

FOR IMMEDIATE RELEASE

No. 3262

Investor Relations Inquiries:

Yasumitsu Kugenuma
Corporate Finance Department
Mitsubishi Electric Corporation
Tel: +81-3-3218-2391 (IR inquiries only)
Yasumitsu.Kugenuma@hq.melco.co.jp

Media Contact:

Travis Woodward
Public Relations Department
Mitsubishi Electric Corporation
Tel: +81-3-3218-2346
Travis.Woodward@hq.melco.co.jp
<http://global.mitsubishielectric.com/news/>

mitsubishi electric plans to close its subsidiary european mobile phone R&D facility mmce

Tokyo, April 14, 2005 – Mitsubishi Electric Corporation (President and CEO: Tamotsu Nomakuchi) announced today it plans to liquidate and eventually dissolve its European mobile phone R&D subsidiary company, Melco Mobile Communications Europe S.A. (MMCE). Sales activity in Europe would be discontinued after the currently released models, but after-sales-service and customer support service will be maintained.

Since its foundation in January 2003, MMCE has been involved in the research and development of Mitsubishi Electric GSM mobile phones. However, despite efforts to launch a number of highly regarded GSM models with the latest technology for European operators, there has been fierce competition with industry leaders like Nokia, Motorola, Samsung etc. Since the European mobile phone business has not forecasted a return to profitability for the foreseeable future, for the above reason, Mitsubishi Electric has planned the liquidation of MMCE. The timeframe for liquidation will be decided based on talks with local employee representatives.

Outline of Melco Mobile Communications Europe S.A.

- Founded: January 2003
- Start of Business Operation: April 2003
- Capital 30 millions Euro
- Shareholding: Mitsubishi Electric 100%
- Number of Employees: 156 (as of March 2005)

- Business Domain: Research and Development for GSM mobile telephone
- Location: France

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.