Articles of Incorporation After Amendment   |
|---|---|
| Article 6.<br>(Total Number of Shares Authorized to Be Issued)<br>The total number of shares authorized to be issued by the Company shall be 600,000,000. | Article 6.<br>(Total Number of Shares Authorized to Be Issued)<br>The total number of shares authorized to be issued by the Company shall be <u>2,400,000,000</u> . |



***c. Schedule***

|  |                    |
|--|--------------------|
| Date of Board of Directors' resolution | September 29, 2023 |
| Effective date                         | January 1, 2024    |

***16. Subsequent Events***

Not Applicable.

***17. Approval of Condensed Quarterly Consolidated Financial Statements***

The condensed quarterly consolidated financial statements have been approved by Hideo Tanimoto, President and Representative Director, and Shoichi Aoki, Director and Managing Executive Officer, on November 10, 2023.

***2. Others***

***Interim Dividend***

For detailed information about interim dividend, please refer to Note "9. Dividends."

***Part II. Corporate Information on Guarantors and Others***

Not Applicable.