Corporate Strategy

The Mitsubishi Electric Group has positioned corporate social responsibility (CSR) as a pillar of its corporate management, based on its Corporate Mission and Seven Guiding Principles. Accordingly, the Group has made committed efforts to become a corporation whose actions are rated highly through its initiatives toward solving social challenges. In other words, we aim to become a corporation that is trusted by its stakeholders, including society, customers, shareholders, and employees, and that earns their satisfaction through its business practices.

The Group has taken on the challenge of resolving diversifying social challenges including environmental issues and resource and energy issues through its products, systems and services. In doing so, it promotes initiatives to create values, such as simultaneous achievement of “sustainability,” and “safety, security, and comfort.” In these ways, the Mitsubishi Electric Group pursues the sustainable growth of the entire Group.

About Mitsubishi Electric

President's Message

CSR at Mitsubishi Electric

Governance

Environment

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- Environment
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Corporate Mission

The Mitsubishi Electric Group will continually improve its technologies and services by applying creativity to all aspects of its business. By doing so, we enhance the quality of life in our society.

Initiatives to Create Value

Provide integrated solutions unifying all the capabilities inside and outside of the Group

Transforming business models

Enhance the 100-year business foundation × Strengthen all forms of collaboration

= Evolution of Technology Synergies and Business Synergies

Social Challenges

- **Mobility**
  - Zero traffic accidents
  - Comfortable transport
  - Eliminate traffic congestion
  - Reduce air pollution
  - Measures for deteriorating infrastructure
  - Prepare for natural disasters
  - Eliminate poverty/inequalities
  - Prepare for man-made threats

- **Life**
  - Eliminate regional disparities
  - Improve QOL* of mobility impaired people
  - Build communities
  - Prevent global warming
  - Clean water
  - Industry and technological innovation
  - Address labor shortage
  - Avoid water shortage/food shortage
  - Preserve the ecosystem
  - Equal opportunity for education and training

- **Infrastructure**
  - Enrich leisure time
  - Comfortable life
  - Health
  - Build communities
  - Prevent global warming
  - Clean water
  - Industry and technological innovation
  - Address labor shortage
  - Avoid water shortage/food shortage
  - Preserve the ecosystem
  - Equal opportunity for education and training

- **Sustainable society**
  - Equal opportunity for education and training
  - Preserve the ecosystem
  - Avoid water shortage/food shortage
  - Industry and technological innovation

- **Industry**
  - Prepare for man-made threats
  - Eliminate poverty/inequalities
  - Prepare for man-made threats
  - Address labor shortage
  - Avoid water shortage/food shortage
  - Preserve the ecosystem
  - Equal opportunity for education and training

*QOL: Quality of Life

*Business foundation fostered over the past 100 years: connection with customers, technologies, personnel, products, corporate culture, etc.
Global Operations

Corporate Data  (As of March 31, 2019)

Mitsubishi Electric Corporation

Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo 100-8310, Japan

President & CEO : Takeshi Sugiyama

Phone : +81 (3) 3218-2111

Established : January 15, 1921

Paid-in Capital : ¥175,820 million

Shares Issued : 2,147,201,551 shares

Consolidated Revenue : ¥4,519,921 million

Consolidated Total Assets : ¥4,356,211 million

Employees : 145,817
**Financial Results**

### Performance for the Year Ended March 31, 2019

<table>
<thead>
<tr>
<th>Years ended March 31</th>
<th>2019</th>
<th>2018</th>
<th>¥ (millions)</th>
<th>U.S.$ (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>¥4,444,424</td>
<td>¥4,519,921</td>
<td>¥40,720,009</td>
<td>$3,912,910</td>
</tr>
<tr>
<td>Operating profit</td>
<td>327,444</td>
<td>290,477</td>
<td>2,616,910</td>
<td>2,391,349</td>
</tr>
<tr>
<td>Net profit attributable to Mitsubishi Electric Corp. stockholders</td>
<td>255,755</td>
<td>226,648</td>
<td>2,041,874</td>
<td>1,809,184</td>
</tr>
<tr>
<td>Total assets</td>
<td>4,305,580</td>
<td>4,356,211</td>
<td>35,245,144</td>
<td>31,881,907</td>
</tr>
<tr>
<td>Bonds and borrowings</td>
<td>311,950</td>
<td>296,438</td>
<td>2,688,631</td>
<td>2,373,745</td>
</tr>
<tr>
<td>Mitsubishi Electric Corp. stockholders’ equity</td>
<td>2,294,174</td>
<td>2,399,546</td>
<td>21,621,355</td>
<td>19,013,293</td>
</tr>
<tr>
<td>Capital expenditure (Based on the recognized value of property, plant and equipment)</td>
<td>181,513</td>
<td>198,442</td>
<td>1,787,766</td>
<td>1,618,610</td>
</tr>
<tr>
<td>R&amp;D expenditures</td>
<td>210,308</td>
<td>212,794</td>
<td>1,917,063</td>
<td>1,722,463</td>
</tr>
</tbody>
</table>

### Per Share Amounts

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>¥</th>
<th>U.S.$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share attributable to Mitsubishi Electric Corp. stockholders</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>¥119.19</td>
<td>¥105.65</td>
<td>¥0.952</td>
<td>$0.0952</td>
</tr>
<tr>
<td>Diluted</td>
<td>119.19</td>
<td>105.65</td>
<td>0.952</td>
<td>0.0952</td>
</tr>
<tr>
<td>Cash dividends declared</td>
<td>40</td>
<td>40</td>
<td>0.360</td>
<td></td>
</tr>
</tbody>
</table>

### Statistical Information

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit ratio</td>
<td>7.4%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Return on equity (ROE)</td>
<td>11.7</td>
<td>8.7</td>
</tr>
<tr>
<td>Bonds and borrowings to total assets</td>
<td>7.2</td>
<td>6.9</td>
</tr>
</tbody>
</table>

1. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) from the year ended March 31, 2019 and also for the fiscal year ended March 31, 2018 as comparative information.
2. R&D expenditures include elements spent on quality improvements which constitute manufacturing costs.
3. Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders is equal to basic earnings per share attributable to Mitsubishi Electric Corp. stockholders plus any dilutive securities that had a dilutive effect on earnings per share.
4. U.S. dollar amounts are translated from yen at the rate of ¥119 to U.S.$1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2019.

### Revenue Breakdown by Business Segment

- **Energy and Electric Systems**
  - Revenue: ¥1,296,745 million
  - 25.2% of total revenue

- **Home Appliances**
  - Revenue: ¥1,074,044 million
  - 20.9% of total revenue

- **Industrial Automation Systems**
  - Revenue: ¥1,467,633 million
  - 28.5% of total revenue

- **Electronic Devices**
  - Revenue: ¥199,908 million
  - 4.3% of total revenue

- **Information and Communication Systems**
  - Revenue: ¥426,269 million
  - 8.3% of total revenue

- **Others**
  - Revenue: ¥676,736 million
  - 13.2% of total revenue

Note: Inter-segment sales are included in the amounts of the diagram above.

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**About Mitsubishi Electric**

**President’s Message**

**CSR at Mitsubishi Electric**

**Governance**

**Environment**

**Social**

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[North America]

- Revenue: ¥429.4 billion
- % of total revenue: 9.5%
- Affiliated Companies: 13
- Number of Employees: 6,700

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[Other*]

- Revenue: ¥66.1 billion
- % of total revenue: 1.5%
- Affiliated Companies: 2
- Number of Employees: approx. 1,500

* Oceania, Central and South America, and Africa
Mitsubishi Electric’s Business Segments

Building Systems

Providing safe and smooth vertical movement and building systems solutions that are environmentally friendly, secure, comfortable, and efficient.

Over a million Mitsubishi Electric elevators and escalators are in operation in over 90 countries around the world, contributing to the safe and comfortable vertical movement of many people. What is more, by providing efficient control and management of building systems such as air conditioning and lighting, as well as the linking of security systems and various business systems, we offer building systems solutions that are environmentally friendly, secure, comfortable, and efficient.

Main products
- Elevators
- Escalators
- Building management systems

Factory Automation Systems

Underpinning manufacturing in the world as a leading FA supplier.

We are one of the major FA suppliers in the world underpinning manufacturing by developing and providing a wide range of FA products including PLCs and laser processing machines. We propose “e-Factory” which offer solutions to reduce total cost of development, production, and maintenance and to support advanced manufacturing by utilizing FA technologies and IT technologies.

Main products
- Programmable Logic Controllers (PLCs)
- Circuit breakers
- Servo systems
- Industrial robots
- Laser processing machines
- Energy-saving support systems

Public Systems

Supporting a better tomorrow with cutting edge technologies at work in our everyday life.

Our solutions cover a number of fields that underpin our everyday life, including advanced social infrastructure and public facilities and services. We enhance quality of living by creating solutions that are truly needed by society — everything from water environment systems, to solutions for making society safer and more secure, to providing video entertainment.

Main products
- Water treatment technologies
- Aircraft management systems
- Large screen video systems
- Disaster information systems

Energy Systems

Building power infrastructure across the entire energy value chain as one of Japan’s foremost suppliers.

Energy systems represent a core strength that we have engaged in since our founding. We have contributed greatly to the development of power infrastructure around the world in all phases of the energy value chain, from generation and transmission to distribution. As demand grows for clean energy, we are actively developing new energy businesses related to smart grids and other fields.

Main products
- Turbine generators
- Protection and control systems
- Vacuum breakers
- Transformers
- Substation systems
- Grid stabilization systems
- Switchgears
- Photovoltaic systems
- Power conversion systems
- Superconductor-applied products

Transportation Systems

A leader in railway solutions providing a full range of equipment and systems for rolling stock.

We developed an unrivaled level of technical prowess from our involvement in the development of rolling stock and on ground systems for all of Japan’s Shinkansen since it began service back in 1964. We are also utilizing our expertise in power and communications across various fields to improve energy efficiency. Our products have already been adopted by more than 30 countries around the world. Our goal is to support comfortable rail services in Japan and abroad that are both safe and energy efficient.

Main products
- Propulsion systems
- Air conditioning systems for rolling stock
- Rolling stock information management systems
- Electricity control systems
- Train vision
- Transportation planning and control systems

Automotive Equipment

Contributing to the advancements in motorization with a broad lineup of products.

We were the first in the world to produce an electric power steering system and today many of our products hold a leading market share globally, enabling us to support the creation of safer, more secure, and more comfortable cars. We are helping make safer, more secure cars, by reflecting the various needs of the automobile society to automotive equipments, such as electric vehicles, hybrid electric vehicles, or automated cars.

Main products
- Charging & Starting products
- Electric power steering system products
- Engine management products
- Car multimedia products
- ADAS products
- Electrification components
Cutting edge technologies at work across the vast business fields in the space industry

We have participated in the development of more than 500 satellites in various countries around the world. We are able to conduct all aspects of satellite development in-house, including design, production, and testing using our test facilities that can reproduce the environment in space. We are also a world leader in large telescopes, too, having been involved with the Subaru Telescope in Hawaii and the ALMA Telescope in Chile.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satellites</td>
</tr>
<tr>
<td>Large telescopes</td>
</tr>
<tr>
<td>Onboard satellite equipment</td>
</tr>
</tbody>
</table>

Making communications easier and more convenient with technologies that "send" information

We supply products for optical communication systems that enable high-speed transfers of content-rich data, such as HD videos, over the Internet using existing communications infrastructure. Through this business line, we are helping to make society a better place with an assortment of solutions, including video surveillance systems that make society safer and more secure as well as wireless communication systems for smart meters that optimize energy usage.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optical communication systems</td>
</tr>
<tr>
<td>Video surveillance systems</td>
</tr>
<tr>
<td>Wireless communication systems</td>
</tr>
</tbody>
</table>

Providing key devices underpinning a more affluent society, harnessing cutting edge technologies

We supply semiconductors and devices that make our lives more affluent as key devices in equipment used in a wide range of fields, from home electronics to space. In particular, power semiconductors devices are used in a truly wide range of fields, including home products, industrial equipment, electric vehicles, power control systems for traction, motor control systems, wind turbines, and photovoltaic systems. The performance of our products helps to lower energy usage in each of these fields, too.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power semiconductors modules</td>
</tr>
<tr>
<td>Optical devices</td>
</tr>
<tr>
<td>High frequency devices</td>
</tr>
<tr>
<td>TFT-LCD modules</td>
</tr>
</tbody>
</table>

Providing comfortable and energy-efficient air conditioning for industry and in our everyday life

We provide not only in Japan but around the world with a broad range of highly energy-efficient air conditioning systems created with comfortable indoor environments in mind, from the Kirigamine brand of room air conditioners to air conditioner systems for stores, offices and other buildings. At the same time, we also supply a number of low-temperature products and systems for use in areas from distribution to industry, including cool warehouses and cold storage, as well as ice makers, dehumidifiers and other equipment for warehouses, food processing plants and ice skating rinks.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room air conditioners</td>
</tr>
<tr>
<td>Commercial air conditioners</td>
</tr>
<tr>
<td>Low-temperature systems, water heaters, and industrial cooling and heating systems</td>
</tr>
</tbody>
</table>

Making the lives of our customers more comfortable

We supply an assortment of home electronics for the kitchen, living room, bedroom, and other locations. We will continue to make the lives of customers more comfortable by supplying products that meet and exceed customer expectations.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>LCD TVs</td>
</tr>
</tbody>
</table>

Providing IT solutions to make all aspects of our life more convenient, comfortable, and advanced

We deliver security technologies including encryption, IoT technologies, and cloud computing platforms to financial institutions, manufacturing plants, social infrastructure (transportation providers, airlines, airports, the power industry), developers, and others. In the process, our IT solutions underpin a more affluent life and society for all.

<table>
<thead>
<tr>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automated radar terminal systems</td>
</tr>
<tr>
<td>Flight information systems</td>
</tr>
<tr>
<td>Large-scale network systems</td>
</tr>
<tr>
<td>Large-scale security systems</td>
</tr>
</tbody>
</table>