MITSUBISHI ELECTRIC
Changes for the Better

Agreement to Wholly Acquire PCI Energy Solutions

Strengthening Smart Energy Area

Mitsubishi Electric Corporation

Aug 20,2026

Contents

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.

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Executive Summary

Executive Summary

- **Mitsubishi Electric is acquiring PCI Energy Solutions**, whose software is the de facto standard for power and energy operations in North America.

- Launching an end-to-end integrated energy optimization solution spanning demand-side asset management and control to market-based power trading, **we will expand our Smart Energy Area globally.**

- Integration of Mitsubishi Electric's BLEnDer™, an energy management solution, and Serendie™, a digital platform, with PCI's energy optimization technologies and SaaS-based business model**.**

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Smart Energy Strategy

Smart Energy as One of Mitsubishi Electric's Key Focus Areas

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

Social & environmental challenges

- **Energy issues**
- **Climate change**

Global market opportunities

Share of renewables[*1]
2024: 49% | 2030: **Approx. 65%**

Electrification rate[*1 *2]
2024: 21% | 2050: **55%**

Data center power capacity[*3]
FY2026: 95GW | FY2031: **170GW**

Installed battery capacity[*1]
2024: 166GW | 2030: **Approx. 1200GW**

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Our technology assets

- Energy Management technology
- Power electronics technology
- Heat pump technology
- Monitoring control
- OT security
- Digital and AI utilization technology

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Key focus area

Smart Energy

Main target markets

Buildings, data centers, factories, etc.

*1 International Energy Agency(IEA): World Energy Outlook 2025 Net zero emissions scenario
*2 Share of electricity in final energy consumption *3 Prepared by Mitsubishi Electric based on reports from research firms and other sources

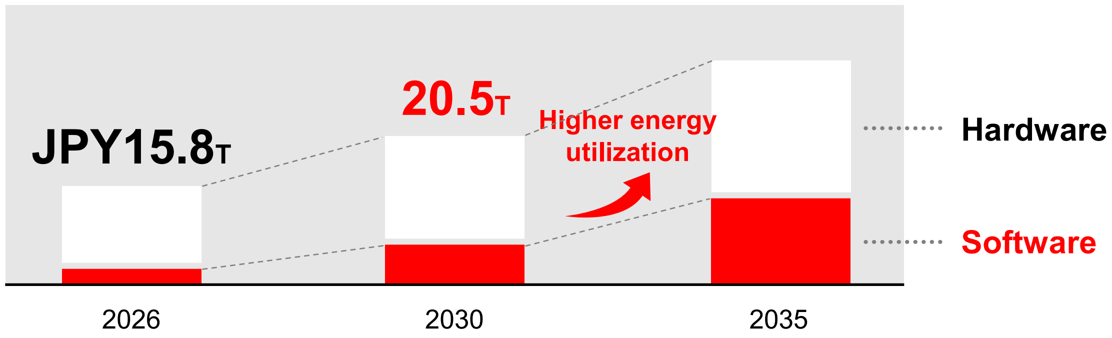
Strengthen Smart Energy Area

Launching an end-to-end integrated energy optimization solution spanning demand-side asset management and control to market-based power trading, in response to the expanding electrification market and to strengthen and expand our Smart Energy Area globally.

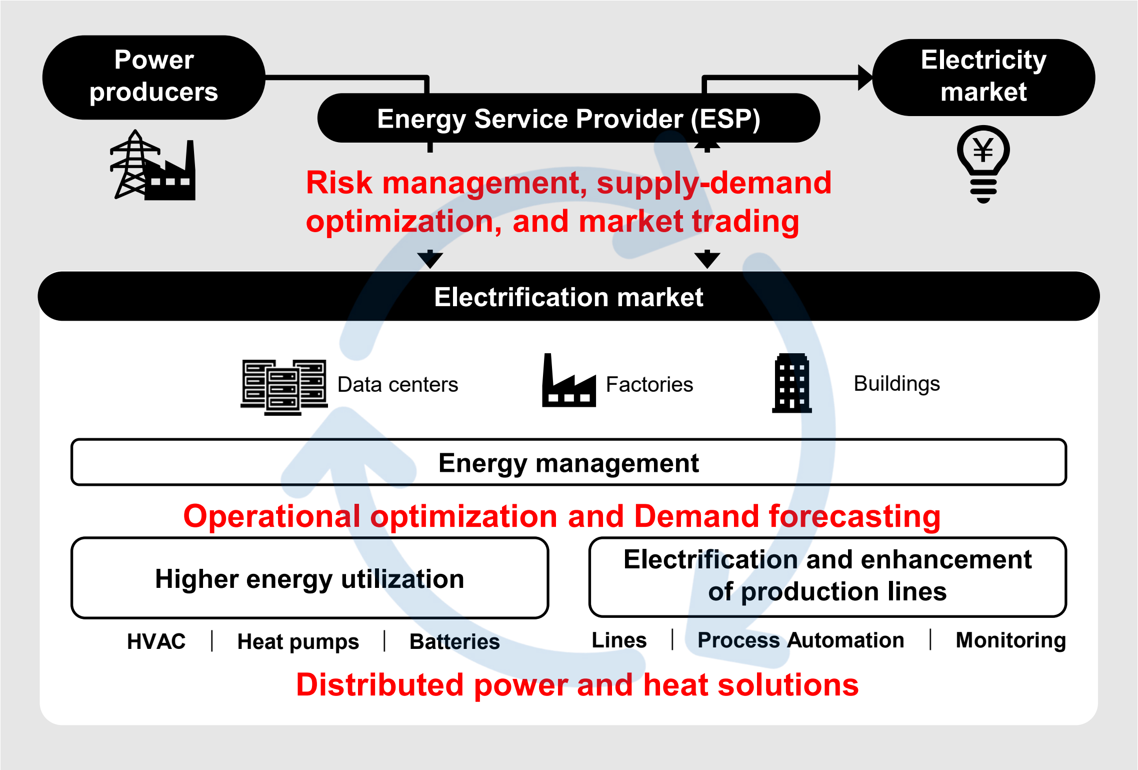
Electrification[*1] market trends

	2026	2030
Investment in energy transition:	JPY 345T	435T+ (+26%)
Electricity demand:	27,000TWh	34,000TWh+ (+23%)
Electricity's share of energy consumption	21%	30%+ (+50%)

Electrification market size[*2]



End-to-end optimization of total energy use by Mitsubishi Electric

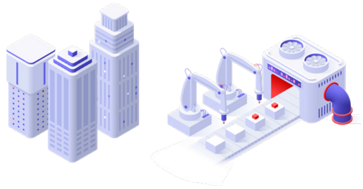


*1 Business areas that enable electricity to be used safely, reliably, and efficiently

*2 Estimated by Mitsubishi Electric as the market size for hardware and software related to electrification

Our Strengths in Smart Energy Area

We offer a product portfolio across a wide range of fields, including industrial and air conditioning, while providing advanced energy management solutions used in energy infrastructure development.

Our strengths	Features
Know-how in the Japanese market rules	**Proven track record of deliveries to customers** ● Power trading system technology used in approximately 70% of Japan's electricity trading volume BLEnDer
Energy management technology	**Energy advanced management technology** ● Forecast and optimize power supply and demand ● Distributed energy resource solutions ● Top in electricity retailer share 
Power electronics, AC and refrigeration equipment	**Superior components** ● Strengths in load products used across a wide range of fields, including industry and HVAC, with a track record of deliveries and product knowledge 

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PCI Overview

PCI Overview

We are acquiring PCI Energy Solutions, a company that provides de facto standard software for power and energy operations in North America.

Company Overview

Company	PCI Energy Solutions (Legal name: Power Costs Inc. / founded in 1992)
CEO	Dr. Fred N. Lee
Location	Norman, Oklahoma, USA
Employees	Approx. 370
Revenue[*1]	US$82M (ARR[*2] growth rate: 21.2%)
Business	Development and provision of mission-critical enterprise software solutions for power generation asset optimization, energy trading management, and market participation

Acquisition Overview

Purchase price	US$1,400M
Transaction	100% acquisition

- AWS Partner of the Year 2025 Finalist
- Platform system with high scalability to be integrated with other systems and capability to be developed flexibly and rapidly

*1 2025 Actual: Year Ending Dec31,2025 *2 Annual Recurring Revenue

PCI Overview

By providing advanced solutions based on expertise in the power and energy market, PCI has acquired many customers and achieved high market share and high profitability（NRR 113%*1、GRR 98%*2）

PCI's strengths

- Power and energy market know-how spanning all ISO*3/RTO*4 markets in North America, with expertise in handling a diverse range of power sources
- Highly specialized talent base
- Integrated service covering supply and demand optimization, market trading, and ETRM*5
- Applications leveraging data analytics platforms and AI
- Highly scalable SaaS platform
- Platform used by 60% of power generation in the U.S. market

Solutions provided by PCI

Energy management	Supply and Demand Optimization Wholesale Power Trading (ISO/RTO) ETRM | OMS | Transmission
AI / Analytics	PCI Forecaster PCI Battery Trader*6
Platform	PCI Insights (Data Analytics Platform) PCI Kube (SaaS Foundation)

*1 Net Revenue Retention *2 Gross Revenue Retention
*3 Independent System Operator *4 Regional Transmission Organization
*5 Energy Trading and Risk Management *6 Optimizes battery operation and price forecasting to maximize profits

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Purpose of Acquisition

Effects of the PCI acquisition

By combining our strengths with PCI's, we will provide new value to a broad range of customers facing energy-related challenges.

Mitsubishi Electric × **PCI** » **New Values**

	Mitsubishi Electric	PCI
Know-how	Know-how in Japanese market rules Proven track record of deliveries to customers with BLEnDer	Know-how in cutting-edge U.S. power market rules High market share
Technologies	Energy management technology OT security solutions	Data analytics infrastructure PCI Insights
Components & services	Power electronics HVAC and refrigeration equipment	SaaS・energy management PCI Kube
Customers	Mitsubishi Electric's diverse industry and global customer base	120+ customers, mainly power market participants in U.S.

Rapid solution delivery through expertise in Japan and U.S. power market rules and the utilization of a data infrastructure (SaaS model)

Integrated optimization of energy utilization through comprehensive control of demand-side assets and market-based power trading

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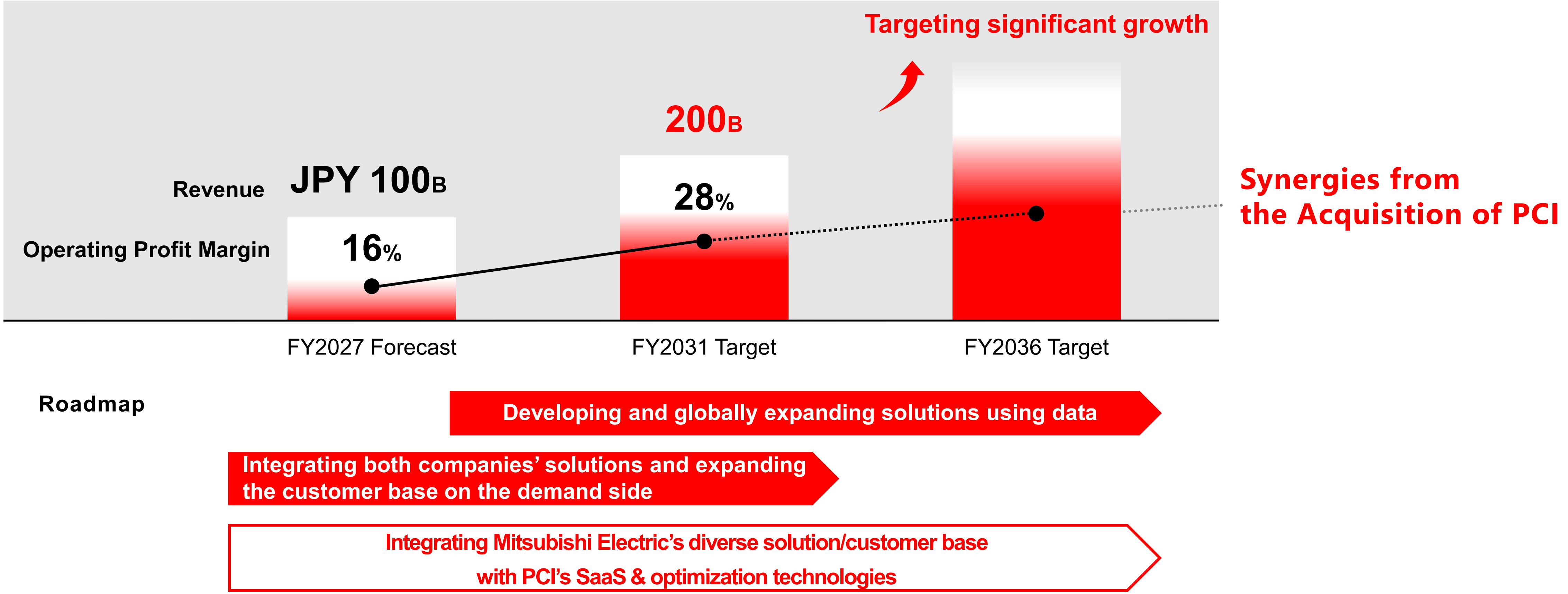
Roadmap

Roadmap

Energy orchestration through integrated, optimized control has become a source of market value. Through the acquisition of PCI and the creation of synergies, we will expand our energy solutions business to JPY200 billion in revenue in FY2031 (28% operating profit margin).

Energy Solutions Business: Revenue and Operating Profit Margin Targets



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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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