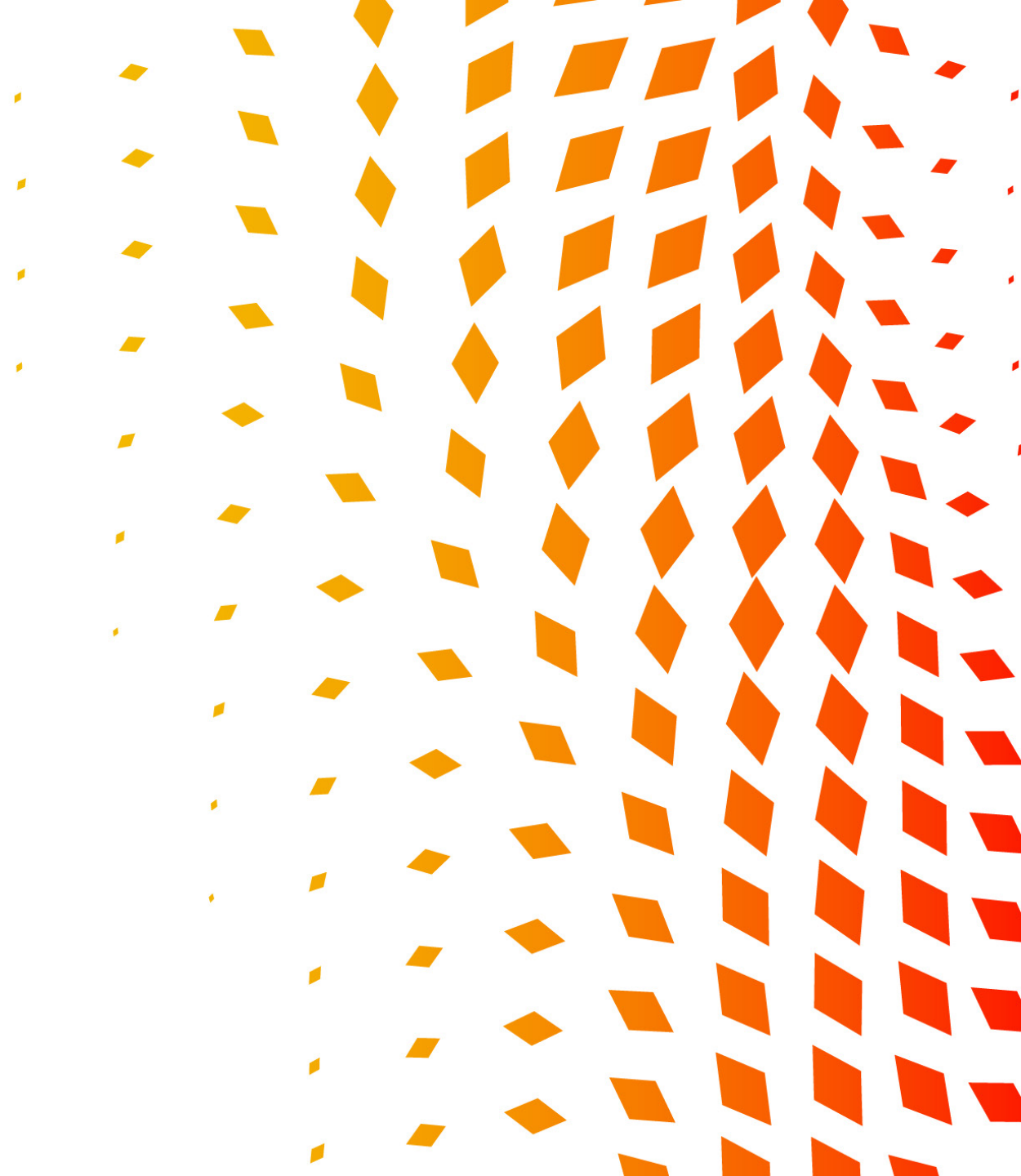


New Medium-term Corporate Strategy

MITSUBISHI ELECTRIC CORPORATION

May 29, 2026



Contents

1. Review of the previous Medium-term Management Plan period	3
2. Toward further enhancing corporate value	5
2-1 Business strategy	8
2-2 Financial strategy	19
2-3 Human capital strategy	21
Appendix	24
Forecast	
Initiatives and external evaluations	

Note : In this presentation, the fiscal year ending on Mar. 31, 2027 is referred to as FY2027. This fiscal year notation system will apply to all other fiscal periods going forward.

1

Review of the previous Medium-term Management Plan period

Review of the previous Medium-term Management Plan period

Structural reform (From FY2022)

Business portfolio transformation

- Investment in key growth businesses
- Building a system to realize Circular Digital-Engineering
- Determination of business termination / continuation at a scale of 1.5 trillion yen*1

Optimal operating system

- Building a business area structure
- Reorganization of group companies

Asset efficiency and capital allocation

- Promotion of ROIC-based management
- Reduced non-core assets
(Sale of cross-shareholdings: 280 billion yen)
- Growth investments: 1.5 trillion yen;
Shareholder returns: 0.7 trillion yen

Business model transformation (FY2027 onward)

Transitioning from structural reform to business model transformation

Driving both solution creation through Serendie™ and component enhancement in tandem

Aiming to further enhance corporate value through the full-scale rollout of the Circular Digital-Engineering business



*1 Total revenue of the fiscal year in which the decision to withdraw/sell/deconsolidation each business was made

2

Toward further enhancing corporate value

FY2031 financial targets

We will prioritize improving profitability and capital efficiency, while aiming to achieve stable revenue growth.

	FY2021 Actual	FY2026 Actual	FY2031 Target ^{*2}
Adjusted OPM ^{*1}	5.5%	8.5%	12%+
ROE	7.5%	9.7%	12%
Revenue Growth Rate (CAGR)	-	-	3-5% (FY2026–FY2031)

^{*1} Adjusted operating profit is calculated by deducting other profit (loss), including gains (losses) on the sale of businesses and assets as well as impairment losses, from operating profit. However, the FY2021 Actual is operating profit margin. ^{*2} Excluding the automotive equipment business

Achieving FY2031 targets



**Business
strategy**

Strengthening both solutions and components together in key focus areas



Improving profitability



**Financial
strategy**

Investing for growth aggressively and expanding of shareholder returns



Improving capital efficiency



**Human capital
strategy**

Developing and acquiring global talent



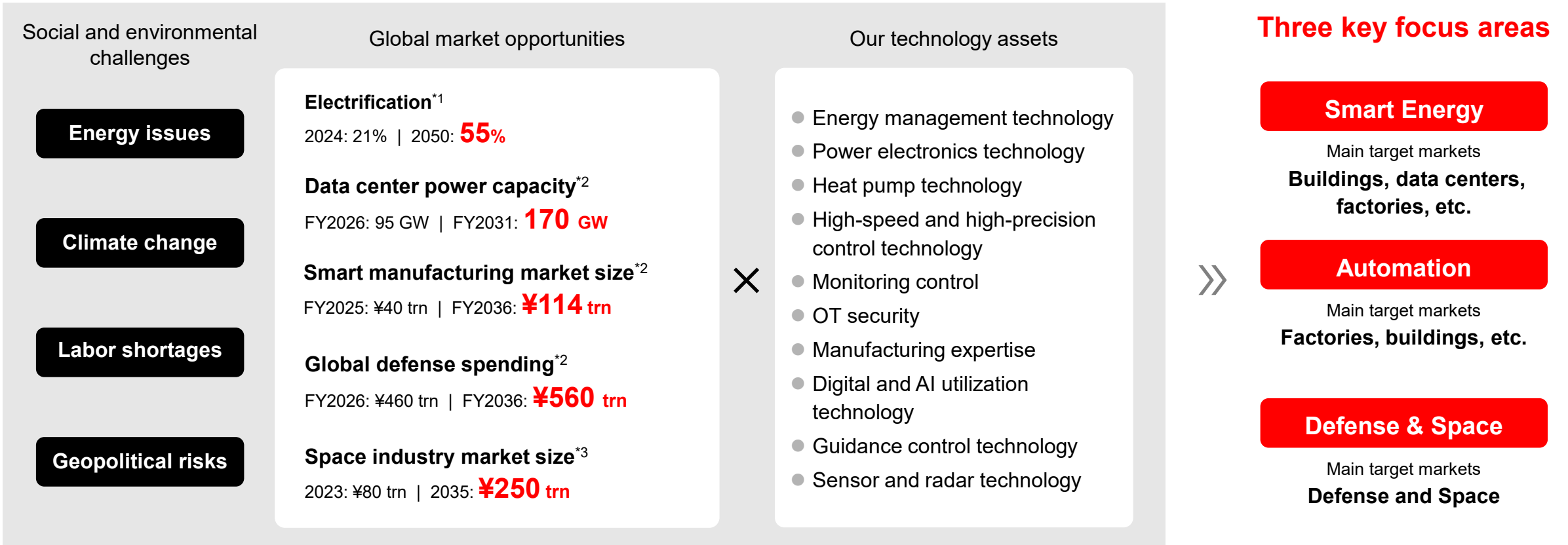
**Driving business
strategy execution**

2-1

Business strategy

Three key company-wide focus areas

Based on social and environmental challenges, market opportunities, and our technology assets, we have identified three key focus areas that we will pursue over the medium term, aiming to realize sustainability, which we have positioned as the cornerstone of management.



*1 Share of electricity in final energy consumption under the net-zero emissions scenario in the IEA's "World Energy Outlook 2025"

*2 Prepared by Mitsubishi Electric based on reports from research firms and other sources *3 Converted into yen based on the WEF report "Space: The \$1.8 Trillion Opportunity for Global Economic Growth"

Focus businesses related to the three areas

Among the businesses related to the three areas, we have designated our solution business and our globally competitive component business as focus businesses to strengthen.

Smart Energy

Infrastructure	Power supply systems for data centers, energy management
Life	Air-conditioning & refrigeration
Semiconductor & Device	Power semiconductors, high-frequency and optical devices

Automation

Industry & Mobility	Factory automation control equipment, industrial mechatronics, factory automation digital solutions
Life	Building solutions
Digital Innovation	OT security

Defense & Space

Infrastructure	Defense & space systems
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Focus businesses related to the three areas to drive company-wide growth and improved profitability

OPM

	Consolidated total	Focus businesses
FY2026 actual	8.5%*1	11.5%
FY2031 target	12%+*1	15%

Revenue CAGR

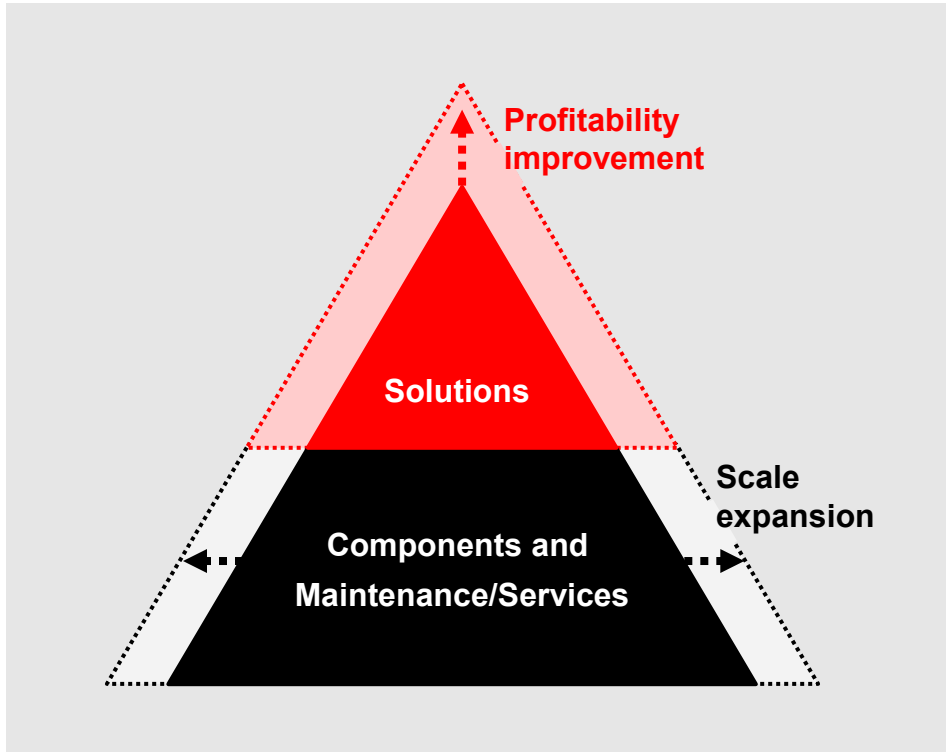
	Consolidated total	Focus businesses
FY2026-FY2031 Target	3-5%	9%

*1 Adjusted OPM

Building a stable, high-profit revenue structure

By maintaining continuous engagement with customers through components and maintenance/services in focus businesses, we will create advanced solutions and build a stable, highly profitable revenue structure.

A revenue structure centered on components and maintenance/services



Solutions

- Improving profitability through advanced solutions created by harnessing our full capabilities while also leveraging Serendie

Focus businesses

	OPM	Revenue
FY2026 Actual	7%	¥0.4 trn
FY2031 Target	15%	¥1.0 trn

Components and Maintenance/Services

- While expanding the scale of our components and maintenance/services to secure stable revenues, we will maintain continuous engagement with customers to continuously acquire data and build a foundation for creating solutions.

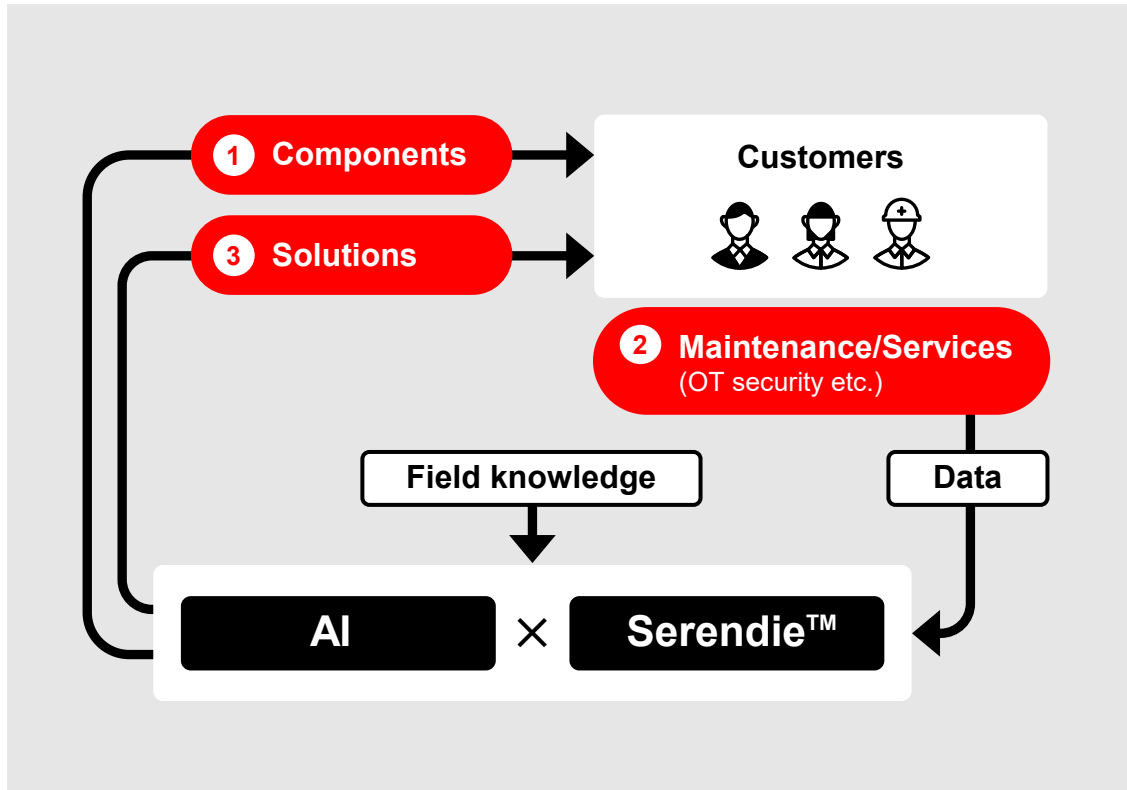
Focus businesses

	OPM	Revenue
FY2026 Actual	12%	¥2.6 trn
FY2031 Target	15%	¥3.5 trn

Toward a business model with continuous customer engagement

We are strengthening Circular Digital-Engineering by combining extensive field knowledge built over many years and AI technologies. While enhancing components, we leverage data obtained via ongoing customer connections through maintenance digital transformation (DX) to create advanced solutions.

Strengthening Circular Digital-Engineering



① Enhancing components through field knowledge × AI & Digital

We will consolidate domain know-how including tacit knowledge along with manufacturing expertise into the digital space and utilize them for AI training. We will enhance value by implementing our proprietary physical AI.

② Maintaining continuous engagement with customers to continuously acquire data

Through maintenance DX and digital services such as OT security, we will maintain continuous engagement with customers and continuously acquire field data.

③ Creating advanced solutions

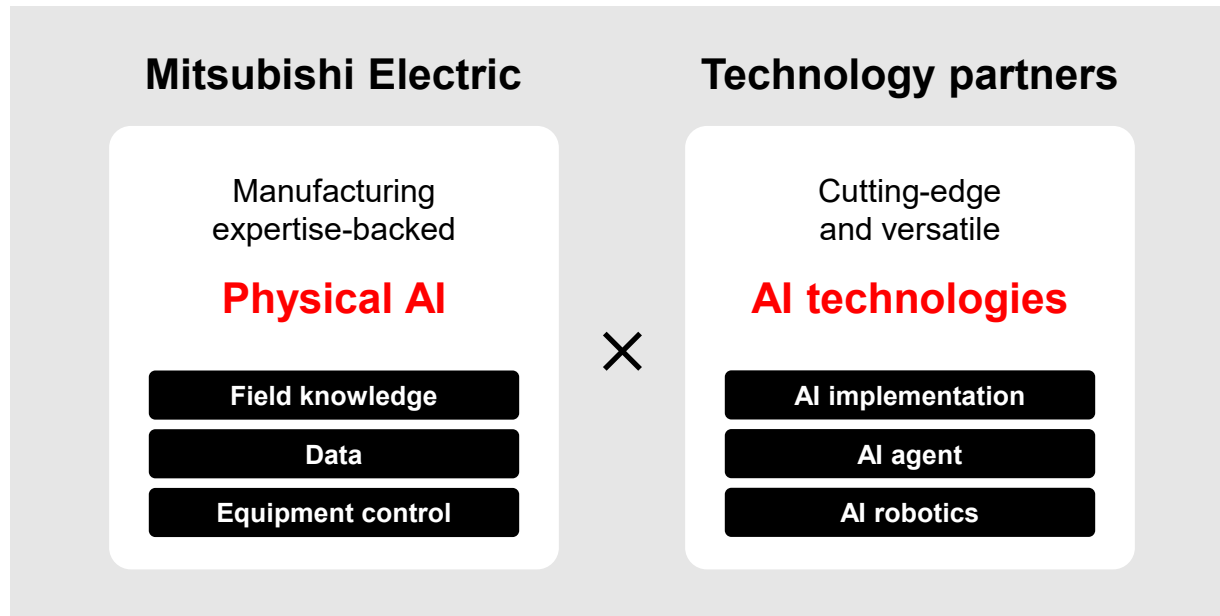
By bringing together the Group's assets and combining field knowledge with cutting-edge technologies such as AI, we will create solutions that directly address our customers' management challenges.

Mitsubishi Electric's proprietary AI

By combining our strengths in manufacturing expertise and equipment control technologies with our partners' cutting-edge technologies, we are developing proprietary AI capable of responding immediately to changes on-site while operating safely.

Features

AI that can autonomously respond to unexpected events at operational sites



Application examples in focus areas

Smart Energy

Coordinating multiple air-conditioning and refrigeration systems autonomously in data centers to achieve flexible, energy-efficient control without human intervention

Automation

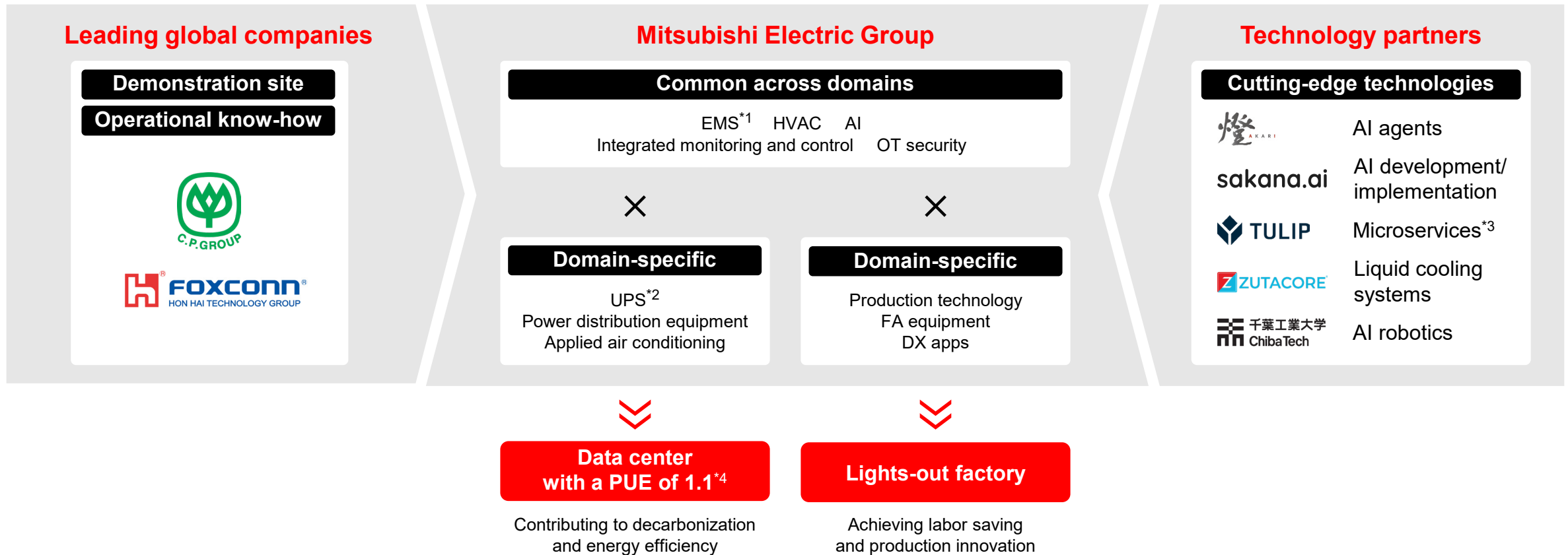
Implementing AI in manufacturing equipment, robots, and other systems in factories to enable instantaneous decision-making and control

Defense & Space

Leveraging AI and robotics technologies in defense systems to establish autonomous control systems for unmanned vehicles and related platforms

Examples of initiatives for creating advanced solutions

By integrating the diverse technologies and strengths held by our Group and advancing collaboration with leading global companies as well as partnerships with technology partners, we are challenging ourselves to create advanced solutions in the Smart Energy and Automation areas.



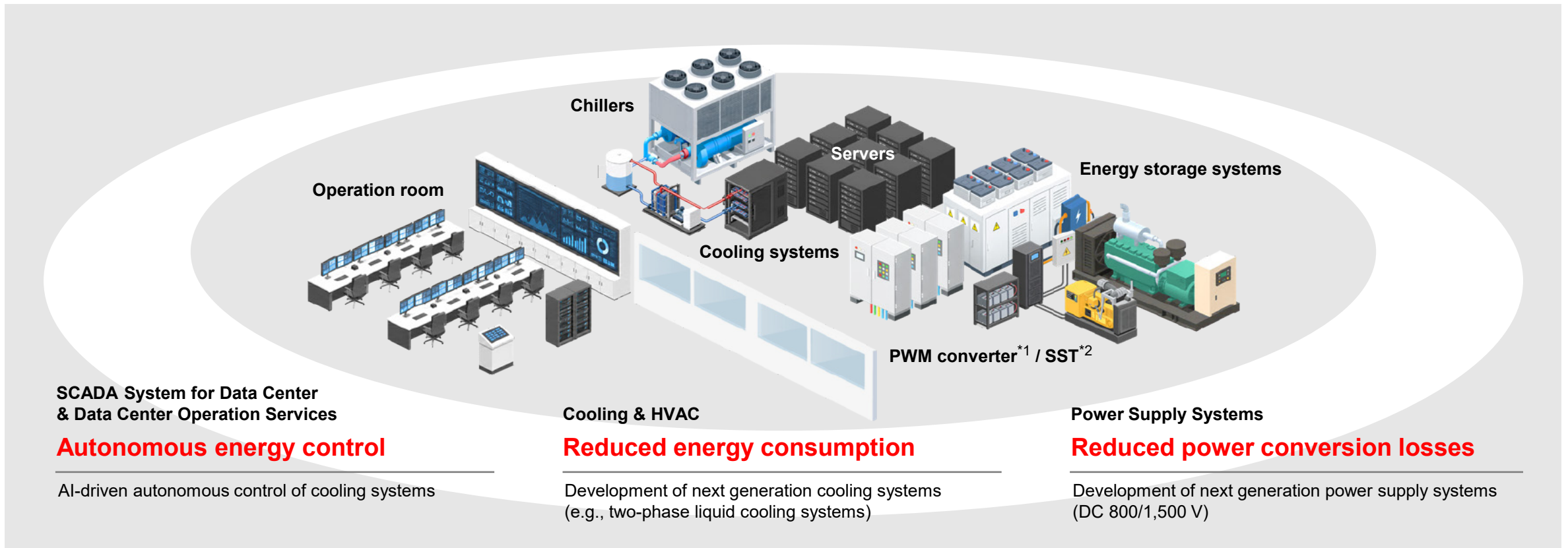
*1 EMS: Energy Management System *2 UPS: Uninterruptible Power Supply *3 A method of dividing a large-scale system into small, independent services to enable flexible development and operations

*4 PUE (Power Usage Effectiveness): A metric used to measure the energy efficiency of a data center, calculated as the total power consumption of the data center divided by the power consumed by IT equipment.

An ideal PUE is 1.0, with lower values indicating greater efficiency.

Toward realizing a world-leading energy efficient data center (PUE1.1)

By integrating and optimally controlling the online operating information of components such as next generation power supply systems and next generation cooling systems bringing together cutting-edge technologies through total engineering, we achieve a PUE of 1.1.



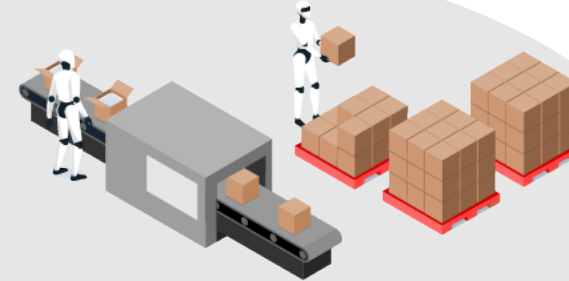
*1 PWM: Pulse Width Modulation *2 SST: Solid State Transformer

Toward realizing lights-out factories

By combining real-time data collected from components with field knowledge and AI technologies, we enable lights-out factories that dramatically improve production efficiency.

Autonomous coordinated control across entire factories

AI orchestration autonomously performs coordinated control optimized for entire factories.



Automation of operations at manufacturing sites

Leveraging our automation technologies will help realize advanced production. We collect real-time data from PLCs^{*1} and CNCs^{*2}, and assign meaning to the data for AI utilization.

Advancing autonomous on-site improvement

AI agents embedded with manufacturing know-how enable autonomous on-site improvement. AI and digital twins enhance and streamline engineering, including equipment design and development.

Unmanned on-site operations

We embed our proprietary physical AI, leveraging field knowledge and component expertise, into humanoid robots and related systems to automate human tasks, including the skills of master craftsmen, and achieve unmanned operations.

*1 PLCs: Programmable logic controllers *2 CNC: Computerized Numerical Controller

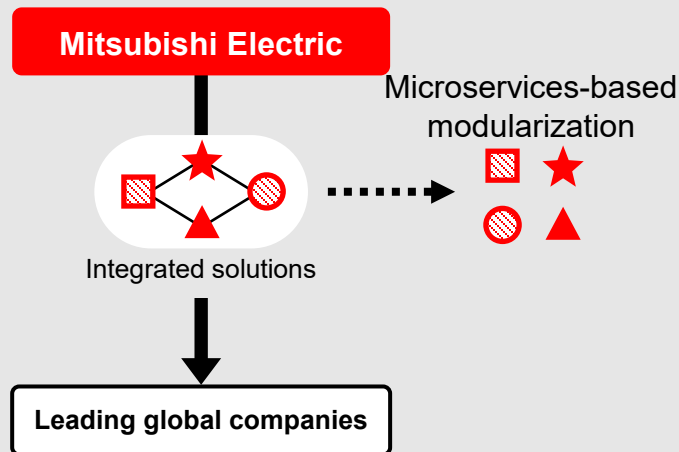
Businesses related to Smart Energy and Automation

We will transform integrated advanced solutions into microservices to enable deployment across a wide range of customers and provide solutions tailored to customer needs to drive growth in our focus businesses related to Smart Energy and Automation.

Horizontal deployment of advanced solutions

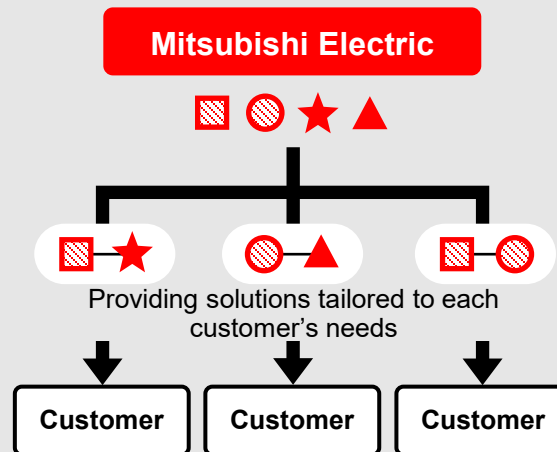
Step1:

- Co-creating integrated advanced solutions that directly address management challenges
- Microservices-based modularization of integrated solutions

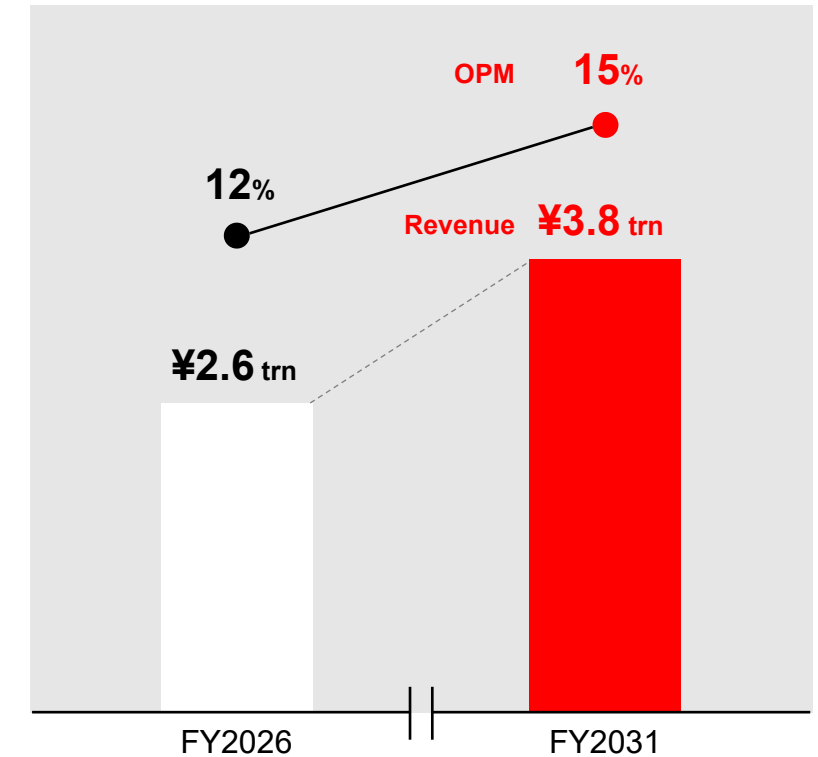


Step2:

- Microservices-based solutions for a wide range of customer needs



Focus businesses related to Smart Energy and Automation



Businesses related to Defense & Space

We will capture opportunities in the expanding global defense and space market and steadily grow our existing and global businesses, while entering new business areas in response to changes in the security environment and technological innovation, thereby securing a foundation for future growth.

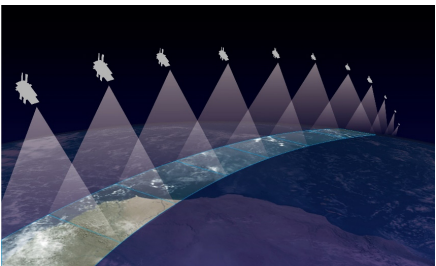
Promoting business leveraging our strengths



AIM-120

- **Strengthening existing areas**
 - Enhancing integrated air and missile defense capabilities by using Japanese domestic technologies, from sensors to interceptor missiles
- **Expansion of global businesses**
 - Promoting international joint development and participation in supply chains

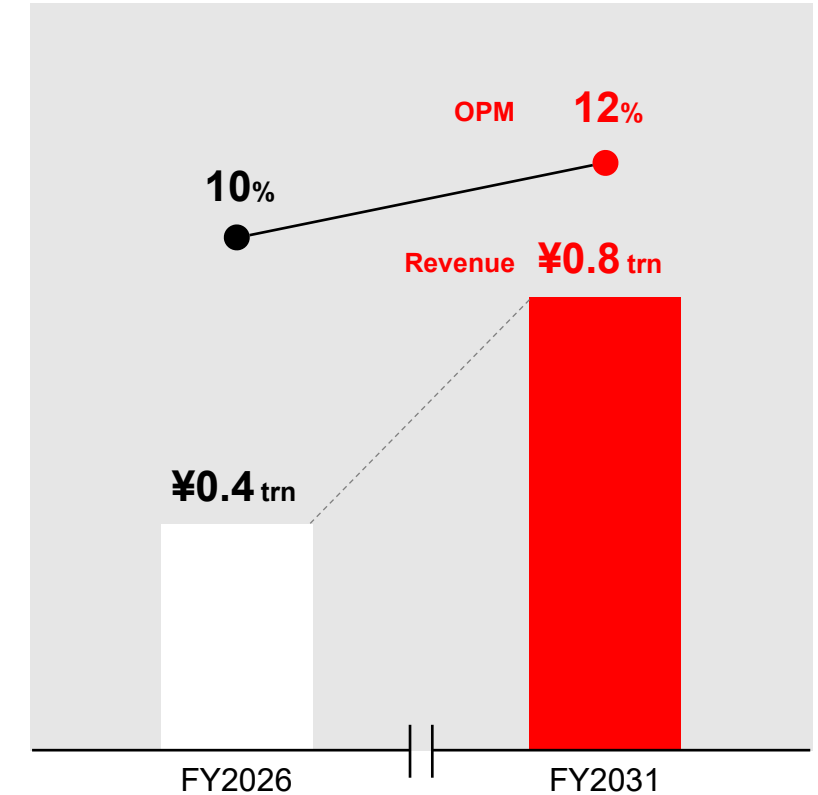
Acquiring a foundation for further growth



High-frequency imaging using satellite constellations

- **Creation of solution businesses**
 - Developing service-oriented businesses such as satellite constellations
- **Entry into new business areas**
 - Creating new businesses, including unmanned vehicles, by leveraging advanced sensors, AI, and robotics technologies, and expanding into overseas markets for geostationary communication satellites

Focus businesses related to Defense & Space



2-2

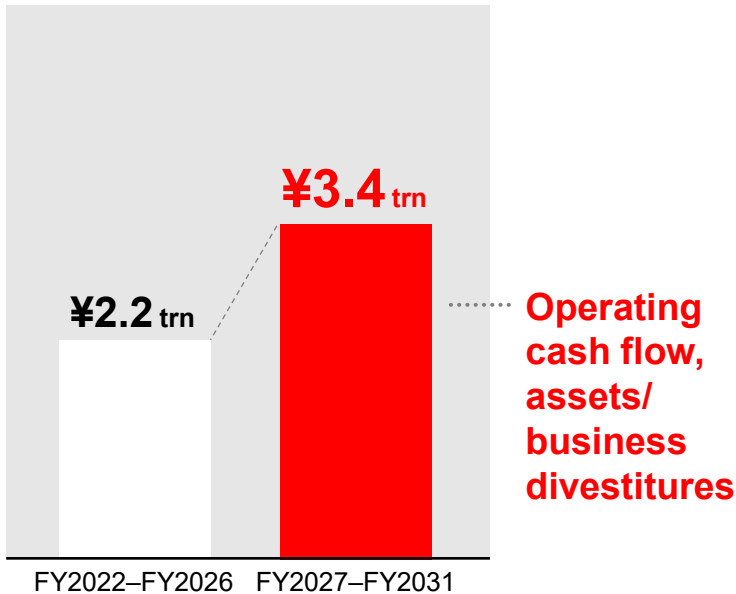
Financial strategy

Capital allocation

Taking advantage of our cash flow generation capabilities, solid financial foundation, and the use of leverage, we will pursue a balanced approach between aggressive growth investments and shareholder returns.

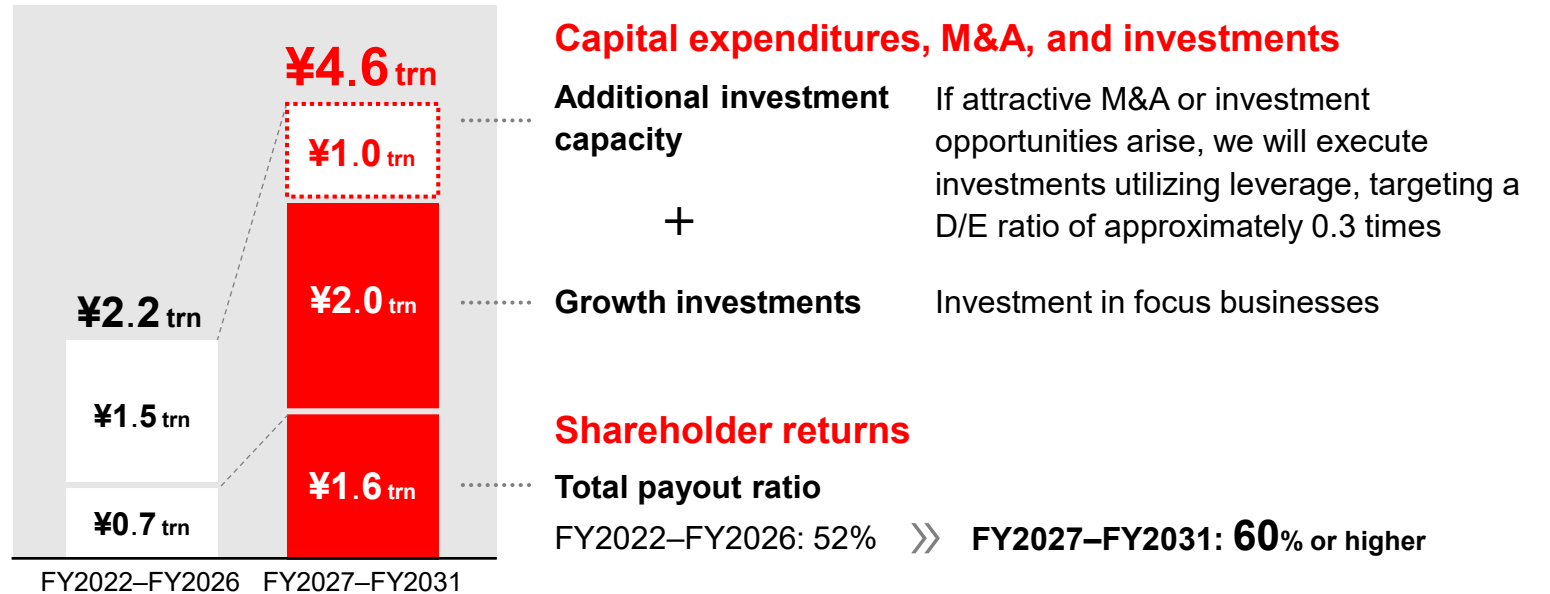
Cash generation

- Improving profitability through a shift to a high-profit business model
- Continuous portfolio review



Capital allocation

- Prioritized allocation to growth investments to expand our revenue base over the medium to long term
- Stable dividends based on adjusted DOE target of 3%, combined with flexible purchase of treasury stock to enhance shareholder returns



2-3

Human capital strategy

Human capital strategy

Expanding investment in human capital by 1.5 times to acquire and develop talent capable of driving global business strategy execution.

Acquiring and developing talent to drive business transformation

- Strengthening group-wide and global talent acquisition functions
- Introducing certification and compensation systems to produce DX and AI transformation (AX) talent capable of leading business model transformation
- Enhancing practical education, including reskilling aligned with business strategies

Developing and appointing global management leaders

- Cross-border talent allocation and development based on the L.E.A.D. program*¹
- Introducing evaluation and compensation systems (including equity-based compensation) to accelerate appointment of global talent
- Promoting the fast-track appointment of young talent through a job posting system for management positions

Fostering a culture that generates self-driven challenges and co-creation

- Creating platforms that foster cross-organizational collaboration, industry-academia partnerships, and co-creation with other companies
- Securing creative time and opportunities by utilizing AI and introducing incentive systems to encourage bold challenges
- Cultivating a culture where middle management, the key drivers of transformation, can thrive and lead

FY2031 Group and global targets



DX and AX talent:
20,000 people



Successor readiness rate for executive leadership positions (including heads of overseas offices):
200%



Employee engagement score:
70% or higher

*¹ Management leadership candidates development program

Revision of the corporate philosophy

Our Philosophy

■ Purpose

We create new possibilities for a better tomorrow, with bold vision and boundless innovation.

■ Guiding Principle

Changes for the Better

■ Core Values

BE BOLD — Dare to think differently. Try new ideas quickly. Turn setbacks into assets.

CO-CREATE — Welcome debate. Pool our knowledge.

WITH INTEGRITY — Always act with integrity.

Appendix

Forecast | Consolidated Performance

		FY2026 Actual	FY2027 Forecast	FY2031 Target
		151JPY/US\$ 176JPY/Euro 21.4JPY/CNY	150JPY/US\$ 175JPY/Euro 21.5JPY/CNY	140JPY/US\$ 160JPY/Euro 19.5JPY/CNY
Revenue	(Billions of JPY)	5,894.7	6,200.0	CAGR 3-5% (FY26-31)
Adjusted Operating Profit	(Billions of JPY)	501.2	590.0	—
	(%)	8.5%	9.5%	12%+
Profit before income taxes	(Billions of JPY)	526.0	640.0	—
Net profit	(Billions of JPY)	407.7	475.0	—
ROE (Return On Equity)	(%)	9.7%	—	12%
Stockholders' equity	(Billions of JPY)	4,484.2		
	(%)	60.9%		
Debt (Including lease liabilities)	(Billions of JPY)	363.2		
D/E Ratio		0.08		
FCF (Free Cash Flow)	(Billions of JPY)	231.5		
Dividend	(JPY per share)	55		
Adjusted Dividend on Equity (DOE)	(%)	3.0%		

1 Adjusted operating profit is calculated by deducting other profit (loss), including gains (losses) on the sale of businesses and assets as well as impairment losses, from operating profit

2 Net Profit represents Net profit attributable to Mitsubishi Electric Corp. stockholders 3 Adjusted dividend on equity ratio: Dividend paid ÷ The stockholders' equity (excluding accumulated other comprehensive income (loss))

4 The FY2031 target is set excluding the automotive equipment business.

Forecast | By Segment

Billions of JPY	FY2026 Actual				FY2027 Forecast			FY2031 Target		
	151JPY/US\$ 176JPY/Euro 21.4JPY/CNY				150JPY/US\$ 175JPY/Euro 21.5JPY/CNY			140JPY/US\$ 160JPY/Euro 19.5JPY/CNY		
	Revenue	Adj. Operating Profit	Adj. Operating Profit Margin	ROIC	Revenue	Adj. Operating Profit	Adj. Operating Profit Margin	Revenue	Adj. Operating Profit Margin	ROIC
Infrastructure	1,463.4	156.5	10.7%	11.0%	1,640.0	170.0	10.4%	2.1 trn	13%	9%
Public Utility Systems	568.6	68.9	12.1%	12.3%	600.0	66.0	11.0%	0.7 trn	14%	10%
Energy Systems	473.3	45.4	9.6%	12.4%	480.0	48.0	10.0%	0.6 trn	12%	10%
Defense & Space Systems	421.4	42.1	10.0%	7.9%	560.0	56.0	10.0%	0.8 trn	12%	8%
Industry & Mobility	1,673.8	125.2	7.5%	8.1%	1,685.0	174.0	10.3%	-	-	-
Factory Automation Systems	798.2	75.2	9.4%	7.4%	865.0	102.0	11.8%	0.9 trn	16%+	14%+
Automotive Equipment	875.6	49.9	5.7%	8.9%	820.0	72.0	8.8%	-	-	-
Life	2,318.2	168.3	7.3%	9.0%	2,430.0	210.0	8.6%	2.8 trn	12%	11%
Building Systems	707.8	65.6	9.3%	12.2%	760.0	77.0	10.1%	0.8 trn	12%	12%
Air Conditioning Systems & Home Products	1,610.3	102.6	6.4%	7.1%	1,670.0	133.0	8.0%	2.0 trn	12%	11%
Digital Innovation	158.0	12.1	7.7%	4.9%	180.0	10.0	5.6%	0.4 trn	17%	18%
Semiconductor & Device	287.1	46.3	16.1%	8.6%	300.0	43.0	14.3%	0.4 trn	20%	12%
Others	823.5	37.8	4.6%	-	822.0	37.0	4.5%	-	-	-
Consolidated Total	5,894.7	501.2	8.5%	-	6,200.0	590.0	9.5%	-	-	-

1 Inter-segment sales are included in the above chart. 2 Adjusted operating profit is calculated by deducting other profit (loss), including gains (losses) on the sale of businesses and assets as well as impairment losses, from operating profit

3 ROIC (Mitsubishi Electric version): A comprehensive business efficiency indicator which is calculated by asset items (fixed assets, working capital, etc.) per different segments (and not by capital and liability) so that it is easier to track and improve performances of each business segment

Initiatives and external evaluations

Participation in initiatives



Signed the UN Global Compact (May 2018) aimed at promoting sustainability activities based on international norms



Targets in line with the 1.5-degree centigrade trajectory certified by Science Based Targets Initiative (SBTi)*1 (Feb. 2024)



Expressed approval of the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) (May 2019)



Approved the recommendations by the Taskforce on Nature-related Financial Disclosures (TNFD) and issued the TNFD Report (Dec. 2025)



Participated in the GX Future Consortium, a public-private initiative promoting Green Transformation (GX) (April 2026)



Joined the RBA*2 to establish robust supply chains (Feb. 2022)

External evaluations



CDP*3

Named on CDP's A List, the highest rating, for both climate change and water security for a total of eight times



EcoVadis

Awarded a Bronze Medal, ranking within the top 35% of all companies surveyed



Clarivate AI50 2026

Recognized as one of the top 50 companies holding leading AI-related patents



2026 Outstanding Organizations of KENKO Investment for Health (Large Enterprise Category)

Certified in recognition of efforts to create a workplace environment that promotes physical and mental well-being and enables employees to work with vitality

Selected as a constituent stock for the following indexes as of May 2026

- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- S&P/JPX Carbon Efficient Index

*1 An international initiative led by the UN Global Compact (UNGC), World Wide Fund For Nature (WWF), the CDP and World Resources Institute (WRI)

*2 RBA: Responsible Business Alliance *3 CDP: Carbon Disclosure Project

Cautionary Statement

While the statements herein, including the forecasts regarding the Mitsubishi Electric Group, are based on assumptions considered to be reasonable under the circumstances on the date of announcement, actual results may differ significantly from forecasts.

The main factors materially affecting the expectations expressed herein include but are not limited to the following:

1. Changes in worldwide economic and social conditions, as well as regulations, taxation and other legislation
2. Changes in foreign currency exchange rates
3. Changes in stock markets
4. Changes in the fund-raising environment
5. Changes in the supply and demand of products, as well as the material procurement environment
6. Establishment of important patents, status of significant licenses and disputes related to key patents
7. Litigation and other legal proceedings
8. Issues related to quality and defects in products or services
9. Laws, regulations and issues related to the global environment, especially responses to climate change
10. Laws, regulations and issues related to human rights
11. Radical technological innovation, as well as the development, manufacturing and time-to-market of products using new technology
12. Business restructuring
13. Information security incidents
14. Large-scale disasters, including earthquakes, tsunamis, typhoons, volcanic eruptions and fires
15. Social, economic and political upheaval due to heightened geopolitical risks, war, conflict, terrorism or other factors
16. Social, economic and political upheaval due to pandemics or other factors
17. Important matters related to Mitsubishi Electric Corporation's directors and executive officers, major shareholders, affiliated companies and other stakeholders

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In the event of any discrepancy between this document and the Japanese original, the original shall prevail.**

