

CONSOLIDATED FINANCIAL RESULTS

Consolidated Financial Results Briefing for Fiscal 2024

MITSUBISHI ELECTRIC CORPORATION

April 26, 2024



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1 Key Points

Key Points

- **FY24: Revenue ¥5,257.9 bn (+¥254.2 bn YoY), Operating Profit ¥328.5 bn (+¥66.1 bn YoY)**
 - Revenue and operating profit achieved new record highs due to the significant improvement of the automotive equipment business despite the impact of market fluctuation in the factory automation systems business.
 - Operating profit in all business segments turned into profit as a result of carrying out efforts for ensuring performance, including realizing the benefit of price hike.
- **FY24: Free cash flow ¥321.3 bn (+¥303.1 bn YoY)**
 - In addition to the improvement in cash flows from operating activities, efforts for asset efficiency, including the sale of cross-shareholdings, were implemented.
 - The proceeds from sale of investment securities and others were ¥181.6 bn.
- **FY25 forecast: Revenue ¥5,300.0 bn (+¥42.0 bn YoY), Operating Profit ¥400.0 bn (+¥71.4 bn YoY)**
 - Revenue and profit are expected to increase (YoY) due primarily to improved profitability in the factory automation systems and air conditioning systems & home products businesses in addition to increased demand, particularly in the infrastructure segment. Revenue and operating profit are expected to achieve new record highs. Promote business portfolio strategy and initiatives for improving management structure, and steadily implement growth investment and shareholder returns through profit growth.
 - Mitsubishi Electric Mobility commenced operations in April 2024. Continuously promote structural reform to enhance profitability of the automotive equipment business.

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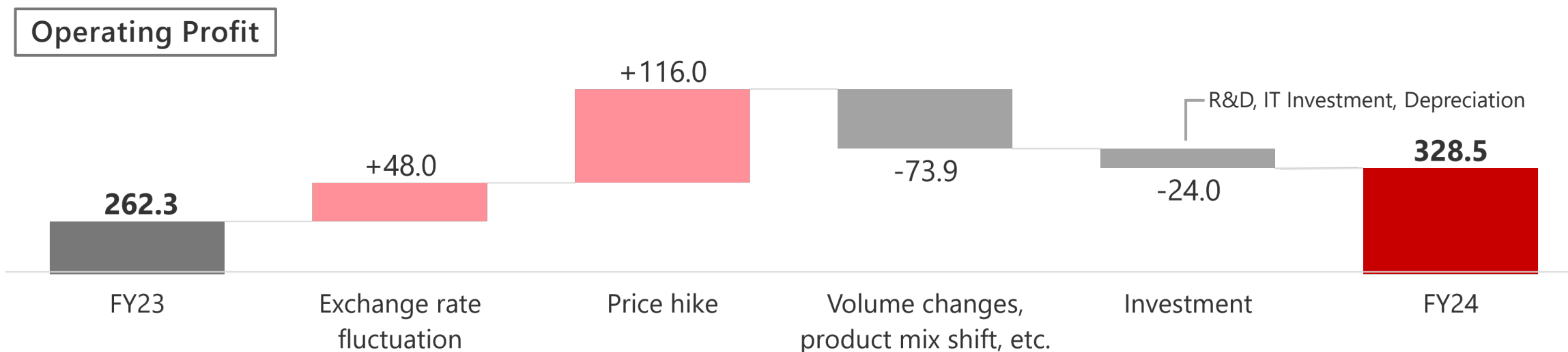
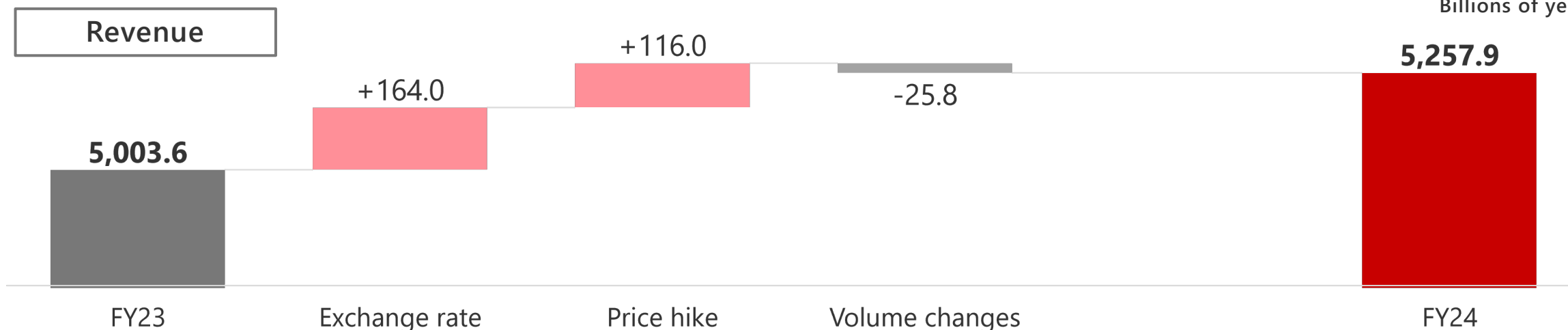
FY24 Financial Results

Consolidated Financial Results

Billions of yen	FY23	FY24	YoY	
Revenue	5,003.6	5,257.9	+254.2	105%
Operating profit	262.3	328.5	+66.1	125%
%	5.2%	6.2%	+1.0pt	-
Profit before income taxes	292.1	365.8	+73.6	125%
Net profit attributable to Mitsubishi Electric Corp. stockholders	213.9	284.9	+71.0	133%
	USD	¥136	¥145	
	EUR	¥142	¥158	
	CNY	¥19.7	¥20.2	

Factors Leading to Changes in Revenue and Operating Profit

Billions of yen



Consolidated Statement of Profit or Loss

Billions of yen	FY23		FY24		YoY
Revenue	5,003.6	100.0%	5,257.9	100.0%	+254.2
Cost of sales	3,596.7	71.9%	3,712.0	70.6%	+115.2
Selling, general and administrative expenses	1,147.9	23.0%	1,237.2	23.5%	+89.2
Other profit (loss)	3.4	0.1%	19.9	0.3%	+16.4
Operating profit	262.3	5.2%	328.5	6.2%	+66.1
Financial income/expenses	8.0	0.2%	9.5	0.2%	+1.5
Share of profit of investments accounted for using the equity method	21.8	0.4%	27.8	0.6%	+5.9
Profit before income taxes	292.1	5.8%	365.8	7.0%	+73.6
Income taxes	67.2	1.3%	68.9	1.4%	+1.6
Net profit	224.9	4.5%	296.9	5.6%	+72.0
Net profit attributable to Mitsubishi Electric Corp. Stockholders	213.9	4.3%	284.9	5.4%	+71.0

Consolidated Statement of Financial Position

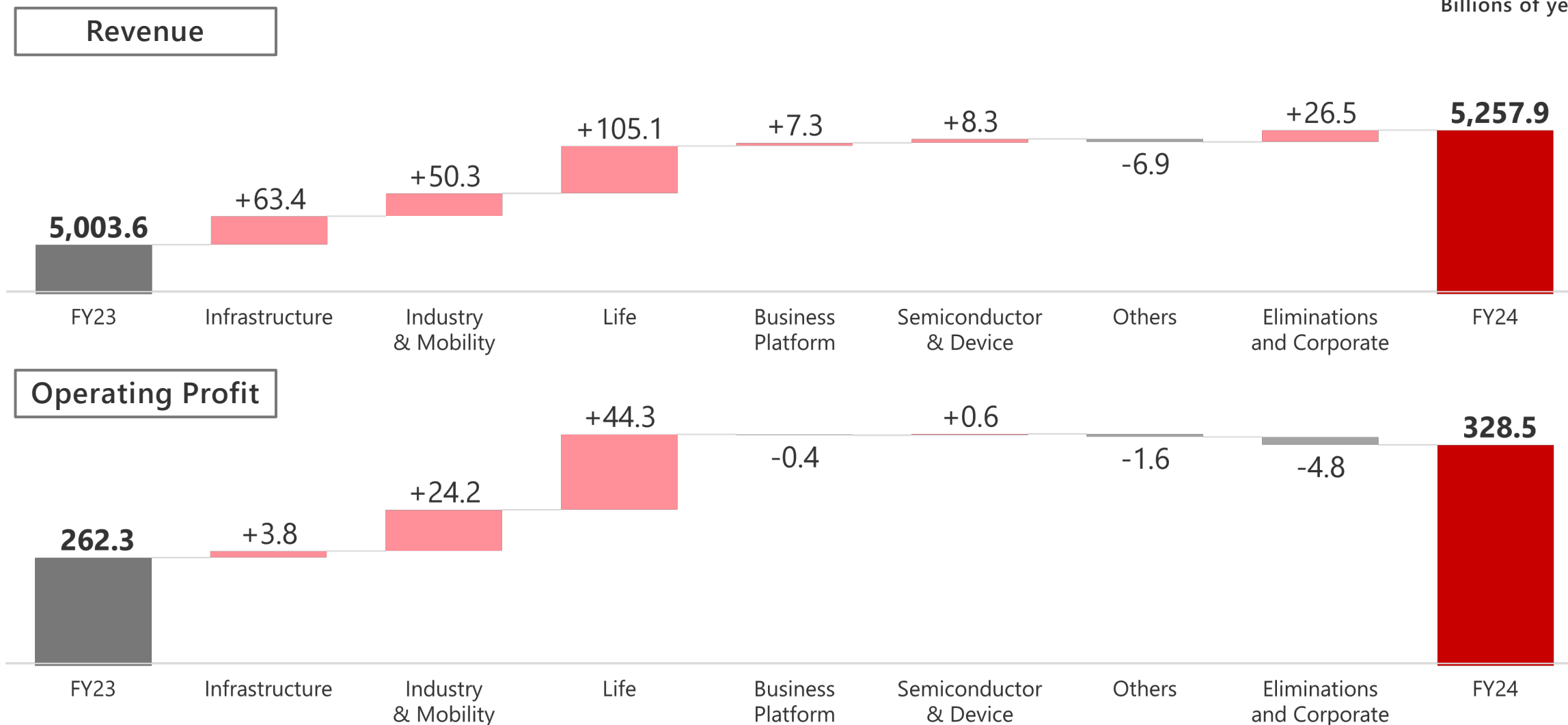
Billions of yen	As of March 31, 2023	As of March 31, 2024	Change from March 31, 2023
Total assets	5,582.5	6,167.3	+584.8
Cash and cash equivalents	645.8	765.3	+119.5
Trade receivables and contract assets	1,346.9	1,408.5	+61.6
Inventories	1,209.2	1,253.4	+44.2
Property, plant and equipment	896.3	962.6	+66.2
Total liabilities	2,219.2	2,300.9	+81.6
Bonds and borrowings	252.2	241.2	-10.9
%	4.5%	3.9%	-0.6pt
Total equity	3,363.2	3,866.4	+503.1
Mitsubishi Electric Corp. stockholders' equity	3,239.0	3,739.3	+500.2
%	58.0%	60.6%	+2.6pt

Consolidated Statement of Cash Flows

Billions of yen	FY23	FY24	YoY
Cash flows from operating activities	166.7	415.4	+248.7
Cash flows from investing activities	-148.5	-94.1	+54.4
Free cash flow	18.1	321.3	+303.1
Cash flows from financing activities	-119.5	-240.1	-120.5
Cash and cash equivalents at end of period	645.8	765.3	+119.5

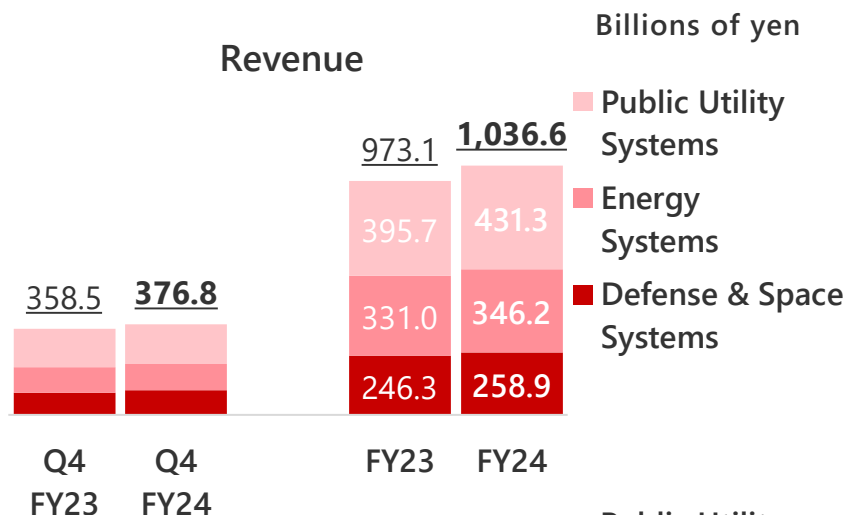
Consolidated Financial Results by Business Segment

Billions of yen



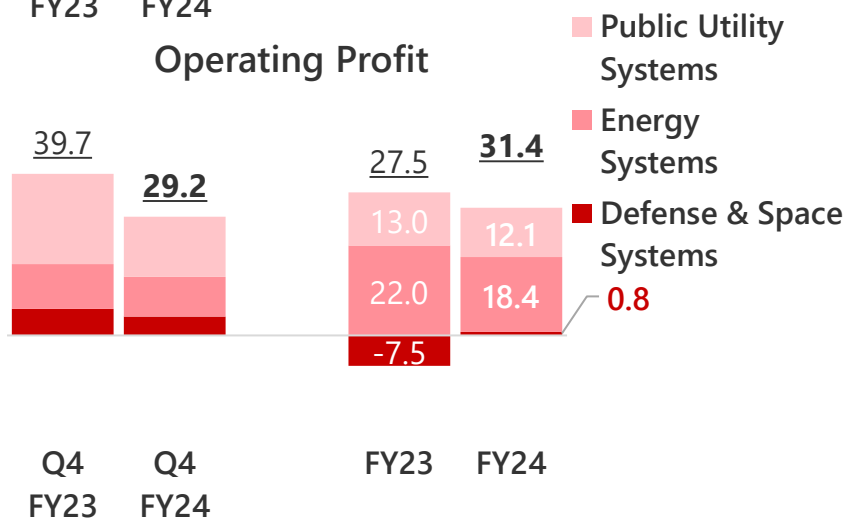
Notes: Business segments have been changed due to the adoption of the new management structure on April 1, 2023. Some businesses have been reclassified in Others due to the organizational restructure.

Consolidated Financial Results : Infrastructure



Revenue ¥1,036.6 bn (YoY +¥63.4 bn)

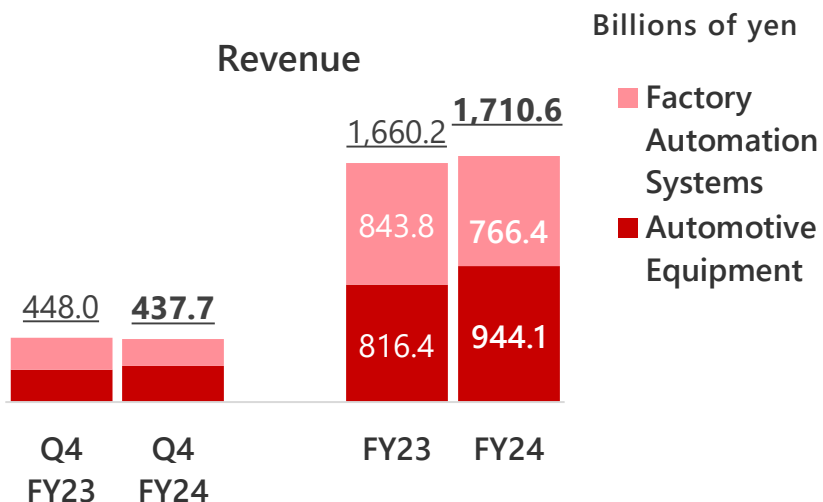
- **Public Utility Systems ¥431.3 bn (YoY +¥35.6 bn)**
 - The market continued to see recovery in the global demand for the transportation systems area and robust investment in the public utility area worldwide.
 - Orders increased YoY due primarily to increases in the transportation systems business worldwide and the public utility business outside Japan. Revenue also increased YoY due primarily to increases in the public utility business worldwide and the transportation systems business outside Japan.
- **Energy Systems ¥346.2 bn (YoY +¥15.2 bn)**
 - The market continued to see capital expenditures of power companies in Japan and robust demand mainly for power supply stabilization worldwide in the expansion of renewable energy.
 - Orders increased YoY due primarily to increases in the power distribution business worldwide and the power generation business in Japan. Revenue also increased YoY due primarily to an increase in the power distribution business worldwide.
- **Defense & Space Systems ¥258.9 bn (YoY +¥12.6 bn)**
 - The business saw an increase in orders YoY due to an increase in large-scale projects for the defense systems business. Revenue also increased YoY due to an increase in large-scale projects for the defense systems and space systems businesses.



Operating Profit ¥31.4 bn (YoY +¥3.8 bn)

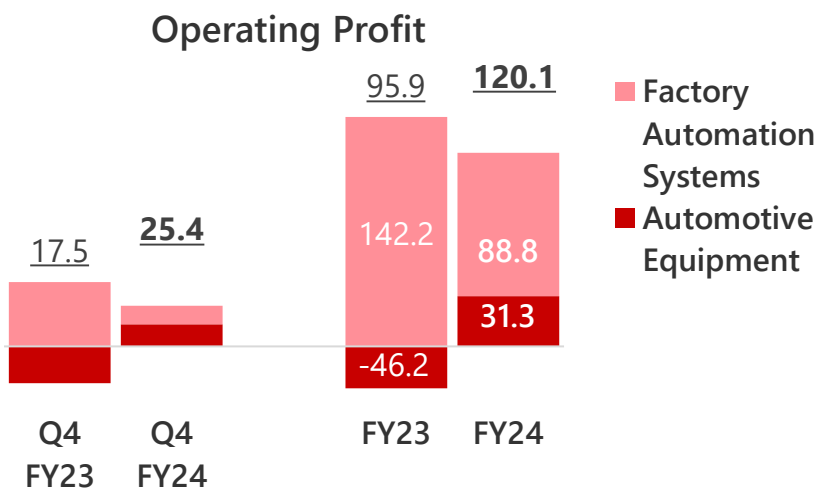
- **Public Utility Systems ¥12.1 bn (YoY -¥0.8 bn)**
 - Decreased YoY due mainly to a shift in project portfolios and increased costs.
- **Energy Systems ¥18.4 bn (YoY -¥3.6 bn)**
 - Decreased YoY due mainly to a shift in project portfolios and increased costs.
- **Defense & Space Systems ¥0.8 bn (YoY +¥8.3 bn)**
 - Improved YoY due mainly to an increase in revenue and a shift in project portfolios.

Consolidated Financial Results : Industry & Mobility



Revenue ¥1,710.6 bn (YoY +¥50.3 bn)

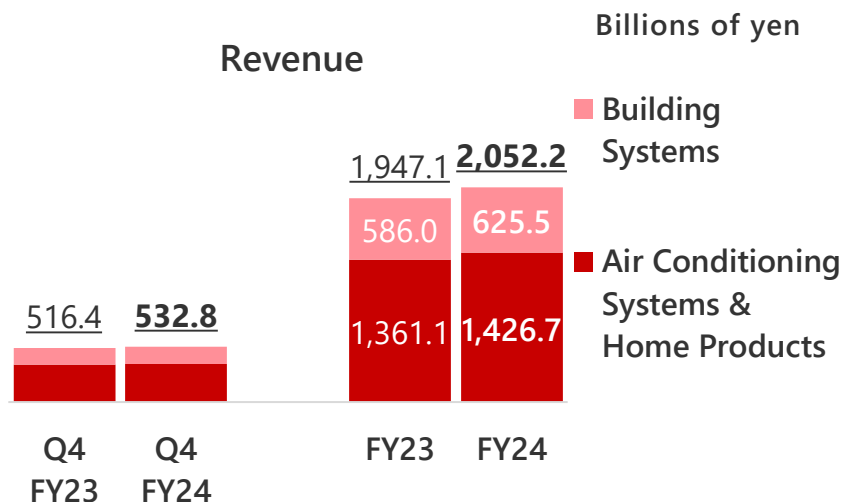
- **Factory Automation Systems ¥766.4 bn (YoY -¥77.3 bn)**
 - The market saw a decrease in global demand for digital equipment such as semiconductors as well as for the decarbonization area such as lithium-ion batteries.
 - The business saw decreases in both orders and revenue YoY.
- **Automotive Equipment ¥944.1 bn (YoY +¥127.7 bn)**
 - The market saw a YoY increase in sales of new cars due mainly to an improvement in the supply of some semiconductor parts, and robust demand primarily for electric vehicle-related equipment in line with the expansion of the market centering on electric vehicles.
 - The business saw increases in both orders and revenue YoY due primarily to increases in electric vehicle-related equipment such as motors and inverters, electrical components and advanced driver assistance system (ADAS)-related products in addition to the weaker yen and price hike.



Operating Profit ¥120.1 bn (YoY +¥24.2 bn)

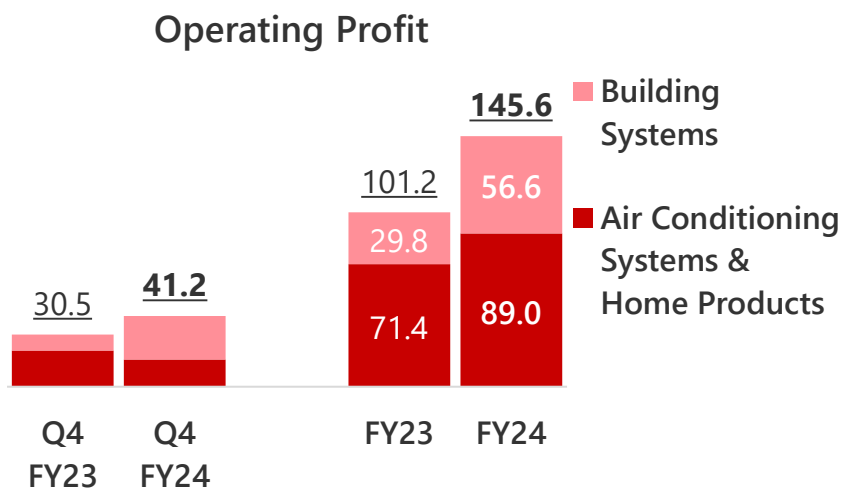
- **Factory Automation Systems ¥88.8 bn (YoY -¥53.3 bn)**
 - Decreased YoY due mainly to a decrease in revenue and increased costs.
- **Automotive Equipment ¥31.3 bn (YoY +¥77.5 bn)**
 - Improved YoY due primarily to an increase in revenue and price hike.

Consolidated Financial Results : Life



Revenue ¥2,052.2 bn (YoY +¥105.1 bn)

- **Building Systems ¥625.5 bn (YoY +¥39.4 bn)**
 - The market continued to see recovery in the global demand.
 - The business saw increases in both orders and revenue YoY due primarily to increases in Japan, Asia (excluding China) and Europe.
- **Air Conditioning Systems & Home Products ¥1,426.7 bn (YoY +¥65.6 bn)**
 - The market saw a decrease in demand for air conditioners in Europe and North America during the second half of fiscal 2024, despite robust global demand for air conditioners due to decarbonization trends worldwide mainly in the first half of fiscal 2024.
 - The business saw an increase in revenue YoY due mainly to the weaker yen and price hike in addition to an increase in air conditioners in Europe and Asia.

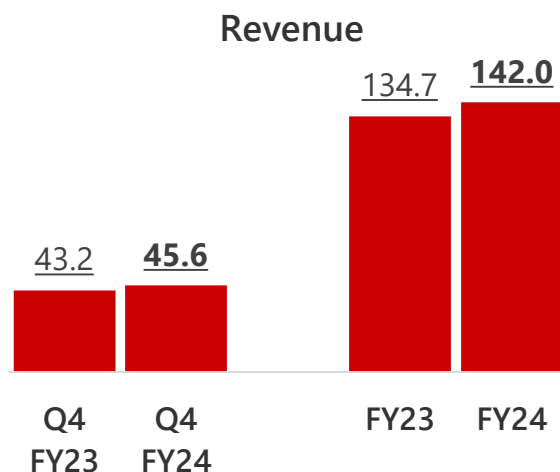


Operating Profit ¥145.6 bn (YoY +¥44.3 bn)

- **Building Systems ¥56.6 bn (YoY +¥26.8 bn)**
 - Increased YoY due mainly to an increase in revenue and the impact of sales of land.
- **Air Conditioning Systems & Home Products ¥89.0 bn (YoY +¥17.5 bn)**
 - Increased YoY due mainly to an increase in revenue and an improvement of logistics costs.

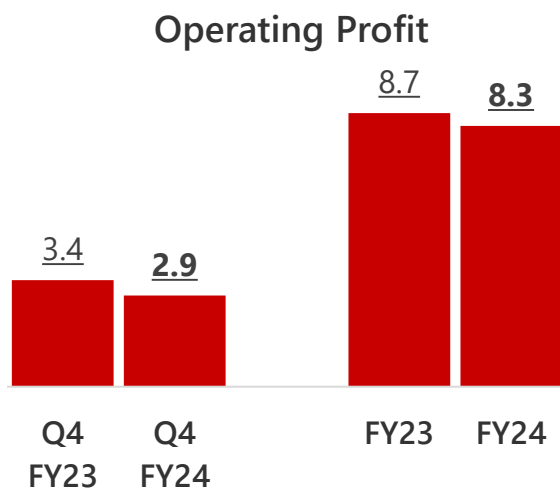
Consolidated Financial Results : Business Platform

Billions of yen



Revenue ¥142.0 bn (YoY +¥7.3 bn)

- The market saw robust demand due to updates to legacy systems and digital transformation-related efforts.
- Orders remained substantially unchanged compared to the previous fiscal year. Revenue increased YoY due primarily to increases in the system integrations and IT infrastructure service businesses.



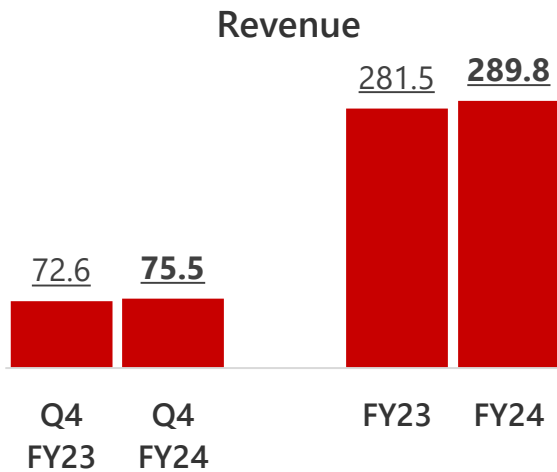
Operating Profit ¥8.3 bn (YoY -¥0.4 bn)

- Decreased YoY due mainly to an increase in costs.

Notes: Business segments have been changed due to the adoption of the new management structure on April 1, 2023. Some businesses have been reclassified in Others due to the organizational restructure. Results for FY23 were restated in line with the new segmentation.

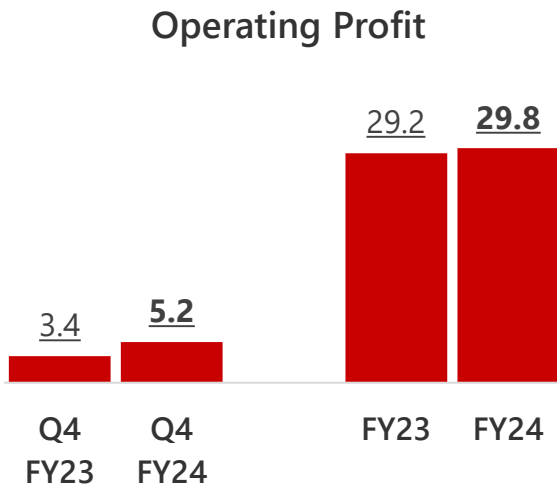
Consolidated Financial Results : Semiconductor & Device

Billions of yen



Revenue ¥289.8 bn (YoY +¥8.3 bn)

- The market saw robust demand for power modules used in railway & power transmission applications.
- The business saw an increase in orders YoY due mainly to an increase in power modules used in railway & power transmission applications. Revenue for this segment also increased YoY due mainly to the weaker yen and an increase in power modules used in industrial, automotive and railway & power transmission applications.

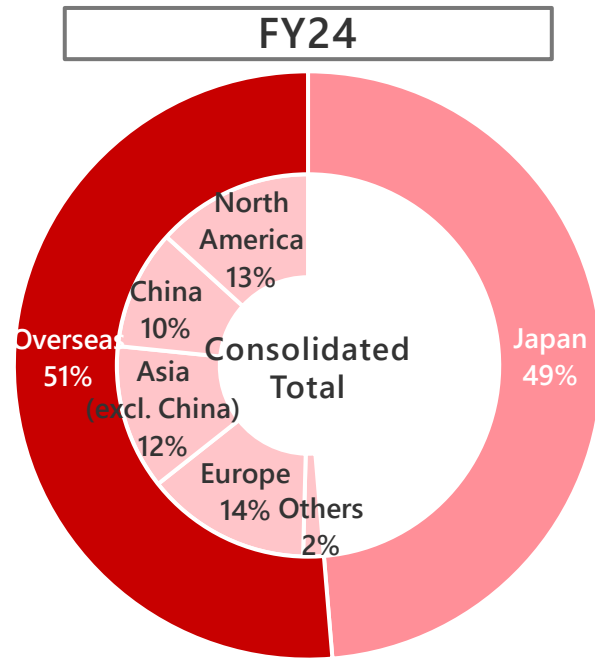


Operating Profit ¥29.8 bn (YoY +¥0.6 bn)

- Increased YoY due mainly to an increase in revenue.

Notes: Business segments have been changed due to the adoption of the new management structure on April 1, 2023. Results for FY23 were restated in line with the new segmentation.

Revenue by Location of Customers



Billions of yen	FY23	FY24	YoY
Japan	2,467.0	2,559.4	+92.4 104%
Overseas	2,536.6	2,698.4	+161.7 106%
North America	625.5	697.0	+71.4 111%
China	583.6	532.3	-51.2 91%
Asia (excl. China)	635.2	644.6	+9.4 101%
Europe	607.8	733.0	+125.2 121%
Others	84.3	91.2	+6.8 108%
Consolidated Total	5,003.6	5,257.9	+254.2 105%

Factory Automation Systems

	North America	China	Asia (excl. China)	Europe	Japan
FY23	5%	24%	23%	6%	41%
FY24	6%	22%	20%	7%	46%

Air Conditioning Systems & Home Products

	North America	China	Asia (excl. China)	Europe	Others	Japan
FY23	16%	8%	11%	26%	3%	36%
FY24	14%	8%	12%	29%	4%	34%

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FY25 Forecast

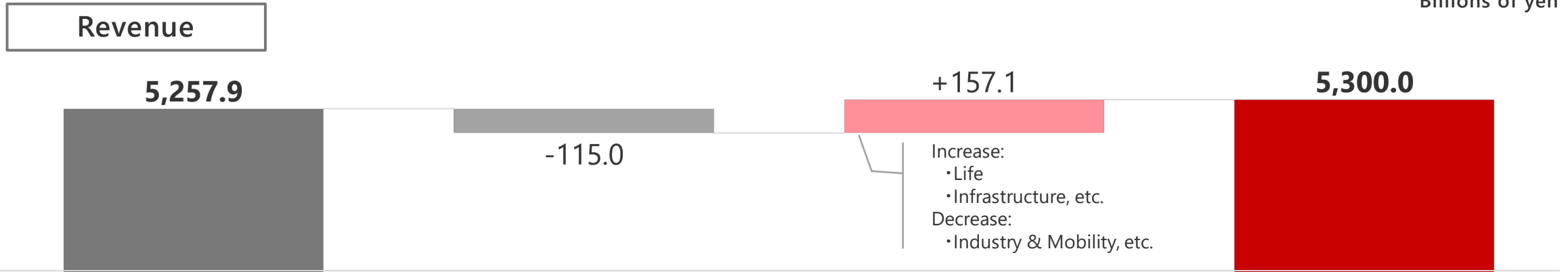
FY25 Forecast

		FY24	FY25 forecast	YoY	
Billions of yen					
Revenue		5,257.9	5,300.0	101%	
Operating profit		328.5	400.0	122%	
%		6.2%	7.5%	+1.3pt	
Profit before income taxes		365.8	430.0	118%	
Net profit attributable to Mitsubishi Electric Corp. stockholders		284.9	315.0	111%	
		FY24	FY25 forecast	Annual foreign exchange sensitivity ^(*)	
				Revenue	Operating Profit
Foreign exchange rates	USD	¥145	¥140	about ¥5.0 bn	about 1/4 of revenue
	EUR	¥158	¥150	about ¥4.0 bn	about 1/3 of revenue
	CNY	¥20.2	¥19.5	about ¥2.5 bn	about 1/3 of revenue

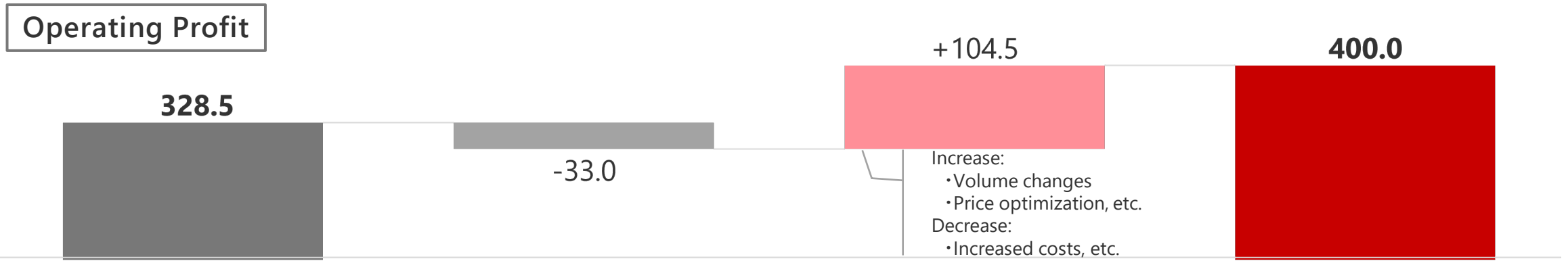
(*) Impact of 1 yen move. CNY impact of 0.1 yen move.

FY25 Forecast (Factors Leading to Changes)

Billions of yen



FY24 Exchange rate fluctuation Volume changes, etc. FY25



FY24 Exchange rate fluctuation Volume changes, etc. FY25

FY25 Forecast (Revenue and Operating Profit by Segment)

Billions of yen	FY25 Forecast			YoY			Overview
	Revenue	Operating profit	Operating profit margin	Revenue	Operating profit	Operating profit margin	
Infrastructure	1,110.0	46.0	4.1%	+73.3	+14.5	+1.1pt	<ul style="list-style-type: none"> For the entire segment, revenue and operating profit are expected to increase (YoY), due primarily to volume changes in the defense & space systems business despite the impact of the transfer of the power generation business in the Energy systems business due to the establishment of a new company.
Public Utility Systems	450.0	21.0	4.7%	+18.6	+8.8	+1.9pt	
Energy Systems	330.0	17.0	5.2%	-16.2	-1.4	-0.1pt	
Defense & Space Systems	330.0	8.0	2.4%	+71.0	+7.1	+2.1pt	
Industry & Mobility	1,670.0	137.0	8.2%	-40.6	+16.8	+1.2pt	<ul style="list-style-type: none"> For the entire segment, a decrease in revenue is expected due primarily to exchange rate fluctuation and a decrease in demand for the automotive equipment business. However, an increase in profit is expected due primarily to price optimization in the factory automation systems businesses.
Factory Automation Systems	770.0	110.0	14.3%	+3.5	+21.1	+2.7pt	
Automotive Equipment	900.0	27.0	3.0%	-44.1	-4.3	-0.3pt	
Life	2,080.0	158.0	7.6%	+27.7	+12.3	+0.5pt	<ul style="list-style-type: none"> For the entire segment, revenue and operating profit are expected to increase (YoY), due primarily to an increase in demand for air conditioners despite the impact of sales of land in the previous fiscal year.
Building Systems	630.0	52.0	8.3%	+4.4	-4.6	-0.8pt	
Air Conditioning Systems & Home Products	1,450.0	106.0	7.3%	+23.2	+16.9	+1.1pt	
Business Platform	150.0	10.0	6.7%	+7.9	+1.6	+0.8pt	<ul style="list-style-type: none"> Revenue and operating profit are expected to increase (YoY) due primarily to volume changes in the IT infrastructure service businesses.
Semiconductor & Device	290.0	32.0	11.0%	+0.1	+2.1	+0.7pt	<ul style="list-style-type: none"> Revenue and operating profit are expected to increase (YoY) due primarily to an increase in demand for power modules and a shift in product mix.
Others	820.0	55.0	6.7%	-23.5	+23.2	+2.9pt	<ul style="list-style-type: none"> Despite a decrease (YoY) in revenue, an increase (YoY) in profit is expected due primarily to selling assets.
Eliminations and corporate	-820.0	-38.0	-	-2.9	+0.7	-	
Consolidated Total	5,300.0	400.0	7.5%	+42.0	+71.4	+1.3pt	

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Supplementary Materials

Revenue and Operating Profit by Segment

Billions of yen	FY23			FY24			YoY		
	Revenue	Operating profit (loss)	Operating profit margin	Revenue	Operating profit	Operating profit margin	Revenue	Operating profit	Operating profit margin
Infrastructure	973.1	27.5	2.8%	1,036.6	31.4	3.0%	+63.4	+3.8	+0.2pt
Public Utility Systems	395.7	13.0	3.3%	431.3	12.1	2.8%	+35.6	-0.8	-0.5pt
Energy Systems	331.0	22.0	6.7%	346.2	18.4	5.3%	+15.2	-3.6	-1.4pt
Defense & Space Systems	246.3	-7.5	-3.1%	258.9	0.8	0.3%	+12.6	+8.3	+3.4pt
Industry & Mobility	1,660.2	95.9	5.8%	1,710.6	120.1	7.0%	+50.3	+24.2	+1.2pt
Factory Automation Systems	843.8	142.2	16.9%	766.4	88.8	11.6%	-77.3	-53.3	-5.3pt
Automotive Equipment	816.4	-46.2	-5.7%	944.1	31.3	3.3%	+127.7	+77.5	+9.0pt
Life	1,947.1	101.2	5.2%	2,052.2	145.6	7.1%	+105.1	+44.3	+1.9pt
Building Systems	586.0	29.8	5.1%	625.5	56.6	9.1%	+39.4	+26.8	+4.0pt
Air Conditioning Systems & Home Products	1,361.1	71.4	5.3%	1,426.7	89.0	6.2%	+65.6	+17.5	+0.9pt
Business Platform	134.7	8.7	6.5%	142.0	8.3	5.9%	+7.3	-0.4	-0.6pt
Semiconductor & Device	281.5	29.2	10.4%	289.8	29.8	10.3%	+8.3	+0.6	-0.1pt
Others	850.5	33.4	3.9%	843.5	31.7	3.8%	-6.9	-1.6	-0.1pt
Eliminations and corporate	-843.6	-33.8	-	-817.0	-38.7	-	+26.5	-4.8	-
Consolidated Total	5,003.6	262.3	5.2%	5,257.9	328.5	6.2%	+254.2	+66.1	+1.0pt

Notes: Business segments have been changed due to the adoption of the new management structure on April 1, 2023. Some businesses have been reclassified in Others due to the organizational restructure. Results for FY23 were restated in line with the new segmentation.

Revenue and Operating Profit by Segment (Forecast)

Billions of yen	FY24			FY25 Forecast			YoY		
	Revenue	Operating profit	Operating profit margin	Revenue	Operating profit	Operating profit margin	Revenue	Operating profit	Operating profit margin
Infrastructure	1,036.6	31.4	3.0%	1,110.0	46.0	4.1%	+73.3	+14.5	+1.1pt
Public Utility Systems	431.3	12.1	2.8%	450.0	21.0	4.7%	+18.6	+8.8	+1.9pt
Energy Systems	346.2	18.4	5.3%	330.0	17.0	5.2%	-16.2	-1.4	-0.1pt
Defense & Space Systems	258.9	0.8	0.3%	330.0	8.0	2.4%	+71.0	+7.1	+2.1pt
Industry & Mobility	1,710.6	120.1	7.0%	1,670.0	137.0	8.2%	-40.6	+16.8	+1.2pt
Factory Automation Systems	766.4	88.8	11.6%	770.0	110.0	14.3%	+3.5	+21.1	+2.7pt
Automotive Equipment	944.1	31.3	3.3%	900.0	27.0	3.0%	-44.1	-4.3	-0.3pt
Life	2,052.2	145.6	7.1%	2,080.0	158.0	7.6%	+27.7	+12.3	+0.5pt
Building Systems	625.5	56.6	9.1%	630.0	52.0	8.3%	+4.4	-4.6	-0.8pt
Air Conditioning Systems & Home Products	1,426.7	89.0	6.2%	1,450.0	106.0	7.3%	+23.2	+16.9	+1.1pt
Business Platform	142.0	8.3	5.9%	150.0	10.0	6.7%	+7.9	+1.6	+0.8pt
Semiconductor & Device	289.8	29.8	10.3%	290.0	32.0	11.0%	+0.1	+2.1	+0.7pt
Others	843.5	31.7	3.8%	820.0	55.0	6.7%	-23.5	+23.2	+2.9pt
Eliminations and corporate	-817.0	-38.7	-	-820.0	-38.0	-	-2.9	+0.7	-
Consolidated Total	5,257.9	328.5	6.2%	5,300.0	400.0	7.5%	+42.0	+71.4	+1.3pt

Order Trends of Mass Production Businesses

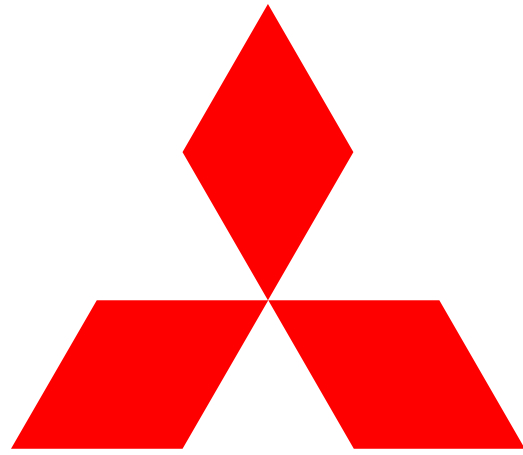
			FY23				FY24			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Industry & Mobility	Factory Automation Systems	YoY	+15%	-4%	-26%	-25%	-43%	-35%	-28%	-19%
		QoQ	+3%	-13%	-20%	+4%	-21%	-1%	-13%	+18%
	Automotive Equipment	YoY	+4%	+35%	+13%	+12%	+22%	+9%	+20%	+12%
		QoQ	-12%	+23%	-5%	+9%	-5%	+10%	+5%	+2%
Semiconductor & Device		YoY	-18%	-17%	-23%	-24%	-10%	+48%	-3%	+21%
		QoQ	-2%	-31%	-1%	+12%	+17%	+14%	-35%	+39%

*Air Conditioning Systems & Home Products business within the mass production businesses has few products made on order, thus not included in the chart above.

While the statements herein, including the forecasts regarding the Mitsubishi Electric Group, are based on assumptions considered to be reasonable under the circumstances on the date of announcement, actual results may differ significantly from forecasts. The main factors materially affecting the expectations expressed herein include but are not limited to the following:

1. Changes in worldwide economic and social conditions, as well as regulations, taxation and other legislation
2. Changes in foreign currency exchange rates
3. Changes in stock markets
4. Changes in the fund-raising environment
5. Changes in the supply and demand of products, as well as the material procurement environment
6. Establishment of important patents, status of significant licenses and disputes related to key patents
7. Litigation and other legal proceedings
8. Issues related to quality and defects in products or services
9. Laws, regulations and issues related to the global environment, especially responses to climate change
10. Laws, regulations and issues related to human rights
11. Radical technological innovation, as well as the development, manufacturing and time-to-market of products using new technology
12. Business restructuring
13. Information security incidents
14. Large-scale disasters, including earthquakes, tsunamis, typhoons, volcanic eruptions and fires
15. Social, economic and political upheaval due to heightened geopolitical risks, war, conflict, terrorism or other factors
16. Social, economic and political upheaval due to pandemics or other factors
17. Important matters related to Mitsubishi Electric Corporation's directors and executive officers, major shareholders, affiliated companies and other stakeholders

Note: This document has been translated from Japanese original for reference purpose only.
In the event of any discrepancy between this document and the Japanese original, the original shall prevail.



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