

March 29, 2019

To All Persons Concerned

Name of Company Listed: Kyocera Corporation  
Name of Representative: Hideo Tanimoto, President and Director  
(Code number: 6971, The First Section of the Tokyo Stock Exchange)  
Person for Inquiry: Shoichi Aoki  
Director, Managing Executive Officer and General Manager of  
Corporate Management Control Group  
(Tel: +81-75-604-3500)

### **Notice Regarding Introduction of Restricted Stock Compensation Plan**

This is to advise you that Kyocera Corporation (the “Company”) has reviewed the executive compensation plan, and resolved to introduce a restricted stock compensation plan (the “Plan”) and to submit a proposal regarding the introduction of the Plan to the 65th Ordinary General Meeting of Shareholders scheduled for June 25, 2019 (the “General Meeting of Shareholders”) at a meeting of its Board of Directors held on March 29, 2019.

#### 1. Purpose and requirements for the introduction of the Plan

##### (1) Purpose of introduction of the Plan

The Plan would be introduced for the purpose of providing incentives for Directors of the Company excluding Outside Directors (the “Eligible Directors”) to continuously improve the Company’s corporate value, as well as to promote further shared value between Eligible Directors and shareholders.

##### (2) Requirements for introduction of the Plan

As the Plan consists of monetary compensation to be provided under the proposal for granting restricted stocks to the Eligible Directors, its introduction will require the approval of shareholders at the General Meeting of Shareholders for the provision of compensation.

While remuneration for Directors was resolved at the 55th Ordinary General Meeting of Shareholders that convened on June 25, 2009, that the aggregate basic remuneration payable to all Directors shall be no more than 400 million yen per year, and the aggregate amount of bonuses payable to all Directors shall not exceed 0.2% of the consolidated net income\* of the Company for the relevant fiscal year, provided that such amount of bonuses shall in no case exceed 300 million yen annually, the Company will request shareholders’ approval of the introduction of the Plan, separate from the aforementioned Directors’ remuneration limitations, to set a compensation limitation to Eligible Directors under the Plan.

\*Because of the adaptation of International Financial Reporting Standards (“IFRS”), this enrollment has been changed to “Profit attributable to owners of the parent”.

## 2. Overview of the Plan

Under the Plan, all monetary compensation claims granted to Eligible Directors by the Company shall be delivered as property contributed in-kind, and Eligible Directors shall receive common stock of the Company that is issued or disposed of.

Total compensation amounts payable to Eligible Directors shall be no more than 100 million yen per year as well as no more than 0.1 % of the profit attributable to owners of the parent, separate from the amount of compensation based on current remuneration. Total number of common stock of the Company to be issued or disposed of under the Plan shall not exceed 25,000 shares per year (although, after the passage of this proposal, in the event of unavoidable grounds which requires adjustment of the number of shares such as a stock split of the Company's common stock or reverse stock split, the total number of shares to be issued or disposed of may be adjusted within a reasonable range).

For the interest of sharing the shareholder values over the medium to long-term, which comprises one of the purposes of the Plan, the transfer restriction period shall consist of the time from the date stock granted to the date on which the Eligible Directors retire or resign from the post of director of the Company or other post specified by the Company's Board of Directors. Details of grant time and allocations to each Eligible Director shall be decided by the Board of Directors.

The amounts to be paid per one share of the Company to be issued or disposed of under the Plan will be decided by the Board of Directors, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution of the Board of Directors (if the Company's shares are not traded on said date, the closing price of the most recent trading day preceding said date) to the extent that it will not be excessively advantageous for the Eligible Directors.

When the Company issues or disposes of common stock under the Plan, the Company and Eligible Directors shall conclude a restricted share allocation agreement (the "Allocation Agreement") which shall include the following items.

- (i) Eligible Directors shall not transfer, create security interest on, or otherwise dispose of the Company's common stock allocated under the Allocation Agreement for the period prescribed in advance.
- (ii) If the certain event occurs, the Company shall acquire the allocated shares without consideration.

## 3. Introduction of Restricted Stock Compensation Plan for the Executive Officers

Subject to receiving shareholders' approval for the introduction of the Plan at the General Meeting of Shareholders, the Company also plans to introduce a restricted stock compensation plan which consists of similar content to the Plan for Executive Officers of the Company.