

Profile of the Mitsubishi Electric Group

Corporate Data

(As of March 31, 2021)

President & CEO:	Kei Uruma (Inaugurated on July 28, 2021)
Phone:	+81 (3) 3218-2111
Established:	January 15, 1921
Paid-in Capital:	¥175,820 million
Shares Issued:	2,147,201,551 shares
Consolidated Revenue:	¥4,191,433 million
Consolidated Total Assets:	¥4,797,921 million
Employees:	145,653

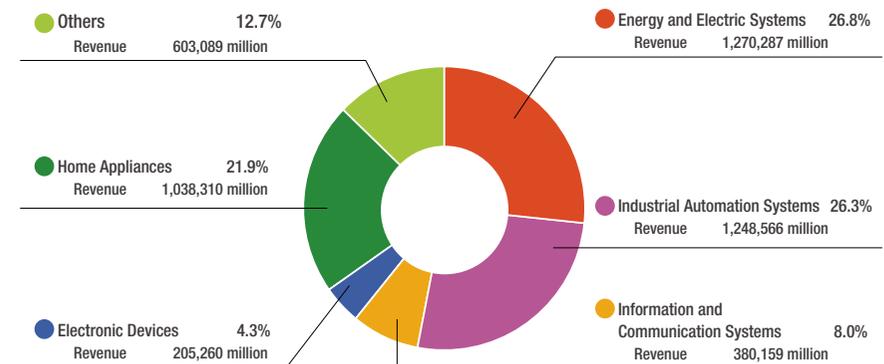
Financial Results

Performance for the Year Ended March 31, 2021

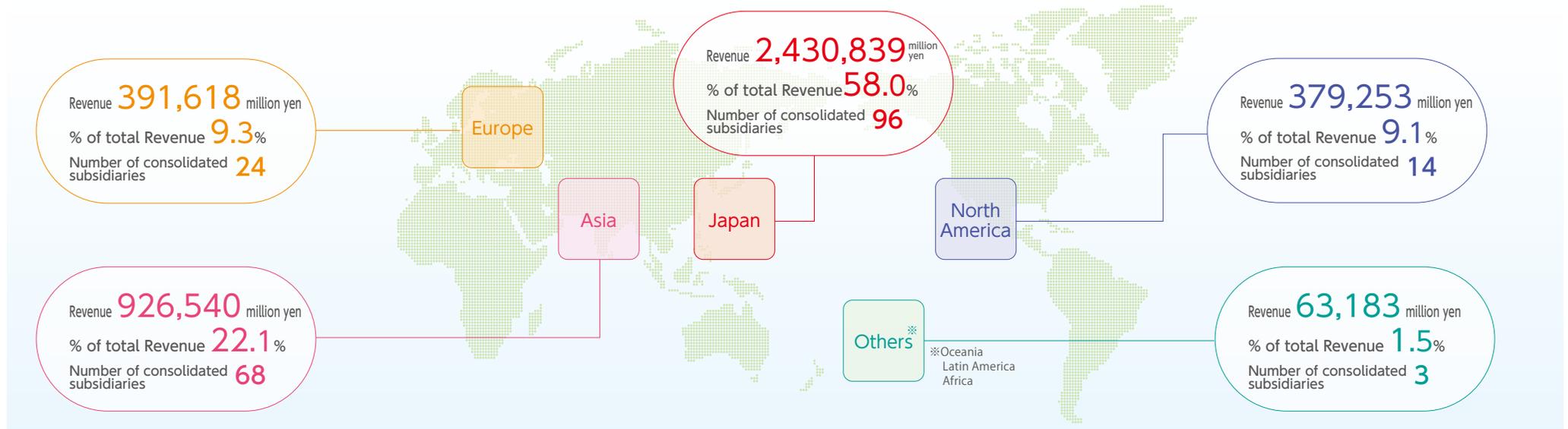
	2020	2021
Revenue	¥4,462,509	¥4,191,433
Operating profit	259,661	230,195
Net profit attributable to Mitsubishi Electric Corp. stockholders	221,834	193,132
Total assets	4,409,771	4,797,921
Bonds and borrowings	267,008	248,897
Mitsubishi Electric Corp. stockholders' equity	2,429,743	2,754,293
Capital expenditure (Based on the recognized value of property, plant and equipment)	227,450	180,033
R&D expenditures	206,846	190,574
Yen (millions)		
Per share Amounts:		
Earnings per share attributable to Mitsubishi Electric Corp. stockholders		
Basic	¥103.41	¥90.03
Diluted	103.41	90.03
Cash dividends declared	40	36
%		
Statistical Information		
Operating profit ratio	5.8%	5.5%
Return on equity (ROE)	9.2	7.5
Bonds and borrowings to total assets	6.1	5.2

- The consolidated financial statements are prepared in accordance with International Financial Reporting Standards.
- The balance of bonds and borrowings and the ratio of bonds and borrowings to total assets do not include lease liabilities.
- R&D expenditures include elements spent on quality improvements which constitute manufacturing costs.
- Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders is equal to Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders, as no dilutive securities existed.

Revenue by Location of Customers



Global Operations



Mitsubishi Electric's Response to COVID-19

Mitsubishi Electric expresses its deepest sympathies and sincerest condolences to anyone who lost a family member, colleague or friend to the novel coronavirus (COVID-19). The company also expresses its sincere gratitude and respect to everyone working to prevent the spread of disease.

The company has been placing its highest priority on the health and safety of customers and business partners as well as employees and their families. At the same time, the company also is working to fulfill its social responsibilities by maintaining businesses necessary to sustain people's daily lives, including by delivering stable supplies of products and necessary services and providing customer support.

The company assumes that the global spread of COVID-19 is significantly changing the values of humanity, affecting people's lifestyles, work styles and the way they do business.

The company will promote group wide work style transformation by enforcing remote work and fully leveraging online meeting tools to incorporate the new values into the way its employees work. The company also will quickly establish the systems of marketing, commercial transactions, servicing and user trainings in the digital environment.

Going forward, Mitsubishi Electric will make every possible effort to respond to changing demand and address social challenges by uniting all the capabilities inside and outside of the Group, while taking all the necessary measures to prevent the spread of infections.

1. Work arrangements

In parts of Japan where states of emergency have been declared, national and local governments have asked companies to implement measures such as reducing the number of employees in the workplace by 70% using remote work. In response, we have been striving to ensure at least 70% employees who are able to work remotely actually do work from home. In other regions of Japan, for business tasks that can be performed from home without a problem, staff are working from home. For work that is best performed in the office, Mitsubishi Electric is implementing thorough infection prevention measures to support staff who come into the office.

As of June 9, 2021: The head office has reduced the number of employees in the workplace by 69%.

We will continue to promote the use of remote work and online meetings as flexible and efficient work methods.

2. Infection prevention measures

Given concerns about the spread of COVID-19, the company is placing its highest priority on employees safety and health. In each workplace, we are working to maintain and strengthen infection prevention measures such as cleaning and disinfection, promotion of staggered work hours, and measures to ensure physical distancing.

Mitsubishi Electric's Business Segments

Building Systems



Realize safe, secure, and highly efficient transportation as well as efficient, comfortable, and environmentally friendly smart buildings and smart cities

Mitsubishi Electric elevators and escalators in operation in over 90 countries around the world realize high transportation efficiency, safety, and security using advanced technology. What is more, by using IoT and AI to operate elevators, air conditioning, lighting, and other building systems flexibly in response to the flow of people in buildings, we contribute to the realization of smart buildings and smart cities that are environmentally friendly, highly efficient, and comfortable.

- Main products**
- Elevators
 - Escalators
 - Building management systems
 - Building security systems

Factory Automation Systems

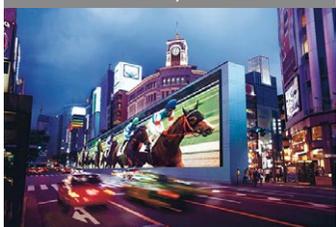


Underpinning global manufacturing by providing value-added products, solutions and services

We are a major FA supplier whose wide range of automation technologies from PLCs to laser processing machines underpin manufacturing. Our e-F@ctory concept also offers solutions to Digital Manufacturing challenges by utilizing FA and IT technologies to reduce the total cost of development, production and maintenance.

- Main products**
- Edge and Programmable Logic Controllers (PLCs)
 - Servo systems
 - Industrial and collaborative robots
 - Circuit breakers
 - Energy-saving support systems
 - NC controllers
 - Laser processing machines
 - 3D (Metal) printers

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 systems
 - Air traffic management systems
 - Road information management systems
 - Large-scale visual information systems
 - Disaster information systems

Energy Systems



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

Energy systems represent a core business that Mitsubishi Electric has been engaged in since our founding. We have played a major role in the development of power infrastructure around the world in all phases, from power generation to transmission and distribution. With the growing demand for clean energy, Mitsubishi Electric is also actively developing new energy businesses, including smart grid-related products & solutions.

- Main products**
- Turbine generators
 - System protection and control systems
 - Vacuum breakers
 - Transformers
 - Power receiving and distribution systems
 - Grid stabilization systems
 - Switchgears
 - Battery energy storage control systems
 - Power conversion systems
 - Applied Superconductor products
 - Power ICT solutions

Transportation Systems



Mitsubishi Electric as 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 wayside 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 energy-efficient, comfortable and safe rail services both in Japan and abroad.

- Main products**
- Propulsion systems
 - Air conditioning systems for rolling stock
 - Train control and management systems
 - Train vision
 - Power systems
 - Transportation operation 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**
- Electrification components
 - ADAS products
 - Electric power steering system products
 - Engine management products
 - Charging & Starting products
 - Car multimedia products



Space Systems

Cutting edge technologies at work across the vast business fields in the space industry

We have participated in the development of more than 650 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.

- Main products
- Satellites
 - Large telescopes
 - Satellite control system



Information & Communication Systems

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

We provide products for optical communication systems that enable high-speed transfers of content-rich data, such as HD videos, existing communications infrastructure including Internet. We also to making better society through various solutions, including wireless communication systems for smart meters to optimize energy use and network camera systems to make society safer and more secure.

- Main products
- Optical communication systems
 - Wireless communication systems
 - Network camera systems



Semiconductors & Devices

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.

- Main products
- Power semiconductors modules
 - Optical devices
 - High frequency devices
 - TFT-LCD modules



Air Conditioning Systems

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.

- Main products
- Room air conditioners
 - Commercial air conditioners
 - Low-temperature systems, water heaters, and industrial cooling and heating systems

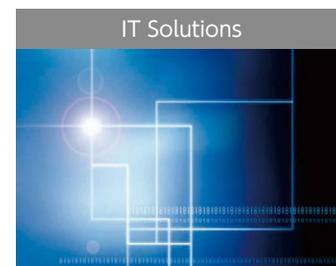


Home Products

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.

- Main products
- LCD TVs
 - Refrigerators and freezers
 - Vacuum cleaners
 - Rice cookers



IT Solutions

Realizing comfort and convenience with IT

We provide IT solutions that underpin a more affluent life and society for use by companies and in social infrastructure. Using cutting edge digital technology from AI to IoT, we help our customers realize DX (digital transformation) to transform customers' work processes and create new value and business models, in addition to solving various social issues.

- Main products
- Automated radar terminal systems
 - Flight information systems
 - Large-scale network systems
 - Large-scale security systems

Corporate Strategy

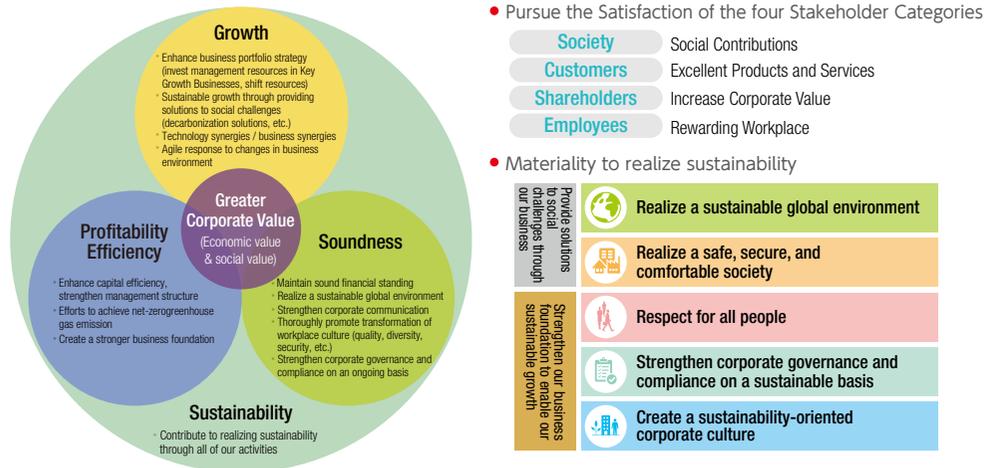
Corporate Principle

On the occasion of the Mitsubishi Electric Group's 100th anniversary, the company has revised its corporate philosophy system to update the Group's reason for existence as well as the core values and attitude that all employees are asked to embrace and cherish in serving customers and society as a whole. This new system consists of three elements: Purpose, Our Values, and Commitment. We are resolved to become a group company that can meet the demands of the times and is trusted by our stakeholders over the next 100 years.



Management Policy

In addition to realizing corporate management that balances growth, profitability/efficiency, and soundness, we will contribute to realizing sustainability through all of our activities, and further enhance corporate value that emphasizes the creation of both economic and social value.



Strategy

Provide Integrated Solutions to address diversifying social challenges, in the four fields of Life, Industry, Infrastructure and Mobility, uniting all the capabilities inside and outside of the Group. For this purpose, we will enhance our business foundation fostered over the past 100 years*1 and further transform business models.

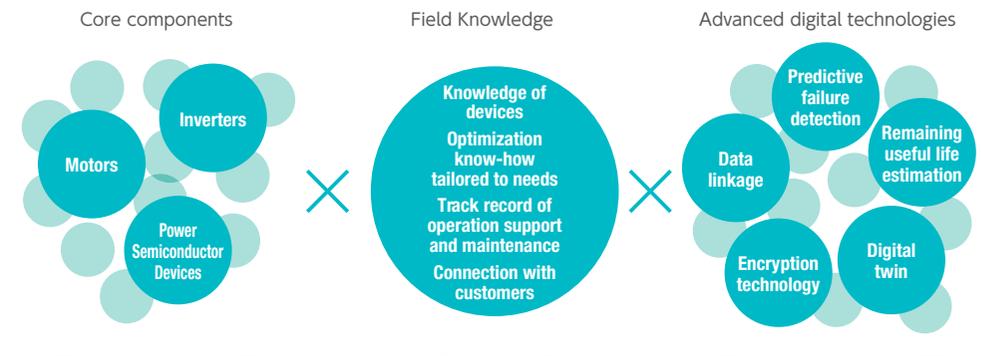
*1 connection with customers, technologies, personnel, products, corporate culture, etc.



**2 Quality of Life

Integrated Solutions

The Mitsubishi Electric Group's Integrated Solutions are offerings that only we can provide, and we do so by combining our strong core components with a wealth of Field Knowledge and advanced digital technologies.



Enhancement of Business Foundation

(1) Operation DX

In April 2021, Process & Operation Re-engineering Group has been established. It serves at the core of operations to optimize the Mitsubishi Electric Group as a whole by revamping operational processes, and promoting Operation DX through streamlining operations and improving productivity utilizing data and digital technologies.

(2) Global Response

Strengthen supply and engineering chains globally. Quickly detect and analyze changes in the global political and economic environment in order to respond with agility.

- Strengthen our global business structure
- Build a supply chain that can flexibly respond to various changes
- Strengthen the launch of overseas business models
- Establish Corporate Economic Security Div.

(3) Optimal Group Management System

Pursue an optimal group management system by strengthening the functions and reviewing the division of roles of affiliated companies in each value chain.

Design

Develop structures and strengthen the development capability of S/W design companies that can accommodate the enhancement of Key Growth Businesses and the expansion of Integrated Solutions (improve productivity, increase personnel, incorporate new technology, etc.).

Logistics

Develop a logistics system with the option of concluding strategic partnerships with global logistics companies, and rapidly respond to changes in the logistics environment and improve efficiency by introducing an advanced platform.

Maintenance & Service

Enhance our recurring revenue business by taking advantage of connection with customers, establish a business structure that maximizes lifetime profits, and create new business opportunities by sharing and making effective use of information accumulated within the Group.

Internal Operation Support

Focus on employee welfare and tasks essential for rolling out each of our businesses, and improve efficiency primarily through the use of outsourcing.

(4) R&D Strategy

Pursue the enhancement and reform of existing businesses as well as R&D for new value creation in a balanced manner. Aim to address social challenges at an early stage through the active use of open innovation.

Strengthen core technologies –Driving force for profitability improvement–

Strengthen our differentiated technologies for components and systems, including technology to realize small, high-efficiency motors, and high-speed, high-precision positioning technology, by fusing them with advanced base technologies such as AI and new materials.

Continuously enhance base technologies –Foundation for business–

Further enhance technologies that support quality of and build trust in our products, systems, and services, such as power electronics, control, modeling, material analysis, AI, security, and data analysis/linkage.

Search for and create new technologies –New source of growth–

Take on the challenge of developing technologies that meet the needs generated by social change, as well as next-generation technologies that transform existing businesses, in a discontinuous manner, based on future insights and analysis of technological trends. Also, focus on expanding our proprietary technologies to create new usages and develop new customers.

(5) Intellectual Property/Standardization Strategy

Focus on acquiring intellectual property rights related to AI and solutions that contribute to Business DX, and expand our business through stronger external collaboration based on our technological assets. In addition, promote a trinity management that aligns business strategy, R&D strategy, intellectual property/standardization strategy for addressing social challenges and expanding our businesses.