



### Corporate Mission

The Mitsubishi Electric Group will continually improve its technologies and services by applying creativity to all aspects of its business. By doing so, we enhance the quality of life in our society. To this end, all members of the Group will pursue the following Seven Guiding Principles.

### Seven Guiding Principles

Trust, Quality, Technology, Citizenship, Ethics and Compliance, Environment, Growth

Looking back on the economic situation during the fiscal year ending March 31, 2017 (hereinafter, "fiscal 2017"), the U.S. economy experienced steady expansion and Japan and Europe saw moderate recovery, while the slowdown in the Chinese economy eased somewhat. Turning to movements in foreign currency exchange rates, although the yen strengthened compared to the previous fiscal year, there was depreciation of the yen following the U.S. presidential election in November.

Under these circumstances, the Mitsubishi Electric Group placed greater emphasis than ever before on promoting growth strategies rooted in its competitive advantages, as well as on initiatives to boost its competitiveness and strengthen its management structure.

As a result, the Mitsubishi Electric Group recorded consolidated net sales of ¥4,238.6 billion in the fiscal year ending March 31, 2017 — a decrease of 4% compared to the previous fiscal year. Operating income decreased 10% year-on-year to ¥270.1 billion, for a Group operating income ratio of 6.4%. Moving forward, the plan is to implement initiatives that will enable the Group to maintain a return on equity (ROE) above 10%, while keeping the ratio of interest-bearing debt to total assets below 15%, in accordance with management targets. At the same time, the goal is to achieve consolidated net sales of ¥5.0 trillion or more and an operating income ratio of 8% or more by fiscal 2021.

Toward securing these fiscal 2021 growth targets and sustained business expansion, the Mitsubishi Electric Group is accelerating and strengthening its initiatives to create additional value through technology and business synergies.

Based on our Corporate Mission and Seven Guiding Principles, we of the Mitsubishi Electric Group position corporate social responsibility (CSR) initiatives as our main pillar of corporate management. Accordingly, the entire Group is committed to providing products, systems and services on a worldwide basis while being mindful of the challenges that our society now faces — particularly environmental issues and resource and energy issues. In this way, we will become a global, leading green company capable of contributing to the realization of a prosperous society.

As we resolutely advance forward to achieve our goals, we ask for your continued support.

July 2017

President & CEO **Masaki Sakuyama**