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Mitsubishi Electric to Dispose of Treasury Stock in Connection with Extension of BIP Trust and Introduction of ESOP Trust

TOKYO, May 25, 2026 – [Mitsubishi Electric Corporation](https://www.mitsubishielectric.com) (TOKYO: 6503) announced today that, at an executive officers’ meeting held on May 25, 2026, it resolved to dispose of treasury stock as part of stock compensation (hereinafter, the “treasury stock disposal”). The details are as follows:

1. Overview of Disposal

	BIP trust	ESOP trust
(1) Date	June 12, 2026	
(2) Class and number of shares to be disposed of	254,100 shares of common stock	259,500 shares of common stock
(3) Price	6,301 yen per share	
(4) Total amount	1,601,084,100 yen	1,635,109,500 yen
(5) Planned allottee of disposed treasury stock	The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account): 254,100 shares	The Master Trust Bank of Japan, Ltd. (Employee Stock Ownership Plan Trust Account): 259,500 shares
(6) Other	An extraordinary report regarding the treasury stock disposal has been submitted in accordance with the Financial Instruments and Exchange Act.	

2. Purpose and Reason for Disposal

The company introduced a board incentive plan (BIP) trust (hereinafter, “BIP trust”) in 2016 for its executive officers and executive officers (associate) (hereinafter, “executive officers, etc.”). At the compensation committee meeting held on May 21, 2026, and at an executive officers’ meeting held today, the company resolved to make additional contributions to the BIP trust.

Also, the company resolved at the executive officers’ meeting held today to introduce a stock compensation plan utilizing an employee stock ownership plan (ESOP) trust (hereinafter, “ESOP trust”) for the company’s executive-level employees who meet certain criteria (hereinafter, “eligible employees”), which will commence in the fiscal year ending March 2028 (fiscal 2028).

The BIP and ESOP trusts are medium- to long-term scope incentives geared toward raising awareness and motivating executive officers, etc. and eligible employees to contribute to the medium- to long-term improvement of the Mitsubishi Electric Group's corporate value and to better share that value among all of the company's shareholders, with details explained in the company's announcement, "Mitsubishi Electric Announces Additional Contributions to Performance-based Stock Compensation Plan for Executive Officers and Executive Officers (Associate), and Introduction of Stock Compensation Plan for Executive-Level Employees," separately disclosed today.

In conjunction with the additional contributions made to the BIP trust and the introduction of the ESOP trust, treasury stock will be disposed to the BIP and ESOP trust accounts of The Master Trust Bank of Japan, Ltd., who is the co-trustee of the BIP and ESOP trust agreements concluded between the company and Mitsubishi UFJ Trust and Banking Corporation.

The number of shares to be disposed of shall be a portion of the number of shares expected to be delivered to executive officers, etc. and eligible employees throughout the trust period in accordance with the regulations for granting shares. The scale of the dilution of this delivery shall be 0.03 percent of the total number of issued shares (rounded to two decimal places; percentage relative to 20,470,550, the total number of voting rights as of March 31, 2026: 0.03 percent).

The shares of the company allocated under the treasury stock disposal shall be delivered to executive officers, etc., and eligible employees in accordance with the regulations for granting shares. Since it is not expected that the shares delivered through the treasury stock disposal will be released into the stock market all at once, the company expects that the impact of the disposal on the stock market will be minimal. The company has also judged that the number of shares to be disposed of, and the scale of the dilution of such, will be reasonable.

3. Basis of Calculation of Disposal Price and Specific Details

In order to set to a figure that avoids arbitrariness, the company has taken recent stock trends into consideration and has set the disposal price at 6,301 yen, which is the closing price of shares of Mitsubishi Electric on the Tokyo Stock Exchange, Inc. (hereinafter, "Tokyo Stock Exchange") on May 22, the business day prior to the date of resolution of the executive officers' meeting regarding the treasury stock disposal. This disposal price is the market price immediately prior to the resolution of the executive officers' meeting, and the company has therefore judged the basis of calculation of the disposal price to be highly objective, reasonable and not a particularly favorable disposal price.

4. Procedures Under Code of Corporate Conduct

Since the dilution ratio of the shares under the treasury stock disposal is less than 25 percent and there is no change in controlling shareholders, it is not necessary to obtain an opinion from an independent third party or to confirm the intent of shareholders as stipulated in Rule 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

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About Mitsubishi Electric Corporation

Guided by its [corporate philosophy](#), Mitsubishi Electric Corporation (TOKYO: 6503) places sustainability at the core of its operations and values stakeholder trust—encompassing society, customers, shareholders and employees. In pursuing profitability, capital efficiency and growth, Mitsubishi Electric works closely alongside customers to develop value-added solutions that address today’s complex challenges while enhancing the company’s sustainable corporate value.

Founded in 1921, Mitsubishi Electric has over a century of experience in delivering reliable, high-quality products and solutions. With over 200 group companies and approximately 150,000 employees worldwide, the company is a recognized global leader in manufacturing, marketing and selling electrical and electronic equipment and systems across a broad range of sectors, including public utility systems, energy systems, defense and space systems, factory automation systems, automotive equipment, building systems, air conditioning systems & home products, digital innovations, and semiconductor & devices.

Mitsubishi Electric recorded consolidated revenue of 5,894.7 billion yen (U.S.\$ 36.8 billion*) in the fiscal year that ended on March 31, 2026. For more information, please visit www.MitsubishiElectric.com

*JPY 160=USD 1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2026