To Shareholders

Matters for Internet Disclosure upon the Convocation of the 144th Ordinary General Meeting of Shareholders

For Fiscal 2015 (April 1, 2014–March 31, 2015)

The abovementioned items are disclosed to shareholders on Mitsubishi Electric's Website (http://www.MitsubishiElectric.com/company/ir/meeting/index.html) in accordance with laws and regulations as well as Article 15 of Mitsubishi Electric's Articles of Incorporation.

MITSUBISHI ELECTRIC CORPORATION

■Business Report

[Reference]Summary of Such Matters as Systems Necessary to Ensure the Properness of Operations of the Company (the content of resolutions as of March 31, 2015)

Item	Details
The matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee	■Assign employees whose job is exclusively to assist the Audit Committee
	■The General Manager of the Corporate Human Resources Division will consult with Audit Committee members regarding the evaluation of performance by and relocation of personnel exclusively reporting to the Audit Committee.
	■Establish a structure and system to ensure that Executive Officers and employees report to the Audit Committee
	■Establish the following structures and systems in relation to other audits by the Audit Committee 1. Implement surveys of the Company and its subsidiaries 2. Undertake deliberations to determine audit policies, methods implementation status and results by regularly convening debriefing sessions between the Independent Auditor and Executive Officers in charge of audits
The development of systems necessary to ensure that the execution of duties by Executive Officers complies with laws and regulations and the Articles of Incorporation	Establish internal regulations ensuring that the Executive Officers' performance and execution of duties is in accordance with laws and the Articles of Incorporations
Other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of the Company	■Establish internal regulations related to the record keeping and information management regarding Executive Officers' performance of their duties
	■Executive Officers shall take responsibility for constructing risk management systems related to possible losses within the areas over which they are appointed. Important matters shall be deliberated at Executive Officer meetings.
	■Executive Officers shall take responsibility for ensuring management efficiency within the areas over which they are appointed. Internal Auditors shall monitor the status of operations.
	■Establish the following systems to ensure that employees execute their work in accordance with laws and the Articles of Incorporation. Internal Auditors shall monitor the status of such systems. 1. Set internal regulations and action guidelines regarding ethics and compliance 2. Implement an internal whistle-blowing system
	■Executive Officers shall manage the subsidiaries within the areas over which they are appointed. In addition, the following structures shall be set up in order to ensure the appropriateness of activities within the Mitsubishi Electric Group. 1. Establish action guidelines shared throughout the Mitsubishi Electric Group with regard to corporate ethics and compliance 2. Create a specialized organization for integrated management of Mitsubishi Electric Group companies 3. Conduct regular audits of subsidiaries by internal Auditors

CONSOLIDATED STATEMENT OF EQUITY

(April 1, 2014 to March 31, 2015)

(Millions of yen)

Items	Mitsubishi Electric Corp. Shareholders' Equity						Noncontrolling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total		
Balance at March 31, 2014	175,820	207,089	1,139,738	1,957	(282)	1,524,322	76,029	1,600,351
Comprehensive income (loss)								
Net income attributable to Mitsubishi Electric Corp.	—	—	234,694	—	—	234,694	—	234,694
Net income attributable to noncontrolling interests	—	—	—	—	—	—	13,361	13,361
Other comprehensive income(loss), net of tax								
Foreign currency translation adjustments	—	—	—	64,307	—	64,307	8,276	72,583
Pension liability adjustments	—	—	—	21,171	—	21,171	—	21,171
Unrealized gains (losses) on securities	—	—	—	36,616	—	36,616	94	36,710
Unrealized gains (losses) on derivative instruments	—	—	—	13	—	13	(6)	7
Total comprehensive income	—	—	234,694	122,107	—	356,801	21,725	378,526
Equity transactions with noncontrolling interests and other	—	4,066	—	—	—	4,066	(9,790)	(5,724)
Dividends paid to Mitsubishi Electric Corp. shareholders' equity	—	—	(42,936)	—	—	(42,936)	—	(42,936)
Purchase of treasury stock	—	—	—	—	(50)	(50)	—	(50)
Reissuance of treasury stock	—	—	—	—	0	0	—	0
Balance at March 31, 2015	175,820	211,155	1,331,496	124,064	(332)	1,842,203	87,964	1,930,167

Notes to Consolidated Financial Statements:

1. Significant Accounting Policies

(1)Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements of Mitsubishi Electric Corporation (the "Company") are prepared in accordance with U.S. generally accepted accounting principles, pursuant to the provision of Article 120-2-1 of the Ordinance of Company's Accounting. However, based on the second sentence of the article, some disclosure items required under U.S. generally accepted accounting principles are omitted.

(2) Valuation of Inventories

Raw materials and finished product inventories are generally recorded using the average-cost method, and evaluated at the lower of cost or market. In work-in-process, the Company records the ordered products at the acquisition cost and the regular purchased products at the average production costs. Those products are recorded at the lower of cost or market.

(3) Valuation of Short-Term Investments and Investment Securities

Available-for-sale securities are recorded at fair value. (Unrealized gains and losses, net of the related tax effect are directly recorded in shareholders' equity. The cost is determined on the moving-average method.)

(4) Depreciation

Depreciation of property, plant and equipment is generally calculated by the declining-balance method.

(5) Reserves

Allowance for doubtful receivables is prepared for possible losses on uncollectible notes and accounts receivable. The Company records the estimated of uncollectible amounts based on credit loss history for general accounts receivable, and the collectability for each individual account for specific doubtful receivables.

Retirement and severance benefits are computed based on the projected benefit obligations and the fair value of plan assets at the end of the fiscal year in order to provide for retirement benefits to employees.

Prior service cost are amortized using the straight-line method over the average remaining service period of employees.

The net loss on actuarial differences exceeding 10% of the larger of projected benefit obligations or the fair value of plan assets is amortized using the straight-line method over the average remaining service period of employees.

(6) The tax-exclusion method is used to account for consumption taxes.

2. Allowance for doubtful receivables: ¥17,590 million
3. Accumulated depreciation of property, plant and equipment: ¥2,045,742 million

   The figure for accumulated depreciation of property, plant and equipment includes accumulated impairment losses.
4. Accumulated other comprehensive income (loss) includes foreign currency translation adjustments, pension liability adjustments, unrealized gains (losses) on securities and unrealized gains (losses) on derivative instruments.

5. Contingent liabilities
   (1) Guarantee liabilities: ¥9,654 million
   (2) In January 2007, the Company received a decision rendered by the European Commission imposing fines for an infringement of EU Competition Law in connection with its sales of certain gas-insulated switchgears in Europe. However, there was a significant inconsistency on recognition of the material underlying facts between the European Commission and the Company. Therefore, the Company appealed to the European General Court and challenged the decision. In July 2011, the Company received a judgment from the European General Court upholding the European Commission's decision on the underlying facts while annulling the fine imposed on the Company on the basis that the European Commission applied inconsistent methods of calculation to different companies. In September 2011, since there was still a significant inconsistency on recognition of the material underlying facts between the European Commission and the Company, the Company appealed to the European Court of Justice. In June 2012, the Company received the European Commission's decision presenting an amount of fine as payable by the Company after revision of the pertinent computations. In September 2012, the Company took another legal action with the European General Court seeking a revision of the current computation method presented by the European Commission, which would result in a downward modification of the fine. In December 2013, the Company received a judgment from the European Court of Justice upholding the European Commission's underlying facts. The legal action the Company filed in September 2012 with the European General Court is currently pending.
   Since July 2011, the Company has been cooperating with Competition Law investigations and inquiries conducted by the European Commission regarding the sales of certain automotive parts in Europe. In addition, civil lawsuits relating to the States Antitrust Laws regarding the sale of certain automotive parts have also been raised in the United States of America. The Company agreed to settle with some purchasers in relation to the aforementioned matter and made settlement payments.
   As of March 31, 2015, the Company recorded an estimated amount of ¥36,763 million as a reserve for these various competition-law-related expenses in Other fixed liabilities relating to the gas-insulated switchgears case in Europe and certain automotive parts cases in the United States of America and Europe. For the year ended March 31, 2015, the Company also recorded ¥44,163 million as various competition-law-related expenses in Non-operating expenses - Other, which represents the difference between the reserve amount at the prior year-end and the sum of the reserve amount at the current year–end plus the actual amounts paid and other miscellaneous items recorded during the current year.

6. Financial Instruments

(1) Items Concerning the Status of Financial Instruments

The Mitsubishi Electric Group undertakes fund management primarily concerning short-term deposits and maintains a supply of funds through such means as borrowing from financial institutions and issuing corporate bonds. In addition, supplied funds are used to working funds (mainly in the short term) and funds used for capital expenditures (long term).

The Company minimizes risks associated with client credit risk-related notes and accounts receivables, in accordance with its credit management regulations.

The Company makes use of derivative instruments to avoid market risks stemming from fluctuations in foreign currency exchange rates and interest rates. The use of derivative instruments is undertaken within the range of actual demand.

Marketable securities and other investments are primarily composed of shares and the Company takes steps to gain an understanding of the market value of listed shares at the end of each quarter.

(2) Items Concerning the Fair Value of Financial Instruments

The carrying amount of the consolidated balance sheet, the fair value and the difference at the end of the fiscal year are as follows:

(Millions of yen)

	Consolidated balance sheet*1 (Carrying amount)	Fair value*1	Difference
1. Long-term trade receivables	5,633	5,615	(18)
2. Marketable securities and other investments Available-for-sale securities	271,972	271,972	—
3. Corporate bonds and long-term debt *2	(309,609)	(309,251)	(358)
4. Derivative instruments*3	2,626	2,626	—

*1: Items listed as liabilities are presented in brackets

*2: Includes sums that will become due within one year

*3: Net receivables/payables from derivatives instruments is presented as a net figure

Note 1: Items Concerning Methods for Calculating the Fair Value of Financial Instruments and Items Concerning Marketable Securities and Derivative Instruments

The carrying amount of Cash and cash equivalents, trade receivables, trade payables and bank loans approximates fair value because of the short term nature of these instruments.

(a) Long-term trade receivables are calculated based on estimated present value using fiscal year-end interest rates and future cash flows.

(b) Marketable securities and other investments are calculated based on market prices.

(c) Corporate bonds and long-term debt are calculated based on estimated present value using year-end interest rates and future cash flows on a per-loan basis, or based on market prices.

(d) Derivative instruments, constituting principally of foreign exchange contracts, are estimated by obtaining market prices from counterparties and third parties.

Note 2: Financial Instruments which are extremely difficult in determining fair value

Unlisted shares (¥14,535 million in the consolidated balance sheet) are not included in figure 2, "Marketable securities and other investments Available-for-sale securities," for they are not traded in an active market and recognized to be extremely difficult in determining fair value.

7. The "Act to Partially Revise the Local Tax Act" (Act No. 2 of 2015) and the "Act to Partially Revise the Income Tax Act" (Act No. 9 of 2015) were enacted and promulgated in March 2015 in Japan, resulting in a reduction of the corporation tax rate effective for fiscal years beginning on or after April 1, 2015. As a result, the Company and domestic subsidiaries adjusted the statutory tax rates to be applied in the calculation of deferred tax assets and liabilities arising from temporary differences expected to be recovered or settled on or after April 1, 2015. Before the adjustment, the statutory tax rate applied was approximately 35.5% for temporary differences expected to be recovered or settled on or after April 1, 2015. After the adjustment, the statutory tax rates applied are approximately 33.0% for temporary differences expected to be recovered or settled between April 1, 2015 and March 31, 2016 and approximately 32.0% for temporary differences expected to be recovered or settled on or after April 1, 2016.

For the year ended March 31, 2015, ¥14,697 million of income tax expense is included in "Income taxes – deferred" in the Consolidated Statement of Income, as a result of the aforementioned adjustment of deferred tax assets and liabilities balances.

8. Mitsubishi Electric Corp. Shareholders' equity per share: ¥858.11

Basic net income per share attributable to Mitsubishi Electric Corp. per share: ¥109.32

STATEMENT OF CHANGES IN NET ASSETS

(April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' Equity										Valuation and translation adjustments	
		Capital surplus		Retained earnings								
					Other retained earnings							
	Common stock	Legal capital surplus	Other capital surplus	Legal retained earnings	Reserve for special depreciation	Reserve for reduction entry	General reserve	Retained earnings brought forward	Treasury Stock	Total shareholders' equity	Unrealized gains (losses) on securities	Deferred gains or losses on hedges
Balance at March 31, 2014	175,820	181,140	179	43,955	1,744	6,037	80,000	213,733	(282)	702,329	67,190	17
Cumulative effect of changes in accounting policies								(9,757)		(9,757)		
Restated balance	175,820	181,140	179	43,955	1,744	6,037	80,000	203,975	(282)	692,571	67,190	17
Changes of items during the period												
Reversal of reserve for special depreciation					(467)			467		—		
Provision of reserve for reduction entry						2,398		(2,398)		—		
Provision of general reserve							40,000	(40,000)		—		
Dividends from surplus								(42,936)		(42,936)		
Net income								135,258		135,258		
Purchase of treasury stock									(50)	(50)		
Reissuance of treasury stock			0						0	0		
Net change of items other than shareholders' equity										—	35,811	38
Total changes of items during the period	—	—	0	—	(467)	2,398	40,000	50,390	(49)	92,271	35,811	38
Balance at March 31, 2015	175,820	181,140	180	43,955	1,277	8,435	120,000	254,366	(332)	784,843	103,001	56

Notes to Financial Statements:

1. Valuation of Inventories

Raw materials and finished goods are generally recorded using the average-cost method. In work-in-process, Mitsubishi Electric Corporation (the "Company") records the ordered products at the acquisition cost the regular purchased products at the average production costs. The inventories on the balance sheet are measured by reflecting write-downs resulting from decreased profitability.

2. Valuation of Short-Term Investment and Investment Securities

(1) Investment in subsidiaries and affiliates: Cost method using the moving-average method

(2) Other securities:

Marketable securities: Fair value at the fiscal year-end. (Unrealized gains and losses, net of the related tax effect are directly recorded in shareholders' equity. The cost is determined on the moving-average method.)

Non-marketable Unquoted securities: Cost method using the moving-average method

3. Depreciation of property, plant and equipment is calculated by the declining-balance method. However, depreciation on buildings (excluding accompanying facilities) acquired since April 1, 1998 is calculated by the straight-line method.

4. Basis for calculating reserves

(1) Allowance for doubtful accounts: To prepare for possible losses on uncollectible notes and accounts receivable. The Company records the estimated of uncollectible amounts based on credit loss history for general accounts receivable, and the collectability for each individual account for specific doubtful receivables.

(2) Reserve for product warranties: To prepare for expenses related to the servicing of products, the Company records an estimated amount based upon historical experience.

(3) Reserve for losses on construction concluded: To prepare for possible losses on the estimated amount of uncompleted construction contracts during the fiscal year, the Company records reserves for aforementioned estimated amount.

(4) Retirement and severance benefits: To prepare for employees' retirement benefits to employee, the Company records an amount calculated based upon the estimated retirement and severance benefit obligations and the fair value of plan assets at the end of the fiscal year.

(Changes in Accounting Policies)

The Company adopted the "Accounting Standard for Retirement Benefits" (ASBJ Statement No.26, May 17, 2012, hereinafter the "Accounting Standard for Retirement Benefits") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No.25, March 26, 2015) from the current fiscal year, and have changed the determination of retirement benefit obligations and current service costs. In addition, the Company has changed the method of attributing expected benefit to periods from a straight-line basis to a benefit formula basis and determining the discount rates.

In accordance with article 37 of Statement No.26, the effect of changing the determination of retirement benefit obligations and current service costs has been recognized in the retained earnings at the beginning of the current fiscal year.

As a result, the retained earnings decreased by ¥9,757 million at the beginning of the current fiscal year. However, this change had minimal impact on the operating income, ordinary income and income before income taxes in the current fiscal year.

(5) Reserve for loss on investments in foreign subsidiaries and affiliates: To prepare for losses related to overseas investments, the Company records the amount of estimated losses based upon the financial conditions of the entities in which it has investments.

(6) Reserve for directors' retirement benefits: To prepare for the payment of retirement benefits to directors and executive officers, the Company records the estimated amount at fiscal year-end calculated based upon internal regulations.

(7) Reserve for competition-law-related expense: The Company records the estimated contingent losses related to Competition Laws.

5. The tax-exclusion method is used to account for consumption taxes.

6. The Company adopts a consolidated taxation system.

7. Accumulated depreciation of property, plant and equipment: ¥1,436,365 million

The figure for accumulated depreciation of property, plant and equipment includes accumulated impairment losses.

8. Contingent liabilities
   (1) Guarantee liabilities: ¥5,487 million
   Employees (home financing loans): ¥2,768 million; outstanding of transferred accounts receivable with recourse: ¥2,673 million; other: one case ¥45 million
   (2) Other
   In January 2007, the Company received a decision rendered by the European Commission imposing fines for an infringement of EU Competition Law in connection with its sales of certain gas-insulated switchgears in Europe. However, there was a significant inconsistency on recognition of the material underlying facts between the European Commission and the Company. Therefore, the Company appealed to the European General Court and challenged the decision. In July 2011, the Company received a judgment from the European General Court upholding the European Commission's decision on the underlying facts while annulling the fine imposed on the Company on the basis that the European Commission applied inconsistent methods of calculation to different companies. In September 2011, since there was still a significant inconsistency on recognition of the material underlying facts between the European Commission and the Company, the Company appealed to the European Court of Justice. In June 2012, the Company received the European Commission's decision presenting an amount of fine as payable by the Company after revision of the pertinent computations. In September 2012, the Company took another legal action with the European General Court seeking a revision of the current computation method presented by the European Commission, which would result in a downward modification of the fine. In December 2013, the Company received a judgment from the European Court of Justice upholding the European Commission's underlying facts. The legal action the Company filed in September 2012 with the European General Court is currently pending.
   Since July 2011, the Company has been cooperating with Competition Law investigations and inquiries conducted by the European Commission regarding the sales of certain automotive parts in Europe. In addition, civil lawsuits relating to the Antitrust Laws regarding the sale of certain automotive parts have also been raised in the United States of America. The Company agreed to settle with some purchasers in relation to the aforementioned matter and made settlement payments.
   As of March 31, 2015, the Company recorded an estimated amount of ¥36,763 million in Reserve for competition-law-related expenses relating to the gas-insulated switchgears case in Europe and certain automotive parts cases in the United States of America and Europe. For the year ended March 31, 2015, the Company also recorded ¥44,163 million as various competition-law-related expenses in Non-operating expenses - Other, which represents the difference between the reserve amount at the prior year-end and the sum of the reserve amount at the current year–end plus the actual amounts paid and other miscellaneous items recorded during the current year.

9. Receivables from affiliates:
   Short-term: ¥501,724 million
   Long-term: ¥41,293 million
   Payables to affiliates:
   Short-term: ¥593,695 million
   Long-term: ¥151,176 million

10. Net sales to affiliates: ¥1,408,341 million
    Purchases from affiliates: ¥1,168,401 million
    Total transactions with affiliates, excluding operating transactions: ¥31,969 million
11. Common shares issued and outstanding at the fiscal year-end (common stock): 2,147,201,551 shares
12. Treasury stock at the fiscal year-end (common stock): 385,990 shares

13. Dividends

(1) Amount of dividends paid

Resolution	Total cash dividends	Dividends per share	Record date	Effective date
April 28, 2014 resolution of the Board of Directors	¥23,615 million	¥11.00	March 31, 2014	June 3, 2014
October 30, 2014 resolution of the Board of Directors	¥19,321 million	¥9.00	September 30, 2014	December 2, 2014

(2) Dividends for which the record date belonging to the current period will be effective in the next period

Resolution	Total cash dividends	Dividends per share	Record date	Effective date
April 28, 2015 resolution of the Board of Directors	¥38,642 million	¥18.00	March 31, 2015	June 2, 2015

14. Significant components of the deferred tax assets and deferred tax liabilities

(1) Deferred tax assets:

Reserve for retirement benefits and others: ¥151,781 million

(2) Deferred tax liabilities:

Gain on contribution of securities to employee retirement benefit trust and others (¥60,777 million)

(3) Net deferred tax assets: ¥91,003 million

The "Act to Partially Revise the Local Tax Act" (Act No. 2 of 2015) and the "Act to Partially Revise the Income Tax Act" (Act No. 9 of 2015) were enacted and promulgated in March 2015, resulting in a reduction of the corporation tax rate effective for fiscal years beginning on or after April 1, 2015. As a result, the Company adjusted the statutory tax rates to be applied in the calculation of deferred tax assets and liabilities arising from temporary differences expected to be recovered or settled on or after April 1, 2015. Before the adjustment, the statutory tax rate applied was 35.5% for temporary differences expected to be recovered or settled on or after April 1, 2015. After the adjustment, the statutory tax rates applied are 33.0% for temporary differences expected to be recovered or settled between April 1, 2015 and March 31, 2016 and 32.0% for temporary differences expected to be recovered or settled on or after April 1, 2016.

For the year ended March 31, 2015, ¥13,533 million of income tax expense is included in "Income taxes – deferred" in the Statement of Income, as a result of the aforementioned adjustment of deferred tax assets and liabilities balances.

15. Transactions with Related Parties

Category	Company name	% of voting rights	Relationship	Details of transactions	Amount (¥ Millions)	Item	Period-end balance (¥ Millions)
Subsidiary	Mitsubishi Electric Europe B.V.	Direct 100%	Sales of Mitsubishi Electric products	Sales of Mitsubishi Electric products*	175,454	Accounts receivables	72,155
Subsidiary	Mitsubishi Electric Automotive America, Inc.	Indirect 100%	Purchase of parts from Mitsubishi Electric, and manufactures and sales of automotive equipment	Manufacturing and sales of Mitsubishi Electric products*	140,914	Accounts receivables	50,116
Subsidiary	Mitsubishi Electric Living Environment Systems Corporation	Direct 73% Indirect 27%	Sales of Mitsubishi Electric home electric systems and equipment	Sales of Mitsubishi Electric products*	183,448	Accounts receivables	47,991

Note: Terms of transactions with subsidiaries, including wholesale prices are determined through the negotiation considering the market condition. The terms are common to other distributors and sales companies.

16. Net assets per share: ¥413.59

Net income per share: ¥63.00

17. Loss on impairment of ¥1,840 million is attributable to the impairment of property, plant and equipment and other.