

Kyocera Corporation Business Presentation

August 6, 2007

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President and Representative Director

Forward-Looking Statements

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

Consolidated Financial Results

- Three months ended June 30, 2007 -

(Unit: Yen in millions)

	Three months ended June 30,				% change
	2006		2007		
	Amount	% of net sales	Amount	% of net sales	
Net sales	291,201	100.0	315,450	100.0	8.3
Profit from operations	29,902	10.3	31,616	10.0	5.7
Pre-tax income	36,065	12.4	40,484	12.8	12.3
Net income	20,072	6.9	24,984	7.9	24.5
EPS (diluted - yen)	106.61	—	131.93	—	23.8
Capital expenditures	16,712	5.7	15,044	4.8	-10.0
Depreciation	14,427	5.0	16,281	5.2	12.9
R&D expenses	15,632	5.4	15,315	4.9	-2.0

Average exchange rate (yen)		US\$: 115	Euro: 144	US\$: 121	Euro: 163
Foreign currency fluctuation effect (compared with the previous year):	net sales	¥10.9 billion		¥14.0 billion	
	pre-tax income	¥3.6 billion		¥5.4 billion	

Consolidated Financial Summary

- Three Months Ended June 30, 2007 -

1. Sales and profit increased for seventh consecutive quarter (YoY)

- Net sales exceeded ¥300.0 billion and pre-tax income exceeded ¥40.0 billion for the first time in any first quarter base

2. Significant sales and profit growth in Equipment Business (YoY)

- Higher sales and improved profitability in domestic telecommunications equipment business
- Increased sales of color MFPs

3. Profit down despite higher sales in Components Business (YoY)

⇒ Forecast improved profitability through sales growth from second quarter onward

- Change in product mix led to temporary stagnation in operating profit
- Depreciation increased
- Strategic investment increased
(additional costs associated with commencement of mass production of new products and manufacturing shift to China)

Initiatives from Second Quarter Onward (1)

Components Business

Fine Ceramic Parts

- ◆ Project global expansion of mobile phone handsets
 - Expand sales of sapphire substrates for LEDs
 - Expand sales of dielectric ceramic parts for base stations and substrates
- ◆ Expand sales of ceramic parts for diesel engines, such as piezo stacks



Sapphire Wafers for LEDs

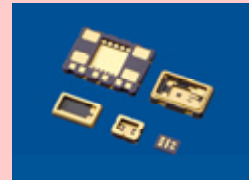


Piezo actuators

Semiconductor Parts

Ceramic packages

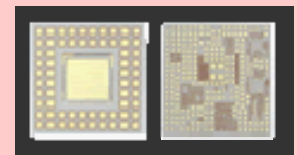
- ◆ Expand sales of packages for mobile phone handsets
 - small SMD (Surface Mount Device) packages for digital consumer equipment,
 - packages for imaging devices, LTCC substrates



SMD Packages

Organic packages

- ◆ Expand sales of parts for game consoles and mobile phone handsets



LTCC substrate

Initiatives from Second Quarter Onward (2)

Components Business

Applied Ceramic Products

- ◆ Increase production of solar cells and modules
- ◆ Launch new cutting tools and expand sales in China and Asia markets
- ◆ Expand market share and reduce costs in medical materials business



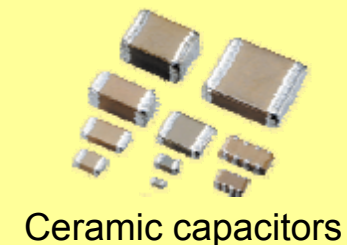
Installation
ex; Parking lot



Cutting Tools

Electronic Devices

- ◆ Increase production of ceramic capacitors
- ◆ Expand sales of crystal oscillators for mobile phone handsets and digital consumer equipment
- ◆ Expand market share of thermal printheads for mini printers



Ceramic capacitors



Crystal devices

Initiatives from Second Quarter Onward (3)

Equipment Business

Telecommunications Equipment

- ◆ Boost profitability at KWC
- ◆ Strengthen businesses relating to KDDI, WILLCOM
- ◆ Strengthen businesses relating to domestic infrastructure



W44K II



PHS Base Station

Information Equipment

- ◆ Strengthen sales of new color printers and MFPs in markets with replacement demand
- ◆ Strengthen sales of mid-to-high speed monochrome printers in the EU, including Eastern Europe and BRICs
- ◆ Improve customer satisfaction by centralizing distribution operations into European Logistics Center



KM-C2520

Consolidated Financial Forecast

- Year Ending March 31, 2008 -

(Unit: Yen in millions)

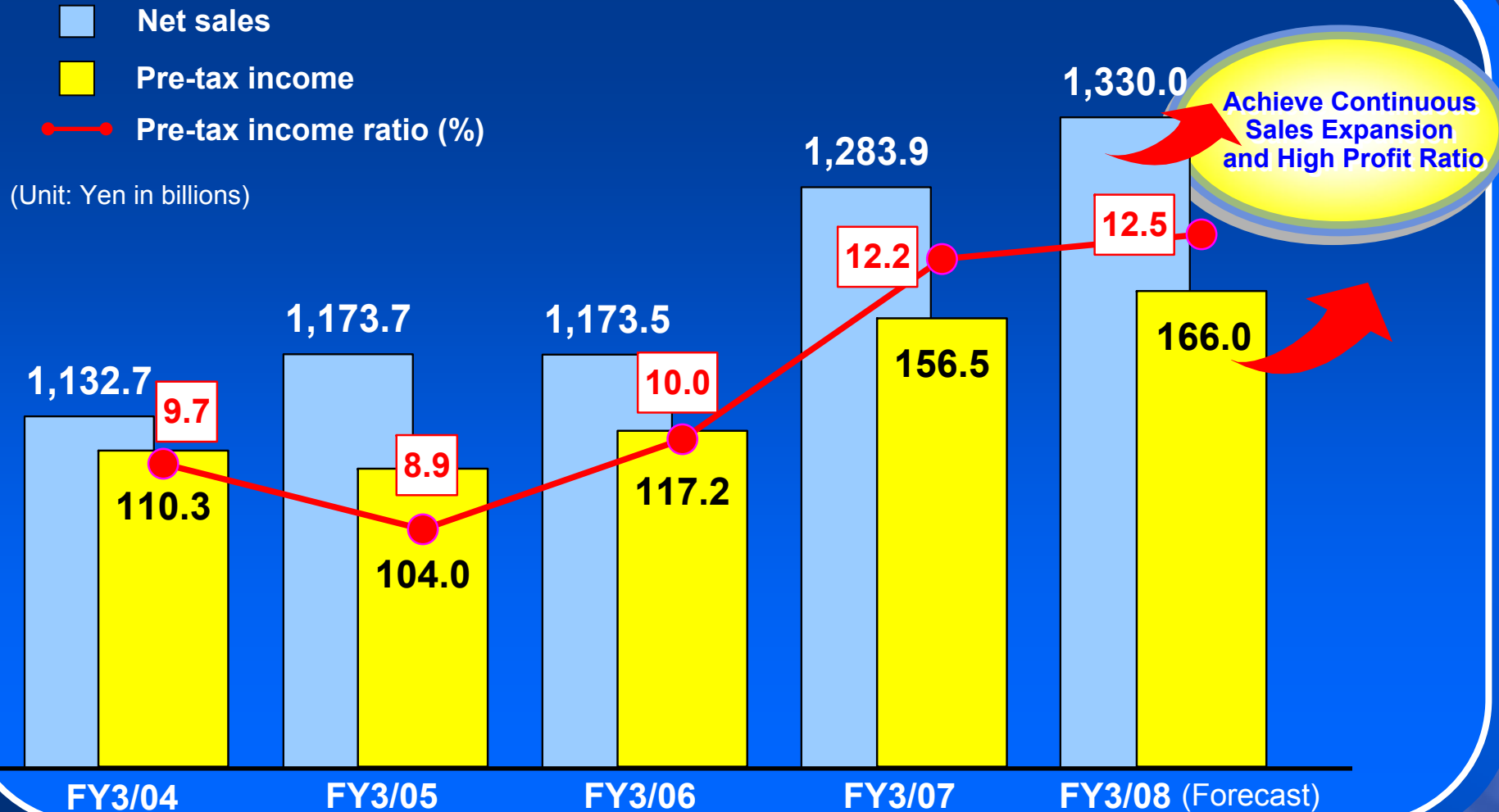
	Year ended March 31,		Year ending March 31,		% change
	2007		2008		
	Amount	% of net sales	Amount	% of net sales	
Net sales	1,283,897	100.0	1,330,000	100.0	3.6
Profit from operations	135,102	10.5	151,000	11.4	11.8
Pre-tax income	156,540	12.2	166,000	12.5	6.0
Net income	106,504	8.3	103,000	7.7	-3.3
EPS (diluted - yen)	564.79	—	543.89	—	-3.7
Capital expenditures	69,896	5.4	86,000	6.5	23.0
Depreciation	70,155	5.5	79,000	5.9	12.6
R&D expenses	61,100	4.8	67,000	5.0	9.7

Average exchange rate (yen)		US\$: 117	Euro: 150
Foreign currency fluctuation effect (compared with the previous year):	net sales	¥39.6 billion	
	pre-tax income	¥15.7 billion	

		FY08 Q1	FY08 Q2~Q4(F)
Average exchange rate (yen)	US\$:	121	110
	Euro:	163	150
Foreign currency fluctuation effect (compared with the previous year):	net sales	¥14.0 billion	-¥30.0 billion
	pre-tax income	¥5.4 billion	-¥7.0 billion

Consolidated Net Sales and Pre-tax Income Trends








- FY3/04 through FY3/08 (Forecast) -



“Create New Value” to Promote Growth



“Creating New Value” (1) Expand Solar Energy Business

Process	Site	Expansion Plan (MW/year)	
		FY07	FY11
Solar Cells 	 Shiga	approx. 180	approx. 500
Solar Modules  <p>Installation ex.; Parking lot</p>  <p>Chubu International Airport</p>	 Mie	approx. 100	approx. 110
	 Czech	approx. 25	approx. 150
	 Mexico	approx. 25	approx. 150
	 China	approx. 30	approx. 90

“Creating New Value” (2) Start SOFC Field Tests

**Aim for Solid Oxide Fuel Cell (SOFC)
market launch in FY09**

FY08

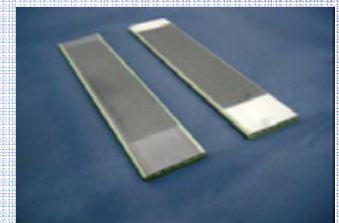
**Commence experimental study with
New Energy Foundation (NEF)**

- Full-fledged assistance in field tests
- Government backing toward practical application

November 2005~March 2006

**Initial performance exceeds
developmental target**

- Power generation efficiency (AC generator output efficiency, LHV): 45% (Approx. 2 times that of same-size gas engine system)
- Exhaust heat recovery efficiency (System output, LHV): 34%
- Reduce home CO₂ emissions by over 40%
- Durability: Approx. 20,000 hours in stack test (Target: 90,000 hours)



“Create New Value” to Promote Growth



Notes for Consolidated Financial Results

During first half of fiscal year ending March 31, 2007, Kyocera sold its shares in Kyocera Leasing Co., Ltd., a subsidiary engaged in financing services. For this reason, business results of Kyocera Leasing Co., Ltd. and profit on sales of the shares in Kyocera Leasing Co., Ltd. have been recorded as income from discontinued operations in conformity with accounting principles generally accepted in the U.S. Consequently, some figures for the years from 2003 to 2006 have been retrospectively reclassified.