



[Translation]

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Semi-annual Securities Report

The 154th Interim Business Term
From April 1, 2024 to September 30, 2024

Mitsubishi Electric Corporation

7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo

The 154th Interim Business Term (from April 1, 2024 to September 30, 2024)

Semi-annual Securities Report

This is an English translation of the Semi-annual Securities Report (“Hanki Hokokusho”) pursuant to item 1 of the table in Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act of Japan filed via the Electronic Disclosure for Investors’ Network (“EDINET”) system as set forth in Article 27-30-2 of the same Act. The translation includes a table of contents and pagination that are not included in the electronic filing.

Mitsubishi Electric Corporation

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[Applicable Law]	Item 1 of the table in Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
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[Filing Date]	November 8, 2024
[Fiscal Year]	The 154th Interim business term (from April 1, 2024 to September 30, 2024)
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[Place Where the Filed Document is Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

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

I. Overview of the Company

1. Key Financial Data

(Millions of yen, unless otherwise stated)

	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024	Year ended Mar. 31, 2024
Revenue	2,538,471	2,643,597	5,257,914
Profit before income taxes	159,786	176,744	365,853
Net profit attributable to Mitsubishi Electric Corp. stockholders	120,228	118,640	284,949
Comprehensive income attributable to Mitsubishi Electric Corp. stockholders	249,614	107,172	650,302
Mitsubishi Electric Corp. stockholders' equity	3,408,956	3,753,772	3,739,324
Total equity	3,540,282	3,879,938	3,866,418
Total assets	5,711,277	6,092,803	6,167,340
Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders (yen)	57.08	56.85	135.74
Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders (yen)	57.08	56.85	135.74
Mitsubishi Electric Corp. stockholders' equity ratio (%)	59.7	61.6	60.6
Cash flows from operating activities	181,857	271,432	415,479
Cash flows from investing activities	(83,357)	(118,500)	(94,119)
Cash flows from financing activities	(113,319)	(152,134)	(240,118)
Cash and cash equivalents at end of period	660,905	754,504	765,384

Notes: 1. The condensed interim consolidated financial statements and the consolidated financial statements of the Group are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

2. As the Group prepares the condensed interim consolidated financial statements, the key financial data of the Company is not provided.

3. 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.

2. Description of Business

The condensed interim consolidated financial statements of the Mitsubishi Electric Group are prepared in accordance with IFRS Accounting Standards. The Mitsubishi Electric Group, which is composed of the Company, 218 consolidated subsidiaries and 39 equity method companies, engages in 6 business segments (Infrastructure, Industry & Mobility, Life, Business Platform, Semiconductor & Device, Others) and our products range from all types.

Changes in major subsidiaries and affiliated companies during the six months ended September 30, 2024 were as follows.

(Infrastructure)

MTG Co., Ltd. has succeeded generator business of the Company, became an equity method company, and changed its company name to Mitsubishi Generator Co., Ltd. as of April 1, 2024.

(Industry & Mobility)

Mitsubishi Electric Mobility Corporation has succeeded automotive equipment business of the Company and became a consolidated subsidiary as of April 1, 2024.

(Others)

KITA KOUDENSHA Corporation was delisted as of April 11, 2024 and became a consolidated subsidiary moving from an equity method company as of April 15, 2024 due to a share exchange with the Company as the wholly owning parent company.

Due to the partial transfer of shares held by the Company, Mitsubishi Electric Logistics Corporation became an equity method company moving from a consolidated subsidiary as of October 1, 2024, and changed its name to MD LOGIS CORPORATION on the same date.

II. Business Overview

1. Business and Other Risks

For the six months ended September 30, 2024, there were no new business and other risks such as unusual fluctuations in the financial position, operating results, and cash flows.

There were no material changes in the business and other risks stated in the Annual Securities Report for the fiscal year ended March 31, 2024.

Forward-looking statements in this section are based on the judgment of the Company as of the date of submission of the Semi-annual Securities Report (November 8, 2024).

2. Management Analysis of Financial Position, Operating Results and Cash Flows

The condensed interim consolidated financial statements of the Mitsubishi Electric Group are prepared in accordance with IFRS Accounting Standards. The Group makes judgments, estimates and assumptions that affect the amounts of assets, liabilities, income and expenses in preparation of the condensed interim consolidated financial statements, and actual results may differ from these estimates.

(1) Overview of business performance

The Japanese economy in the six months ended September 30, 2024 recovered moderately on the back of robust capital expenditures and a recovery in consumer spending. In the U.S., there are signs of a slowdown in the economy due to the cumulative effects of monetary tightening, but it remained robust, primarily in consumer spending. In Europe, the economy showed signs of recovery due to factors such as a slowdown in inflation and interest rate cuts. In China, the economy remained sluggish due to the ongoing real estate recession and weak domestic demand.

As a result, the business performance for the six months ended September 30, 2024 is as follows.

< Consolidated performance >

(In billions of yen)

	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024	Year-on-year
Revenue	2,538.4	2,643.5	up 105.1
Operating profit	135.8	176.6	up 40.8
Profit before income taxes	159.7	176.7	up 16.9
Net profit attributable to Mitsubishi Electric Corp. stockholders	120.2	118.6	down 1.5

1) Revenue

Revenue increased by 105.1 billion yen year-on-year to 2,643.5 billion yen due primarily to the weaker yen. In the Infrastructure segment, the public utility systems business saw increases in the uninterruptible power supply (UPS) business and transportation systems business outside Japan. The energy systems business saw an increase in the power distribution business worldwide, and the defense & space systems business also increased due to large-scale projects for the defense systems business. In the Life segment, the building systems business saw increases in Japan, Asia and North America, and the air conditioning systems & home products business also increased primarily in North America and Asia (excluding China) due to robust demand for air conditioners. The Business Platform segment saw increases in the IT infrastructure service and system integrations businesses. The Semiconductor & Device segment remained substantially unchanged year-on-year due to robust demand for optical communication devices, despite stagnation in demand for power modules. The Industry & Mobility segment saw a decrease in the factory automation systems business due mainly to a decline in demand for products in the decarbonization area, while the automotive equipment business saw increases primarily in electric vehicle-related equipment.

< Impact of exchange rate fluctuations on revenue >

	Average exchange rate for the six months ended Sept. 30, 2023	Average exchange rate for the six months ended Sept. 30, 2024	Impact of exchange rate fluctuations on revenue for the six months ended Sept. 30, 2024
Consolidated total	—	—	About ¥84.0 billion increase
US\$	¥143	¥152	About ¥29.0 billion increase
EURO	¥155	¥166	About ¥20.0 billion increase
CNY	¥19.9	¥21.2	About ¥12.0 billion increase

2) Operating profit

Operating profit increased by 40.8 billion yen year-on-year to 176.6 billion yen due mainly to increases in the Infrastructure, Life, Semiconductor & Device, and Business Platform segments, despite a decrease in the Industry & Mobility segment. Operating profit ratio improved by 1.3 points year-on-year to 6.7% due mainly to an improvement in cost ratio.

The cost ratio improved by 1.7 points year-on-year due primarily to the weaker yen and improvements in product prices. Selling, general and administrative expenses increased by 35.3 billion yen year-on-year, and the selling, general and administrative expenses to revenue ratio deteriorated by 0.4 points year-on-year. Other profit (loss) increased by 2.4 billion yen year-on-year, but the other profit (loss) to revenue ratio remained substantially unchanged year-on-year.

3) Profit before income taxes

Profit before income taxes increased by 16.9 billion yen year-on-year to 176.7 billion yen due primarily to an increase in operating profit, despite an increase in financial expenses. The profit before income taxes to revenue ratio was 6.7%.

4) Net profit attributable to Mitsubishi Electric Corp. stockholders

Net profit attributable to Mitsubishi Electric Corporation stockholders decreased by 1.5 billion yen year-on-year to 118.6 billion yen due mainly to an increase in income taxes, despite an increase in profit before income taxes. The net profit attributable to Mitsubishi Electric Corporation stockholders to revenue ratio was 4.5%.

Consolidated Financial Results by Business Segment are as shown below.

1) Infrastructure

The market for the public utility systems business saw robust capital expenditures in public utility systems worldwide. In this environment, orders increased year-on-year due primarily to increases in the public utility business in Japan and the transportation systems business outside Japan. Revenue also increased year-on-year due primarily to increases in the uninterruptible power supply (UPS) and transportation systems businesses outside Japan.

The market for the energy systems business saw robust demand mainly for power supply stabilization worldwide due to the expanded use of renewable energy. In this environment, orders decreased year-on-year due primarily to a decrease in large-scale projects for the power distribution business worldwide and a decrease in the power generation business due to a spin-off of certain domains, while revenue increased year-on-year due mainly to an increase in the power distribution business worldwide.

The market for the defense & space systems business saw robust demand in defense and space systems due mainly to increases in the budgets of government-related organizations. In this environment, orders decreased year-on-year for the specific period due primarily to a decrease in large-scale projects for the defense systems business, whereas an increase in orders is expected year-on-year for the full fiscal 2025. Revenue increased year-on-year due to an increase in large-scale projects for the defense systems business.

As a result, revenue for this segment increased by 17% year-on-year to 498.7 billion yen.

Operating profit improved by 25.5 billion yen year-on-year to 17.0 billion yen due mainly to increased revenue and a shift in project portfolio.

2) Industry & Mobility

The market for the factory automation systems business saw increases in demand related to smartphones and industrial machinery in China, despite continued stagnation in demand for decarbonization purposes such as lithium-ion batteries. In this environment, orders increased year-on-year due primarily to increases in smartphone-related capital expenditures and industrial machinery-related demand. However, revenue decreased year-on-year due mainly to a decrease in demand for decarbonization purposes.

The market for the automotive equipment business remained substantially unchanged year-on-year in terms of sales of new

cars in almost all regions excluding Japan. In this environment, revenue increased year-on-year due primarily to increases in electric vehicle-related equipment, such as motors and inverters, in addition to the impact of the weaker yen and improvements in product prices.

As a result, revenue for this segment decreased by 4% year-on-year to 811.9 billion yen.

Operating profit decreased by 6.1 billion yen year-on-year to 44.0 billion yen due primarily to a decrease in revenue in the factory automation systems business, despite increased revenue and improvements in product prices and costs in the automotive equipment business.

3) Life

The market for the building systems business continued to see recovery in global demand. In this environment, orders increased year-on-year due primarily to an increase in the renewal business in Japan. Revenue also increased year-on-year due mainly to the impact of the weaker yen and increases in Japan and other markets in Asia as well as North America.

The market for the air conditioning systems & home products business saw robust demand for air conditioning systems mainly in North America and Asia (excluding China), despite continued stagnation in demand for air conditioning systems in Europe. In this environment, revenue increased year-on-year due primarily to the impact of the weaker yen and improvements in product prices, as well as increases in air conditioning systems in North America and Asia (excluding China).

As a result, revenue for this segment increased by 5% year-on-year to 1,099.3 billion yen.

Operating profit increased by 25.4 billion yen year-on-year to 99.7 billion yen due mainly to increased revenue and improvements in product prices.

4) Business Platform

The market for the information systems & network service business saw robust demand due to updates to legacy systems and digital transformation-related efforts. In this environment, orders increased due mainly to increases in the IT infrastructure service and system integrations businesses. Revenue also increased by 4% year-on-year to 68.3 billion yen.

Operating profit increased by 0.5 billion yen year-on-year to 4.2 billion yen due mainly to increased revenue.

5) Semiconductor & Devices

The market for the semiconductor & device business saw robust demand for optical communication devices, despite sluggish demand for power modules. In this environment, orders decreased year-on-year due primarily to a decrease in large-scale projects in power modules used in railway & power transmission applications. Revenue remained substantially unchanged year-on-year to 146.2 billion yen.

Operating profit increased by 6.8 billion yen year-on-year to 23.3 billion yen due mainly to a shift in the product mix.

6) Others

Revenue increased by 6% year-on-year to 433.6 billion yen due primarily to an increase in software.

Operating profit decreased by 1.3 billion yen year-on-year to 11.4 billion yen due mainly to a shift in project portfolios.

(2) Analysis of financial position

Total assets decreased by 74.5 billion yen compared to the end of the previous fiscal year to 6,092.8 billion yen. The change in balance of total assets was mainly attributable to a decrease in trade receivables by 207.5 billion yen, despite an increase in other current assets by 75.2 billion yen.

Total liabilities decreased by 88.0 billion yen compared to the end of the previous fiscal year to 2,212.8 billion yen due primarily to decreases in other financial liabilities by 45.8 billion yen and trade payables by 33.2 billion yen. Bonds and borrowings decreased by 6.4 billion yen compared to the end of the previous fiscal year to 234.8 billion yen, with the ratio of bonds and borrowings to total assets recording 3.9%, unchanged compared to the end of the previous fiscal year.

Mitsubishi Electric Corporation stockholders' equity increased by 14.4 billion yen compared to the end of the previous fiscal year to 3,753.7 billion yen due mainly to net profit attributable to Mitsubishi Electric Corporation stockholders of 118.6 billion yen, despite a decrease due primarily to a dividend payment of 62.7 billion yen. The stockholders' equity ratio was 61.6%, representing a 1.0 point increase compared to the end of the previous fiscal year.

(3) Status of cash flows

Cash flows from operating activities for the six months ended September 30, 2024 were 271.4 billion yen (cash in), while cash flows from investing activities were 118.5 billion yen (cash out). As a result, free cash flow was 152.9 billion yen (cash in). Cash

flows from financing activities were 152.1 billion yen (cash out), and cash and cash equivalents at the end of the period decreased by 10.8 billion yen compared to the end of the previous fiscal year to 754.5 billion yen.

Net cash provided by operating activities increased by 89.5 billion yen year-on-year due primarily to decreases in trade payables and expenditures for inventories.

Net cash used in investing activities increased by 35.1 billion yen year-on-year due mainly to an increase in the purchase of investment securities and others, as well as acquisition of property, plant and equipment.

Net cash used in financing activities increased by 38.8 billion yen year-on-year due primarily to a decrease in short-term borrowings and an increase in transactions with non-controlling interests.

(4) Management Policy, Business Environment and Corporate Agenda

For the six months ended September 30, 2024, the following are the changes in “Part I Information on the Company, II. Business Overview, 4. Management Analysis of Financial Position, Operating Results and Cash Flows, (4) Capital resources and funding liquidity, 1) Basic policies regarding financial strategies” in the Annual Securities Report for the fiscal year ended March 31, 2024, and the relevant changes and additions are underlined.

(Omitted)

In order to secure funds needed to implement its growth strategies, including those for capital expenditures, research and development, and M&As, the Group will flexibly raise funds from financial institutions as necessary while using cash on hand generated from cash flows from operating activities with a focus on key growth businesses. When raising funds, we will do so with a certain framework of financial discipline, and we will work to keep the benchmark for using such leverage at a D/E ratio^{*1} of approximately 0.3.

*1 D/E ratio (Ratio of debt to equity): Balance of bonds, borrowings and lease liabilities / the stockholders' equity^{*2}

*2 stockholders' equity: Mitsubishi Electric Corp. stockholders' equity

In addition, the following are the changes in “Part I Information on the Company, IV. Information on the Company, 3. Dividend Policy” in the Annual Securities Report for the fiscal year ended March 31, 2024, and the relevant changes and additions are underlined.

With respect to dividends, we plan approximately 3% in adjusted DOE^{*1} from the perspective of providing appropriate returns to stockholders in line with the level of stockholders' equity^{*2} and maintaining financial soundness to make continuous investments for growth.

The Company's policy, in principle, is to pay dividends from surplus twice a year, namely an interim dividend and a fiscal year-end dividend.

(Omitted)

*1 Adjusted DOE (Dividend on Equity ratio): Adjusted ratio of dividends to stockholders' equity <dividend paid / the stockholders' equity (excluding accumulated other comprehensive income (loss))>

*2 stockholders' equity: Mitsubishi Electric Corp. stockholders' equity

There are no material changes in “Part I Information on the Company, II. Business Overview, 1. Management Policy, Business Environment and Corporate Agenda” in the Annual Securities Report for the fiscal year ended March 31, 2024.

(5) Research and Development

For the six months ended September 30, 2024, the total R&D expenses for the entire Group have amounted to 111.2 billion yen (Including elements spent on quality improvements, which constitute manufacturing costs).

There were no significant changes in the research and development activities of the Group for the six months ended September 30, 2024.

(6) Major Property, Plants and Equipment

The plan for the capital investment (new installation and expansions) for the fiscal year ending March 31, 2025 was revised as follows (based on investment decisions) in the six months ended September 30, 2024.

Business segment	The plan as of Mar. 31, 2024 (millions of yen)	The plan revised in the six months ended Sept. 30, 2024 (millions of yen)	Main purpose of investment
Infrastructure	60,000	70,000	Increasing production capacity for defense-related equipment and power systems, streamlining operations and enhancing quality of electric equipment for rolling stock, and space-related equipment, etc.
Industry & Mobility	62,000	62,000	Increasing production capacity for factory automation systems and automotive equipment operations, etc.
Life	71,000	71,000	Increasing production capacity, streamlining operations, and enhancing quality of elevators/escalators and air conditioners, etc.
Business Platform	4,000	4,000	Development of information and communications infrastructure, etc.
Semiconductor & Device	62,000	62,000	Increasing production capacity for the power device business, etc.
Others	8,000	8,000	—
Common	23,000	23,000	Bolstering research and development capabilities, etc.
Total	290,000	300,000	—

Notes: 1. There are no plans to dispose or sell principal facilities with the exception of disposing and selling facilities due to routine upgrading.

2. These investments are mostly derived from cash on hand and funds from operations, though the Group is expected to finance through borrowings and issuing bonds as necessary.

3. The plan for the capital investment of Infrastructure business segment was revised in the six months ended September 30, 2024.

3. Material Agreements, etc.

On June 18, 2024, the Company concluded a share transfer agreement to transfer 66.6 percent of the common shares of Mitsubishi Electric Logistics Corporation (currently MD LOGIS CORPORATION), which was its consolidated subsidiary, to SEINO HOLDINGS CO., LTD. as of October 1, 2024. (See “IV. Financial Information, 1. Condensed Interim Consolidated Financial Statements, Notes to condensed interim consolidated financial statements, 11. subsequent events”)

III. Information on the Company

1. Information on the Company's Stock, etc.

(1) Total number of shares, etc.

1) Total number of shares

Class	Authorized shares (shares)
Common stock	8,000,000,000
Total	8,000,000,000

2) Issued shares

Class	Number of shares issued as of the end of the interim (shares) (Sept. 30, 2024)	Number of shares issued as of the filing date (shares) (Nov. 8, 2024)	Stock exchange on which the Company is listed	Description
Common stock	2,113,201,551	2,113,201,551	Tokyo (Prime Market)	The number of shares per one unit of shares is 100 shares.
Total	2,113,201,551	2,113,201,551	—	—

Note: Common stock in the table above has voting rights.

(2) Information on the stock acquisition rights, etc.

1) Details of stock option plans

Not applicable.

2) Details of other stock acquisition rights, etc.

Not applicable.

(3) Information on moving strike convertible bonds, etc.

Not applicable.

(4) Changes in the total number of issued shares and the amount of common stock, etc.

Date	Change in the total number of issued shares (thousand shares)	Balance of the total number of issued shares (thousand shares)	Change in common stock (millions of yen)	Balance of common stock (millions of yen)	Change in capital reserve (millions of yen)	Balance of capital reserve (millions of yen)
May 31, 2024(Note)	(34,000)	2,113,201	—	175,820	—	181,140

Note: The change in the total number of issued shares is due to the cancellation of treasury stock.

(5) Principal shareholders

As of September 30, 2024

Name	Address	Number of shares Held (thousand shares)	Ownership percentage to the total number of issued shares (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	8-1, Akasaka 1-chome, Minato-ku, Tokyo	335,821	16.14
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	106,417	5.11
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (15-1, Konan 2-chome, Minato-ku, Tokyo)	99,724	4.79
Meiji Yasuda Life Insurance Company	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	81,863	3.93
STATE STREET BANK AND TRUST COMPANY 505223 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	P. O. BOX 351 BOSTON MASSACHUSETTS 02101 U. S. A. (15-1, Konan 2-chome, Minato-ku, Tokyo)	50,846	2.44
JP MORGAN CHASE BANK 385632 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (15-1, Konan 2-chome, Minato-ku, Tokyo)	44,427	2.14
Mitsubishi Electric Group Employees Shareholding Union	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	44,129	2.12
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (15-1, Konan 2-chome, Minato-ku, Tokyo)	39,792	1.91
JP MORGAN CHASE BANK 380055 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	270 PARK AVENUE, NEW-YORK, NY 10017, UNITED STATES OF AMERICA (15-1, Konan 2-chome, Minato-ku, Tokyo)	37,749	1.81
Nippon Life Insurance Company	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo	36,339	1.75
Total	—	877,110	42.15

Note: Dodge & Cox submitted a change report on the Statements of Large-Volume Holdings on May 9, 2024. However, since the Company cannot confirm the number of shares actually owned as of September 30, 2024, "Principal shareholders" column is based on the shareholder registry. The shareholding status as of April 30, 2024 according to the report is as follows.

Name	Address	Number of shares Held (thousand shares)	Ownership percentage to the total number of issued shares (%)
Dodge & Cox	555 CALIFORNIA STREET, 40TH FLOOR, SAN FRANCISCO, CALIFORNIA 94104, UNITED STATES OF AMERICA	77,663	3.62

(6) Information on voting rights

1) Issued shares

(As of September 30, 2024)

Classification	Number of shares (shares)	Number of voting rights	Description
Shares without voting right	—	—	—
Shares with restricted voting right (treasury stock, etc.)	—	—	—
Shares with restricted voting right (others)	—	—	—
Shares with full voting right (treasury stock, etc.)	Common stock 32,513,200	—	Standard common stock of the Company without any restriction. Number of shares constituting one unit: 100 shares
Shares with full voting right (others)	Common stock 2,080,184,700	20,801,847	Same as above
Shares less than one unit	Common stock 503,651	—	Same as above
Number of shares issued	2,113,201,551	—	—
Total number of voting rights	—	20,801,847	—

Notes: 1. The number of shares in “Shares less than one unit” includes 62 shares as treasury stocks, 172 shares held by the Board Incentive Plan Trust and 80 shares registered in the name of Japan Securities Depository Center, Inc.

2. The number of shares and the number of voting rights in “Shares with full voting right (others)” include 6,700 shares (67 voting rights) registered in the name of Japan Securities Depository Center, Inc. and 1,970,600 shares (19,706 voting rights) held through the Board Incentive Plan Trust.

2) Treasury stock, etc.

(As of September 30, 2024)

Name of shareholder	Address	Number of shares held under own name (shares)	Number of shares held under the name of others (shares)	Total shares held (shares)	Ownership percentage to the total number of issued shares (%)
Mitsubishi Electric Corporation	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	32,513,200	—	32,513,200	1.54
Total	—	32,513,200	—	32,513,200	1.54

Note: In addition to 32,513,200 shares owned by the Company in the table above and 62 shares less than one unit owned by the Company, 1,970,772 shares of the Company held through the Board Incentive Plan Trust are included in the shares of treasury stock in the condensed interim consolidated financial statements.

2. Directors and Executive Officers

There were no changes in directors and executive officers from the filing date of the Annual Securities Report for the fiscal year ended March 31, 2024 to September 30, 2024.

IV. Financial Information

1. Basis of preparation of the condensed interim consolidated financial statements

The Group prepares its condensed interim consolidated financial statements, which are Type-1 interim consolidated financial statements, in accordance with International Accounting Standards 34 “Interim Financial Reporting” (“IAS 34”) since the Group meets all the requirements of a “specified international accounting standard company” in Article 1-2-2 of the Ministry of Finance Ordinance No. 28 of 1976, “Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements”, and therefore Article 312 of that Ordinance applies to the Group.

2. Audit certification

Pursuant to Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act of Japan, the condensed interim consolidated financial statements for the first half of the current fiscal year from April 1, 2024 to September 30, 2024 are reviewed by KPMG AZSA LLC.

1 【Condensed Interim Consolidated Financial Statements】

(1) 【Condensed Interim Consolidated Statement of Financial Position】

Yen (millions)

	Notes	As of Mar. 31, 2024	As of Sept. 30, 2024
(Assets)			
Cash and cash equivalents		765,384	754,504
Trade receivables		1,089,871	882,321
Contract assets		318,663	356,707
Other financial assets	9	52,400	90,985
Inventories		1,253,493	1,261,456
Other current assets		145,425	220,641
Current assets		3,625,236	3,566,614
Investments accounted for using the equity method		265,698	289,143
Other financial assets	9	336,521	308,111
Property, plant and equipment		962,608	958,167
Goodwill and intangible assets		211,864	216,130
Deferred tax assets		113,967	108,342
Net defined benefit assets		627,213	621,206
Other non-current assets		24,233	25,090
Non-current assets		2,542,104	2,526,189
Total assets		6,167,340	6,092,803

Yen (millions)

	Notes	As of Mar. 31, 2024	As of Sept. 30, 2024
(Liabilities)			
Bonds, borrowings and lease liabilities	9	151,698	150,302
Trade payables		589,142	555,863
Contract liabilities		306,094	324,402
Other financial liabilities	9	200,411	154,537
Accrued expenses		340,582	341,408
Accrued income taxes		66,930	43,579
Provisions		125,129	113,968
Other current liabilities		59,201	73,432
Current liabilities		1,839,187	1,757,491
Bonds, borrowings and lease liabilities	9	242,938	233,426
Other financial liabilities	9	698	698
Net defined benefit liabilities		150,960	154,837
Provisions		3,837	3,314
Deferred tax liabilities		22,264	23,634
Other non-current liabilities		41,038	39,465
Non-current liabilities		461,735	455,374
Total liabilities		2,300,922	2,212,865
(Equity)			
Common stock		175,820	175,820
Capital surplus		195,157	187,304
Retained earnings		3,102,755	3,106,567
Accumulated other comprehensive income (loss)	9	363,632	347,946
Treasury stock, at cost		(98,040)	(63,865)
Mitsubishi Electric Corp. stockholders' equity		3,739,324	3,753,772
Non-controlling interests		127,094	126,166
Total equity		3,866,418	3,879,938
Total liabilities and equity		6,167,340	6,092,803

(2) 【Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income】
【Condensed Interim Consolidated Statement of Profit or Loss】

Yen (millions)

	Notes	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Revenue	7	2,538,471	2,643,597
Cost of sales		1,801,423	1,832,830
Selling, general and administrative expenses		599,969	635,299
Other profit (loss)		(1,240)	1,214
Operating profit		135,839	176,682
Financial income		12,457	11,381
Financial expenses		2,835	25,676
Share of profit of investments accounted for using the equity method		14,325	14,357
Profit before income taxes		159,786	176,744
Income taxes		31,515	44,682
Net profit		128,271	132,062
Net profit attributable to:			
Mitsubishi Electric Corp. stockholders		120,228	118,640
Non-controlling interests		8,043	13,422

Yen

	Notes	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Earnings per share (attributable to Mitsubishi Electric Corp. stockholders)			
Basic	8	57.08	56.85
Diluted	8	57.08	56.85

【Condensed Interim Consolidated Statement of Comprehensive Income】

Yen (millions)

	Notes	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Net profit		128,271	132,062
Other comprehensive income (loss), net of tax			
Items that will not be reclassified to net profit			
Changes in fair value of financial assets measured at fair value through other comprehensive income	9	30,364	(13,550)
Share of other comprehensive income of investments accounted for using the equity method		4,732	7,478
Total items that will not be reclassified to net profit		35,096	(6,072)
Items that may be reclassified to net profit			
Exchange differences on translating foreign operations		94,529	(14,805)
Net changes in the fair value of cash flow hedges		(197)	89
Share of other comprehensive income of investments accounted for using the equity method		7,069	8,862
Total items that may be reclassified to net profit		101,401	(5,854)
Total other comprehensive income (loss)		136,497	(11,926)
Comprehensive income		264,768	120,136
Comprehensive income attributable to:			
Mitsubishi Electric Corp. stockholders		249,614	107,172
Non-controlling interests		15,154	12,964

(3) 【Condensed Interim Consolidated Statement of Changes in Equity】

For the six months ended Sept. 30, 2023

Yen (millions)

	Notes	Mitsubishi Electric Corp. stockholders' equity					Total	Non-controlling interests	Total equity
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock, at cost			
Balance at beginning of period		175,820	202,888	2,636,136	276,898	(52,715)	3,239,027	124,197	3,363,224
Comprehensive income									
Net profit				120,228			120,228	8,043	128,271
Other comprehensive income (loss), net of tax					129,386		129,386	7,111	136,497
Comprehensive income		—	—	120,228	129,386	—	249,614	15,154	264,768
Reclassification to retained earnings				7,971	(7,971)		—		—
Dividends	6			(54,940)			(54,940)	(7,709)	(62,649)
Purchase of treasury stock						(25,327)	(25,327)		(25,327)
Disposal of treasury stock			(366)			366	—		—
Transactions with non-controlling interests and others			582				582	(316)	266
Balance at end of period		175,820	203,104	2,709,395	398,313	(77,676)	3,408,956	131,326	3,540,282

For the six months ended Sept. 30, 2024

Yen (millions)

	Notes	Mitsubishi Electric Corp. stockholders' equity					Total	Non-controlling interests	Total equity
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock, at cost			
Balance at beginning of period		175,820	195,157	3,102,755	363,632	(98,040)	3,739,324	127,094	3,866,418
Comprehensive income									
Net profit				118,640			118,640	13,422	132,062
Other comprehensive income (loss), net of tax					(11,468)		(11,468)	(458)	(11,926)
Comprehensive income		—	—	118,640	(11,468)	—	107,172	12,964	120,136
Reclassification to retained earnings				4,218	(4,218)		—		—
Dividends	6			(62,702)			(62,702)	(8,673)	(71,375)
Purchase of treasury stock						(23,182)	(23,182)		(23,182)
Disposal of treasury stock			(707)	(56,344)		57,357	306		306
Transactions with non-controlling interests and others			(7,146)				(7,146)	(5,219)	(12,365)
Balance at end of period		175,820	187,304	3,106,567	347,946	(63,865)	3,753,772	126,166	3,879,938

(4) 【Condensed Interim Consolidated Statement of Cash Flows】

Yen (millions)

	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Cash flows from operating activities		
Net profit	128,271	132,062
Adjustments to cash flows from operating activities		
Depreciation and amortization	94,739	102,850
Impairment losses	1,431	99
Loss (gain) on sales and disposal of property, plant and equipment, net	1,688	85
Income taxes	31,515	44,682
Share of profit of investments accounted for using the equity method	(14,325)	(14,357)
Financial income and financial expenses	(9,622)	14,295
Decrease in trade receivables	183,581	200,469
Decrease (increase) in contract assets	(41,956)	(39,110)
Decrease (increase) in inventories	(47,946)	(25,530)
Decrease (increase) in other assets	(1,119)	(25,550)
Increase (decrease) in trade payables	(77,136)	(26,060)
Increase in net defined benefit liabilities	6,738	8,412
Increase (decrease) in other liabilities	(12,884)	(28,289)
Others, net	(20,571)	(18,774)
Subtotal	222,404	325,284
Interest and dividends received	16,977	21,665
Interest paid	(3,195)	(3,880)
Income taxes paid	(54,329)	(71,637)
Cash flows from operating activities	181,857	271,432
Cash flows from investing activities		
Purchase of property, plant and equipment	(85,498)	(97,898)
Proceeds from sale of property, plant and equipment	607	1,431
Purchase of intangible assets	(15,742)	(15,453)
Purchase of investment securities and others, net of cash acquired	(9,227)	(21,775)
Proceeds from sale of investment securities and others	27,086	15,270
Others, net	(583)	(75)
Cash flows from investing activities	(83,357)	(118,500)
Cash flows from financing activities		
Proceeds from bonds and long-term borrowings	457	1,357
Repayments of bonds and long-term borrowings	(208)	(288)
Increase (decrease) in short-term borrowings, net	3,007	(11,664)
Repayments of lease liabilities	(29,086)	(33,053)
Dividends paid to Mitsubishi Electric Corp. stockholders	(54,940)	(62,702)
Purchase of treasury stock	(25,327)	(23,182)
Disposal of treasury stock	—	0
Dividends paid to non-controlling interests	(7,221)	(10,605)
Transactions with non-controlling interests	(1)	(11,997)
Cash flows from financing activities	(113,319)	(152,134)
Effect of exchange rate changes on cash and cash equivalents	29,854	(11,678)
Net increase (decrease) in cash and cash equivalents	15,035	(10,880)
Cash and cash equivalents at beginning of period	645,870	765,384
Cash and cash equivalents at end of period	660,905	754,504

【Notes to condensed interim consolidated financial statements】

1. Reporting entity

Mitsubishi Electric Corporation (“the Company”) is an entity located in Japan. The condensed interim consolidated financial statements of the Mitsubishi Electric Group (“the Group”) comprises the Company, its subsidiaries and equity in the Company’s associates and joint ventures.

The Group is a multinational organization which develops, manufactures, sells and distributes a broad range of electrical and electronic equipment in the fields as diverse as home appliances to space electronics. The Company and its subsidiaries’ principal lines of business are: (1) Infrastructure, (2) Industry & Mobility, (3) Life, (4) Business Platform, (5) Semiconductor & Device and (6) Others. The Group’s manufacturing operations are conducted principally by the Company with 17 manufacturing sites located in Japan, as well as overseas manufacturing sites located in Thailand, China, the United States, Mexico, Italy and other countries.

2. Basis of preparation

(1) Statement of condensed interim consolidated financial statements in accordance with IAS 34

The Group prepares its condensed interim consolidated financial statements in accordance with IAS 34 since the Group meets all the requirements of a “specified international accounting standard company” in Article 1-2-2 of the Ministry of Finance Ordinance No. 28 of 1976, “Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements”, and therefore Article 312 of that Ordinance applies to the Group.

(2) Functional currency and presentation currency

The condensed interim consolidated financial statements of the Group are presented in Japanese yen, which is the Company’s functional currency, rounded down in units of millions of yen.

3. Material accounting policies

Material accounting policies adopted in preparation of the condensed interim consolidated financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2024.

4. Significant accounting estimates and judgments

Management is required to make judgments, estimates and assumptions that affect the application of accounting policies and amounts of assets, liabilities, income and expenses in preparation of the consolidated financial statements in accordance with IFRS Accounting Standards. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. The effects resulting from changes in accounting estimates are recognized in the period when estimates are revised and in the subsequent periods.

Accounting estimates and assumptions that could have a material effect on the amounts in the condensed interim consolidated financial statements are the same as in the Company’s annual consolidated financial statements for the year ended March 31, 2024.

5. Segment information

(1) Overview of reportable segments

The operating segments presented below are identified based on the segments for which separate financial information is available, and are periodically used for decisions on business resources allocation and evaluation of business operation by the Company's management.

The Group conducts business through 6 categories, Infrastructure, Industry & Mobility, Life, Business Platform, Semiconductor & Device and Others, by aggregating multiple operating segments based on types and characteristics of products, production methods, and similarities in market.

Principal operating segments and major products and services included in each category are as follows:

Infrastructure	Public Utility Systems, Energy Systems, Defense & Space Systems	Electrical equipment for locomotives and rolling stock, wireless and wired communications systems, network cameras and their systems, large display devices, uninterruptible power supply, turbine generators, hydraulic turbine generators, nuclear power plant equipment, motors, transformers, power electronics equipment, circuit breakers, gas insulated switchgears, switch control devices, surveillance-system control and security systems, transmission and distribution ICT systems, satellite communications equipment, satellites, radar equipment, antennas, missile systems, fire control systems, broadcasting equipment, and others
Industry & Mobility	Factory Automation Systems, Automotive Equipment	Programmable logic controllers, inverters, servomotors, human-machine interface, motors, hoists, magnetic switches, no-fuse circuit breakers, short-circuit breakers, transformers for electricity distribution, time and power meters, uninterruptible power supply, industrial fans, computerized numerical controllers, electrical discharge machines, laser processing machines, industrial robots, clutches, software, automotive electrical equipment, electric vehicle-related equipment, ADAS-related products, car electronics and car mechatronics, car multimedia, and others
Life	Building Systems, Air Conditioning Systems & Home Products	Elevators, escalators, building security systems, building management systems, room air conditioners, package air conditioners, chillers, showcases, compressors, refrigeration units, air-to-water heat pump boilers, ventilators, hot water supply systems, IH cooking heaters, LED bulbs, indoor lighting, LCD televisions, refrigerators, electric fans, dehumidifiers, air purifiers, vacuum cleaners, jar rice cookers, microwave ovens, and others
Business Platform	Information Systems & Network Service	Network security solutions, solutions by operation and business, information systems equipment, systems integration, and others
Semiconductor & Device	Semiconductor & Device	Power modules, high-frequency devices, optical devices, and others
Others	—	Procurement, logistics, real estate, advertising, finance, and other services

(2) Segment information by business categories

Segment information by business categories are as follows.

For the six months ended Sept. 30, 2023

	Yen (millions)								
	Infrastructure	Industry & Mobility	Life	Business Platform	Semiconductor & Device	Others	Total	Eliminations and corporate	Consolidated total
Revenue and operating profit									
Revenue									
External customers	420,291	835,704	1,038,894	37,385	129,068	77,129	2,538,471	—	2,538,471
Intersegment	5,999	8,092	8,301	28,426	15,377	331,514	397,709	(397,709)	—
Total	426,290	843,796	1,047,195	65,811	144,445	408,643	2,936,180	(397,709)	2,538,471
Operating profit (loss)	(8,489)	50,216	74,279	3,660	16,562	12,767	148,995	(13,156)	135,839

For the six months ended Sept. 30, 2024

	Yen (millions)								
	Infrastructure	Industry & Mobility	Life	Business Platform	Semiconductor & Device	Others	Total	Eliminations and corporate	Consolidated total
Revenue and operating profit									
Revenue									
External customers	492,444	803,068	1,090,924	38,428	132,396	86,337	2,643,597	—	2,643,597
Intersegment	6,345	8,916	8,434	29,952	13,814	347,335	414,796	(414,796)	—
Total	498,789	811,984	1,099,358	68,380	146,210	433,672	3,058,393	(414,796)	2,643,597
Operating profit	17,067	44,075	99,740	4,211	23,391	11,429	199,913	(23,231)	176,682

Intersegment transactions are conducted generally at prices that the Company's management recognizes as approximate arm's length prices. The calculation method of operating profit (loss) for reportable segments is consistent with that used in the Condensed Interim Consolidated Statement of Profit or Loss. It does not include share of profit of investments accounted for using the equity method, financial income or financial expenses.

Among operating profit (loss), eliminations and corporate items are income and expenses that are not included in reportable segments, and mainly comprised of expenses related to headquarter functions and income from the sale of land.

Beginning in the first half of the current fiscal year, the Company has changed its method for allocating corporate income and expenses to better assess the performance of its reportable segments. Segment information for the first half of previous fiscal year has also been restated to reflect the reclassification.

(3) Information by geographical areas

Revenue from external customers by the location of customers are as follows:

	Yen (millions)			
	For the six months ended Sept. 30, 2023		For the six months ended Sept. 30, 2024	
	Revenue from external customers	% of total revenue	Revenue from external customers	% of total revenue
Japan	1,171,177	46.1%	1,223,972	46.3%
North America	346,878	13.7%	405,392	15.3%
Asia (excluding Japan)	599,747	23.6%	585,906	22.2%
Europe	380,344	15.0%	377,296	14.3%
Others	40,325	1.6%	51,031	1.9%
Overseas Total	1,367,294	53.9%	1,419,625	53.7%
Consolidated total	2,538,471	100.0%	2,643,597	100.0%
The United States (within North America)	289,924	11.4%	335,087	12.7%
China (within Asia)	276,255	10.9%	269,645	10.2%

There are no individual countries or regions with significant revenue from external customers in the first half of the previous and current fiscal years, except for Japan, the United States and China.

6. Dividends

Dividends paid for the six months ended Sept. 30, 2023 and 2024 are as follows:

Resolution date	Total amount of dividends	Dividend per share	Record date	Effective date
	Yen (millions)	Yen		
May 15, 2023 Board of Directors Meeting	54,940	26	March 31, 2023	June 2, 2023
May 9, 2024 Board of Directors Meeting	62,702	30	March 31, 2024	June 4, 2024

Dividends with a record date in the six months ended Sept. 30, 2023 and 2024 and the effective date in the next period are as follows:

Resolution date	Total amount of dividends	Dividend per share	Record date	Effective date
	Yen (millions)	Yen		
October 31, 2023 Board of Directors Meeting	42,009	20	September 30, 2023	December 4, 2023
October 31, 2024 Board of Directors Meeting	41,613	20	September 30, 2024	December 3, 2024

7. Revenues

The Group's business consists of 6 reportable segments: Infrastructure, Industry & Mobility, Life, Business Platform, Semiconductor & Device and Others. Revenue is presented by these categories since the Company's management periodically uses them for decision of business resources allocation and evaluation of business operations.

The principal businesses and major products and services of each operating segment are shown in Note "5. Segment information". The Group conducts business through 6 categories by aggregating multiple operating segments based on types and characteristics of products, production methods, and similarities in market.

Revenue is disaggregated by region according to the customer's location. The relationship between these disaggregated revenue and segment revenue is as follows:

For the six months ended Sept. 30, 2023

	Yen (millions)						Consolidated total
	Japan	Overseas				total	
		North America	Asia (excluding Japan)	Europe	Others		
Infrastructure	314,157	66,635	22,902	11,418	5,179	106,134	420,291
Industry & Mobility	325,618	139,816	262,935	99,248	8,087	510,086	835,704
Life	386,576	132,917	253,800	238,722	26,879	652,318	1,038,894
Business Platform	37,384	—	1	—	—	1	37,385
Semiconductor & Device	37,415	6,923	53,791	30,760	179	91,653	129,068
Others	70,027	587	6,318	196	1	7,102	77,129
Consolidated total	1,171,177	346,878	599,747	380,344	40,325	1,367,294	2,538,471

For the six months ended Sept. 30, 2024

	Yen (millions)						Consolidated total
	Japan	Overseas				total	
		North America	Asia (excluding Japan)	Europe	Others		
Infrastructure	362,571	97,899	19,603	8,007	4,364	129,873	492,444
Industry & Mobility	304,644	140,338	242,372	107,135	8,579	498,424	803,068
Life	400,986	161,232	262,284	228,539	37,883	689,938	1,090,924
Business Platform	38,427	1	—	—	—	1	38,428
Semiconductor & Device	36,670	5,615	56,437	33,474	200	95,726	132,396
Others	80,674	307	5,210	141	5	5,663	86,337
Consolidated total	1,223,972	405,392	585,906	377,296	51,031	1,419,625	2,643,597

Revenue recognition methods for each category are primarily as follows:

1) Infrastructure, Business Platform

Major revenue recognition methods are as follows. Revenue is primarily recorded over time.

Many contracts related to the production of products qualify as specific construction contracts meeting certain criteria, and revenue is recognized according to the progress of the construction if progress can be reasonably measured. Revenue is recognized only to the extent of the cost incurred if progress cannot be reasonably measured. The progress of construction is measured by comparing the cost incurred through the current year to the aggregate amount of estimated cost. The estimated total cost is calculated for each contract based on various information such as the contract details of the relevant construction contract, required specifications, the presence or absence of new technological development elements, and historical incurred cost results for similar contracts. Estimates and underlying assumptions for the aggregate amount of estimated cost are reviewed on an ongoing basis since there is a possibility that the cost incurred may change due to the progress of construction.

2) Life

Major revenue recognition methods of the air conditioning systems & home products business are as follows. Revenue is primarily recorded at a point in time.

Revenue from mass-produced goods such as home appliances is recognized at the time when the product is accepted by the customer.

Major revenue recognition methods of the building systems business are as follows. Revenue is primarily recorded over time.

Many contracts related to the production of products qualify as specific construction contracts meeting certain criteria, and revenue is recognized according to the progress of the construction if progress can be reasonably measured. Revenue is recognized only to the extent of the cost incurred if progress cannot be reasonably measured. The progress of construction is measured by comparing the cost incurred through the current year to the aggregate amount of estimated cost. The estimated total cost is calculated for each contract based on various information such as the contract details of the relevant construction contract, required specifications, the presence or absence of new technological development elements, and historical incurred cost results for similar contracts. Estimates and underlying assumptions for the aggregate amount of estimated cost are reviewed on an ongoing basis since there is a possibility that the cost incurred may change due to the progress of construction.

Revenue from maintenance agreements is recognized over the contract term as the maintenance is provided.

3) Industry & Mobility, Semiconductor & Device, Others

Major revenue recognition methods are as follows. Revenue is primarily recorded at a point in time.

Revenue from mass-produced goods such as industrial products and semiconductors is recognized at the time when the product is accepted by the customer.

Revenue from some products requiring acceptance inspection is recognized at the time when the product is received by the customer and the functionality of the product is substantially demonstrated by the Company and its consolidated subsidiaries.

8. Earnings per share

Basic earnings per share and diluted earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders are as follows:

	Yen (millions)	
	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Net profit attributable to Mitsubishi Electric Corp. stockholders	120,228	118,640

	Shares	
	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Basic average ordinary shares outstanding	2,106,191,661	2,086,806,040

	Yen	
	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Basic earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	57.08	56.85
Diluted earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	57.08	56.85

Note : The number of the Company's shares held through the Board Incentive Plan Trust were included in the shares of treasury stock that were deducted from the average number of ordinary shares outstanding in the calculation of Earnings per share attributable to Mitsubishi Electric Corp. stockholders. (1,760,470 shares for the six months ended Sept. 30, 2023, and 1,900,722 shares for the six months ended Sept. 30, 2024).

9. Financial instruments

The Group classifies fair value measurements from level 1 to level 3 according to the observability of the inputs used in measurement:

Level 1: quoted prices for identical assets or liabilities in active markets

Level 2: fair value calculated directly or indirectly using observable prices other than those in level 1

Level 3: fair value calculated using valuation techniques including unobservable inputs

A determination is made at the end of each reporting period as to whether there are financial instruments for which transfers between levels were carried out. There were no financial instruments with significant transfers between levels for the year ended Mar. 31, 2024. For the six months ended Sept. 30, 2024, certain investments classified as financial assets measured at fair value through other comprehensive income were transferred from level 3 to 1, as they were listed on a stock exchange.

For financial instruments classified as level 3, changing the unobservable inputs to reasonably possible alternative assumptions would not change the fair value significantly.

(1) Financial instruments measured at amortized cost

Methods of measurement of fair value, carrying amount and fair value of financial instruments measured at amortized cost are as follows:

Bonds and borrowings (including long-term borrowings to be repaid within 1 year)

Fair values of bonds are calculated using the Reference Statistical Prices of the Japan Securities Dealers Association and are classified as level 2 because fair value is calculated using observable market data. Fair values of borrowings are calculated using the present value of future cash flows discounted by the expected interest rate for similar new contracts and are classified as level 2 because fair value is calculated using observable market data.

	Yen (millions)			
	As of Mar. 31, 2024		As of Sept. 30, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial instruments measured at amortized cost				
Bonds and borrowings (including long-term borrowings to be repaid within 1 year)	169,605	166,330	170,631	166,863

Note : The fair value of financial assets and financial liabilities measured at amortized cost other than the above approximated the carrying amounts.

(2) Financial instruments measured at fair value on a recurring basis

The method of measurement of fair value and fair value of financial instruments measured at fair value on a recurring basis are as follows:

Equity instruments and debt instruments

The fair value of marketable equity instruments is calculated based on the market price at the end of the reporting period and are classified as level 1 because fair value is calculated using the market value of an identical asset in an active market. The fair value of non-marketable equity instruments, investments in capital and debt instruments is calculated based on comprehensively taking into consideration quantitative information on the net assets and other financial information of the investee and forecasts of its future cash flows, and is classified as Level 3 because fair value is calculated based on valuation techniques using unobservable indicators. The reasonableness of the valuation techniques has been verified by the department in charge using various methods and the result of the verification has been approved by an appropriate management.

Derivative assets and liabilities

Fair values of derivatives are calculated based on market interest rates and market rates of foreign exchange banks as

financial assets or financial liabilities measured at fair value through profit or loss and are classified as level 2 because fair value is calculated using observable market data.

Contingent considerations

The fair value of liabilities related to contingent considerations is calculated using the present value taking into account the probability of possible payment to contract counterparties and classified as level 3 because fair value is calculated based on valuation techniques using unobservable indicators. The reasonableness of the valuation techniques has been verified by the department in charge using various methods and the result of the verification has been approved by an appropriate management.

As of Mar. 31, 2024

			Yen (millions)			
			Level 1	Level 2	Level 3	Total
Assets						
Financial assets measured at fair value through profit or loss						
	Debt instruments		—	—	802	802
	Derivative assets		—	2,291	—	2,291
Financial assets measured at fair value through other comprehensive income						
	Equity instruments		117,398	—	162,928	280,326
	Total		<u>117,398</u>	<u>2,291</u>	<u>163,730</u>	<u>283,419</u>
Liabilities						
Financial liabilities measured at fair value through profit or loss						
	Derivative liabilities		—	9,984	—	9,984
	Contingent considerations		—	—	1,087	1,087
	Total		<u>—</u>	<u>9,984</u>	<u>1,087</u>	<u>11,071</u>

As of Sept. 30, 2024

			Yen (millions)			
			Level 1	Level 2	Level 3	Total
Assets						
Financial assets measured at fair value through profit or loss						
	Debt instruments		—	—	3,031	3,031
	Derivative assets		—	8,605	—	8,605
Financial assets measured at fair value through other comprehensive income						
	Equity instruments		97,650	—	155,682	253,332
	Total		<u>97,650</u>	<u>8,605</u>	<u>158,713</u>	<u>264,968</u>
Liabilities						
Financial liabilities measured at fair value through profit or loss						
	Derivative liabilities		—	4,504	—	4,504
	Contingent considerations		—	—	1,395	1,395
	Total		<u>—</u>	<u>4,504</u>	<u>1,395</u>	<u>5,899</u>

Changes in financial assets measured at fair value on a recurring basis classified as Level 3 are as follows:

	Yen (millions)	
	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024
Balance at beginning of period	80,988	163,730
Gains (losses)		
in profit or loss	(19)	18
in other comprehensive income	3,045	(5,508)
Purchases	3,668	5,085
Sales	(2,540)	(1,205)
Decrease due to transfer	—	(3,407)
Balance at end of period	<u>85,142</u>	<u>158,713</u>

Notes : 1 Gains (losses) in profit or loss are related to financial assets measured at fair value through profit or loss as of the end of the reporting period and included in “Financial income” or “Financial expenses” in the Condensed Interim Consolidated Statement of Profit or Loss.

2 Gains (losses) in other comprehensive income are related to financial assets measured at fair value through other comprehensive income as of the end of the reporting period and included in “Changes in fair value of financial assets measured at fair value through other comprehensive income” in the Condensed Interim Consolidated Statement of Comprehensive Income.

3 Decrease due to transfer for the six months ended Sept. 30, 2024 is caused by transfer to level 1 upon listing of unlisted stocks on a stock exchange.

10. Contingent liabilities

There were no significant events as of September 30, 2024.

11. Subsequent events

Transfer of a portion of shares of Mitsubishi Electric Logistics Corporation

On October 1, 2024, the Company transferred 66.6 percent of the common shares of Mitsubishi Electric Logistics Corporation (currently MD LOGIS CORPORATION), which was its consolidated subsidiary, to SEINO HOLDINGS CO., LTD.

Upon the transfer, MD LOGIS CORPORATION has become an affiliate of the Company accounted for using the equity method and the Company expects to record both a realized gain for the shares transferred and a remeasurement gain based on the fair value of the shares the Company will continue to hold after the transfer as operating income for the fiscal year ending March 31, 2025. The amount is under calculation and has not been finalized at present.

12. Approval of the condensed interim consolidated financial statements

The condensed interim consolidated financial statements were approved by Kei Uruma, President & CEO, on November 8, 2024.

2 【Other】

(1) The Company decided to pay the dividend of ¥30 per share (a total of ¥62,702,421,720) to the shareholders registered or recorded in the shareholder register as of March 31, 2024, by the resolution of the Board of Directors meeting held on May 9, 2024.

The Company decided to pay the dividend of ¥20 per share (a total of ¥41,613,765,780) to the shareholders registered or recorded in the shareholder register as of September 30, 2024, by the resolution of the Board of Directors meeting held on October 31, 2024.

(2) Other

Not applicable.

Independent Auditor's Interim Review Report on Interim Consolidated Financial Statements

November 8, 2024

Kei Uruma
President & CEO
Mitsubishi Electric Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Kensuke Sodekawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yukihiko Ishiguro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kazuaki Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Conclusion

We have reviewed the accompanying condensed interim consolidated financial statements of Mitsubishi Electric Corporation (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) provided in the “Financial Information” section in the Semi-annual Securities Report, which comprise the condensed interim consolidated statement of financial position as at September 30, 2024, the condensed interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the condensed interim consolidated financial statements, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2024, and its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with IAS 34, ‘Interim Financial Reporting’ pursuant to the Article 312 of ‘the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements’.

Basis for Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Review of the Condensed Interim Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our review of the condensed interim consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management and the Audit Committee for the Condensed Interim Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the condensed interim consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting', and for such internal control as management determines is necessary to enable the preparation of the condensed interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed interim consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with paragraph 4 of IAS 1, 'Presentation of Financial Statements' and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the officers and directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Condensed Interim Consolidated Financial Statements

Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review in our interim review report on interim consolidated financial statements.

As part of our review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.

Conclude, based on the evidence obtained, that nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements do not present fairly in accordance with paragraph 4 of IAS 1, 'Presentation of Financial Statements', if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our interim review report on interim consolidated financial statements to the related disclosures in the condensed interim consolidated financial statements or, if such disclosures are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our interim review report on interim consolidated financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate that nothing has come to our attention that causes us to believe that the presentation and disclosures in the condensed interim consolidated financial statements are not in accordance with IAS 34 'Interim Financial Reporting', the overall presentation, structure and content of the condensed interim consolidated financial statements, including the disclosures, and that nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing a conclusion on the condensed interim consolidated financial statements. We are responsible for the direction, supervision and review of the interim review on the condensed interim consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with the audit committee regarding, the planned scope and timing of the review, significant review findings that we identify during our review.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Interim Review Report:

The Independent Auditor's Interim Review Report herein is the English translation of the Independent Auditor's Interim Review Report on Interim Consolidated Financial Statements as required by the Financial Instruments and Exchange Act of Japan.