



Consolidated Financial Results for the Six Months Ended September 30, 2024 (IFRS)

October 30, 2024

Company name: **KYOCERA CORPORATION**

Stock Listing: Tokyo Stock Exchange

Code number: 6971 URL: <https://global.kyocera.com/>

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Scheduled date of semi-annual securities report filing: November 13, 2024

Scheduled date for commencement of dividend payments: December 5, 2024

Supplementary documents of financial results: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024

(1) Consolidated operating results (% of change from the same period of the previous year)

	Sales revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the period	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	998,588	1.3	37,876	(29.9)	51,820	(33.5)	36,078	(36.1)	19,974	(92.6)
September 30, 2023	985,290	(2.7)	54,002	(29.4)	77,867	(25.4)	56,487	(25.3)	268,234	10.6

	Earnings per share attributable to owners of the parent - Basic		Earnings per share attributable to owners of the parent - Diluted	
Six months ended	Yen		Yen	
September 30, 2024	25.61		—	
September 30, 2023	39.90		—	

(Note) Kyocera Corporation implemented the stock split at the ratio of 4 for 1 of all common stocks, with the effective date of January 1, 2024. "Earnings per share attributable to owners of the parent - Basic" is calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Million yen	Million yen	Million yen	%
September 30, 2024	4,408,426	3,233,768	3,208,945	72.8
March 31, 2024	4,465,376	3,252,858	3,225,595	72.2

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2024	—	100.00	—	25.00	—
Year ending	—	25.00			
March 31, 2025					
Year ending			—	25.00	50.00
March 31, 2025 (forecast)					

(Note) Revision of previously announced dividend forecasts during this reporting period: Yes

For detailed information, please refer to "Notice Relating to Revision of Consolidated Financial Forecasts and Distribution of Interim Dividend for the Year Ending March 31, 2025 ("fiscal 2025")" released on October 30, 2024.

Kyocera Corporation implemented the stock split at the ratio of 4 for 1 of all common stocks, with the effective date of January 1, 2024. The annual total amount of dividends for the year ended March 31, 2024 is not presented because it cannot be accurately calculated due to the implementation of the stock split.

3. Consolidated Financial Forecasts for the Year Ending March 31, 2025

(% of change from the previous year)

	Sales revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent - Basic
Year ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
March 31, 2025	2,020,000	0.8	68,000	(26.8)	100,000	(26.5)	71,000	(29.8)	50.40

(Note) Revision of previously announced financial forecast during this reporting period: Yes

“Earnings per share attributable to owners of the parent - Basic” is calculated using the average number of shares outstanding for the six months ended September 30, 2024.

Notes

(1) Changes in the scope of significant consolidation during the period: None

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required under IFRS: None

(ii) Changes in accounting policies due to reasons other than (i): None

(iii) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(i) Number of shares issued (including treasury stock):

As of September 30, 2024 1,510,474,320 shares

As of March 31, 2024 1,510,474,320 shares

(ii) Number of treasury stock:

As of September 30, 2024 101,725,281 shares

As of March 31, 2024 101,831,108 shares

(iii) Average number of shares outstanding:

For the six months ended September 30, 2024 1,408,696,043 shares

For the six months ended September 30, 2023 1,415,602,188 shares

(Note) Kyocera Corporation implemented the stock split at the ratio of 4 for 1 of all common stocks, with the effective date of January 1, 2024. Numbers of shares issued (common stock) are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

This consolidated financial report is not subject to interim review procedures by certified public accountants or auditing firms.

Instruction for Forecasts and Other Notes

1. Cautionary statements with respect to forward-looking statements

Certain of the statements made in this document are forward-looking statements, 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 the following:

- (1) General conditions in the Japanese or global economy;
- (2) Unexpected changes in economic, political and legal conditions in countries where we operate or export;
- (3) The effect of foreign exchange fluctuations on our results of operations;
- (4) Intense competitive pressures to which our products are subject;
- (5) Fluctuations in the price and ability of suppliers to provide the required quantity of raw materials for use in our production activities;
- (6) Manufacturing delays or defects resulting from outsourcing or internal manufacturing processes;
- (7) The possibility that future initiatives and in-process research and development may not produce the desired results;
- (8) Companies or assets acquired by us not produce the returns or benefits, or bring in business opportunities;
- (9) Inability to secure skilled employees;
- (10) Damages on our information security systems from cyberattacks, etc. and significant costs in order to recover and maintain the systems;
- (11) Insufficient protection of our trade secrets and intellectual property rights including patents;
- (12) Expenses associated with licenses we require to continue to manufacture and sell products;
- (13) Unintentional conflict with laws and regulations or newly enacted laws and regulations;
- (14) Environmental liability and compliance obligations by tightening of environmental laws and regulations;
- (15) Inability to respond to global climate change problems or delay in such response, which may lead to increased costs and negatively impact our corporate brands;
- (16) Our market or supply chains being affected by plague, infectious diseases, terrorism, wars or similar events;
- (17) Earthquakes and other natural disasters affecting our headquarters and major facilities as well as our suppliers and customers;
- (18) Credit risk on trade receivables;
- (19) Fluctuations in the value of financial instruments held by us;
- (20) Impairment losses on property, plant and equipment, goodwill and intangible assets;
- (21) Uncertainty over income tax and deferred tax assets; and
- (22) Changes in accounting standards.

Due to such risks, uncertainties and other factors, our actual results, performance, achievements or financial condition may be substantially different from any future results, performance, achievements or financial condition expressed or implied by these forward-looking statements. We undertake no obligation to publicly update any forward-looking statements included in this document.

2. Method of obtaining supplementary materials on the financial results

The supplementary documents will be posted on the corporate website on October 30, 2024.

3. English translation

This is an English translation of the Japanese original of “Consolidated Financial Results for the Six Months Ended September 30, 2024.” The translation is prepared for the reference and convenience solely for those who do not use Japanese. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Attachment)

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1. Overview of Operating Results and Other Information

(1) Overview of Operating Results

a. Consolidated Financial Results

During the six months ended September 30, 2024 (“the first half”), the global economy grew moderately, partly due to lower inflation rates in various countries. In our principal markets, comprised of the semiconductor-related markets and the information and communication-related markets, demand increased mainly for AI-related products, but the markets as a whole did not achieve a full-fledged recovery.

Sales revenue for the first half increased by 13,298 million yen, or 1.3%, to 998,588 million yen, as compared with the six months ended September 30, 2023 (“the previous first half”), as sales revenue of the Electronic Components Business and the Solutions Business increased partly due to the impact of a weaker yen, while sales revenue of the Core Components Business remained flat.

Profit decreased due mainly to a lower utilization ratio of production facilities caused by sluggish orders for components and an increase in labor and other costs. By reporting segment, profits of the Solutions Business increased due mainly to the impact of a weaker yen, while profits of the Core Components Business and the Electronic Components Business decreased due to the significant decline in demand from the Organic Packages and Boards Business and Kyocera AVX Components Corporation Group (“KAVX”). As a result, for the first half operating profit decreased by 16,126 million yen, or 29.9%, to 37,876 million yen, profit before income taxes decreased by 26,047 million yen, or 33.5%, to 51,820 million yen, and profit attributable to owners of the parent decreased by 20,409 million yen, or 36.1%, to 36,078 million yen.

Consolidated Financial Results

(Yen in millions)

	For the six months ended September 30, 2023		For the six months ended September 30, 2024		Change	
	Amount	%*	Amount	%*	Amount	%
Sales revenue	985,290	100.0	998,588	100.0	13,298	1.3
Operating profit	54,002	5.5	37,876	3.8	(16,126)	(29.9)
Profit before income taxes	77,867	7.9	51,820	5.2	(26,047)	(33.5)
Profit attributable to owners of the parent	56,487	5.7	36,078	3.6	(20,409)	(36.1)
Average US\$ exchange rate (Yen)	141	—	153	—	—	—
Average Euro exchange rate (Yen)	153	—	166	—	—	—

Capital expenditures	65,963	6.7	68,933	6.9	2,970	4.5
Depreciation charge of property, plant and equipment	54,077	5.5	57,154	5.7	3,077	5.7
Research and development expenses	50,757	5.2	57,932	5.8	7,175	14.1

* % represents the percentage to sales revenue.

b. Consolidated Financial Results by Reporting Segment

1) Core Components Business

Sales revenue for the first half decreased by 724 million yen, or 0.3%, to 281,678 million yen, as compared with the previous first half. Business profit decreased by 13,171 million yen, or 43.2%, to 17,295 million yen, as compared with the previous first half. The business profit ratio for the first half declined to 6.1%.

Sales revenue remained flat. Sales of fine ceramic components for semiconductor processing equipment increased but were offset by a decrease in sales of organic packages and boards for the information and communications infrastructure markets. Business profit decreased due mainly to a decrease in sales of organic packages and boards, as well as an increase in fixed costs, such as depreciation charges for property, plant and equipment.

2) Electronic Components Business

Sales revenue for the first half increased by 6,165 million yen, or 3.5%, to 180,923 million yen, as compared with the previous first half. Business profit decreased by 9,813 million yen, or 99.5%, to 47 million yen, as compared with the previous first half.

Sales revenue for the first half increased due to an increase in sales of components such as capacitors and crystal devices in the information and communication markets and the industrial equipment markets, partly due to the impact of a weaker yen. Business profit significantly decreased due to a higher cost of sales ratio, which resulted from the lower utilization ratio of a new plant and an increase in labor and other costs in KAVX, as well as losses incurred from an earthquake that occurred under the Hyuga-Nada, a zone of the Pacific Ocean off the coast of Miyazaki Prefecture, Japan.

3) Solutions Business

Sales revenue for the first half increased by 9,093 million yen, or 1.7%, to 546,187 million yen, as compared with the previous first half. Business profit increased by 1,922 million yen, or 6.1%, to 33,299 million yen, as compared with the previous first half. The business profit ratio for the first half improved to 6.1%.

Sales revenue and business profit both increased for the reporting segment overall due mainly to an increase in sales of the Document Solutions Unit and to the impact of a weaker yen.

Sales Revenue by Reporting Segment

(Yen in millions)

	For the six months ended September 30, 2023		For the six months ended September 30, 2024		Change	
	Amount	%*	Amount	%*	Amount	%
Core Components Business	282,402	28.7	281,678	28.2	(724)	(0.3)
Industrial & Automotive Components Unit	109,165	11.1	113,857	11.4	4,692	4.3
Semiconductor Components Unit	158,916	16.1	151,741	15.2	(7,175)	(4.5)
Others	14,321	1.5	16,080	1.6	1,759	12.3
Electronic Components Business	174,758	17.7	180,923	18.1	6,165	3.5
Solutions Business	537,094	54.5	546,187	54.7	9,093	1.7
Industrial Tools Unit	159,622	16.2	160,810	16.1	1,188	0.7
Document Solutions Unit	212,891	21.6	232,222	23.2	19,331	9.1
Communications Unit	105,045	10.7	105,480	10.6	435	0.4
Others	59,536	6.0	47,675	4.8	(11,861)	(19.9)
Others	9,749	1.0	8,079	0.8	(1,670)	(17.1)
Adjustments and eliminations	(18,713)	(1.9)	(18,279)	(1.8)	434	—
Sales revenue	985,290	100.0	998,588	100.0	13,298	1.3

* % represents the component ratio.

Business Profit (Loss) by Reporting Segment

(Yen in millions)

	For the six months ended September 30, 2023		For the six months ended September 30, 2024		Change	
	Amount	%*	Amount	%*	Amount	%
Core Components Business	30,466	10.8	17,295	6.1	(13,171)	(43.2)
Industrial & Automotive Components Unit	11,737	10.8	10,983	9.6	(754)	(6.4)
Semiconductor Components Unit	18,767	11.8	5,634	3.7	(13,133)	(70.0)
Others	(38)	—	678	4.2	716	—
Electronic Components Business	9,860	5.6	47	0.0	(9,813)	(99.5)
Solutions Business	31,377	5.8	33,299	6.1	1,922	6.1
Industrial Tools Unit	9,212	5.8	9,434	5.9	222	2.4
Document Solutions Unit	19,352	9.1	21,491	9.3	2,139	11.1
Communications Unit	593	0.6	1,119	1.1	526	88.7
Others	2,220	3.7	1,255	2.6	(965)	(43.5)
Others	(20,130)	—	(23,023)	—	(2,893)	—
Total business profit	51,573	5.2	27,618	2.8	(23,955)	(46.4)
Corporate gains and others	26,294	—	24,202	—	(2,092)	(8.0)
Profit before income taxes	77,867	7.9	51,820	5.2	(26,047)	(33.5)

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

(Note) Kyocera decided to change the classification of Energy Solutions Business, which was included in “Others,” and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in “Corporate gains and others,” to “Others” under “Solutions Business” from the three months ended June 30, 2024. With respect to this change, the business results for the six months ended September 30, 2023 have been reclassified in the same manner.

(2) Overview of Financial Position

a. Consolidated Financial Position

Total assets as of September 30, 2024 decreased by 56,950 million yen compared with total assets as of March 31, 2024 to 4,408,426 million yen primarily due to a decrease in cash and cash equivalents and trade and other receivables, despite an increase in equity and debt instruments. Total liabilities decreased by 37,860 million yen compared with total liabilities as of March 31, 2024 to 1,174,658 million yen mainly due to a decrease in trade and other payables. Total equity decreased by 19,090 million yen compared with total equity as of March 31, 2024 to 3,233,768 million yen primarily due to a decrease in other components of equity.

Consolidated Financial Position

(Yen in millions)

	As of March 31, 2024	As of September 30, 2024	Change
Total assets	4,465,376	4,408,426	(56,950)
Total liabilities	1,212,518	1,174,658	(37,860)
Total equity	3,252,858	3,233,768	(19,090)

b. Consolidated Cash Flows

The balance of cash and cash equivalents as of September 30, 2024 decreased by 37,930 million yen to 386,862 million yen from 424,792 million yen as of March 31, 2024.

1) Cash flows from operating activities

Net cash provided by operating activities for the first half increased by 14,681 million yen to 125,949 million yen from 111,268 million yen for the previous first half. This was due mainly to a turnaround from decrease to increase in trade payables despite a decrease in profit for the period.

2) Cash flows from investing activities

Net cash used in investing activities for the first half increased by 21,268 million yen to 102,836 million yen from 81,568 million yen for the previous first half. This was due mainly to an increase in payments for purchases of property, plant and equipment, and purchases of securities.

3) Cash flows from financing activities

Net cash used in financing activities for the first half increased by 22,415 million yen to 51,094 million yen from 28,679 million yen for the previous first half. This was due mainly to a decrease in proceeds from borrowings despite a decrease in the payments for purchase of treasury stock.

Consolidated Cash Flows

(Yen in millions)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Change
Cash flows from operating activities	111,268	125,949	14,681
Cash flows from investing activities	(81,568)	(102,836)	(21,268)
Cash flows from financing activities	(28,679)	(51,094)	(22,415)
Effect of exchange rate changes on cash and cash equivalents	20,128	(9,949)	(30,077)
Increase (decrease) in cash and cash equivalents	21,149	(37,930)	(59,079)
Cash and cash equivalents at the beginning of the year	373,500	424,792	51,292
Cash and cash equivalents at the end of the period	394,649	386,862	(7,787)

(3) Explanation Regarding Future Projections Including Consolidated Financial Forecasts

During the first half, the trend in demand for the Organic Packages Business and for KAVX were lower than our initial projections. Kyocera now anticipates that recovery in demand for these two businesses will not take place soon after the three months ending December 31, 2024. In light of this business outlook, Kyocera has revised its consolidated financial forecast for the year ending March 31, 2025 (“fiscal 2025”) as set forth below. The forecast by reporting segment has also been revised as shown on the following page.

Please refer to “1. Cautionary statements with respect to forward-looking statements” in “Instruction for Forecasts and Other Notes” for information of future prospective.

Forecasts of Consolidated Financial Results

(Yen in millions)

	Results for the year ended March 31, 2024		Forecasts for the year ending March 31, 2025, announced on				Change %*2
			April 26, 2024 (Previous)		October 30, 2024 (Revised)		
	Amount	%*1	Amount	%*1	Amount	%*1	
Sales revenue	2,004,221	100.0	2,050,000	100.0	2,020,000	100.0	0.8
Operating profit	92,923	4.6	110,000	5.4	68,000	3.4	(26.8)
Profit before income taxes	136,143	6.8	150,000	7.3	100,000	5.0	(26.5)
Profit attributable to owners of the parent	101,074	5.0	112,000	5.5	71,000	3.5	(29.8)
Average US\$ exchange rate (Yen)	145	—	145	—	145	—	—
Average Euro exchange rate (Yen)	157	—	155	—	155	—	—

Capital expenditures	161,684	8.1	200,000	9.8	160,000	7.9	(1.0)
Depreciation charge of property, plant and equipment	111,724	5.6	120,000	5.9	120,000	5.9	7.4
Research and development expenses	104,290	5.2	120,000	5.9	120,000	5.9	15.1

*1: % represents the percentage to sales revenue.

*2: % represents the percentage change from the previous year.

Forecasts of Sales Revenue by Reporting Segment

(Yen in millions)

	Results for the year ended March 31, 2024		Forecasts for the year ending March 31, 2025, announced on				Change %*2
			April 26, 2024 (Previous)		October 30, 2024 (Revised)		
	Amount	%*1	Amount	%*1	Amount	%*1	
Core Components Business	569,145	28.4	580,000	28.3	559,000	27.7	(1.8)
Industrial & Automotive Components Unit	224,574	11.2	232,000	11.3	234,000	11.6	4.2
Semiconductor Components Unit	314,649	15.7	315,000	15.4	291,000	14.4	(7.5)
Others	29,922	1.5	33,000	1.6	34,000	1.7	13.6
Electronic Components Business	352,277	17.6	360,000	17.5	350,000	17.3	(0.6)
Solutions Business	1,101,625	54.9	1,131,000	55.2	1,132,700	56.1	2.8
Industrial Tools Unit	310,740	15.5	313,700	15.3	313,700	15.5	1.0
Document Solutions Unit	452,162	22.5	470,000	22.9	480,000	23.8	6.2
Communications Unit	224,403	11.2	231,300	11.3	229,000	11.3	2.0
Others	114,320	5.7	116,000	5.7	110,000	5.5	(3.8)
Others	17,680	0.9	16,000	0.8	15,300	0.7	(13.5)
Adjustments and eliminations	(36,506)	(1.8)	(37,000)	(1.8)	(37,000)	(1.8)	—
Sales revenue	2,004,221	100.0	2,050,000	100.0	2,020,000	100.0	0.8

*1: % represents the component ratio.

*2: % represents the percentage change from the previous year.

Forecasts of Business Profit (Loss) by Reporting Segment

(Yen in millions)

	Results for the year ended March 31, 2024		Forecasts for the year ending March 31, 2025, announced on				Change %*2
			April 26, 2024 (Previous)		October 30, 2024 (Revised)		
	Amount	%*1	Amount	%*1	Amount	%*1	
Core Components Business	57,226	10.1	61,000	10.5	38,000	6.8	(33.6)
Industrial & Automotive Components Unit	26,409	11.8	29,000	12.5	25,000	10.7	(5.3)
Semiconductor Components Unit	30,375	9.7	31,000	9.8	12,000	4.1	(60.5)
Others	442	1.5	1,000	3.0	1,000	2.9	126.2
Electronic Components Business	6,521	1.9	30,000	8.3	1,000	0.3	(84.7)
Solutions Business	69,841	6.3	86,000	7.6	80,000	7.1	14.5
Industrial Tools Unit	16,837	5.4	22,000	7.0	18,700	6.0	11.1
Document Solutions Unit	43,940	9.7	47,000	10.0	48,000	10.0	9.2
Communications Unit	6,964	3.1	10,000	4.3	7,600	3.3	9.1
Others	2,100	1.8	7,000	6.0	5,700	5.2	171.4
Others	(41,049)	—	(47,000)	—	(50,000)	—	—
Total business profit	92,539	4.6	130,000	6.3	69,000	3.4	(25.4)
Corporate gains and others	43,604	—	20,000	—	31,000	—	(28.9)
Profit before income taxes	136,143	6.8	150,000	7.3	100,000	5.0	(26.5)

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

*2: % represents the percentage change from the previous year.

(Note) Kyocera decided to change the classification of Energy Solutions Business, which was included in “Others,” and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in “Corporate gains and others,” to “Others” under “Solutions Business” from the three months ended June 30, 2024. With respect to this change, the business results for the year ended March 31, 2024 have been reclassified in the same manner.

2. Condensed Interim Consolidated Financial Statements and Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Yen in millions)

	As of March 31, 2024		As of September 30, 2024		Change
	Amount	%*	Amount	%*	
Assets					
Current assets					
Cash and cash equivalents	424,792		386,862		(37,930)
Trade and other receivables	392,212		358,747		(33,465)
Other financial assets	35,541		42,395		6,854
Inventories	540,225		525,767		(14,458)
Other current assets	46,584		49,168		2,584
Total current assets	1,439,354	32.2	1,362,939	30.9	(76,415)
Non-current assets					
Equity and debt instruments	1,640,038		1,676,401		36,363
Investments accounted for using the equity method	15,979		15,978		(1)
Other financial assets	46,539		47,719		1,180
Property, plant and equipment	665,990		664,209		(1,781)
Right-of-use assets	82,642		79,566		(3,076)
Goodwill	282,879		278,720		(4,159)
Intangible assets	152,171		144,109		(8,062)
Deferred tax assets	50,774		50,623		(151)
Other non-current assets	89,010		88,162		(848)
Total non-current assets	3,026,022	67.8	3,045,487	69.1	19,465
Total assets	4,465,376	100.0	4,408,426	100.0	(56,950)

* % represents the component ratio.

(Yen in millions)

	As of March 31, 2024		As of September 30, 2024		Change
	Amount	%*	Amount	%*	
Liabilities and Equity					
Liabilities					
Current liabilities					
Borrowings	9,394		9,266		(128)
Trade and other payables	212,133		185,519		(26,614)
Lease liabilities	24,378		25,030		652
Other financial liabilities	5,934		852		(5,082)
Income tax payables	22,530		11,285		(11,245)
Accrued expenses	142,338		140,972		(1,366)
Provisions	8,474		7,589		(885)
Other current liabilities	45,008		45,122		114
Total current liabilities	470,189	10.6	425,635	9.6	(44,554)
Non-current liabilities					
Borrowings	199,760		201,091		1,331
Lease liabilities	70,659		68,084		(2,575)
Retirement benefit liabilities	9,138		8,945		(193)
Deferred tax liabilities	441,345		448,459		7,114
Provisions	11,594		12,155		561
Other non-current liabilities	9,833		10,289		456
Total non-current liabilities	742,329	16.6	749,023	17.0	6,694
Total liabilities	1,212,518	27.2	1,174,658	26.6	(37,860)
Equity					
Common stock	115,703		115,703		—
Capital surplus	118,754		118,800		46
Retained earnings	1,967,527		1,968,598		1,071
Other components of equity	1,166,752		1,148,837		(17,915)
Treasury stock	(143,141)		(142,993)		148
Total equity attributable to owners of the parent	3,225,595	72.2	3,208,945	72.8	(16,650)
Non-controlling interests	27,263	0.6	24,823	0.6	(2,440)
Total equity	3,252,858	72.8	3,233,768	73.4	(19,090)
Total liabilities and equity	4,465,376	100.0	4,408,426	100.0	(56,950)

* % represents the component ratio.

(2) Condensed Interim Consolidated Statement of Profit or Loss and Comprehensive Income

a. Condensed Interim Consolidated Statement of Profit or Loss

(Yen in millions except per share amounts)

	For the six months ended September 30, 2023		For the six months ended September 30, 2024		Change	
	Amount	%*	Amount	%*	Amount	%
Sales revenue	985,290	100.0	998,588	100.0	13,298	1.3
Cost of sales	705,671	71.6	716,122	71.7	10,451	1.5
Gross profit	279,619	28.4	282,466	28.3	2,847	1.0
Selling, general and administrative expenses	225,617	22.9	244,590	24.5	18,973	8.4
Operating profit	54,002	5.5	37,876	3.8	(16,126)	(29.9)
Finance income	30,407	3.1	31,231	3.1	824	2.7
Finance expenses	8,055	0.8	19,177	1.9	11,122	138.1
Share of net profit (loss) of investments accounted for using the equity method	248	0.0	412	0.0	164	66.1
Other, net	1,265	0.1	1,478	0.2	213	16.8
Profit before income taxes	77,867	7.9	51,820	5.2	(26,047)	(33.5)
Income taxes	19,834	2.0	14,150	1.4	(5,684)	(28.7)
Profit for the period	58,033	5.9	37,670	3.8	(20,363)	(35.1)

Profit attributable to:						
Owners of the parent	56,487	5.7	36,078	3.6	(20,409)	(36.1)
Non-controlling interests	1,546	0.2	1,592	0.2	46	3.0
Profit for the period	58,033	5.9	37,670	3.8	(20,363)	(35.1)

Per share information:			
Earnings per share attributable to owners of the parent			
Basic and diluted (Yen)	39.90	25.61	

* % represents the percentage to sales revenue.

b. Condensed Interim Consolidated Statement of Comprehensive Income

(Yen in millions)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Change
	Amount	Amount	
Profit for the period	58,033	37,670	(20,363)
Other comprehensive income, net of taxation			
Items that will not be reclassified to profit or loss:			
Financial assets measured at fair value through other comprehensive income	121,042	22,218	(98,824)
Re-measurement of defined benefit plans	142	(1)	(143)
Total items that will not be reclassified to profit or loss	121,184	22,217	(98,967)
Items that may be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedge	(86)	36	122
Exchange differences on translating foreign operations	88,949	(39,927)	(128,876)
Share of other comprehensive income of investments accounted for using the equity method	154	(22)	(176)
Total items that may be reclassified subsequently to profit or loss	89,017	(39,913)	(128,930)
Total other comprehensive income	210,201	(17,696)	(227,897)
Comprehensive income for the period	268,234	19,974	(248,260)

Comprehensive income attributable to:			
Owners of the parent	266,145	18,505	(247,640)
Non-controlling interests	2,089	1,469	(620)
Comprehensive income for the period	268,234	19,974	(248,260)

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the six months ended September 30, 2023

(Yen in millions)

	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		
Balance as of April 1, 2023	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			(35,891)			(35,891)	(967)	(36,858)
Purchase of treasury stock					(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
Balance as of September 30, 2023	115,703	118,754	1,933,247	1,179,311	(140,068)	3,206,947	26,023	3,232,970

For the six months ended September 30, 2024

(Yen in millions)

	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		
Balance as of April 1, 2024	115,703	118,754	1,967,527	1,166,752	(143,141)	3,225,595	27,263	3,252,858
Profit for the period			36,078			36,078	1,592	37,670
Other comprehensive income				(17,573)		(17,573)	(123)	(17,696)
Total comprehensive income for the period	—	—	36,078	(17,573)	—	18,505	1,469	19,974
Cash dividends			(35,216)			(35,216)	(1,592)	(36,808)
Purchase of treasury stock					(2)	(2)		(2)
Reissuance of treasury stock		49			150	199		199
Transactions with non-controlling interests		(5)				(5)	(2,317)	(2,322)
Transfer to retained earnings			342	(342)		—		—
Others		2	(133)			(131)		(131)
Balance as of September 30, 2024	115,703	118,800	1,968,598	1,148,837	(142,993)	3,208,945	24,823	3,233,768

(4) Condensed Interim Consolidated Statement of Cash Flows

(Yen in millions)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Change
	Amount	Amount	
Cash flows from operating activities:			
Profit for the period	58,033	37,670	(20,363)
Depreciation and amortization	75,361	81,209	5,848
Finance expenses (income)	(22,352)	(12,054)	10,298
Share of net (profit) loss of investments accounted for using the equity method	(248)	(412)	(164)
(Gains) losses from sales or disposal of property, plant and equipment	(886)	(203)	683
Income taxes	19,834	14,150	(5,684)
(Increase) decrease in trade and other receivables	32,839	16,140	(16,699)
(Increase) decrease in inventories	(9,370)	(225)	9,145
(Increase) decrease in other assets	1,588	(5,583)	(7,171)
Increase (decrease) in trade and other payables	(26,339)	7,607	33,946
Increase (decrease) in accrued expenses	(6,966)	(1,990)	4,976
Increase (decrease) in other liabilities	3,300	(6,366)	(9,666)
Other, net	(15,299)	(11,230)	4,069
Subtotal	109,495	118,713	9,218
Interests and dividends received	30,318	31,340	1,022
Interests paid	(1,942)	(2,163)	(221)
Income taxes refund (paid)	(26,603)	(21,941)	4,662
Net cash provided by operating activities	111,268	125,949	14,681
Cash flows from investing activities:			
Payments for purchases of property, plant and equipment	(75,097)	(91,354)	(16,257)
Payments for purchases of intangible assets	(6,163)	(6,208)	(45)
Proceeds from sales of property, plant and equipment	1,914	2,749	835
Acquisitions of business, net of cash acquired	(623)	—	623
Acquisition of time deposits and certificate of deposits	(4,097)	(6,904)	(2,807)
Withdrawal of time deposits and certificate of deposits	3,112	4,700	1,588
Payments for purchases of securities	(931)	(6,257)	(5,326)
Proceeds from sales and maturities of securities	325	1,368	1,043
Other, net	(8)	(930)	(922)
Net cash used in investing activities	(81,568)	(102,836)	(21,268)
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings	(20,000)	—	20,000
Proceeds from long-term borrowings	94,680	7,257	(87,423)
Repayments of long-term borrowings	(3,964)	(5,409)	(1,445)
Repayments of lease liabilities	(12,484)	(15,066)	(2,582)
Dividends paid	(38,360)	(37,872)	488
Purchase of treasury stock	(46,943)	(2)	46,941
Other, net	(1,608)	(2)	1,606
Net cash used in financing activities	(28,679)	(51,094)	(22,415)
Effect of exchange rate changes on cash and cash equivalents	20,128	(9,949)	(30,077)
Increase (decrease) in cash and cash equivalents	21,149	(37,930)	(59,079)
Cash and cash equivalents at the beginning of the year	373,500	424,792	51,292
Cash and cash equivalents at the end of the period	394,649	386,862	(7,787)

(5) Notes to Condensed Interim Consolidated Financial Statements

a. Notes to Going Concern Assumption

Not Applicable

b. 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, Energy Solutions, Displays, Printing Devices

Kyocera decided to change the classification of Energy Solutions Business, which was included in "Others," and share of net profit (loss) of investments accounted for using the equity method regarding investments in energy businesses, which was included in "Corporate gains and others," to "Solutions Business" from the three months ended June 30, 2024. With respect to this change, the business results for the six months ended September 30, 2023 have been reclassified in the same manner.

2) Information on Reporting Segment

Information on reporting segment for the six months ended September 30, 2023 and 2024 are as follows:

For the six months ended September 30, 2023

(Yen in millions)

	Reporting Segment			Others * 1	Total	Adjustment * 2	Consolidated
	Core Components Business	Electronic Components Business	Solutions Business				
Sales revenue							
External customers	281,946	174,233	523,156	5,955	985,290	—	985,290
Intersegment sales and transfers	456	525	13,938	3,794	18,713	(18,713)	—
Total	282,402	174,758	537,094	9,749	1,004,003	(18,713)	985,290
Business profit (loss)	30,466	9,860	31,377	(20,130)	51,573	—	51,573
Corporate gains and others * 3	—	—	—	—	—	—	26,294
Profit before income taxes	—	—	—	—	—	—	77,867
Other items							
Capital expenditures (for property, plant and equipment)	22,867	17,123	12,902	3,705	56,597	9,366	65,963
Depreciation and amortization charge	23,963	15,827	26,170	4,382	70,342	5,019	75,361
Research and development expenses	8,858	6,815	20,416	14,668	50,757	—	50,757
Share of net profit (loss) of investments accounted for using the equity method	—	—	219	—	219	29	248

(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 does 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 capital expenditures (for property, plant and equipment) represents capital expenditures for corporate, which does not belong to each segment.
- (3) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which does not belong to each segment.
- (4) The adjustment of share of net profit (loss) of investments accounted for using the equity method represents share of net profit (loss) of investments accounted for using the equity method for corporate, which does 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 six months ended September 30, 2024

(Yen in millions)

	Reporting Segment			Others * 1	Total	Adjustment * 2	Consolidated
	Core Components Business	Electronic Components Business	Solutions Business				
Sales revenue							
External customers	281,263	180,398	531,691	5,236	998,588	—	998,588
Intersegment sales and transfers	415	525	14,496	2,843	18,279	(18,279)	—
Total	281,678	180,923	546,187	8,079	1,016,867	(18,279)	998,588
Business profit (loss)	17,295	47	33,299	(23,023)	27,618	—	27,618
Corporate gains and others * 3	—	—	—	—	—	—	24,202
Profit before income taxes	—	—	—	—	—	—	51,820
Other items							
Capital expenditures (for property, plant and equipment)	24,644	19,679	12,814	1,975	59,112	9,821	68,933
Depreciation and amortization charge	25,478	17,277	28,147	4,949	75,851	5,358	81,209
Research and development expenses	10,584	7,688	19,986	19,674	57,932	—	57,932
Share of net profit (loss) of investments accounted for using the equity method	—	—	274	—	274	138	412

(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 does 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 capital expenditures (for property, plant and equipment) represents capital expenditures for corporate, which does not belong to each segment.
- (3) The adjustment of depreciation and amortization charge represents the depreciation and amortization charge for corporate, which does not belong to each segment.
- (4) The adjustment of share of net profit (loss) of investments accounted for using the equity method represents share of net profit (loss) of investments accounted for using the equity method for corporate, which does 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.