

Press information

KYOCERA and Four Other Companies Reach Basic Agreement on Development Plan for 430-Megawatt Solar Power Project

Companies agree to explore plan to construct and operate the world's largest solar power plant located on agricultural land on island near Nagasaki, Japan

June 12, 2014 – Kyoto/Neuss – Photovolt Development Partners GmbH, Kyocera Corporation, Kyudenko Corporation, ORIX Corporation, and Mizuho Bank, Ltd. today announced that they have reached a basic agreement to investigate the possibility of operating a 430-megawatt (MW) solar power plant on the island of Ukujima (Sasebo City, Nagasaki Pref., Japan). The project would be the largest in the world to be implemented on agricultural land.*¹

Photovolt Development Partners began planning this project in April 2013 with the aim of helping to contribute to environmental protection and economic revitalization on the remote island. Approximately 150 billion yen (approx. 1.09 billion EUR)*² in investment is planned for the project, with a goal of starting construction in FY2016 (April 2015 to March 2016). The project envisions using a combined land area of roughly 6.3 million square meters at multiple locations, covering roughly 25 percent of the small island of Ukujima, part of the Goto Islands off the coast of Nagasaki, Japan. The project plans to utilize approximately 1,720,000 of Kyocera's high-output polycrystalline solar modules to create a 430MWp system that would generate an estimated 500,000MWh per year, the equivalent power annually used by roughly 138,800 typical households,*³ offsetting roughly 252,200 tons*⁴ of CO₂ each year. By constructing a 60-kilometer sea cable

Contact:

Kyocera Fineceramics GmbH
Daniela Faust
Manager Corporate Communications
Hammfelddamm 6
41460 Neuss
Germany
Tel.: +49 2131/16 37 - 188
Fax: +49 2131/16 37 - 150
Mobil: +49 175/7275706
daniela.faust@kyocera.de
www.kyocera.eu

Grayling Düsseldorf
Jan Leder, Anne Beringer
Rather Str. 49d
40476 Düsseldorf
Germany
Tel.: +49 211/96 485 - 41/ - 48
Fax: +49 211/96 485 - 45
jan.leder@grayling.com
anne.beringer@grayling.com

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between Ukujima and the island of Kyushu, all power produced from the project will be sold to the local utility company, Kyushu Electric Power Co., Inc., based on the national feed-in tariff program for renewable energy.

Regional development through solar power and agriculture

Under the plan, negotiations over land use would be carried out by Ukujima Mega Solar Park Service Corporation (hereafter “UMSPS”), which would lease agricultural land or deserted arable land on the island from respective owners. A special purpose company (TeraSol G.K.) would then sublease the land from UMSPS to construct and operate the solar power systems. In this project, the solar modules would be constructed on stilts, allowing the land to be concurrently utilized for both power generation and agriculture. In addition, based on agricultural grant funding from TeraSol, UMSPS will support livestock farmers by commissioning the production of oat grass and other pasture grasses, thus contributing to regional development on the island through both the island’s main industry of agriculture and the power generation business.

Kyocera supplies, installs, maintains and manages

Along with Photovolt Development Partners, the five companies have reached a basic agreement to explore the project. Under the current plan, the Kyocera Group will supply 100 percent of the modules to be installed, and in cooperation with Kyudenko, will be responsible for the construction, maintenance and management of the solar power systems; while Mizuho Bank will be in charge of planning and coordinating the projects’ financing. Additionally, Kyocera, Kyudenko and ORIX are considering making capital investments into TeraSol.

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The companies involved will work with the Nagasaki prefectural authorities, the city of Sasebo and the communities to investigate the most appropriate business model and ensure that environment protection is considered in the selection of sites and construction of the solar power systems.

*1 Largest in the world for a solar power plant built on agricultural land (as of June 12, 2014).

*2 For the reader's convenience; based on an exchange rate of JPY138 = EUR1 (as of June 11, 2014).

*3 Based on an average annual use of 3,600kWh per household. Source: Federation of Electric Power Companies of Japan.

*4 Based on calculations derived from standards created by JPEA (Japan Photovoltaic Energy Association).

For more information about Kyocera: www.kyocera.eu

Project Overview

Project name	Ukujima Mega Solar Park (tentative name)
Companies involved	Photovolt Development Partners GmbH; Ukujima Mega Solar Park Service Corporation; Kyocera Corporation; Kyudenko Corporation; ORIX Corporation; Mizuho Bank, Ltd. (planned)
Power output	430MWp
Construction site (planned)	Ukujima, Sasebo City, Nagasaki Prefecture, Japan (island area: approx. 24,930,000m ² ; population: approx. 2,000)
Project land use	Approx. 6,300,000m ²
Investment	Approx. 150 billion yen; approx. 1,087 billion EUR (planned)
Start of construction	FY2016

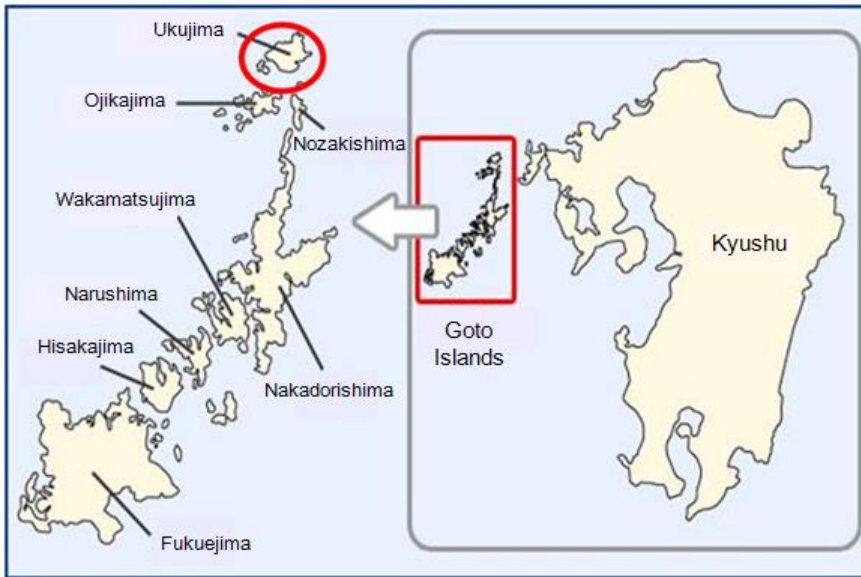
Contact:

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 Daniela Faust
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 41460 Neuss
 Germany
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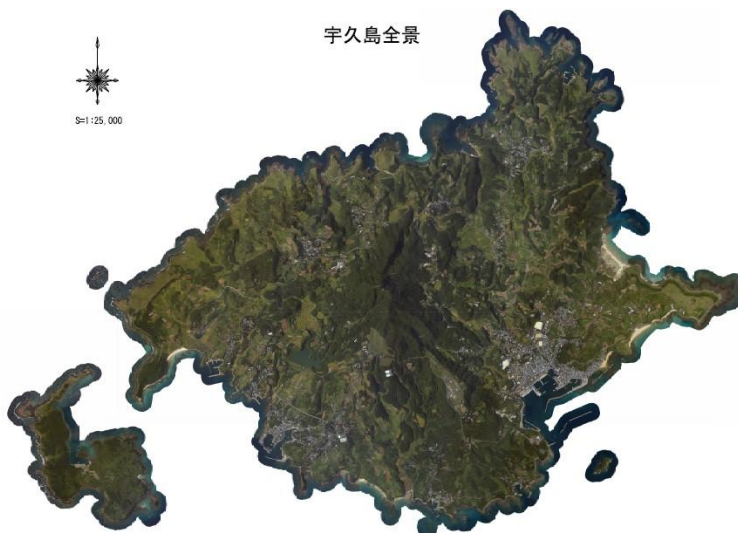
Grayling Düsseldorf
 Jan Leder, Anne Beringer
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 40476 Düsseldorf
 Germany
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Map of the Goto Islands



Satellite view of Ukujima



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About Kyocera

Headquartered in Kyoto, Japan, Kyocera Corporation is one of the world's leading manufacturers of fine ceramic components for the technology industry. The strategically important divisions in the Kyocera Group, which is comprised of 230 subsidiaries (as of April 1, 2014), are information and communications technologies, products which increase quality of life, and environmentally friendly products. The technology group is also one of the largest producers of solar energy systems worldwide, with more than 4 gigawatts of solar power having been installed around the world to date.

The company is ranked #531 on *Forbes* magazine's 2014 "Global 2000" listing of the world's largest publicly traded companies.

With a global workforce of about 70,000 employees, Kyocera posted net sales of approximately €10.19 billion in fiscal year 2013/2014. The products marketed by the company in Europe include laser printers, digital copying systems, microelectronic components, fineceramic products and complete solar power systems. The Kyocera Group has two independent companies in the Federal Republic of Germany: Kyocera Fineceramics GmbH in Neuss and Esslingen and Kyocera Document Solutions in Meerbusch.

The company also takes an active interest in cultural affairs. The Kyoto Prize, a prominent international award, is presented each year by the Inamori Foundation — established by Kyocera founder Dr. Kazuo Inamori — to individuals and groups worldwide who have contributed significantly to the scientific, cultural, and spiritual betterment of humankind (converted at present €354,000 per prize category).

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