



The economy in fiscal 2021 (April 1, 2020 - March 31, 2021) continued to see recovery in China mainly owing to an increase in capital expenditures for fixed assets, particularly in public investment, as an effect of political measures. Japan, the U.S. and Europe experienced a significant economic slowdown due to the serious impact of COVID-19 in the first quarter, but saw recovery in the corporate sector in general, while the paces of recovery in the household sector varied depending on the situation of the expansion of COVID-19.

Under these circumstances, the Mitsubishi Electric Group has been working even harder than before to promote growth strategies rooted in its advantages, while continuously implementing initiatives to strengthen its competitiveness and business structure.

As a result, revenue decreased by 6% year on year to 4,191.4 billion yen and operating profit fell by 11% year on year to 230.1 billion yen (operating profit ratio of 5.5%) in fiscal 2021.

Going forward, we will work to further create value for achieving the financial targets for fiscal 2026 (April 1, 2025 - March 31, 2026) under the new medium-term management plan: consolidated revenue of 5,000 billion yen, operating profit ratio of 10%, return on equity (ROE) of 10%, and cash generation of 3,400 billion yen in five years.

The Mitsubishi Electric Group will further promote initiatives to create value, such as "Realize a Sustainable Society" and "Provide Safety, Security, and Comfort." By providing unique, Integrated Solutions by combining our strong core components and a wealth of field knowledge and advanced digital technology in the four

fields of Life, Industry, Infrastructure and Mobility to address diversifying social challenges.

For our sustainable growth, we aim to improve profitability by strengthening the business portfolio strategy. Specifically, we will strategically invest management resources in the five business areas—Factory Automation (FA) Control Systems Business, Air Conditioning & Refrigeration Systems Business, Building Systems Business, Automotive Equipment Business (xEV/ADAS\*) and Power Semiconductor Devices Business—that we position as Key Growth Businesses and shift our resources to profitable and high-growth businesses. In addition, we will endeavor to create new businesses through promoting open innovation to meet changes in social structure and customer value, incorporating new areas and technologies and pursuing synergy as well as expanding solution businesses with an emphasis on high added-value data linkage and utilization businesses. We would like to ask for and appreciate the continued understanding and support of our shareholders in our business activities.

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\*1 Advanced Driver Assistance System