

**FOR IMMEDIATE RELEASE**

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*Investor Relations Inquiries:*

Investor Relations Group  
Corporate Finance Division  
Mitsubishi Electric Corporation  
Tel: +81-3-3218-2391  
Cad.Irg@rk.MitsubishiElectric.co.jp

*Media Contact:*

Public Relations Division  
Mitsubishi Electric Corporation  
Tel: +81-3-3218-3380  
prd.gnews@nk.MitsubishiElectric.co.jp  
<http://global.mitsubishielectric.com/news/>

## **MITSUBISHI ELECTRIC ANNOUNCES CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL RESULTS FOR FISCAL 2009**

**Tokyo, April 30, 2009** – Mitsubishi Electric Corporation (President and CEO: Setsuhiro Shimomura) (TOKYO: 6503) announced today its consolidated and non-consolidated financial results for fiscal 2009 (April 1, 2008- March 31, 2009).

### **Consolidated Financial Results**

Net sales:	3,665.1	billion yen	(9% decrease from the previous fiscal year)
Operating income:	139.7	billion yen	(47% decrease from the previous fiscal year)
Income before income taxes:	107.9	billion yen	(52% decrease from the previous fiscal year)
Net income:	12.1	billion yen	(92% decrease from the previous fiscal year)

### **Non-consolidated Financial Results**

Net sales:	2,264.9	billion yen	(9% decrease from the previous fiscal year)
Operating income:	27.8	billion yen	(81% decrease from the previous fiscal year)
Ordinary profit:	41.9	billion yen	(69% decrease from the previous fiscal year)
Net income (loss):	(36.5)	billion yen	–

The business environment in fiscal year 2009 saw an economic slowdown in the first half of the fiscal year, and with the financial crisis adversely and widely affecting the economy, the economic downturn became extremely severe in the second half. With the financial uncertainty becoming increasing mainly in Europe and the United States, the yen rapidly became stronger against major currencies.

In order to respond to these changes, especially in the management environment, the Mitsubishi Electric Group has been involved in reducing fixed cost and implementing further cost reduction activities, etc. to keep and improve its business performance. The company has also continued its efforts to strengthen its business structure through Group-wide management improvement programs, growth strategies and structural reforms.

However, due to the adverse effects to the managing environment from the second half of the fiscal year, as well as worsening in the company's equity method affiliate, the figures of the company's financial results fell back as stated above.

### **CONSOLIDATED FINANCIAL RESULTS BY BUSINESS SEGMENT**

#### **Energy and Electric Systems**

Total sales:	1,043.6	billion yen	(1% decrease from the previous fiscal year)
Operating income:	74.5	billion yen	(5.9 billion yen increase from the previous fiscal year)

The social infrastructure systems business saw increases in orders from the previous fiscal year due to expansions both domestic and overseas in electric equipment for rolling stock, power generation business and transmission/distribution related business, while sales decreased from the previous fiscal year due to a decrease in public-works business in Japan.

The building systems business experienced decreases in both orders and sales from the previous fiscal year, due to decreases in global demand for elevators and escalators, as well as postponements in large projects, etc.

As a result, total sales for this segment decreased 1% from the previous fiscal year, while operating income increased from the previous fiscal year due to increased sales in the power generation-related business, etc.

#### ***Industrial Automation Systems***

Total sales:	851.6	billion yen	(16% decrease from the previous fiscal year)
Operating income:	49.9	billion yen	(79.3 billion yen decrease from the previous fiscal year)

The factory automation systems business saw decreases in both orders and sales from the previous fiscal year due to decreases in demand, from the second quarter of fiscal 2009, for industrial machinery in the global market, flat panel display related investments in Korea and Taiwan, as well as domestic surface mounting systems related investments.

The automotive equipment business saw decreases in both orders and sales from the previous fiscal year due to a drastic decrease in global demand starting in September, despite increases, up to the second quarter of fiscal 2009, upheld by Japanese multinational automotive manufacturers.

As a result, total sales for this segment decreased by 16% from the previous fiscal year. Operating income decreased from the previous fiscal year due to decreases in sales, etc.

#### ***Information and Communication Systems***

Total sales:	582.1	billion yen	(10% decrease from the previous fiscal year)
Operating income:	24.8	billion yen	(22.5 billion yen increase from the previous fiscal year)

The telecommunications equipment business saw decreases in both orders and sales from the previous fiscal year due to the termination of the mobile handset business, despite increased orders and sales in the communications infrastructure systems business.

The information systems and services business saw an increase in sales from the previous fiscal year due to growth in our system integration business and operation services business, etc.

The electronic systems business saw increases in both orders and sales from the previous fiscal year due to received orders for the ST-2 commercial communications satellite, etc.

As a result, total sales for this segment decreased 10% from the previous fiscal year. Operating income increased from the previous fiscal year, owing to the termination of our mobile handset business, etc.

#### ***Electronic Devices***

Total sales:	166.9	billion yen	(13% decrease from the previous fiscal year)
Operating income (loss):	(29.8)	billion yen	(38.2 billion yen worse from the previous fiscal year)

The semiconductors business saw decreases in both orders and sales from the previous fiscal year due to decreases in industrial power modules, laser diodes for DVD recorders and power amplifiers for domestic mobile handsets, etc.

Sales in the liquid crystal business was unchanged from the previous fiscal year due to an increase in products for consumer use, despite a great decrease in products for industrial use.

As a result, total sales for the segment decreased 13% from the previous fiscal year. Operating income became worse compared to the previous fiscal year due to decreases in sales and recognition of loss on impairment of long-lived assets, etc.

#### ***Home Appliances***

Total sales:	915.7	billion yen	(8% decrease from the previous fiscal year)
Operating income:	34.7	billion yen	(31.0 billion yen decrease from the previous fiscal year)

The home appliances business saw a decrease in sales by 8% from the previous fiscal year due to a decrease in air conditioners for some regions in Europe and domestic ventilators, etc., despite increases in solar power

generation systems and heat-pump hot water and heating systems (air-to-water) for the overseas market, as well as increases in domestic heat-pump hot water supply systems, etc.  
Operating income decreased from the previous fiscal year due to decreases in sales, etc.

#### **Others**

Total sales:	596.0	billion yen	(10% decrease from the previous fiscal year)
Operating income:	12.3	billion yen	(4.5 billion yen decrease from the previous fiscal year)

Sales decreased 10% from the previous fiscal year mainly in our affiliated companies involved in materials procurement and logistics, etc.  
Operating income decreased from the previous fiscal year due to decreases in sales, etc.

#### ***Fundamental dividend distribution policy***

Our fundamental policy is to comprehensively promote improvement in shareholder profits from the viewpoints of appropriate profit distribution commensurate with earning performance of its respective fiscal year as well as strengthening our financial standing through our internal reserves, with the ultimate goal of improving corporate value.

#### ***FY 2009 and FY 2010 dividend***

With the need to strengthen our financial standing with regards to our worsening business performance in the second half of fiscal 2009, we have decided to pay no year-end retained earnings dividend for fiscal 2009. Adding the interim dividend of 6 yen per share, the total annual dividend is 6 yen per share.

The retained earnings dividend for fiscal 2010 is still undecided.

*cf. Fiscal 2008 dividend was 13 yen per share (interim dividend of 6 yen per share and a year-end dividend of 7 yen per share)*

### **FINANCIAL CONDITION (CONSOLIDATED BASIS)**

#### ***Assets, Liabilities, and Shareholders' Equity***

The company's total assets for the fiscal year decreased from the end of the previous fiscal year by 150.9 billion yen to 3,334.1 billion yen. This decrease is mainly due to a 136.1 billion yen decrease in trade receivables in response to decreased orders and sales.

The balance of outstanding debts and corporate bonds rose by 127.0 billion yen from the balance as of the end of the previous fiscal year to 677.8 billion yen, resulting in a rise of its ratio against total assets up to 20.3% (an increase of 4.5 points compared to the end of the previous fiscal year). Trade payables decreased by 145.4 billion yen, while reserves for retirement and severance benefits increased by 119.2 billion yen due to falling stock prices, etc. leading to increased amount of shortage in pension reserves, etc.

Shareholders' equity decreased by 181.9 billion yen compared to the previous fiscal year to 849.4 billion yen. The ratio of shareholders' equity to total assets was 25.5%, a 4.1-point decrease compared to the previous fiscal year. Accumulated other comprehensive income decreased by 166.0 billion yen due to a decline in stock prices, etc. Retained earnings decreased by 15.7 billion yen owing to a 12.1 billion yen net income and a dividend payment of 27.9 billion yen.

#### ***Cash Flow***

Cash flows from operating activities for this financial year decreased by 77.7 billion yen compared to the same period of the previous fiscal year to 181.1 billion yen (positive). Investment cash flow increased by 82.5 billion yen compared to the previous fiscal year to 214.9 billion yen (used) due to increases in purchased securities, etc. As a result, free cash flow was 33.8 billion yen (used).

Financial cash flow was 84.8 billion yen (positive) due to increased loans, etc.

### *Cash Flow related index*

	<i>FY 2005</i>	<i>FY 2006</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>
Cash Flow to interest bearing debt ratio <sup>1</sup>	4.4 times	2.4 times	2.4 times	2.3 times	3.4 times
Interest coverage ratio <sup>2</sup>	17.6 times	31.5 times	28.1 times	26.3 times	16.1 times

<sup>1</sup>balance of outstanding debts and corporate bonds\* divided by cash flow from operating activities

\*Balance of outstanding debts and corporate bonds is the average of the year-start and year-end balance of outstanding debts and corporate bonds.

<sup>2</sup>cash flow from operating activities divided by interest paid

## **CURRENT FORECAST FOR FISCAL 2010**

The world economy is expected to experience a continued environment of extreme severity in the first half of fiscal 2010 mainly in Europe and the United States, due to the credit crunch and worse employment environment. The Japanese economy is also expected to show further weakening in commercial demands. While the economy in the second half of the fiscal year is expected to bottom owing to stimulus packages by governments as well as inventory adjustments, the buoyancy will be limited and the annual economic growth of major industrial countries are all expected to fall back. Also arising from stronger yen and growing severity in the credit crunch, etc., increased risk of a continuous economic downturn does not allow us to be optimistic about our management environments. Under these circumstances, Mitsubishi Electric forecasts a decrease in net sales and income for fiscal 2010.

In the meantime, the Mitsubishi Electric Group will continue to increase and strengthen profitability in each business segment. In addition, to respond to the changes in the management environment, we are committed to rapidly implementing various company-wide measures toward improving business performance and financial standing. We will also realize sustainable growth by steadfast growth strategies to uplift our business performance at an early stage.

### ***Current forecast for fiscal 2010: consolidated***

Net sales	3,430.0	billion yen	(6% decrease from fiscal 2009)
Operating income	60.0	billion yen	(57% decrease from fiscal 2009)
Income before income taxes <sup>1</sup>	5.0	billion yen	(89% decrease from fiscal 2009)
Net income (loss)	(20.0)	billion yen)	—

<sup>1</sup>With the new accounting standards based on FAS 160 implemented starting from fiscal 2010, income before income taxes include equity in earnings of affiliated companies, while excluding net income attributable to the noncontrolling interest (net income applicable to the minority interest). Consequently, income before income taxes is compared using a figure of 43.9 billion yen for fiscal 2009.

## **MANAGEMENT POLICY**

### ***Fundamental Management Policy***

Based on its corporate statement “Changes for the Better”, the Mitsubishi Electric Group hopes to build a better tomorrow by contributing to the creation of new societies, industries and lifestyles.

Keeping this corporate approach in mind, Mitsubishi Electric will establish a solid business foundation and implement sustainable growth through a three point balanced management of “Growth,” “Profitability & Efficiency” and “Soundness”.

Mitsubishi Electric will also work to further enhance its corporate value by becoming a conglomerate of highly competitive electric-electronic businesses with a synergistic unity, capable of responding to the expectations of customers, shareholders, and all of our stakeholders.

### ***Management Targets***

The Mitsubishi Electric Group has established three management targets that it continuously aims to achieve: an operating income ratio of 5% or more, ROE of 10% or more, and a interest-bearing debt ratio of 15% or less. Business performance for fiscal 2009 showed an operating income ratio of 3.8%, an ROE of 1.3% and an interest-bearing debt ratio of 20.3%.

### ***Corporate Agenda***

The management environment for the Mitsubishi Electric Group has been experiencing a rapid downturn both in Japan and abroad in the second half of fiscal 2009, and this extremely severe condition is expected to continue for a while.

In order to respond to these changes, especially in the business environment, the Mitsubishi Electric Group has been involved in reducing fixed cost and implementing further cost reduction activities, etc. to improve its business performance at an early stage. The company will implement structural reforms or other options to improve the business performance of Renesas Technology Corp., an equity method affiliate of Mitsubishi Electric suffering from worsening business performance, and also consider restructuring of its businesses.

Furthermore, based on its three point balanced management of “Growth,” “Profitability & Efficiency” and “Soundness”, the Mitsubishi Electric Group will continuously improve by strengthening quality, cost and intellectual property as well as productivity, R&D, and sales capabilities. We will also strengthen our two-tiered growth strategy VI<sup>1</sup> strategy, ‘making strong businesses stronger’, and AD<sup>2</sup> strategy, ‘reinforcing solutions businesses centered on strong businesses’. While also restructuring business segments in response to changing business environments, we strive to create a management base that will continue to strengthen and improve our business performance.

Specifically, with an objective of strengthening our integrated “Craftsmanship”, we will strengthen our development and productivity in software and hardware, and continue to streamline our productivity with measures like Just In Time production. From the very first stages of design and development, we will strengthen activities that exert quality consciousness. We will utilize and best arrange human resources to enhance competitiveness, and engage in activities such as streamlining our human resources structure from a mid- and long-term perspective. We intend to improve our financial standing by further pursuing such measures as inventory reduction. In addition, we will build an optimal business structure and strengthen it both in global terms and for the entire corporate Group. Also, by promoting strategies for environment-related businesses and by further expanding business in emerging markets, etc., we will actively pursue businesses in growing markets. Finally, we will enhance our operational structure to manage various businesses, through integration and coordination among various aspects, including research, development, procurement, production, sales and services, etc.

In addition, we will be committed to enhance Corporate Social Responsibility (CSR) efforts based on the Corporate Mission<sup>3</sup> and Seven Guiding Principles<sup>4</sup>. Especially, in terms of legal and ethical compliances, we will intensively implement internal control measures and internal education, etc., as a priority task over the entire consolidated group of Mitsubishi Electric Corporation. We will also promote environmental initiatives to prevent global warming and create a recycling-based society, etc.

Steadily executing the above strategy, the Mitsubishi Electric Group will work to further enhance its corporate value.

<sup>1</sup>VI, the first two letters of ‘Victory’

<sup>2</sup>AD, the first two letters of ‘Advance’

<sup>3</sup>Corporate Mission: The Mitsubishi Electric Group will continually improve its technologies and services through creativity, and, at the same time, contribute to society.

<sup>4</sup>These principles are:

Trust: Establish relationships with all stakeholders based on strong mutual trust and respect,

Quality: Provide the best products and services with unsurpassed quality,

Technology: Pioneer new markets by promoting research and development,

Citizenship: As a global player, contribute to the development of communities and society as a whole,

Ethics: Honor high ethical standards in all endeavors,

Environment: Respect nature, and strive to protect and improve the global environment,

Growth: Assure fair earnings to build a foundation for future growth.

## CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL RESULTS

### 1. CONSOLIDATED FINANCIAL RESULTS

(In billions of yen except where noted)

	FY '08 (A) (Apr. 1, 2007 – Mar. 31, 2008)	FY '09 (B) (Apr. 1, 2008 – Mar. 31, 2009)	B – A	
			B – A	B/A (%)
Net sales	4,049.8	<b>3,665.1</b>	(384.6)	91
Operating income	264.0	<b>139.7</b>	(124.2)	53
Income before income taxes	226.6	<b>107.9</b>	(118.6)	48
Net income	157.9	<b>12.1</b>	(145.8)	8
Basic net income per share	73. <sup>60</sup> yen	<b>5.<sup>67</sup> yen</b>	(67. <sup>93</sup> yen)	8

**Notes:**

- 1) Consolidated financial charts made in accordance with U.S. GAAP.
- 2) Company has 147 consolidated subsidiaries.
- 3) Starting from this announcement, loss on impairment of long-lived assets, which in previous years was included in "other expenses", is reflected in "operating income". Consequently, figures for FY2008 have been restated.

### 2. NON-CONSOLIDATED FINANCIAL RESULTS

(In billions of yen except where noted)

	FY '08 (A) (Apr. 1, 2007 – Mar. 31, 2008)	FY '09 (B) (Apr. 1, 2008 – Mar. 31, 2009)	B – A	
			B – A	B/A (%)
Net sales	2,490.6	<b>2,264.9</b>	(225.6)	91
Operating income	144.6	<b>27.8</b>	(116.7)	19
Ordinary profit	134.3	<b>41.9</b>	(92.4)	31
Net income (loss)	77.3	<b>(36.5)</b>	(113.9)	–
Dividend per share				
Annual dividend	13 yen	<b>6 yen</b>	(7 yen)	46
Interim dividend	6 yen	<b>6 yen</b>		
Year-end dividend	7 yen	<b>0 yen</b>		
Net income (loss) per share	36. <sup>03</sup> yen	<b>(17.<sup>03</sup> yen)</b>	(53. <sup>06</sup> yen)	–

## CONSOLIDATED PROFIT AND LOSS STATEMENT

(In millions of yen)

	FY '08 (A) (Apr. 1, 2007 – Mar. 31, 2008)		FY '09 (B) (Apr. 1, 2008 – Mar. 31, 2009)		B – A	B/A (%)
		% of total		% of total		
Net sales	4,049,818	100.0	<b>3,665,119</b>	<b>100.0</b>	(384,699)	91
Cost of sales	2,957,185	73.0	<b>2,710,976</b>	<b>74.0</b>	(246,209)	92
Selling, general and Administrative expenses	825,428	20.4	<b>783,673</b>	<b>21.4</b>	(41,755)	95
Loss on impairment of long-lived assets	3,189	0.1	<b>30,742</b>	<b>0.8</b>	27,553	964
Operating income	264,016	6.5	<b>139,728</b>	<b>3.8</b>	(124,288)	53
Other income	30,135	0.7	<b>33,963</b>	<b>0.9</b>	3,828	113
Interest and Dividends	14,539	0.3	<b>12,948</b>	<b>0.3</b>	(1,591)	89
Other	15,596	0.4	<b>21,015</b>	<b>0.6</b>	5,419	135
Other expenses	67,539	1.6	<b>65,763</b>	<b>1.8</b>	(1,776)	97
Interest	9,623	0.2	<b>11,013</b>	<b>0.3</b>	1,390	114
Other	57,916	1.4	<b>54,750</b>	<b>1.5</b>	(3,166)	95
Income before income taxes	226,612	5.6	<b>107,928</b>	<b>2.9</b>	(118,684)	48
Income taxes	79,310	2.0	<b>28,046</b>	<b>0.8</b>	(51,264)	35
Equity in earnings (losses) of affiliated companies	10,675	0.3	<b>(67,715)</b>	<b>(1.8)</b>	(78,390)	–
Net income	157,977	3.9	<b>12,167</b>	<b>0.3</b>	(145,810)	8

**Note:**

Starting from this announcement, loss on impairment of long-lived assets, which in previous years was included in "other expenses", is reflected in "operating income". Consequently, figures for FY2008 have been restated.

## CONSOLIDATED BALANCE SHEET

(In millions of yen)

	FY '08 (A) (ending March 31, 2008)	FY '09 (B) (ending March 31, 2009)	B – A
<b>(Assets)</b>			
Current assets	2,060,628	<b>1,939,916</b>	(120,712)
Cash and cash equivalents	334,311	<b>358,616</b>	24,305
Short-term investments	9,506	<b>13,276</b>	3,770
Trade receivables	912,171	<b>766,983</b>	(145,188)
Inventories	524,162	<b>531,603</b>	7,441
Prepaid expenses and other current assets	280,478	<b>269,438</b>	(11,040)
Long-term trade receivables	480	<b>9,502</b>	9,022
Investments	538,923	<b>460,369</b>	(78,554)
Net property, plant and equipment	602,023	<b>554,424</b>	(47,599)
Other assets	283,026	<b>369,912</b>	86,886
<b>Total assets</b>	<b>3,485,080</b>	<b>3,334,123</b>	(150,957)
<b>(Liabilities and shareholders' equity)</b>			
Current liabilities	1,505,901	<b>1,413,015</b>	(92,886)
Bank loans and current portion of long-term debt	195,057	<b>310,887</b>	115,830
Trade payables	757,606	<b>612,129</b>	(145,477)
Other current liabilities	553,238	<b>489,999</b>	(63,239)
Long-term debt	355,740	<b>366,977</b>	11,237
Retirement and severance benefits	476,224	<b>595,478</b>	119,254
Other fixed liabilities	55,995	<b>56,713</b>	718
Minority interests	59,782	<b>52,464</b>	(7,318)
Shareholders' equity	1,031,438	<b>849,476</b>	(181,962)
Common Stock	175,820	<b>175,820</b>	–
Capital surplus	210,890	<b>210,881</b>	(9)
Retained earnings	764,222	<b>748,485</b>	(15,737)
Accumulated other comprehensive income (loss)	(118,987)	<b>(285,066)</b>	(166,079)
Treasury stock at cost	(507)	<b>(644)</b>	(137)
<b>Total liabilities and shareholders' equity</b>	<b>3,485,080</b>	<b>3,334,123</b>	(150,957)
Balance of Debt	550,797	<b>677,864</b>	127,067
Accumulated other comprehensive income (loss):			
Foreign currency translation adjustments	4,889	<b>(47,499)</b>	(52,388)
Pension liability adjustments	(148,246)	<b>(233,373)</b>	(85,127)
Unrealized gains (losses) on securities	24,511	<b>(4,099)</b>	(28,610)
Unrealized gains (losses) on derivative instruments	(141)	<b>(95)</b>	46



## CONSOLIDATED CASH FLOW STATEMENT

(In millions of yen)

	FY '08 (A) (Apr. 1, 2007 – Mar. 31, 2008)	FY '09 (B) (Apr. 1, 2008 – Mar. 31, 2009)	B – A
<b>I Cash flows from operating activities</b>			
1 Net income	157,977	12,167	(145,810)
2 Adjustments to reconcile net income to net cash provided by operating activities			
(1) Depreciation of tangible fixed assets and other	139,326	176,722	37,396
(2) Decrease in deferred income taxes	5,442	20,137	14,695
(3) Decrease (increase) in trade receivables	(29,936)	108,729	138,665
(4) Decrease (increase) in inventories	(16,531)	(37,726)	(21,195)
(5) Decrease (increase) in other assets	(4,579)	(8,800)	(4,221)
(6) Increase (decrease) in trade payables	26,890	(133,954)	(160,844)
(7) Increase (decrease) in other liabilities	(20,894)	(82,272)	(61,378)
(8) Other, net	1,174	126,136	124,962
Net cash provided by operating activities	258,869	181,139	(77,730)
<b>II Cash flows from investing activities</b>			
1 Capital expenditure	(144,623)	(141,434)	3,189
2 Proceeds from sale of property, plant and equipment	3,293	4,340	1,047
3 Purchase of short-term investments and investment securities	(42,174)	(86,749)	(44,575)
4 Proceeds from sale of short-term investments and investment securities	32,191	13,693	(18,498)
5 Other, net	18,963	(4,789)	(23,752)
Net cash used in investing activities	(132,350)	(214,939)	(82,589)
<b>I + II Free cash flow</b>	126,519	(33,800)	(160,319)
<b>III Cash flows from financing activities</b>			
1 Proceeds from long-term debt	63,620	102,940	39,320
2 Repayment of long-term debt	(107,017)	(112,021)	(5,004)
3 Increase (decrease) in bank loans, net	(50,530)	122,024	172,554
4 Dividends paid	(25,758)	(27,904)	(2,146)
5 Purchase of treasury stock	(139)	(205)	(66)
6 Reissuance of treasury stock	68	59	(9)
Net cash provided by (used in) financing activities	(119,756)	84,893	204,649
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	(15,092)	(26,788)	(11,696)
<b>V Net increase (decrease) in cash and cash equivalents</b>	(8,329)	24,305	32,634
<b>VI Cash and cash equivalents at beginning of period</b>	342,640	334,311	(8,329)
<b>VII Cash and cash equivalents at end of period</b>	334,311	358,616	24,305

## CONSOLIDATED SEGMENT INFORMATION

### 1. SALES AND OPERATING INCOME BY BUSINESS SEGMENT

(In millions of yen)

Business Segment	FY '08 (Apr. 1, 2007 – Mar. 31, 2008)		FY '09 (Apr. 1, 2008 – Mar. 31, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Energy and Electric Systems	1,057,935	68,543	<b>1,043,633</b>	<b>74,539</b>	(14,302)	5,996	99
Industrial Automation Systems	1,017,503	129,257	<b>851,688</b>	<b>49,934</b>	(165,815)	(79,323)	84
Information and Communication Systems	644,388	2,352	<b>582,146</b>	<b>24,869</b>	(62,242)	22,517	90
Electronic Devices	192,087	8,395	<b>166,969</b>	<b>(29,807)</b>	(25,118)	(38,202)	87
Home Appliances	1,000,258	65,754	<b>915,710</b>	<b>34,706</b>	(84,548)	(31,048)	92
Others	660,822	16,916	<b>596,091</b>	<b>12,341</b>	(64,731)	(4,575)	90
Subtotal	4,572,993	291,217	<b>4,156,237</b>	<b>166,582</b>	(416,756)	(124,635)	91
Eliminations and other	(523,175)	(27,201)	<b>(491,118)</b>	<b>(26,854)</b>	32,057	347	–
Total	4,049,818	264,016	<b>3,665,119</b>	<b>139,728</b>	(384,699)	(124,288)	91

\*Notes:

- 1) Inter-segment sales are included in the above chart.
- 2) Starting from this announcement, loss on impairment of long-lived assets, which in previous years was included in "other expenses", is reflected in "operating income". Consequently, figures for FY2008 have been restated.

### 2. SALES AND OPERATING INCOME BY LOCATION

(In millions of yen)

Location	FY '08 (Apr. 1, 2007 – Mar. 31, 2008)		FY '09 (Apr. 1, 2008 – Mar. 31, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Japan	3,468,792	194,413	<b>3,178,807</b>	<b>89,293</b>	(289,985)	(105,120)	92
North America	275,579	5,861	<b>240,589</b>	<b>(3,599)</b>	(34,990)	(9,460)	87
Asia (excluding Japan)	561,759	49,088	<b>461,549</b>	<b>32,072</b>	(100,210)	(17,016)	82
Europe	386,113	16,044	<b>321,501</b>	<b>10,727</b>	(64,612)	(5,317)	83
Others	31,905	1,321	<b>34,107</b>	<b>1,020</b>	2,202	(301)	107
Subtotal	4,724,148	266,727	<b>4,236,553</b>	<b>129,513</b>	(487,595)	(137,214)	90
Eliminations	(674,330)	(2,711)	<b>(571,434)</b>	<b>10,215</b>	102,896	12,926	–
Total	4,049,818	264,016	<b>3,665,119</b>	<b>139,728</b>	(384,699)	(124,288)	91

\*Notes:

- 1) Inter-segment sales are included in the above chart.
- 2) Starting from this announcement, loss on impairment of long-lived assets, which in previous years was included in "other expenses", is reflected in "operating income". Consequently, figures for FY2008 have been restated.

### 3. OVERSEAS SALES

(In millions of yen)

Location	FY '08 (Apr. 1, 2007 – Mar. 31, 2008)		FY '09 (Apr. 1, 2008 – Mar. 31, 2009)		B – A	B/A (%)
	Sales (A)	% of total net sales	Sales (B)	% of total net sales		
North America	295,603	7.3	271,447	7.4	(24,156)	92
Asia (excluding Japan)	544,437	13.4	487,814	13.3	(56,623)	90
Europe	427,826	10.6	344,435	9.4	(83,391)	81
Others	91,716	2.3	82,914	2.3	(8,802)	90
Total overseas sales	1,359,582	33.6	1,186,610	32.4	(172,972)	87

#### Cautionary Statement

The expectation of operating results herein and any associated statement to be made orally with respect to the Company's current plans, estimates, strategies and beliefs and any other statements that are not historical facts are forward-looking statements. Words such as "expects", "anticipates", "plans", "believes", "scheduled", "estimated", "targeted" along with any variations of these words and similar expressions are intended to identify forward-looking statements which include but are not limited to projections of revenues, earnings, performance and production. While the statements herein are based on certain assumptions and premises that the Company trusts and considers to be reasonable under the circumstances to the date of announcement, you are requested to kindly take note that actual operating results are subject to change due to any of the factors as contemplated hereunder and/or any additional factor unforeseeable as of the date of this announcement. Such factors materially affecting the expectations expressed herein shall include but are not limited to the following:

(1) Important trends

The Mitsubishi Electric Group's operations may be affected by trends in the global economy, social conditions, laws, tax codes, and regulations.

(2) Foreign currency exchange rates

Fluctuations in foreign currency markets may affect Mitsubishi Electric's sales of exported products and purchases of imported materials that are denominated in U.S. dollars or euros, as well as its Asian production bases' sales of exported products and purchases of imported materials that are denominated in foreign currencies.

(3) Stock markets

A fall in stock market prices may cause Mitsubishi Electric to record devaluation losses on marketable securities, or cause an increase in retirement benefit obligations in accordance with a decline in the fair value of pension assets.

(4) Supply/demand balance for products and procurement conditions for materials and components

A decline in prices and shipments due to changes in the supply/demand balance, as well as an increase in material prices due to a worsening of material and component procurement conditions may adversely affect the Mitsubishi Electric Group's performances.

(5) Fund procurement

An increase in interest rates, the yen interest rate in particular, would increase Mitsubishi Electric's interest expenses.

(6) Significant patent matters

Important patent filings, licensing, copyrights and patent-related disputes may adversely affect related businesses.

(7) Environmental matters

We may appropriate funds for losses or increase allowances to respond to regulation trends or outbreaks of issues related to the environment. This may impact manufacturing and all corporate activities of the Mitsubishi Electric Group.

(8) Quality of products and services

We may appropriate funds for losses from defective services or products, and the lowered reputation of the quality of all our products and services may affect the entire Mitsubishi Electric group.

- (9) Litigation and other legal proceedings  
The Mitsubishi Electric Group's operations may be affected by lawsuits or other legal proceedings against Mitsubishi Electric, its subsidiaries and/or equity-method affiliated companies.
- (10) Disruptive changes  
Disruptive changes in technology, development of products using new technology, timing of production, and market introduction may adversely affect the Mitsubishi Electric Group's performances.
- (11) Business restructuring  
The Mitsubishi Electric Group may record losses due to restructuring measures.
- (12) Natural disasters  
The Mitsubishi Electric Group's operations, particularly manufacturing activities, may be affected by the occurrence of earthquakes, typhoons, tsunami, fires and other large-scale disasters.
- (13) Other significant factors  
The Mitsubishi Electric Group's operations may be affected by the outbreak of social or political upheaval due to terrorism, war or other factors.

### **About Mitsubishi Electric**

With over 80 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, 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. The company recorded consolidated group sales of 3,665.1 billion yen (US\$ 37.4 billion\*) in the fiscal year ended March 31, 2009. For more information visit <http://global.mitsubishielectric.com>

\*At an exchange rate of 98 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2009

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