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Mitsubishi Electric to Build Elevator Factory in South Korea

Will strengthen development & production and accelerate expansion of elevator & escalator businesses

TOKYO, December 15, 2015 – [Mitsubishi Electric Corporation](#) (TOKYO: 6503) announced today that it will build a new factory for Mitsubishi Elevator Korea Co., Ltd. (KMEC) in the Songdo area of the Incheon Free Economic Zone in South Korea. Relocating KMEC's development and manufacturing bases to the new facility will strengthen Mitsubishi Electric's capability to respond to global needs for high-speed elevators, including by expanding annual production capacity 2.5 times to 4,000 units.

The facility's R&D center will absorb selected development functions currently based in the Inazawa Works, Mitsubishi Electric's elevator and escalator mother factory in Aichi Prefecture, Japan. The move will enable KMEC to collaborate more closely with the Inazawa Works in product development and thereby strengthen its response to global market needs.

A special emphasis will be placed on the strategic integration of sales, engineering, development, manufacturing, installation and maintenance functions. As a result, market needs will be more fully reflected in KMEC's product development and verification processes.

The new facility will help to upgrade Mitsubishi Electric's lineup of high-speed elevators for customers worldwide. Utilizing KMEC's advanced engineering capabilities, Mitsubishi Electric plans to begin offering high-speed elevators capable of speeds of up to 360 meters per minute in the foreseeable future. Also, production in South Korea will contribute to the price competitiveness of Mitsubishi Electric's high-speed elevators. In addition to expanding Mitsubishi Electric's capability to supply global markets, especially in the ASEAN and Middle Eastern regions, KMEC will help to meet demands for high-speed elevator renewals in these same markets and beyond.

Notably, the new factory will boost production of NexPia series elevators designed specifically for South Korea's growing market of small and midsize low-rise buildings. Demand is expected to remain stable, as the country's market for new installations of elevators and escalators will reach about 24,000 units in the fiscal year ending next March.

KMEC, since its establishment in 2001, has steadily grown its elevator and escalator business in the South Korean market. It began exporting high-quality, price-competitive high-speed elevators in 2008 and since then it has served as Mitsubishi Electric's global supply base for such models.

KMEC's New Factory

Location	Incheon Free Economic Zone, Incheon Metropolitan City, Republic of Korea
Site area	18,200 square meters
Floor space	19,300 square meters
Purpose	Development and manufacture of elevator equipment
Operation	April 2017
Production capacity	4,000 units annually
Investment	Approx. 33 billion KRW (Approx. US\$ 27 million)
Employees	Approx. 120 (upon opening of new factory)
Adjunct facilities	80-meter elevator testing tower and field training center

About KMEC

Company name	Mitsubishi Elevator Korea Co., Ltd.
President	Yong-Sung Kim
Location	Seoul, Republic of Korea
Ownership	Mitsubishi Electric Corporation: 54% Mitsubishi Electric Building Techno-Service Co., Ltd.: 26% Mitsubishi Corporation: 20%
Capital	8 billion KRW(as of the end of March 2015)
Established	December 2001
Employees	509 (as of the end of March 2015)
Business	Elevator and escalator manufacturing, sales, installation and maintenance

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About Mitsubishi Electric Corporation

With over 90 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. Embracing the spirit of its corporate statement, Changes for the Better, and its environmental statement, Eco Changes, Mitsubishi Electric endeavors to be a global, leading green company, enriching society with technology. The company recorded consolidated group sales of 4,323.0 billion yen (US\$ 36.0 billion*) in the fiscal year ended March 31, 2015. For more information visit: <http://www.MitsubishiElectric.com>

*At an exchange rate of 120 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2015