

FOR IMMEDIATE RELEASE

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**MITSUBISHI ELECTRIC ANNOUNCES DIVIDEND POLICY AND
REVISED SALES AND EARNINGS FORECAST (NON
CONSOLIDATED BASIS) FOR THE FIRST HALF OF FISCAL 2005
(APRIL 1, 2004 – September 30, 2004)**

TOKYO, September 21, 2004 – Mitsubishi Electric Corporation today announced its dividend policy and revised its business performance forecast for the first half of fiscal 2005.

1. Dividend Policy for fiscal 2005

The company plans to implement an interim dividend payment of 2 yen per share. However, the fiscal 2005 year-end dividend has not been confirmed at this moment. (*As a reference, the fiscal 2004 interim dividend was nil; the year-end was 4 yen.*)

2. Non-consolidated Results: forecast for the first half of fiscal 2005, previously announced in April 2004, has been revised as follows:

(1)

Interim Period (April 2004 – September 2004)

(Unit: billion yen)

	Net Sales	Ordinary Profit	Net Income
Revised Forecast (A)	930.0	22.0	7.0
Previous Forecast (B)	900.0	5.0	5.0
Change (A-B)	30.0	17.0	2.0
Fiscal 2004 Interim Results	911.3	21.4	17.2

(2) Non-consolidated Results: explanation for the forecast revision

Due mainly to increased sales of the industrial automation systems business bolstered by bullish demand associated with capital investment in manufacturing equipment in both Japanese and Asian markets, net sales are expected to exceed previous forecast. As a consequence, we expect a greater ordinary profit beyond previous forecast. Net profit for the current half year period is expected to increase as well: while certain businesses presumably undergo structural reform, which could cause eventual extraordinary losses, the improvement of ordinary profit will outweigh such losses and, as a consequence, it

is anticipated that the net profit for the current semiannual period results in an increase from the previous forecast. .

3. Consolidated Results:

There is no change for consolidated business performance forecast for the first half fiscal 2005 from the original forecast announced on July 28, 2004.

Reference: Forecast for the First Half of Fiscal 2005 on Consolidated Business Performance:

Net sales: JPY 1.55 trillion

Operating Income: JPY 35 billion

Income before income taxes: JPY 30 billion

Net Income: JPY 15 billion

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) Any change in worldwide economic and social conditions as well as laws, regulations, taxation and other legislation
- (2) Changes in foreign currency exchange rates, especially yen/dollar rates
- (3) Changes in stock markets, especially in Japan
- (4) Changes in balance of demand and supply of products that may affect prices and volume, as well as material procurement conditions
- (5) Changes in the ability to acquire financing, especially in Japan
- (6) Changes in any patent and its licensing, including any dispute involving patent infringement, that may affect operations
- (7) Technological change, the development of products using new technology, manufacturing and time-to-market
- (8) Business alliances with other companies

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 (TSE: 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 3,309 billion yen (US\$31.2 billion*) in the year ended March 31, 2004.

For more information visit <http://global.mitsubishielectric.com>

*At an exchange rate of 106 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2004

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