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Mitsubishi Electric Corporation
Toshiba Corporation

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**TOSHIBA AND MITSUBISHI ELECTRIC TO DISSOLVE TMT&D,
THEIR JV IN POWER TRANSMISSION AND DISTRIBUTION**

Tokyo, March 23, 2005 – Toshiba Corporation (President and CEO: Tadashi Okamura) and Mitsubishi Electric Corporation (President and CEO: Tamotsu Nomakuchi) agreed today to dissolve TMT&D Corporation (President and CEO: Takaya Koga), their joint venture in the power transmission and distribution businesses.

Toshiba and Mitsubishi Electric will continue to hold discussions on the specifics of the dissolution scheduled for the end of April 2005.

TMT&D started operations on October 1, 2002 by unifying the power transmission and distribution businesses of Toshiba and Mitsubishi Electric. Since then, TMT&D has had to contend with a deteriorating market situation. Overseas, the company has met far more intense competition than expected, while the domestic market has remained sluggish. This reality has imposed severe challenges on the company and its management.

While Toshiba, Mitsubishi Electric and TMT&D have extensively considered recovery measures, circumstances have made it clear that a definitive plan for rebuilding TMT&D in order to fulfill the company's initial objectives is unattainable. Thus, Toshiba and Mitsubishi Electric resolved to dissolve the

partnership, and agreed to individually pursue the revival and development of their respective businesses.

On the dissolution of TMT&D, Toshiba and Mitsubishi Electric plan to absorb the company's facilities and personnel. Production and delivery of current orders, and repair and maintenance services, etc. of already delivered products will be handled by TMT&D until its dissolution, at which point continuing responsibilities will be handed over to Toshiba or Mitsubishi Electric.

Outline of TMT & D

- Founded: April 1st, 2002
- Start of business operation: October 1st, 2002
- Capital: 22.5 billion yen
- Shareholdings: Toshiba 50%, Mitsubishi Electric 50%
- Number of Employees: approx. 2,500
- Net Sales: 150 billion yen (forecast for fiscal 2004)
- Business Domains: Sales, engineering, development, manufacture and maintenance of equipment, system and software for power transmission and distribution businesses
- Headquarters Location: Toranomom, Minato-ku, Tokyo
- Manufacturing facilities: Hamakawasaki, Fuchu, Aiko, Itami and Kobe

About Toshiba Corporation

Toshiba Corporation is a leader in information and communications systems, electronic components, consumer products and power systems. The company's integration of these wide-ranging capabilities assures its position as an innovator in advanced components, products and systems. Toshiba has more than 161,000 employees worldwide and annual sales of US\$53 billion (FY2003).

For more information, visit <http://www.toshiba.co.jp/index/htm>

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\$ 31.2billion*) in the fiscal 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.