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Mitsubishi Electric Announces Consolidated Financial Results for the First 9 Months and Third Quarter of Fiscal 2012

Tokyo, February 2, 2012 – Mitsubishi Electric Corporation (TOKYO: 6503) announced today its financial results for the first 9 months and third quarter ending December 31, 2011, of the current fiscal year ending March 31, 2012 (fiscal 2012).

1. Consolidated First 9 Months Results (April 1, 2011 – December 31, 2011)

Net sales:	2,560.3 billion yen	(2% decrease from the same period last year)
Operating income:	161.7 billion yen	(16% decrease from the same period last year)
Income before income taxes:	164.5 billion yen	(12% decrease from the same period last year)
Net income attributable to Mitsubishi Electric Corp.:	82.0 billion yen	(30% decrease from the same period last year)

In the first 9 months of fiscal 2012, the global economy saw a continued trend of gradual recovery both inside and outside Japan until the second quarter, while it experienced a recent downward trend with the yen remaining strong against US dollars and euros, in addition to a setback in the European and East Asian economy, tight supply of parts caused by the flood in Thailand and slowdown in Japanese production and exports.

Under these circumstances, consolidated net sales for the first 9 months of fiscal 2012 decreased by 2% compared to the same period of the previous fiscal year to 2,560.3 billion yen, with decreased sales in the Energy and Electric Systems and Home Appliances segments. Consolidated operating income for the first 9 months of fiscal 2012 decreased by 16% compared to the same period of the previous fiscal year to 161.7 billion yen, owing to income decreases in Energy and Electric Systems, Industrial Automation Systems, Information and Communication Systems and Home Appliances segments.

Net income attributable to Mitsubishi Electric Corporation for the first 9 months of fiscal 2012 decreased by 30%

compared to the same period of the previous fiscal year to 82.0 billion yen, due to tax costs of 32.0 billion yen resulting from a re-evaluation of deferred tax assets and liabilities for the reduction of corporate tax rates to be effective as of April 2012, which follows the promulgation in December 2011 of the “Act for Partial Revision of the Income Tax Act etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures” (Act No.114 of 2011) and the “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction Following the Great East Japan Earthquake” (Act No.117 of 2011).

Consolidated Financial Results by Business Segment (First 9 months, Fiscal 2012)

Energy and Electric Systems

Total sales: 658.2 billion yen (2% decrease from the same period last year)
Operating income: 48.8 billion yen (9.3 billion yen decrease from the same period last year)

The social infrastructure systems business saw an increase in orders compared to the same period of the previous fiscal year due to growth in Japan as well as increases in large projects overseas for the energy systems business, while sales decreased compared to the same period of the previous fiscal year due to decreases in the Japanese rolling-stock equipment and public utility systems businesses.

The building systems business experienced increases in both orders and sales compared to the same period of the previous fiscal year, owing to a growth in demand for elevators and escalators in the Chinese and ASEAN markets, as well as large projects recorded for China, Korea and the Middle East.

As a result, total sales for this segment decreased by 2% from the same period of the previous fiscal year. Operating income also decreased from the same period of the previous fiscal year by 9.3 billion yen due to decreases in sales and other factors.

Industrial Automation Systems

Total sales: 724.3 billion yen (5% increase from the same period last year)
Operating income: 83.6 billion yen (4.4 billion yen decrease from the same period last year)

The factory automation systems business saw orders unchanged from the same period of the previous fiscal year, while sales increased compared to the same period of the previous fiscal year due to stable demand for smartphone and tablet PC related investments mainly in Asia.

The automotive equipment business also saw increases in both orders and sales compared to the same period of the previous fiscal year due to expansion of emerging markets such as China and India and recovery in North America, despite impacts from the Great East Japan Earthquake and the flood in Thailand.

As a result, total sales for this segment increased by 5% compared to the same period of the previous fiscal year. Operating income decreased by 4.4 billion yen compared to the same period of the previous fiscal year due primarily to an increase in cost ratio as a result of strong yen.

Information and Communication Systems

Total sales: 326.3 billion yen (1% increase from the same period last year)
Operating income: 8.8 billion yen (2.1 billion yen decrease from the same period last year)

The telecommunications equipment business saw an increase in orders compared to the same period of the previous fiscal year due to large orders recorded for submarine line terminal equipment for fiber-optic cable networks, while sales were unchanged from the same period of the previous fiscal year.

The information systems and services business saw no changes in sales from the same period of the previous fiscal year mainly due to a decline in the IT infrastructure service business and growth mainly in the network and system operations business.

The electronic systems business saw a decrease in orders from the same period of the previous fiscal year due primarily to a decrease in the number of large projects in the electronics business, while sales were unchanged from the same period of the previous fiscal year.

As a result, total sales for this segment increased by 1% compared to the same period of the previous fiscal year. Operating income decreased by 2.1 billion yen compared to the same period of the previous fiscal year mainly due to a shift in sales components.

Electronic Devices

Total sales: 153.0 billion yen (18% increase from the same period last year)
Operating income: 7.0 billion yen (2.5 billion yen increase from the same period last year)

The semiconductor business saw a decrease in orders compared to the same period of the previous fiscal year due to a decline in demand mainly for industrial-use power modules, high-frequency and optical transmission devices, while sales increased for power modules for industrial, commercial, automotive and railcar applications.

The LCD module business saw increases in both orders and sales compared to the same period of the previous fiscal year due to growth in demand for industrial and automotive applications.

As a result, total sales for the segment increased by 18% compared to the same period of the previous fiscal year. Operating income increased by 2.5 billion yen compared to the same period of the previous fiscal year mainly due to an increase in sales.

Home Appliances

Total sales: 651.1 billion yen (9% decrease from the same period last year)
Operating income: 24.4 billion yen (19.2 billion yen decrease from the same period last year)

The home appliances business saw a 9% decrease in sales compared to the same period of the previous fiscal year due to, despite increases in overseas air conditioners, impact from the change in the eco-point incentive program in the third fiscal quarter the previous year which caused a last minute surge in demand for LCD televisions, room air conditioners and refrigerators for the Japanese market, in addition to decreases in overseas photovoltaic

systems mainly in Europe as well as hot water supply systems and induction heating cooking systems for the Japanese market.

Operating income decreased by 19.2 billion yen compared to the same period of the previous fiscal year due to a decrease in sales and other factors.

Others

Total sales: 447.8 billion yen (1% increase from the same period last year)

Operating income: 11.5 billion yen (2.3 billion yen increase from the same period last year)

Sales increased by 1% compared to the same period of the previous fiscal year mainly at affiliated companies involved in materials procurement and engineering.

Operating income increased by 2.3 billion yen compared to the same period of the previous fiscal year due primarily to an increase in sales.

2. Consolidated Third-quarter Results (October 1, 2011 – December 31, 2011)

Net sales:	816.7 billion yen	(8% decrease from the same period last year)
Operating income:	48.1 billion yen	(40% decrease from the same period last year)
Income before income taxes:	58.6 billion yen	(20% decrease from the same period last year)
Net income attributable to Mitsubishi Electric Corp.:	12.4 billion yen	(73% decrease from the same period last year)

Consolidated net sales for this quarter decreased by 8% compared to the same period of the previous fiscal year to 816.7 billion yen, with sales decreases in the Energy and Electric Systems, Industrial Automation Systems and Home Appliances segments. Consolidated operating income decreased by 40% compared to the same period of the previous fiscal year to 48.1 billion yen, due to a decline in income in the Energy and Electric Systems, Industrial Automation Systems, Electronic Devices and Home Appliances segments.

Net income attributable to Mitsubishi Electric Corporation for this quarter decreased by 73% compared to the same period of the previous fiscal year to 12.4 billion yen, due to tax costs of 32.0 billion yen resulting from a re-evaluation of deferred tax assets and liabilities for the reduction of corporate tax rates to be effective as of April 2012, which follows the promulgation in December 2011 of the “Act for Partial Revision of the Income Tax Act etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures” (Act No.114 of 2011) and the “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction Following the Great East Japan Earthquake” (Act No.117 of 2011).

Consolidated Financial Results by Business Segment (Third Quarter, Fiscal 2012)

Energy and Electric Systems

Total sales:	219.5 billion yen	(4% decrease from the same period last year)
Operating income:	20.3 billion yen	(5.3 billion yen decrease from the same period last year)

The social infrastructure systems business saw a decrease in both orders and sales compared to the same period of the previous fiscal year due to decreases mainly in the rolling-stock equipment business both inside and outside Japan and the public utility systems business in Japan.

The building systems business saw no changes in orders compared to the same period of the previous fiscal year, while it experienced increased sales owing to large orders recorded for elevators and escalators in Japan, as well as growth in the Chinese and ASEAN markets.

As a result, total sales for this segment decreased by 4% from the same period of the previous fiscal year. Operating income decreased by 5.3 billion yen from the same period of the previous fiscal year due primarily to a decrease in sales.

Industrial Automation Systems

Total sales: 236.7 billion yen (1% decrease from the same period last year)
Operating income: 27.1 billion yen (9.8 billion yen decrease from the same period last year)

The factory automation systems business saw decreases in both orders and sales compared to the same period of the previous fiscal year due to a decline in demand mainly for flat panel display-related investments in Korea and Taiwan.

The automotive equipment business saw increases in both orders and sales compared to the same period of the previous fiscal year with Japanese automotive manufacturers experiencing recovery in production from impacts caused by the Great East Japan Earthquake, and economic recovery in North America, despite impacts from the flood in Thailand.

As a result, total sales for this segment decreased by 1% compared to the same period of the previous fiscal year. Operating income decreased by 9.8 billion yen compared to the same period of the previous fiscal year due to a decrease in sales and other factors.

Information and Communication Systems

Total sales: 109.6 billion yen (5% increase from the same period last year)
Operating income: 4.5 billion yen (0.7 billion yen increase from the same period last year)

The telecommunications equipment business saw increases in both orders and sales compared to the same period of the previous fiscal year due to growth in demand for communications infrastructures.

The information systems and services business saw a decrease in sales from the same period of the previous fiscal year mainly due to a decline mainly in the IT infrastructure service business.

The electronic systems business saw an increase in orders due to growth in the space systems business, as well as an increase in sales owing to growth in the electronics business.

As a result, total sales for this segment increased by 5% compared to the same period of the previous fiscal year. Operating income increased by 0.7 billion yen compared to the same period of the previous fiscal year due to an increase in sales and other factors.

Electronic Devices

Total sales: 48.7 billion yen (11% increase from the same period last year)
Operating income: 1.0 billion yen (0.4 billion yen decrease from the same period last year)

The semiconductor business saw a decrease in orders compared to the same period of the previous fiscal year due to a decline in demand mainly for industrial-use power modules, high-frequency and optical transmission devices, while sales increased for power modules for industrial, commercial, automotive and railcar applications.

The LCD module business saw increases in both orders and sales compared to the same period of the previous fiscal year due to growth in demand for industrial and automotive applications.

As a result, total sales for the segment increased by 11% compared to the same period of the previous fiscal year. Operating income decreased by 0.4 billion yen compared to the same period of the previous fiscal year mainly due to impacts from the strong yen.

Home Appliances

Total sales: 190.8 billion yen (23% decrease from the same period last year)
Operating income: 0.7 billion yen (16.4 billion yen decrease from the same period last year)

The home appliances business saw a 23% decrease in sales compared to the same period of the previous fiscal year due to impacts from the change in the eco-point incentive program in the third fiscal quarter the previous year which caused a last minute surge in demand for LCD televisions, room air conditioners and refrigerators for the Japanese market, in addition to decreases in overseas air conditioners resulting from a slowdown in the European economy, overseas photovoltaic systems also mainly in Europe as well as hot water supply systems and induction heating cooking systems for the Japanese market.

Operating income fell by 16.4 billion yen compared to the same period of the previous fiscal year due to a decrease in sales and other factors.

Others

Total sales: 146.3 billion yen (3% decrease from the same period last year)
Operating income: 3.7 billion yen (0.1 billion yen decrease from the same period last year)

Sales decreased by 3% compared to the same period of the previous fiscal year mainly at affiliated companies involved in materials procurement and logistics.

Operating income decreased by 0.1 billion yen compared to the same period of the previous fiscal year due primarily to a decrease in sales.

Financial Condition (Consolidated Basis)

Assets, Liabilities, and Shareholders' Equity

The company's total assets fell from the end of the previous fiscal year by 144.2 billion yen to 3,188.4 billion yen. This was due primarily to cash and cash equivalents decreasing by 165.7 billion yen and trade receivables decreasing by 64.0 billion yen mainly as a result of credit collection, while inventories increased by 138.4 billion yen owing largely to progress in work-in-process.

The balance of outstanding debts and corporate bonds fell by 33.0 billion yen from the end of the previous fiscal year to 451.3 billion yen, with a decline in its ratio of interesting bearing debt to total assets to 14.2% (a decrease by 0.3 points compared to the end of the previous fiscal year). Trade payables also decreased by 65.3 billion yen,

while retirement and severance benefits increased by 26.2 billion yen, due primarily to an increase in deficiency of pension assets resulting from a decline in stock prices and other factors.

Mitsubishi Electric Corporation shareholders' equity decreased by 6.0 billion yen compared to the previous fiscal year to 1,044.2 billion yen, with an improvement in ratio of shareholders' equity to total assets of 1.3 points compared to the previous fiscal year, bringing the ratio to 32.8%. Retained earnings increased by 54.1 billion yen due to an 82.0 billion yen net income attributable to Mitsubishi Electric Corporation and dividend payment of 27.9 billion yen, while accumulated other comprehensive income decreased by 57.8 billion yen mainly due to the yen appreciating against foreign currencies and the decline in stock prices.

Cash Flow

Cash flows from operating activities decreased by 148.4 billion yen compared to the same period of the previous fiscal year to 33.1 billion yen (cash in). Cash flows from investing activities decreased by 9.7 billion yen compared to the same period of the previous fiscal year to 103.6 billion yen (cash out), largely due to a decrease in investments on securities. Consequently, free cash flow reached payments of 70.4 billion yen. Cash flows from financing activities were 79.6 billion yen (cash out) due to repayment of loans, payment of dividends and other factors.

Forecast for Fiscal 2012 (year ending March 31, 2012)

The current consolidated earnings forecast for fiscal 2012, ending March 31, 2012, is expected to fall below the previous forecast in nets sales and operating income as stated below, with decreased revenues in the Energy and Electric Systems, Industrial Automation Systems and Home Appliances segments due to a slowdown in the European and East Asian economies, stronger yen and tight supply of parts following the flood in Thailand. The forecast for income before income taxes has been unchanged from the previous forecast due primarily to a decrease in other expenses, while net income attributable to Mitsubishi Electric Corporation is expected to fall below its previous forecast due to tax costs mainly as a result of “Act for Partial Revision of the Income Tax Act etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures.”

Consolidated earnings forecast for fiscal 2012

	Previous forecast	Current forecast
Net sales:	3,730.0 billion yen	3,670.0 billion yen (1% increase from fiscal 2011)
Operating income:	240.0 billion yen	210.0 billion yen (10% decrease from fiscal 2011)
Income before income taxes:	210.0 billion yen	210.0 billion yen (Unchanged from fiscal 2011)
Net income attributable to Mitsubishi Electric Corp.:	135.0 billion yen	100.0 billion yen (20% decrease from fiscal 2011)

The impact to the company’s business performance in relation to announcements made on January 27, 2012 regarding “Overcharged expenses to Japan’s Ministry of Defense, Cabinet Satellite Intelligence Center and Japan Aerospace Exploration Agency,” “Suspension from Ministry of Defense Bidding,” “Suspension from Japan’s Cabinet Satellite Intelligence Center Bidding” and “Suspension of Participating Eligibility from Japan Aerospace Exploration Agency Competitive Bidding” is currently unclear and has not been considered in the current forecast. Mitsubishi Electric intends to disclose the impact this matter has on the company as soon as the situation is better understood.

Note: *The results forecast above is based on assumptions deemed reasonable by the company at the present time, and actual results may differ significantly from forecasts. Please refer to the cautionary statement on the last page.*

Consolidated Financial Results Summary

1. Consolidated First 9 Months Results

(In billions of yen except where noted)

	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010) (A)	FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011) (B)	B – A	B/A
				(%)
Net sales	2,601.3	2,560.3	(41.0)	98
Operating income	192.5	161.7	(30.7)	84
Income before income taxes	187.3	164.5	(22.8)	88
Net income attributable to Mitsubishi Electric Corp.	116.9	82.0	(34.8)	70
Basic net income per share attributable to Mitsubishi Electric Corp.	54. ⁴⁵ yen	38.²² yen	(16. ²³ yen)	70

2. Consolidated Third-quarter Results

(In billions of yen except where noted)

	FY '11 Q3 (Oct. 1, 2010 – Dec. 31, 2010) (A)	FY '12 Q3 (Oct. 1, 2011 – Dec. 31, 2011) (B)	B – A	B/A
				(%)
Net sales	889.5	816.7	(72.7)	92
Operating income	79.6	48.1	(31.4)	60
Income before income taxes	72.9	58.6	(14.2)	80
Net income attributable to Mitsubishi Electric Corp.	45.6	12.4	(33.1)	27
Basic net income per share attributable to Mitsubishi Electric Corp.	21. ²⁵ yen	5.⁸¹ yen	(15. ⁴⁴ yen)	27

Notes: 1) Consolidated financial charts made in accordance with U.S. GAAP.
2) The company has 161 consolidated subsidiaries.

Consolidated Profit and Loss Statement
(First 9 Months, Fiscal 2012)

(In millions of yen)

	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010)		FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011)		B – A	B/A (%)
	(A)	% of total	(B)	% of total		
Net sales	2,601,387	100.0	2,560,330	100.0	(41,057)	98
Cost of sales	1,845,527	70.9	1,830,644	71.5	(14,883)	99
Selling, general and administrative expenses	563,311	21.7	567,890	22.2	4,579	101
Operating income	192,549	7.4	161,796	6.3	(30,753)	84
Other income	30,128	1.2	25,548	1.0	(4,580)	85
Interest and dividends	7,127	0.3	7,186	0.3	59	101
Equity in earnings of affiliated companies	–	–	1,008	0.0	1,008	–
Other	23,001	0.9	17,354	0.7	(5,647)	75
Other expenses	35,348	1.4	22,819	0.9	(12,529)	65
Interest	5,911	0.3	5,219	0.2	(692)	88
Equity in losses of affiliated companies	10,967	0.4	–	–	(10,967)	–
Other	18,470	0.7	17,600	0.7	(870)	95
Income before income taxes	187,329	7.2	164,525	6.4	(22,804)	88
Income taxes	64,342	2.5	78,000	3.0	13,658	121
Net income	122,987	4.7	86,525	3.4	(36,462)	70
Net income attributable to the noncontrolling interests	6,084	0.2	4,461	0.2	(1,623)	73
Net income attributable to Mitsubishi Electric Corp.	116,903	4.5	82,064	3.2	(34,839)	70

Consolidated Profit and Loss Statement
(Third Quarter, Fiscal 2012)

(In millions of yen)

	FY '11 Q3 (Oct. 1, 2010 – Dec. 31, 2010)		FY '12 Q3 (Oct. 1, 2011 – Dec. 31, 2011)		B – A	B/A (%)
	(A)	% of total	(B)	% of total		
Net sales	889,527	100.0	816,732	100.0	(72,795)	92
Cost of sales	625,854	70.4	580,187	71.0	(45,667)	93
Selling, general and administrative expenses	184,026	20.6	188,363	23.1	4,337	102
Operating income	79,647	9.0	48,182	5.9	(31,465)	60
Other income	7,527	0.8	13,096	1.6	5,569	174
Interest and dividends	1,914	0.2	2,114	0.3	200	110
Equity in earnings of affiliated companies	–	–	3,599	0.4	3,599	–
Other	5,613	0.6	7,383	0.9	1,770	132
Other expenses	14,268	1.6	2,643	0.3	(11,625)	19
Interest	1,843	0.2	1,616	0.2	(227)	88
Equity in losses of affiliated companies	8,617	1.0	–	–	(8,617)	–
Other	3,808	0.4	1,027	0.1	(2,781)	27
Income before income taxes	72,906	8.2	58,635	7.2	(14,271)	80
Income taxes	25,001	2.8	45,622	5.6	20,621	182
Net income	47,905	5.4	13,013	1.6	(34,892)	27
Net income attributable to the noncontrolling interests	2,277	0.3	530	0.1	(1,747)	23
Net income attributable to Mitsubishi Electric Corp.	45,628	5.1	12,483	1.5	(33,145)	27

Consolidated Balance Sheet

(In millions of yen)

	FY '11 (A) (ending Mar. 31, 2011)	FY '12 9 months (B) (ending Dec. 31, 2011)	B – A
(Assets)			
Current assets	2,073,064	1,988,147	(84,917)
Cash and cash equivalents	472,067	306,320	(165,747)
Short-term investments	10,031	3,487	(6,544)
Trade receivables	790,991	727,798	(63,193)
Inventories	527,504	665,957	138,453
Prepaid expenses and other current assets	272,471	284,585	12,114
Long-term trade receivables	2,090	1,262	(828)
Investments	448,953	401,444	(47,509)
Net property, plant and equipment	527,453	545,073	17,620
Other assets	281,119	252,548	(28,571)
Total assets	3,332,679	3,188,474	(144,205)
(Liabilities and equity)			
Current liabilities	1,470,387	1,389,470	(80,917)
Bank loans and current portion of long-term debt	202,761	246,160	43,399
Trade payables	697,789	632,471	(65,318)
Other current liabilities	569,837	510,839	(58,998)
Long-term debt	281,591	205,184	(76,407)
Retirement and severance benefits	419,008	445,261	26,253
Other fixed liabilities	52,668	49,561	(3,107)
Total equity	1,109,025	1,098,998	(10,027)
Mitsubishi Electric Corp. shareholders' equity	1,050,340	1,044,277	(6,063)
Common stock	175,820	175,820	–
Capital surplus	208,669	206,270	(2,399)
Retained earnings	881,973	936,127	54,154
Accumulated other comprehensive income (loss)	(215,919)	(273,723)	(57,804)
Treasury stock at cost	(203)	(217)	(14)
Noncontrolling interests	58,685	54,721	(3,964)
Total liabilities and equity	3,332,679	3,188,474	(144,205)
Balance of Debt	484,352	451,344	(33,008)
Accumulated other comprehensive income (loss):			
Foreign currency translation adjustments	(59,400)	(89,083)	(29,683)
Pension liability adjustments	(162,390)	(182,856)	(20,466)
Unrealized gains (losses) on securities	5,957	(1,676)	(7,633)
Unrealized gains (losses) on derivative instruments	(86)	(108)	(22)

Consolidated Cash Flow Statement

(In millions of yen)

	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010) (A)	FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011) (B)	B – A
I Cash flows from operating activities			
1 Net income	122,987	86,525	(36,462)
2 Adjustments to reconcile net income to net cash provided by operating activities			
(1) Depreciation of tangible fixed assets and other	74,700	84,423	9,723
(2) Decrease in trade receivables	43,291	47,389	4,098
(3) Decrease (increase) in inventories	(144,100)	(158,979)	(14,879)
(4) Increase (decrease) in trade payables	11,256	(55,000)	(66,256)
(5) Other, net	73,465	28,777	(44,688)
Net cash provided by operating activities	181,599	33,135	(148,464)
II Cash flows from investing activities			
1 Capital expenditure	(75,283)	(107,264)	(31,981)
2 Proceeds from sale of property, plant and equipment	3,508	3,161	(347)
3 Purchase of short-term investments and investment securities	(48,745)	(10,212)	38,533
4 Proceeds from sale of short-term investments and investment securities	11,866	13,295	1,429
5 Other, net	(4,774)	(2,614)	2,160
Net cash used in investing activities	(113,428)	(103,634)	9,794
I+II Free cash flow	68,171	(70,499)	(138,670)
III Cash flows from financing activities			
1 Proceeds from long-term debt	100	285	185
2 Repayment of long-term debt	(57,777)	(76,645)	(18,868)
3 Increase in bank loans, net	969	33,859	32,890
4 Dividends paid	(19,315)	(27,910)	(8,595)
5 Purchase of treasury stock	(37)	(16)	21
6 Reissuance of treasury stock	5	2	(3)
7 Other, net	(1,539)	(9,260)	(7,721)
Net cash provided by (used in) financing activities	(77,594)	(79,685)	(2,091)
IV Effect of exchange rate changes on cash and cash equivalents	(14,292)	(15,563)	(1,271)
V Net increase (decrease) in cash and cash equivalents	(23,715)	(165,747)	(142,032)
VI Cash and cash equivalents at beginning of period	391,118	472,067	80,949
VII Cash and cash equivalents at end of period	367,403	306,320	(61,083)

Consolidated Segment Information (First 9 Months, Fiscal 2012)

1. Sales and Operating Income by Business Segment

(In millions of yen)

<i>Business Segment</i>	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010)		FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (D)			
Energy and Electric Systems	668,570	58,186	658,271	48,873	(10,299)	(9,313)	98
Industrial Automation Systems	687,043	88,083	724,347	83,659	37,304	(4,424)	105
Information and Communication Systems	323,310	10,950	326,346	8,850	3,036	(2,100)	101
Electronic Devices	129,895	4,528	153,011	7,069	23,116	2,541	118
Home Appliances	714,603	43,676	651,195	24,465	(63,408)	(19,211)	91
Others	445,457	9,281	447,813	11,594	2,356	2,313	101
Subtotal	2,968,878	214,704	2,960,983	184,510	(7,895)	(30,194)	100
Eliminations and other	(367,491)	(22,155)	(400,653)	(22,714)	(33,162)	(559)	–
Total	2,601,387	192,549	2,560,330	161,796	(41,057)	(30,753)	98

*Note: Inter-segment sales are included in the above chart.

2. Sales and Operating Income by Location

(In millions of yen)

<i>Location</i>	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010)		FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (D)			
Japan	2,256,015	145,277	2,223,197	125,655	(32,818)	(19,622)	99
North America	164,464	2,585	158,824	2,901	(5,640)	316	97
Asia (excluding Japan)	422,743	32,229	437,689	27,353	14,946	(4,876)	104
Europe	218,461	7,503	234,259	5,971	15,798	(1,532)	107
Others	28,007	3,326	29,702	3,266	1,695	(60)	106
Subtotal	3,089,690	190,920	3,083,671	165,146	(6,019)	(25,774)	100
Eliminations	(488,303)	1,629	(523,341)	(3,350)	(35,038)	(4,979)	–
Total	2,601,387	192,549	2,560,330	161,796	(41,057)	(30,753)	98

*Note: Inter-segment sales are included in the above chart.

3. Sales by Location of Customers

(In millions of yen)

<i>Location</i>	FY '11 9 months (Apr. 1, 2010 – Dec. 31, 2010)		FY '12 9 months (Apr. 1, 2011 – Dec. 31, 2011)		B – A	B/A (%)
	Sales (A)	% of total net sales	Sales (B)	% of total net sales		
Japan	1,697,371	65.2	1,650,051	64.4	(47,320)	97
North America	182,663	7.0	169,491	6.6	(13,172)	93
Asia (excluding Japan)	444,946	17.1	451,231	17.6	6,285	101
Europe	215,212	8.3	229,088	9.0	13,876	106
Others	61,195	2.4	60,469	2.4	(726)	99
Total overseas sales	904,016	34.8	910,279	35.6	6,263	101
Consolidated total	2,601,387	100.0	2,560,330	100.0	(41,057)	98

Consolidated Segment Information (Third Quarter, Fiscal 2012)

1. Sales and Operating Income by Business Segment

(In millions of yen)

<i>Business Segment</i>	FY '11 Q3 (Oct. 1, 2010 – Dec. 31, 2010)		FY '12 Q3 (Oct. 1, 2011 – Dec. 31, 2011)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (D)			
Energy and Electric Systems	227,916	25,706	219,524	20,361	(8,392)	(5,345)	96
Industrial Automation Systems	240,069	36,941	236,708	27,110	(3,361)	(9,831)	99
Information and Communication Systems	104,338	3,792	109,667	4,586	5,329	794	105
Electronic Devices	43,906	1,500	48,702	1,041	4,796	(459)	111
Home Appliances	249,080	17,180	190,875	771	(58,205)	(16,409)	77
Others	150,632	3,848	146,379	3,715	(4,253)	(133)	97
Subtotal	1,015,941	88,967	951,855	57,584	(64,086)	(31,383)	94
Eliminations and other	(126,414)	(9,320)	(135,123)	(9,402)	(8,709)	(82)	–
Total	889,527	79,647	816,732	48,182	(72,795)	(31,465)	92

*Note: Inter-segment sales are included in the above chart.

2. Sales and Operating Income by Location

(In millions of yen)

<i>Location</i>	FY '11 Q3 (Oct. 1, 2010 – Dec. 31, 2010)		FY '12 Q3 (Oct. 1, 2011 – Dec. 31, 2011)		C – A	D – B	C/A (%)
	Sales (A)	Operating income (B)	Sales (C)	Operating income (D)			
Japan	777,112	65,855	725,215	40,671	(51,897)	(25,184)	93
North America	58,840	718	53,074	1,052	(5,766)	334	90
Asia (excluding Japan)	144,711	10,974	122,749	4,888	(21,962)	(6,086)	85
Europe	69,106	1,595	68,778	809	(328)	(786)	100
Others	11,130	1,351	11,025	1,217	(105)	(134)	99
Subtotal	1,060,899	80,493	980,841	48,637	(80,058)	(31,856)	92
Eliminations	(171,372)	(846)	(164,109)	(455)	7,263	391	–
Total	889,527	79,647	816,732	48,182	(72,795)	(31,465)	92

*Note: Inter-segment sales are included in the above chart.

3. Sales by Location of Customers

(In millions of yen)

Location	FY '11 Q3 (Oct. 1, 2010 – Dec. 31, 2010)		FY '12 Q3 (Oct. 1, 2011 – Dec. 31, 2011)		B – A	B/A (%)
	Sales (A)	% of total net sales	Sales (B)	% of total net sales		
Japan	581,872	65.4	547,076	67.0	(34,796)	94
North America	66,047	7.4	55,738	6.8	(10,309)	84
Asia (excluding Japan)	156,711	17.6	124,913	15.3	(31,798)	80
Europe	66,817	7.5	68,319	8.4	1,502	102
Others	18,080	2.1	20,686	2.5	2,606	114
Total overseas sales	307,655	34.6	269,656	33.0	(37,999)	88
Consolidated total	889,527	100.0	816,732	100.0	(72,795)	92

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) Important trends

The Mitsubishi Electric Group's operations may be affected by trends in the global economy, social conditions, laws, tax codes, and regulations.

(2) Foreign currency exchange rates

Fluctuations in foreign currency markets may affect Mitsubishi Electric's sales of exported products and purchases of imported materials that are denominated in U.S. dollars or Euros, as well as its Asian production bases' sales of exported products and purchases of imported materials that are denominated in foreign currencies.

(3) Stock markets

A fall in stock market prices may cause Mitsubishi Electric to record devaluation losses on marketable securities, or cause an increase in retirement benefit obligations in accordance with a decline in the fair value of pension assets.

(4) Supply/demand balance for products and procurement conditions for materials and components

A decline in prices and shipments due to changes in the supply/demand balance, as well as an increase in material prices due to a worsening of material and component procurement conditions may adversely affect the Mitsubishi Electric Group's performance.

(5) Fund raising

An increase in interest rates, the yen interest rate in particular, would increase Mitsubishi Electric's interest expenses.

(6) Significant patent matters

Important patent filings, licensing, copyrights and patent-related disputes may adversely affect related businesses.

(7) Environmental legislation or relevant issues

We may incur losses or expenses owing to changes in environmental legislation or the occurrence of

environmental issues. Such changes in legislation or the occurrence of environmental issues may also impact manufacturing and all corporate activities of the Mitsubishi Electric Group.

(8) Flaws or defects in products or services

We may incur losses or expenses resulting out of flaws or defects in products or services, and the lowered reputation of the quality of all our products and services may affect the entire Mitsubishi Electric group.

(9) Litigation and other legal proceedings

The Mitsubishi Electric Group's operations may be affected by lawsuits or other legal proceedings against Mitsubishi Electric, its subsidiaries and/or equity-method affiliated companies.

(10) Disruptive changes

Disruptive changes in technology, development of products using new technology, timing of production, and market introduction may adversely affect the Mitsubishi Electric Group's performance.

(11) Business restructuring

The Mitsubishi Electric Group may record losses due to restructuring measures.

(12) Natural disasters

The Mitsubishi Electric Group's operations, particularly manufacturing activities, may be affected by the occurrence of earthquakes, typhoons, tsunamis, fires and other large-scale disasters.

(13) Other significant factors

The Mitsubishi Electric Group's operations may be affected by the outbreak of social or political upheaval due to terrorism, war, pandemic by new strains of influenza and other diseases, or other factors.

Notes

1. Change of status in material affiliates in this quarterly period: none

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About Mitsubishi Electric

With over 90 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric Corporation (TOKYO: 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 3,645.3 billion yen (US\$ 43.9 billion*) in the fiscal year ended March 31, 2011. For more information visit <http://www.MitsubishiElectric.com>

*At an exchange rate of 83 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2011