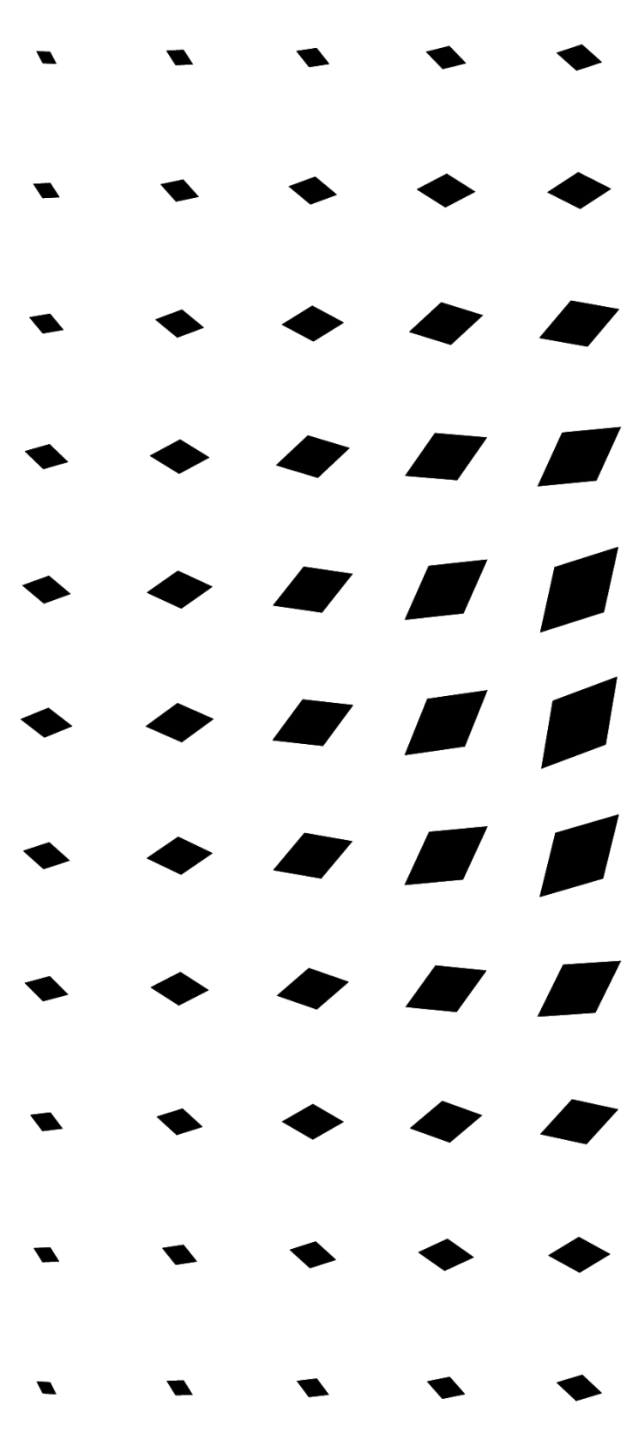


Life Business Area 2026

MITSUBISHI ELECTRIC CORPORATION

May 29, 2026



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1

Life Business Area: New Medium-term Business Strategy

Life Business Area: New Medium-term Business Strategy

Transform from a conventional business centered on components for individual business domains into one that creates comfortable, safe, and secure environments while continuously maintaining and enhancing them through advanced operations and maintenance by utilizing various field data on Serendie™

Key initiatives

Strengthening and expanding initiatives for strategic targets

- Strengthen initiatives for data center solutions (IT Cooling sector)
- Expand the building solutions sector
- Promote digital-driven maintenance and operation solutions utilizing AI

Expanding the circular business foundation and bolstering the business structure of core businesses*1

- Expand the global value chain in the applied air conditioning sector
- Strengthen the maintenance and renewal foundation in the elevator and escalator business
- Advance region-specific development and production systems in the air-conditioning & refrigeration systems business

FY31 Financial targets

	Revenue	Adjusted operating profit margin
Life Business Area	¥2.8 trillion	12%
Building Systems Business	¥0.8 trillion	12%
Air Conditioning Systems & Home Products Business	¥2.0 trillion	12%

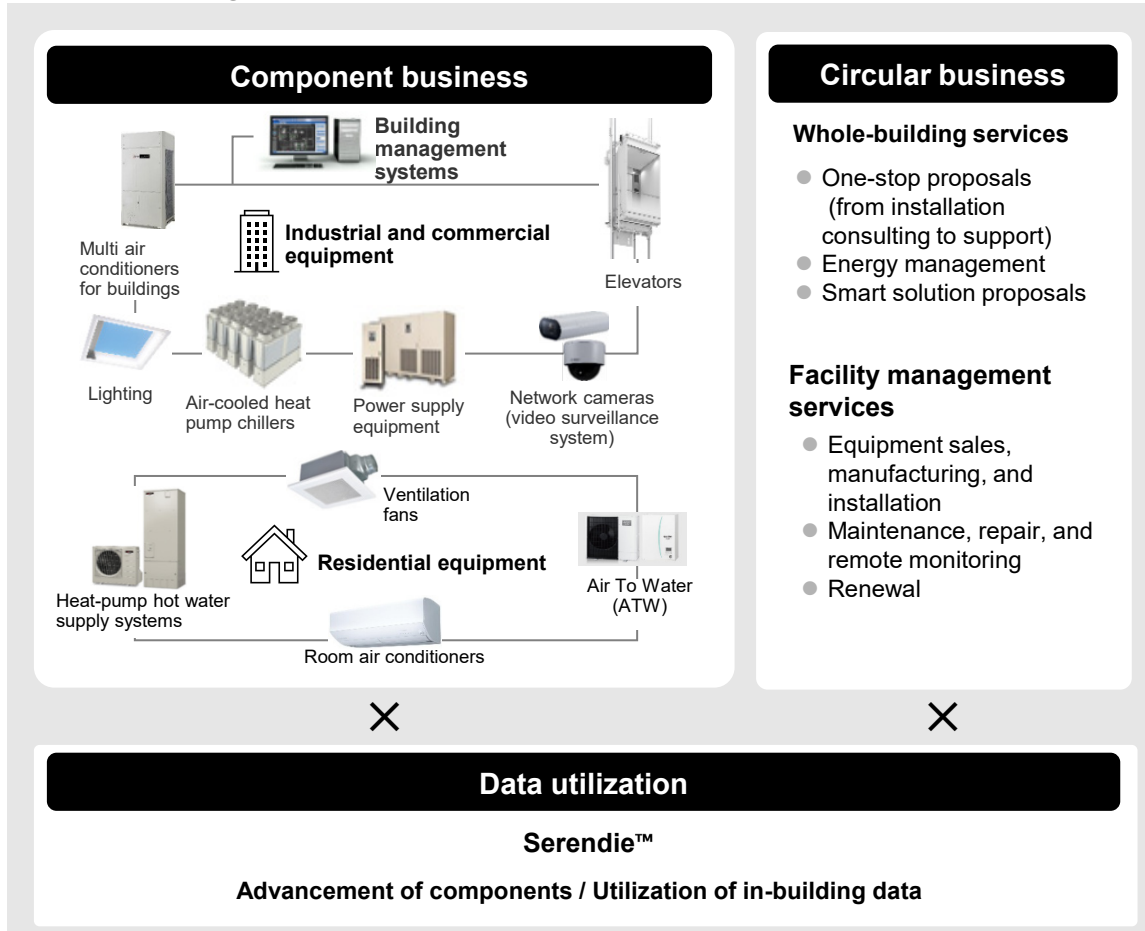
*1 Core businesses: air-conditioning & refrigeration systems business and elevator and escalator business

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Target Domains

Target Domains

Providing new value, particularly in IT Cooling for data centers and building solutions, by utilizing digital technology in core components of the air conditioning systems & home products business sector and a circular business foundation centered on buildings



IT Cooling sector

- The power capacity of data centers is expected to approximately double in FY31 compared to FY26, due to the accelerating increase in demand for AI.
- We will integrate digital technology with our expertise in thermal management cultivated in the HVAC sector to provide high-efficiency IT Cooling systems that contribute to energy conservation.
- Furthermore, we will provide comprehensive proposals and operation and maintenance services that include utility facilities beyond cooling systems, including power supply systems, facility monitoring, and security.

Building solutions sector

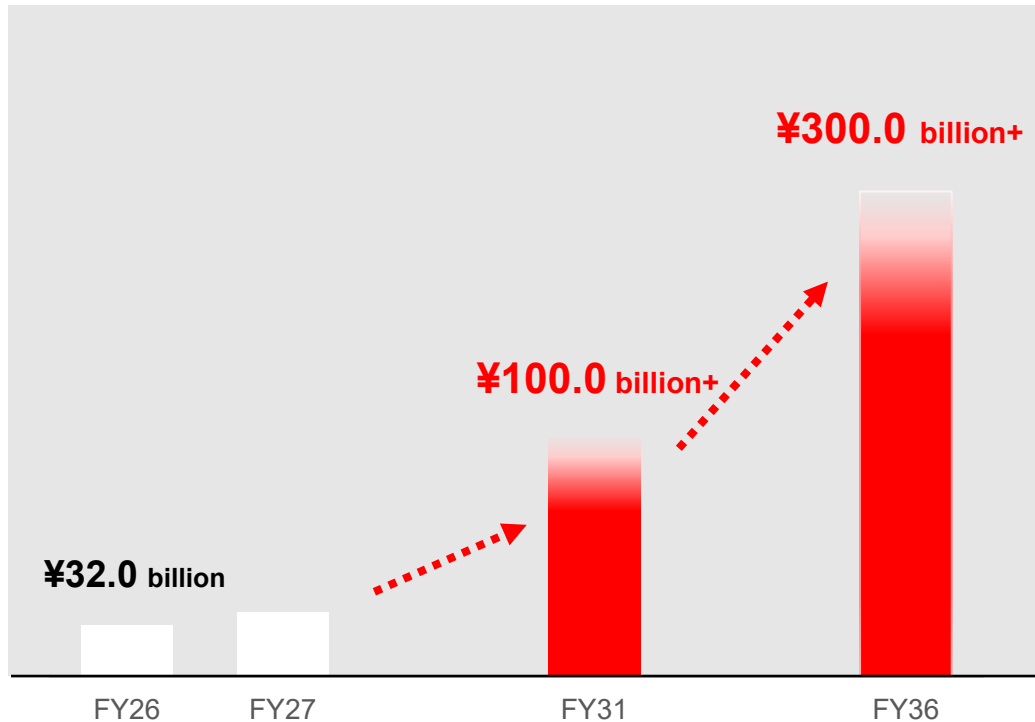
- The global market related to building solutions is expected to grow to approximately 1.6 times in FY31 compared to FY26, driven primarily by significant expansion in service-related businesses* in North America and Europe.
- We will utilize the customer base centered on elevators and escalators cultivated both domestically and overseas to deploy a circular business model encompassing air conditioning systems and others, while maintaining continuous connections with customers.
- Furthermore, we will establish a unique position by combining our strengths in high-quality components with Serendie and advanced software development capabilities.

* Building management systems, energy-saving apps, air conditioning management clouds, etc.

Strategic Targets | IT Cooling sector

We will provide total data center cooling solutions—including installation, operation, and maintenance—by leveraging a wide component lineup tailored to customer needs, covering air-cooling systems (CRAC*¹ and CRAH*²) to liquid-cooling systems (single-phase and two-phase)

IT Cooling revenue



Targeted value proposition

Offering energy management of the entire data center with highly reliable and highly efficient solutions

- Providing high-efficiency cooling systems to achieve a PUE of 1.1 *³
- Advanced reuse of data center exhaust heat (DHC*⁴, etc.)

Basic strategies

Global expansion of IT Cooling business through co-creation with customers and other companies

- Provide the latest cooling technologies through collaborations and M&As with other companies, including startups, to complement missing pieces and acquire new cooling systems, in addition to promoting in-house development
- Develop IT Cooling business foundation in North America, the largest data center market
- Provide circular solutions through the operation and management of the entire data center utility by promoting businesses integrated with related facilities, such as power supply systems

*1 Computer Room Air Conditioner *2 Computer Room Air Handler
*3 PUE (Power Usage Effectiveness): An indicator of energy efficiency for a data center. It is calculated as "Total power consumption of the data center ÷ Power consumption supplied to IT equipment," with 1.0 being the ideal. A smaller value indicates better efficiency.

*4 District Heating and Cooling

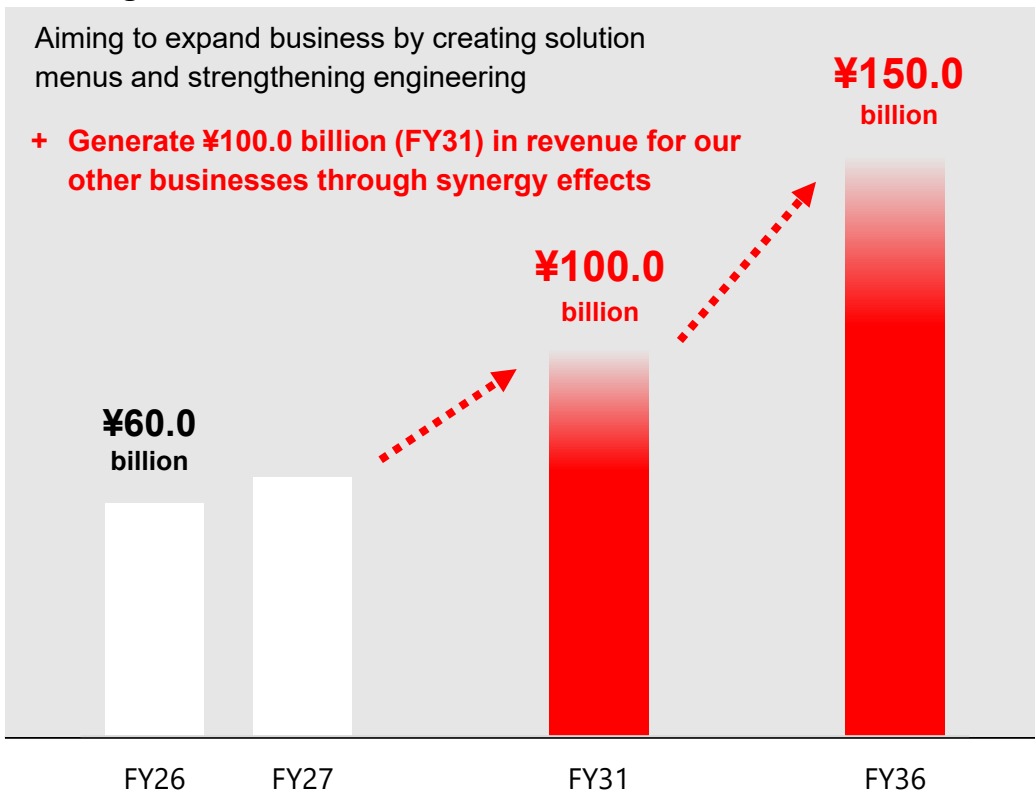
Strategic Targets | Building Solutions Sector

Building solutions will evolve into an infrastructure that supports buildings throughout their life cycle through advanced integration of data obtained from components into a global customer foundation. We will provide integrated solutions that continue to maintain and improve building value over the long term.

Building solutions revenue

Aiming to expand business by creating solution menus and strengthening engineering

+ Generate **¥100.0 billion (FY31)** in revenue for our other businesses through synergy effects



Targeted value proposition

Solving building owners' problems through our customer foundation and facility data

- Improve safety, security, and comfort of buildings through preventive maintenance services for facilities utilizing AI
- Promote ZEB* to reduce the overall energy consumption of buildings
- Improve building productivity/added value through services connecting elevators and robots, as well as services utilizing human flow and location analysis

Basic strategies

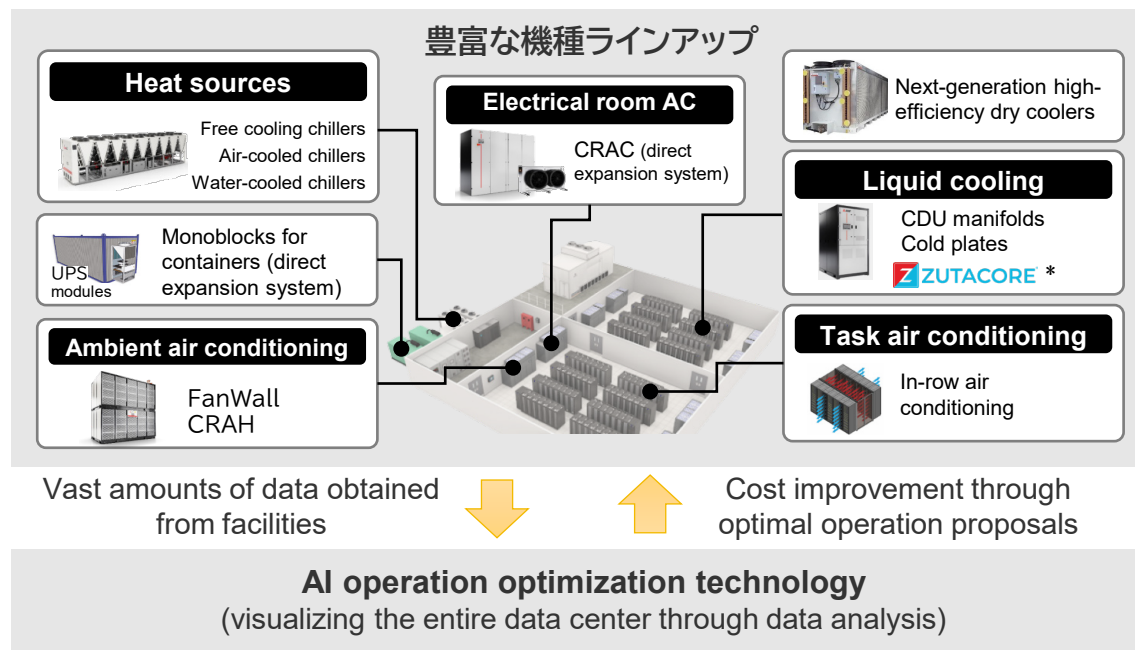
Expand globally, utilizing the foundation of the elevator/escalator and air conditioning businesses

- Advance the remote monitoring and control foundation utilizing company-wide digital assets
- Strengthen field engineering systems
- Leverage Japan-developed know-how to expand from Southeast Asia, where a strong elevator and escalator business base is established

*ZEB : net Zero Energy Building

Strategic Targets | Case Examples of Value Provided

Data center cooling solutions we offer



- The rapid increase in data center demand is driving an urgent need for technological development to achieve energy and water savings. Technologies related to cooling methods are also rapidly diversifying and advancing.
- We offer a wide range of products and services through a combination of in-house development and collaboration with other companies. This provides lineups specifically in the highly capable "liquid cooling" and "energy-saving cooling" systems that utilize free cooling.
- Combining Lucend's AI operation optimization technology will help maximize operational efficiency, leading to cost reductions.

Automation and labor-saving solutions through the robot mobility support service



Value provided

Various apps and services

Data analysis



Data collection

Data collected from each facility in the building

- The backdrop of an increasingly severe labor shortage is driving the urgent need to automate in-building tasks (delivery, cleaning, security, etc.).
- Coordinating autonomous robots and elevators on the cloud to a high degree through our proprietary building OS, "Ville-feuille."
- The group control system prevents collisions and face-to-face standstills between robots at intersections and narrow passages. Increasing the number of elevators available to robots will improve operational efficiency.

* Expanding lineups through collaboration with ZutaCore

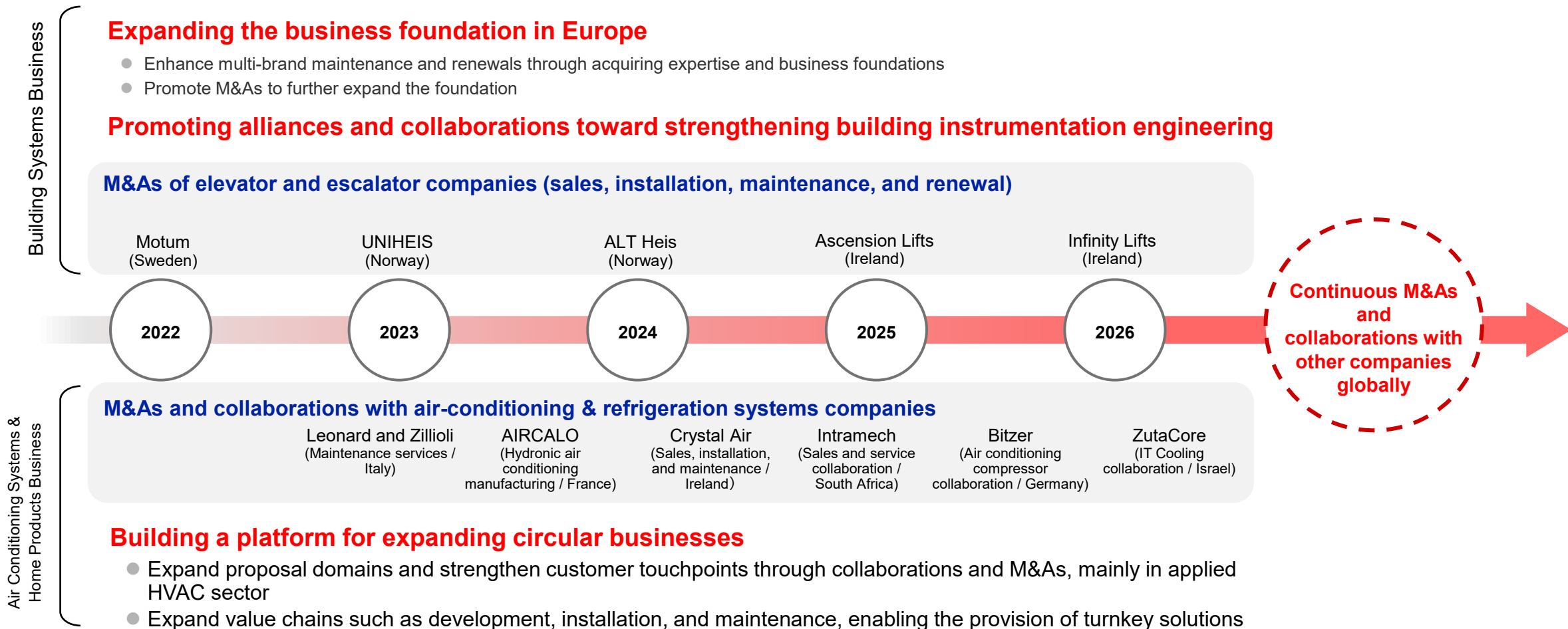
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Key Initiatives

Key Initiatives

Expanding the circular business foundation and bolstering the business structure of core businesses

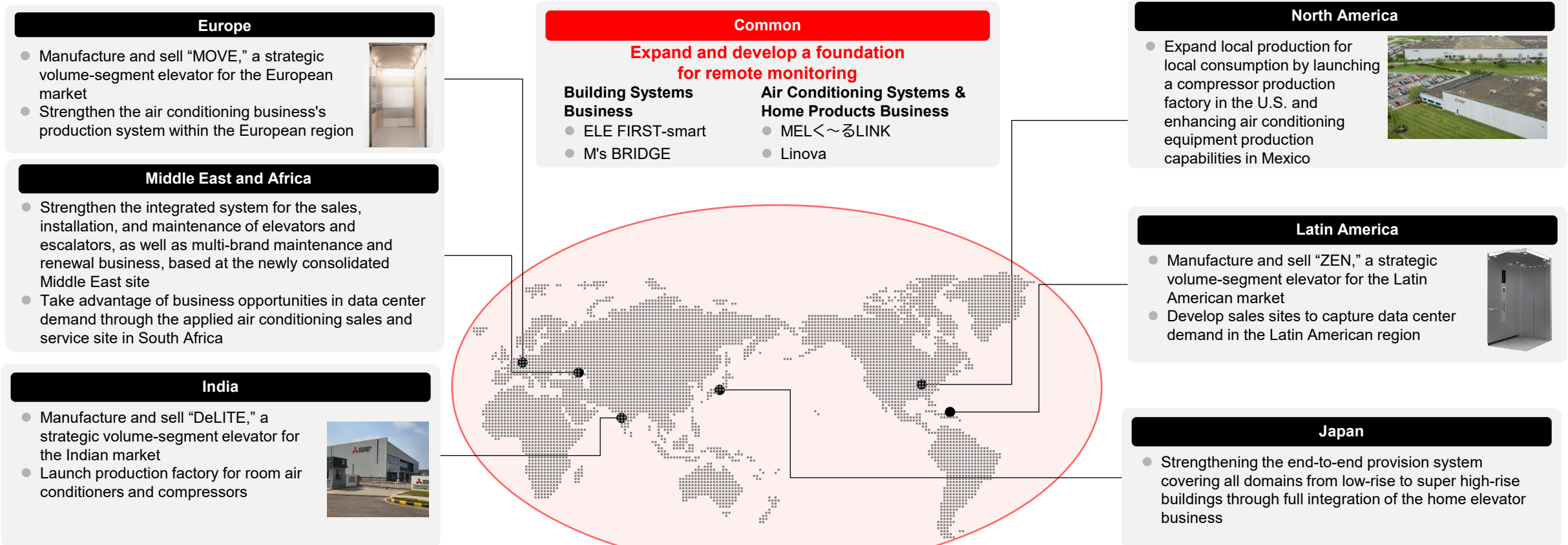
Promoting the complementation of missing pieces and the expansion of business domains by actively leveraging collaborations with other companies and M&As.



Key Initiatives

Expanding the circular business foundation and bolstering the business structure of core businesses

By expanding the lineups of volume segments in each region and building a system of local production for local consumption, we will bolster the competitiveness and improve the profitability of our core businesses, while expanding a business foundation that continues to connect with customers.



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Financial Targets and Related Indicators

Financial Targets and Related Indicators

Financial Targets

	FY26 Actual				FY27 Forecast			FY31 Target		
	Revenue (¥ billion)	Adjusted operating profit (¥ billion)	Adjusted operating profit margin	ROIC	Revenue (¥ billion)	Adjusted operating profit (¥ billion)	Adjusted operating profit margin	Revenue	Adjusted operating profit margin	ROIC
Life Business Area	2,318.2	168.3	7.3%	9.0%	2,430.0	210.0	8.6%	¥2.8 trillion	12%	11%
Building Systems Business	707.8	65.6	9.3%	12.2%	760.0	77.0	10.1%	¥0.8 trillion	12%	12%
Air Conditioning Systems & Home Products Business	1,610.3	102.6	6.4%	7.1%	1,670.0	133.0	8.0%	¥2.0 trillion	12%	11%
	¥151/US\$ ¥176/Euro ¥21.4/CNY				¥150/US\$ ¥175/Euro ¥21.5/CNY			¥140/US\$ ¥160/Euro ¥19.5/CNY		

Related Indicators

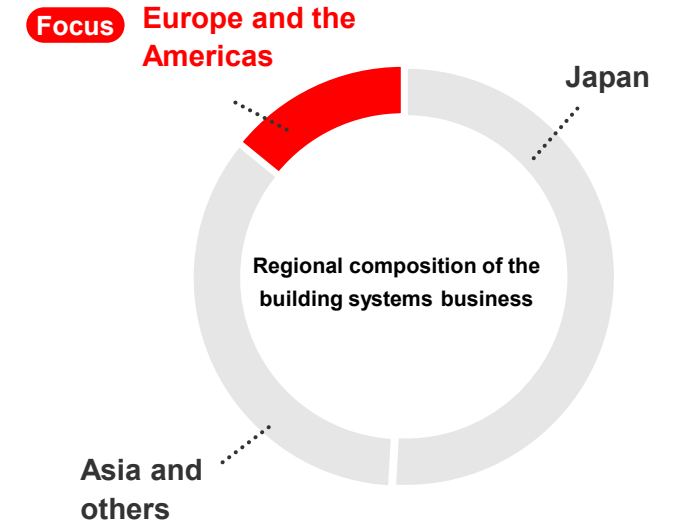
	FY26 Actual	FY27 Forecast	FY31 Target
Number of elevators and escalators under maintenance contract	1.2 million units	1.3 million units	1.5 million units
IT Cooling revenue	¥32.0 billion	¥40.0 billion	¥100.0 billion+

Appendix

Appendix | Regional Strategies

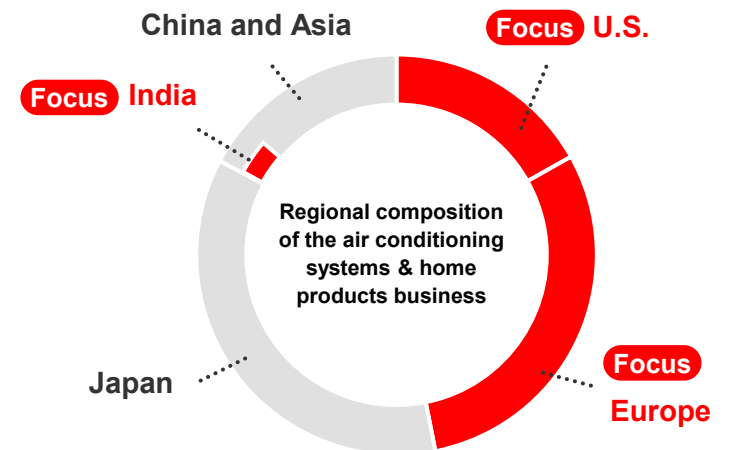
Building Systems Business

Region	Regional strategies	
Japan		Maintain a solid revenue base through expanding building solutions and elevator/escalator renewals
Europe and the Americas Focus	Europe	Grow revenue in the elevator and escalator business through strategic M&As and multi-brand enhancement
	The Americas	Strengthen the business foundation by focusing on elevator and escalator maintenance and renewals
Asia and others	China	Shift toward elevator and escalator maintenance and renewals and utilize global supply functions
	Asia	Expand the building solutions sector leveraging a strong elevator and escalator customer foundation
	Middle East and Africa	Establish an integrated system for sales, installation, and maintenance centered on the Middle East site and enhance multi-brands



Air Conditioning Systems & Home Products Business

Region	Regional strategies	
Japan		Expansion of circular businesses
Europe and the U.S. Focus	Europe	Accelerate circular businesses centered on the applied sector Steadily capture ATW*1 demand, which is on a gradual trend of recovery, and enhance profitability
	U.S.	Continuously capture the expanding demand for energy-saving air conditioning (ductless) and heat-pump heating Acquire technological, production, installation, and maintenance capabilities in the applied sector
Asia and others	China and Asia	Provide product lineups tailored to the needs of each country and expand circular businesses
	India Focus	Promote local production for local consumption and circular businesses by taking advantage of the rapidly increasing demand in air conditioning and maintenance



*1 Air To Water (air-to-water heat pump boilers using natural refrigerants)

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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