

FOR IMMEDIATE RELEASE

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Mitsubishi Electric Announces Consolidated Financial Results for the First Half and Second Quarter of Fiscal 2010

Tokyo, October 30, 2009 – Mitsubishi Electric Corporation (TYO: 6503) announced today its financial results for the second quarter ending September 30, 2009, of the current fiscal year ending March 31, 2010 (fiscal 2010).

1. Consolidated Half-year Results (April 1, 2009 – September 30, 2009)

Net sales:	1,529.4 billion yen	(19% decrease from the same period last year)
Operating income:	15.6 billion yen	(88% decrease from the same period last year)
Income (loss) before income taxes:	(12.8 billion yen)	—
Net income (loss) attributable to Mitsubishi Electric Corp.:	(25.8 billion yen)	—

During the first half of fiscal 2010, the global economy saw continued sluggishness in capital expenditures and consumption, despite a recovery trend due to stimulus packages within various nations and progress in inventory adjustments. Business conditions continue to be severe, as seen with the yen's appreciation against the U.S. dollar in the second quarter.

Under these circumstances, consolidated net sales and operating income for the first half of fiscal 2010 both decreased in each business segment compared to the same period of the previous fiscal year, with consolidated net sales decreasing by 19% to 1,529.4 billion yen and consolidated operating income by 88% to 15.6 billion yen.

Net loss attributable to Mitsubishi Electric Corp. amounted to 25.8 billion yen due to reported equity losses at affiliated companies, and other factors.

Consolidated Financial Results by Business Segment (First Half, Fiscal 2010)

Energy and Electric Systems

Total sales:	447.9 billion yen	(1% decrease from the same period last year)
Operating income:	22.2 billion yen	(3.0 billion yen decrease from the same period last year)

The social infrastructure systems business saw increases in both orders and sales compared to the same period of the previous fiscal year due to growth in the power generation and rolling-stock equipment businesses in Japan.

The building systems business experienced a decrease in both orders and sales compared to the same period of the previous fiscal year due to a global decrease in demand for elevators and escalators, as well as postponements and cancellations of large projects.

As a result, total sales for this segment decreased by 1% from the same period of the previous fiscal year. Operating income decreased from the same period of the previous fiscal year by 3.0 billion yen due to a stronger yen, as well as other factors.

Industrial Automation Systems

Total sales: 320.6 billion yen (37% decrease from the same period last year)

Operating income (loss): (3.0 billion yen) (62.9 billion yen decline from the same period last year)

The factory automation systems business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to sluggish demand for industrial machinery around the world, for flat panel display-related investments in Korea and Taiwan, and for surface mounting systems in Japan.

The automotive equipment business also saw decreases in both orders and sales compared to the same period of the previous fiscal year due to stagnation in global demand, except for certain regions including China and India.

As a result, total sales for this segment decreased by 37% compared to the same period of the previous fiscal year. Operating income fell by 62.9 billion yen compared to the same period of the previous fiscal year due primarily to a decrease in sales.

Information and Communication Systems

Total sales: 244.1 billion yen (10% decrease from the same period last year)

Operating income: 5.0 billion yen (4.6 billion yen decrease from the same period last year)

The telecommunications equipment business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to a decrease in demand for optical broadband access systems.

The information systems and services business saw decreases in sales from the same period of the previous fiscal year due to a decrease in the system integration business, arising from declining IT-related capital expenditures.

The electronic systems business saw decreases in both orders and sales compared to the same period of the previous fiscal year mainly due to a decrease in the electronics business.

As a result, total sales for this segment decreased by 10% compared to the same period of the previous fiscal year. Operating income also decreased by 4.6 billion yen compared to the same period of the previous fiscal year due largely to a decrease in sales.

Electronic Devices

Total sales: 61.4 billion yen (39% decrease from the same period last year)
Operating income (loss): (5.2 billion yen) (8.8 billion yen decline from the same period last year)

The semiconductor business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to lower demand for industrial-use power modules, laser diodes for recordable DVD players and optical transmission devices.

The LCD module business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to a decrease in demand for industrial-use products.

As a result, total sales for the segment decreased by 39% compared to the same period of the previous fiscal year. Operating income fell by 8.8 billion yen compared to the same period of the previous fiscal year mainly due to a decrease in sales.

Home Appliances

Total sales: 411.1 billion yen (21% decrease from the same period last year)
Operating income: 7.4 billion yen (33.9 billion yen decrease from the same period last year)

The home appliances business saw a 21% decrease in sales compared to the same period of the previous fiscal year due primarily to sales decreases in air conditioners both inside and outside Japan, and in photovoltaic systems outside Japan, despite increases in photovoltaic systems, high-end refrigerators, LCD televisions and other products in Japan, mainly owing to government subsidies such as “eco-points” incentives.

Operating income decreased by 33.9 billion yen compared to the same period of the previous fiscal year due to a decrease in sales, and other factors.

Others

Total sales: 255.2 billion yen (16% decrease from the same period last year)
Operating income: 2.7 billion yen (2.2 billion yen decrease from the same period last year)

Sales decreased by 16% compared to the same period of the previous fiscal year mainly at affiliated companies involved in materials procurement and logistics.

Operating income decreased by 2.2 billion yen compared to the same period of the previous fiscal year due largely to a decrease in sales.

2. Consolidated Second-quarter Results (July 1, 2009 – September 30, 2009)

Net sales:	830.0 billion yen	(19% decrease from the same period last year)
Operating income:	8.3 billion yen	(87% decrease from the same period last year)
Income (loss) before income taxes:	(13.7 billion yen)	–
Net income (loss) attributable to Mitsubishi Electric Corp.:	(17.6 billion yen)	–

Consolidated net sales for this quarter decreased by 19% compared to the same period of the previous fiscal year to 830.0 billion yen, showing a decrease in all business segments. Consolidated operating income also decreased by 87% compared to the same period of the previous fiscal year to 8.3 billion yen.

Net loss attributable to Mitsubishi Electric Corp. amounted to 17.6 billion yen due to reported equity losses at affiliated companies, and other factors.

Consolidated Financial Results by Business Segment (Second Quarter, Fiscal 2010)

Energy and Electric Systems

Total sales:	240.9 billion yen	(6% decrease from the same period last year)
Operating income:	10.0 billion yen	(2.3 billion yen decrease from the same period last year)

The social infrastructure systems business saw an increase in orders compared to the same period of the previous fiscal year due to growth in the power generation business in Japan, while sales fell due to a decrease in the transmission and distribution business outside Japan.

The building systems business experienced decreases in both orders and sales compared to the same period of the previous fiscal year due to global decreases in demand for elevators and escalators as well as postponements and cancellations of large projects.

As a result, total sales for this segment decreased by 6% from the same period of the previous fiscal year. Operating income decreased by 2.3 billion yen from the same period of the previous fiscal year due primarily to a decrease in sales.

Industrial Automation Systems

Total sales:	176.7 billion yen	(30% decrease from the same period last year)
Operating income (loss):	(0.4 billion yen)	(23.8 billion yen decline from the same period last year)

The factory automation systems business saw decreases in both orders and sales compared to the same period of the previous fiscal year, in light of global stagnation from the second half of last year, despite growing demand in China and a sign of slight recovery owing to flat panel display-related investments in Korea.

The automotive equipment business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to continuous sluggish global demand, despite increases in some products owing

mainly to promotional incentives in various nations.

As a result, total sales for this segment decreased by 30% compared to the same period of the previous fiscal year. Operating income fell by 23.8 billion yen compared to the same period of the previous fiscal year due to a decrease in sales, and other factors.

Information and Communication Systems

Total sales: 136.4 billion yen (17% decrease from the same period last year)
Operating income: 3.0 billion yen (5.2 billion yen decrease from the same period last year)

The telecommunications equipment business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to a decrease in demand for optical broadband access systems.

The information systems and services business saw decreases in sales from the same period of the previous fiscal year due to a decrease in the system integration business, arising from declining IT-related capital expenditures.

The electronic systems business saw decreases in both orders and sales compared to the same period of the previous fiscal year due primarily to a decrease in the electronics business.

As a result, total sales for this segment decreased by 17% compared to the same period of the previous fiscal year. Operating income decreased by 5.2 billion yen compared to the same period of the previous fiscal year due to a decrease in sales, and other factors.

Electronic Devices

Total sales: 32.4 billion yen (36% decrease from the same period last year)
Operating income (loss): (2.7 billion yen) (4.6 billion yen decline from the same period last year)

The semiconductor business saw decreases in both orders and sales compared to the same period of the previous fiscal year largely due to decreases in industrial power modules and optical transmission devices.

The LCD module business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to a lower demand for industrial-use products.

As a result, total sales for the segment decreased by 36% compared to the same period of the previous fiscal year. Operating income fell by 4.6 billion yen compared to the same period of the previous fiscal year mainly due to a decrease in sales.

Home Appliances

Total sales: 220.4 billion yen (17% decrease from the same period last year)
Operating income (loss): (0.6 billion yen) (20.5 billion yen decline from the same period last year)

The home appliances business saw a 17% decrease in sales compared to the same period of the previous fiscal year due to lower sales of air conditioners both inside and outside Japan and photovoltaic systems outside Japan,

despite increases in photovoltaic systems, high-end refrigerators, LCD televisions and other products in Japan, mainly owing to government subsidies such as “eco-points” incentives.

Operating income fell by 20.5 billion yen compared to the same period of the previous fiscal year due to a decrease in sales, and other factors.

Others

Total sales: 137.8 billion yen (15% decrease from the same period last year)

Operating income: 3.9 billion yen (0.1 billion yen increase from the same period last year)

Sales decreased by 15% compared to the same period of the previous fiscal year, while operating income increased by 0.1 billion yen compared to the same period of the previous fiscal year.

Financial Condition (Consolidated Basis)

Assets, Liabilities, and Shareholders' Equity

The company's total assets declined from the end of the previous fiscal year by 207.4 billion yen to 3,126.6 billion yen. This was mainly due to cash and cash equivalents decreasing by 37.4 billion yen, and trade receivables decreasing by 103.0 billion yen as a result of credit collection.

The balance of outstanding debts and corporate bonds fell by 66.5 billion yen from the end of the previous fiscal year to 611.3 billion yen, with a reduction of its ratio to total assets to 19.6% (a decrease by 0.7 points compared to the end of the previous fiscal year). Trade payables decreased by 82.2 billion yen, and retirement and severance benefits decreased by 59.8 billion yen due primarily to increases in pension assets, resulting from higher stock prices, and other factors.

Mitsubishi Electric Corp. shareholders' equity increased by 18.3 billion yen compared to the previous fiscal year to 867.8 billion yen, with an improvement in ratio of shareholders' equity to total assets of 2.3 points compared to the previous fiscal year to 27.8%. While accumulated other comprehensive income increased by 44.2 billion yen mainly due to an increase in stock prices, retained earnings decreased due to a 25.8 billion yen net loss attributable to Mitsubishi Electric Corp.

Cash Flow

Cash flows from operating activities decreased by 51.2 billion yen compared to the same period of the previous fiscal year to 118.1 billion yen (cash in).

Cash flows from investing activities decreased by 25.3 billion yen compared to the same period of the previous fiscal year to 83.4 billion yen (cash out) largely due to a decrease in purchases of tangible fixed assets. Consequently, free cash flow reached revenues of 34.6 billion yen. Cash flows from financing activities were 72.4 billion yen (cash out) due to repayment of loans, and other factors.

Forecast for Fiscal 2010 (year ending March 31, 2010)

Business conditions in the second half of the fiscal year are expected to become more severe than initially forecast, due to a weak recovery in capital expenditures and consumer spending, as well as stronger yen. Therefore, the company's sales, especially in the Industrial Automation Systems and Home Appliances segments, is expected to fall below the previous forecast for fiscal 2010. Against these circumstances, the Mitsubishi Electric Group intends to achieve the profit target announced on July 30, 2009 by bolstering various performance improvement measures.

Consolidated earnings forecast for fiscal 2010

	Previous forecast	Revised forecast	
Net sales:	3,430.0 billion yen	3,300.0 billion yen	(10% decrease from fiscal 2009)
Operating income:	60.0 billion yen	60.0 billion yen	(57% decrease from fiscal 2009)
Income before income taxes:	5.0 billion yen	5.0 billion yen	(89% decrease from fiscal 2009)
Net income (loss) attributable to Mitsubishi Electric Corp.:	(20.0 billion yen)	(20.0 billion yen)	—

Consolidated Financial Results Summary

1. Consolidated Half-year Results

(In billions of yen except where noted)

	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008) (A)	FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009) (B)	B – A	
				B/A (%)
Net sales	1,898.3	1,529.4	(368.9)	81
Operating income	130.9	15.6	(115.2)	12
Income (loss) before income taxes	134.0	(12.8)	(146.8)	–
Net income (loss) attributable to Mitsubishi Electric Corp.	79.4	(25.8)	(105.3)	–
Basic net income (loss) per share attributable to Mitsubishi Electric Corp.	37. ⁰³ yen	(12.⁰⁶ yen)	(49. ⁰⁹ yen)	–

2. Consolidated Second-quarter Results

(In billions of yen except where noted)

	FY '09 Q2 (Jul. 1, 2008 – Sept. 30, 2008) (A)	FY '10 Q2 (Jul. 1, 2009 – Sept. 30, 2009) (B)	B – A	
				B/A (%)
Net sales	1,019.3	830.0	(189.3)	81
Operating income	64.3	8.3	(56.0)	13
Income (loss) before income taxes	50.2	(13.7)	(63.9)	–
Net income (loss) attributable to Mitsubishi Electric Corp.	24.2	(17.6)	(41.8)	–
Basic net income (loss) per share attributable to Mitsubishi Electric Corp.	11. ²⁸ yen	(8.²² yen)	(19. ⁵⁰ yen)	–

- Notes:**
- 1) Consolidated financial charts made in accordance with U.S. GAAP.
 - 2) The Company has 152 consolidated subsidiaries.
 - 3) From this fiscal year, “Net income” has been renamed as “Net income attributable to Mitsubishi Electric Corp.” in accordance with the FASB issued ASC810 “Consolidation.” Also, income before income taxes includes equity in earnings (losses) of affiliated companies, while excluding net income attributable to the noncontrolling interest. Consequently, figures for FY2009 have been reclassified.
 - 4) Starting from the financial results for the fiscal year ended March 2009, loss on impairment of long-lived assets is reflected in “operating income”. Consequently, figures for FY2009 have been reclassified.

Consolidated Profit and Loss Statement
(First Half, Fiscal 2010)

(In millions of yen)

	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008)		FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009)		B – A	B/A (%)
	(A)	% of total	(B)	% of total		
Net sales	1,898,385	100.0	1,529,484	100.0	(368,901)	81
Cost of sales	1,364,313	71.9	1,152,926	75.4	(211,387)	85
Selling, general and administrative expenses	400,673	21.1	360,861	23.6	(39,812)	90
Loss on impairment of long-lived assets	2,498	0.1	–	–	(2,498)	–
Operating income	130,901	6.9	15,697	1.0	(115,204)	12
Other income	22,894	1.2	12,656	0.9	(10,238)	55
Interest and dividends	7,431	0.4	5,790	0.4	(1,641)	78
Equity in earnings of affiliated companies	2,100	0.1	–	–	(2,100)	–
Other	13,363	0.7	6,866	0.5	(6,497)	51
Other expenses	19,762	1.0	41,211	2.7	21,449	209
Interest	4,825	0.3	4,850	0.3	25	101
Equity in losses of affiliated companies	–	–	28,072	1.8	28,072	–
Other	14,937	0.7	8,289	0.6	(6,648)	55
Income (loss) before income taxes	134,033	7.1	(12,858)	(0.8)	(146,891)	–
Income taxes	51,161	2.7	11,392	0.8	(39,769)	22
Net income (loss)	82,872	4.4	(24,250)	(1.6)	(107,122)	–
Net income attributable to the noncontrolling interest	3,388	0.2	1,633	0.1	(1,755)	48
Net income (loss) attributable to Mitsubishi Electric Corp.	79,484	4.2	(25,883)	(1.7)	(105,367)	–

Consolidated Profit and Loss Statement
(Second Quarter, Fiscal 2010)

(In millions of yen)

	FY '09 Q2 (Jul. 1, 2008 – Sept. 30, 2008)		FY '10 Q2 (Jul. 1, 2009 – Sept. 30, 2009)		B – A	B/A (%)
	(A)	% of total	(B)	% of total		
Net sales	1,019,348	100.0	830,033	100.0	(189,315)	81
Cost of sales	742,570	72.8	633,891	76.4	(108,679)	85
Selling, general and administrative expenses	210,809	20.7	187,812	22.6	(22,997)	89
Loss on impairment of long-lived assets	1,570	0.2	–	–	(1,570)	–
Operating income	64,399	6.3	8,330	1.0	(56,069)	13
Other income	7,728	0.8	5,056	0.6	(2,672)	65
Interest and dividends	2,510	0.3	1,844	0.2	(666)	73
Other	5,218	0.5	3,212	0.4	(2,006)	62
Other expenses	21,911	2.2	27,161	3.3	5,250	124
Interest	2,518	0.3	2,381	0.3	(137)	95
Equity in losses of affiliated companies	1,089	0.1	17,837	2.2	16,748	16 times
Other	18,304	1.8	6,943	0.8	(11,361)	38
Income (loss) before income taxes	50,216	4.9	(13,775)	(1.7)	(63,991)	–
Income taxes	24,297	2.4	2,381	0.2	(21,916)	10
Net income (loss)	25,919	2.5	(16,156)	(1.9)	(42,075)	–
Net income attributable to the noncontrolling interest	1,712	0.1	1,479	0.2	(233)	86
Net income (loss) attributable to Mitsubishi Electric Corp.	24,207	2.4	(17,635)	(2.1)	(41,842)	–

Consolidated Balance Sheet

(In millions of yen)

	FY '09 (A) (ending Mar. 31, 2009)	FY '10 1 st half (B) (ending Sept. 30, 2009)	B – A
(Assets)			
Current assets	1,939,916	1,786,979	(152,937)
Cash and cash equivalents	358,616	321,172	(37,444)
Short-term investments	13,276	13,247	(29)
Trade receivables	766,983	669,957	(97,026)
Inventories	531,603	531,600	(3)
Prepaid expenses and other current assets	269,438	251,003	(18,435)
Long-term trade receivables	9,502	3,436	(6,066)
Investments	460,369	457,662	(2,707)
Net property, plant and equipment	554,424	548,435	(5,989)
Other assets	369,912	330,129	(39,783)
Total assets	3,334,123	3,126,641	(207,482)
(Liabilities and equity)			
Current liabilities	1,413,015	1,191,508	(221,507)
Bank loans and current portion of long-term debt	310,887	186,810	(124,077)
Trade payables	612,129	529,898	(82,231)
Other current liabilities	489,999	474,800	(15,199)
Long-term debt	366,977	424,541	57,564
Retirement and severance benefits	595,478	535,591	(59,887)
Other fixed liabilities	56,713	54,102	(2,611)
Total equity	901,940	920,899	18,959
Mitsubishi Electric Corp. shareholders' equity	849,476	867,868	18,392
Common stock	175,820	175,820	–
Capital surplus	210,881	210,888	7
Retained earnings	748,485	722,602	(25,883)
Accumulated other comprehensive income (loss)	(285,066)	(240,803)	44,263
Treasury stock at cost	(644)	(639)	5
Noncontrolling interest	52,464	53,031	567
Total liabilities and equity	3,334,123	3,126,641	(207,482)
Balance of Debt	677,864	611,351	(66,513)
Accumulated other comprehensive income (loss):			
Foreign currency translation adjustments	(47,499)	(46,097)	1,402
Pension liability adjustments	(233,373)	(204,015)	29,358
Unrealized gains (losses) on securities	(4,099)	8,947	13,046
Unrealized gains (losses) on derivative instruments	(95)	362	457

Consolidated Cash Flow Statement

(In millions of yen)

	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008) (A)	FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009) (B)	B – A
I Cash flows from operating activities			
1 Net income (loss)	82,872	(24,250)	(107,122)
2 Adjustments to reconcile net income to net cash provided by operating activities			
(1) Depreciation of tangible fixed assets and other	67,415	56,970	(10,445)
(2) Decrease in trade receivables	140,659	103,848	(36,811)
(3) Decrease (increase) in inventories	(82,181)	(198)	81,983
(4) Increase (decrease) in trade payables	(67,008)	(70,313)	(3,305)
(5) Other, net	27,567	52,067	24,500
Net cash provided by operating activities	169,324	118,124	(51,200)
II Cash flows from investing activities			
1 Capital expenditure	(80,177)	(61,049)	19,128
2 Proceeds from sale of property, plant and equipment	890	1,410	520
3 Purchase of short-term investments and investment securities	(34,097)	(29,995)	4,102
4 Proceeds from sale of short-term investments and investment securities	5,689	6,087	398
5 Other, net	(1,048)	118	1,166
Net cash used in investing activities	(108,743)	(83,429)	25,314
I+II Free cash flow	60,581	34,695	(25,886)
III Cash flows from financing activities			
1 Proceeds from long-term debt	17,141	60,200	43,059
2 Repayment of long-term debt	(46,813)	(70,482)	(23,669)
3 Increase (decrease) in bank loans, net	4,064	(62,120)	(66,184)
4 Dividends paid	(15,025)	–	15,025
5 Purchase of treasury stock	(179)	(13)	166
6 Reissuance of treasury stock	31	11	(20)
Net cash provided by (used in) financing activities	(40,781)	(72,404)	(31,623)
IV Effect of exchange rate changes on cash and cash equivalents	(7,094)	265	7,359
V Net increase (decrease) in cash and cash equivalents	12,706	(37,444)	(50,150)
VI Cash and cash equivalents at beginning of period	334,311	358,616	24,305
VII Cash and cash equivalents at end of period	347,017	321,172	(25,845)

Consolidated Segment Information (First Half, Fiscal 2010)

1. Sales and Operating Income by Business Segment

(In millions of yen)

<i>Business Segment</i>	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008)		FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Energy and Electric Systems	451,794	25,282	447,927	22,208	(3,867)	(3,074)	99
Industrial Automation Systems	505,521	59,934	320,653	(3,020)	(184,868)	(62,954)	63
Information and Communication Systems	270,097	9,664	244,164	5,011	(25,933)	(4,653)	90
Electronic Devices	100,448	3,510	61,409	(5,291)	(39,039)	(8,801)	61
Home Appliances	520,891	41,454	411,173	7,466	(109,718)	(33,988)	79
Others	303,346	4,938	255,259	2,725	(48,087)	(2,213)	84
Subtotal	2,152,097	144,782	1,740,585	29,099	(411,512)	(115,683)	81
Eliminations and other	(253,712)	(13,881)	(211,101)	(13,402)	42,611	479	–
Total	1,898,385	130,901	1,529,484	15,697	(368,901)	(115,204)	81

*Note: Inter-segment sales are included in the above chart.

2. Sales and Operating Income by Location

(In millions of yen)

<i>Location</i>	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008)		FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Japan	1,611,013	93,334	1,298,035	(4,874)	(312,978)	(98,208)	81
North America	132,840	2,934	98,988	4,333	(33,852)	1,399	75
Asia (excluding Japan)	271,037	22,711	199,708	10,380	(71,329)	(12,331)	74
Europe	197,638	8,683	135,311	914	(62,327)	(7,769)	68
Others	17,987	512	14,460	459	(3,527)	(53)	80
Subtotal	2,230,515	128,174	1,746,502	11,212	(484,013)	(116,962)	78
Eliminations	(332,130)	2,727	(217,018)	4,485	115,112	1,758	–
Total	1,898,385	130,901	1,529,484	15,697	(368,901)	(115,204)	81

*Note: Inter-segment sales are included in the above chart.

Considering the disclosure rules for the consolidated financial statements, the company has shown its segment information by location.

3. Sales by Location of Customers

(In millions of yen)

<i>Location</i>	FY '09 1 st half (Apr. 1, 2008 – Sept. 30, 2008)		FY '10 1 st half (Apr. 1, 2009 – Sept. 30, 2009)		B – A	B/A (%)
	Sales (A)	% of total net sales	Sales (B)	% of total net sales		
Japan	1,216,672	64.1	1,020,199	66.7	(196,473)	84
North America	148,483	7.8	121,430	7.9	(27,053)	82
Asia (excluding Japan)	280,273	14.8	212,411	13.9	(67,862)	76
Europe	210,687	11.1	138,468	9.1	(72,219)	66
Others	42,270	2.2	36,976	2.4	(5,294)	87
Total overseas sales	681,713	35.9	509,285	33.3	(172,428)	75
Consolidated total	1,898,385	100.0	1,529,484	100.0	(368,901)	81

Consolidated Segment Information (Second Quarter, Fiscal 2010)

1. Sales and Operating Income BY Business Segment

(In millions of yen)

<i>Business Segment</i>	FY '09 Q2 (Jul. 1, 2008 – Sept. 30, 2008)		FY '10 Q2 (Jul. 1, 2009 – Sept. 30, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Energy and Electric Systems	256,584	12,378	240,993	10,022	(15,591)	(2,356)	94
Industrial Automation Systems	252,239	23,411	176,782	(469)	(75,457)	(23,880)	70
Information and Communication Systems	165,272	8,302	136,421	3,019	(28,851)	(5,283)	83
Electronic Devices	50,868	1,910	32,402	(2,728)	(18,466)	(4,638)	64
Home Appliances	267,026	19,905	220,452	(627)	(46,574)	(20,532)	83
Others	162,449	3,786	137,848	3,968	(24,601)	182	85
Subtotal	1,154,438	69,692	944,898	13,185	(209,540)	(56,507)	82
Eliminations and other	(135,090)	(5,293)	(114,865)	(4,855)	20,225	438	–
Total	1,019,348	64,399	830,033	8,330	(189,315)	(56,069)	81

*Note: Inter-segment sales are included in the above chart.

2. Sales and Operating Income by Location

(In millions of yen)

<i>Location</i>	FY '09 Q2 (Jul. 1, 2008 – Sept. 30, 2008)		FY '10 Q2 (Jul. 1, 2009 – Sept. 30, 2009)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (loss) (D)			
Japan	882,149	45,513	707,851	(1,011)	(174,298)	(46,524)	80
North America	65,528	1,265	52,849	3,927	(12,679)	2,662	81
Asia (excluding Japan)	135,767	8,482	113,011	4,872	(22,756)	(3,610)	83
Europe	92,069	5,049	68,441	223	(23,628)	(4,826)	74
Others	8,928	220	8,031	276	(897)	56	90
Subtotal	1,184,441	60,529	950,183	8,287	(234,258)	(52,242)	80
Eliminations	(165,093)	3,870	(120,150)	43	44,943	(3,827)	–
Total	1,019,348	64,399	830,033	8,330	(189,315)	(56,069)	81

*Note: Inter-segment sales are included in the above chart.

Considering the disclosure rules for the consolidated financial statements, the company has shown its segment information by location.

3. Sales by Location of Customers

(In millions of yen)

Location	FY '09 Q2 (Jul. 1, 2008 – Sept. 30, 2008)		FY '10 Q2 (Jul. 1, 2009 – Sept. 30, 2009)		B – A	B/A (%)
	Sales (A)	% of total net sales	Sales (B)	% of total net sales		
Japan	671,711	65.9	556,350	67.0	(115,361)	83
North America	75,258	7.4	65,538	7.9	(9,720)	87
Asia (excluding Japan)	155,616	15.3	117,826	14.2	(37,790)	76
Europe	98,320	9.6	70,321	8.5	(27,999)	72
Others	18,443	1.8	19,998	2.4	1,555	108
Total overseas sales	347,637	34.1	273,683	33.0	(73,954)	79
Consolidated total	1,019,348	100.0	830,033	100.0	(189,315)	81

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 performance.
- (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 performance.
- (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, tsunamis, 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.

Notes

1. Change of status in material affiliates in this quarterly period: none
2. Abbreviated accounting procedures and procedures inherent to compiling quarterly consolidated financial statements: not applicable
3. Changes in principles and procedures of accounting methods for compiling quarterly consolidated financial statements, or in presentation methods, etc.:
 - (1) From this fiscal year, the FASB issued ASC810 "Consolidation" ("Noncontrolling Interests in Consolidated Financial Statements - an amendment of ARB No.51" under the FASB issued previously SFAS No. 160) has been applied. In the consolidated balance sheet, minority interests, conventionally shown between the Liabilities and the Equity section, is included as noncontrolling interest in the Total equity section. In the consolidated profit and loss statement, "Net income" is renamed as "Net income attributable to Mitsubishi Electric Corp."
Accordingly, in the profit and loss statement, income before income taxes includes equity in earnings (losses) of affiliated companies, while excluding net income attributable to the noncontrolling interest. Consequently, figures for FY2009 have been reclassified.
 - (2) From this fiscal quarter, the FASB issued ASC280 "Segment Reporting" ("Disclosures about Segments of an Enterprise and Related Information" under the FASB issued previously SFAS No. 131) has been applied. Also considering the disclosure rules for consolidated financial statements, the company has shown its segment information by location.

From the previous fiscal year, loss on impairment of long-lived assets is reflected in "operating income," to better evaluate the financial results by each segment. Consequently, figures have been reclassified for the years before.

About Mitsubishi Electric

With over 85 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric Corporation (TYO: 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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