1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
FY23: Revenue ¥5,003.6bn (+¥526.9bn YoY), Operating Profit ¥262.3bn (+¥10.3bn YoY)

- Revenue achieved a new record high due primarily to the impact of the weaker yen and an increase in demand for the mass production businesses.
- Profit increased (YoY) due primarily to the impact of the weaker yen, an increase in revenue and price hike, despite the rise in some material prices and high logistics costs.

FY24 forecast: Revenue ¥5,200.0bn (+¥196.3bn YoY), Operating Profit ¥330.0bn (+¥67.6bn YoY)

- Revenue and profit are expected to increase (YoY) due primarily to an increase in demand for the mass production businesses mainly in air conditioning systems & home products and the impact of price hike in each business, although there is an uncertainty about monetary tightening in various countries and regions, and an increase in geopolitical risks.
- Revenue and profit are expected to achieve new record highs.

Resolved to repurchase of company shares (Purchase limit ¥50.0bn)
1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
In the U.S., the economy continued to see recovery in the corporate and household sectors.

In China, there was downward pressure due to the impact of movement restrictions caused by the expansion of COVID-19, and the subsequent recovery was only moderate.

In Japan, gradual recovery continued primarily in the household sector.

In Europe, the paces of recovery were even slower in the corporate and household sectors.

### Foreign Exchange Rates

<table>
<thead>
<tr>
<th>Currency</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>¥113</td>
<td>¥136</td>
</tr>
<tr>
<td>EUR</td>
<td>¥131</td>
<td>¥142</td>
</tr>
<tr>
<td>CNY</td>
<td>¥17.7</td>
<td>¥19.7</td>
</tr>
</tbody>
</table>
1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY23</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billions of yen</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>4,476.7</td>
<td>5,003.6</td>
<td>+526.9</td>
</tr>
<tr>
<td>Operating profit</td>
<td>252.0</td>
<td>262.3</td>
<td>+10.3</td>
</tr>
<tr>
<td>%</td>
<td>5.6%</td>
<td>5.2%</td>
<td>-0.4pt</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>279.6</td>
<td>292.1</td>
<td>+12.4</td>
</tr>
<tr>
<td>Net profit attributable to Mitsubishi Electric Corp. stockholders</td>
<td>203.4</td>
<td>213.9</td>
<td>+10.4</td>
</tr>
</tbody>
</table>
Factors Leading to Changes in Revenue and Operating Profit (FY22 → FY23)

### Revenue

- **Revenue**: 4,476.7
  - **Exchange rate fluctuation**: +270.0
  - **Price hike**: +87.0
  - **Volume changes, etc.**: +169.9
  - **Total**: 5,003.6

### Operating Profit

- **Operating Profit**: 252.0
  - **Exchange rate fluctuation**: +83.0
  - **Price hike**: +87.0
  - **Volume changes, etc.**: -45.7 (*)
  - **Investment**: -34.0
  - **Material prices**: -80.0
  - **Total**: 262.3

(*) Breakdown: rise in electronic components prices -37.0, logistics costs -27.0, components shortage -17.0, lower profitability in defense & space systems business -14.0, others +49.3 (including gain on sales of land +24.0, impairment losses on the fixed assets -20.9)
## Consolidated Statement of Profit or Loss

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY23</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Billions of yen</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>4,476.7</td>
<td>5,003.6</td>
<td>+526.9</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>3,212.2</td>
<td>3,596.7</td>
<td>+384.5</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>1,013.6</td>
<td>1,147.9</td>
<td>+134.3</td>
</tr>
<tr>
<td>Other profit (loss)</td>
<td>1.1</td>
<td>3.4</td>
<td>+2.2</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>252.0</td>
<td>262.3</td>
<td>+10.3</td>
</tr>
<tr>
<td>Financial income/expenses</td>
<td>9.2</td>
<td>8.0</td>
<td>-1.2</td>
</tr>
<tr>
<td>Share of profit of investments accounted for using the equity method</td>
<td>18.4</td>
<td>21.8</td>
<td>+3.3</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>279.6</td>
<td>292.1</td>
<td>+12.4</td>
</tr>
<tr>
<td>Income taxes</td>
<td>61.8</td>
<td>67.2</td>
<td>+5.4</td>
</tr>
<tr>
<td>Net profit</td>
<td>217.8</td>
<td>224.9</td>
<td>+7.0</td>
</tr>
<tr>
<td>Net profit attributable to Mitsubishi Electric Corp. Stockholders</td>
<td>203.4</td>
<td>213.9</td>
<td>+10.4</td>
</tr>
<tr>
<td>Billions of yen</td>
<td>As of March 31, 2022</td>
<td>As of March 31, 2023</td>
<td>Change from March 31, 2022</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Total assets</td>
<td>5,107.9</td>
<td>5,582.5</td>
<td>+474.5</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>727.1</td>
<td>645.8</td>
<td>-81.3</td>
</tr>
<tr>
<td>Trade receivables and contract assets</td>
<td>1,232.1</td>
<td>1,346.9</td>
<td>+114.8</td>
</tr>
<tr>
<td>Inventories</td>
<td>959.6</td>
<td>1,209.2</td>
<td>+249.5</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>855.7</td>
<td>896.3</td>
<td>+40.5</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,010.5</td>
<td>2,219.2</td>
<td>+208.7</td>
</tr>
<tr>
<td>Bonds and borrowings</td>
<td>217.1</td>
<td>252.2</td>
<td>+35.0</td>
</tr>
<tr>
<td>%</td>
<td>4.3%</td>
<td>4.5%</td>
<td>+0.2pt</td>
</tr>
<tr>
<td>Total equity</td>
<td>3,097.3</td>
<td>3,363.2</td>
<td>+265.8</td>
</tr>
<tr>
<td>Mitsubishi Electric Corp. stockholders’ equity</td>
<td>2,975.9</td>
<td>3,239.0</td>
<td>+263.0</td>
</tr>
<tr>
<td>%</td>
<td>58.3%</td>
<td>58.0%</td>
<td>-0.3pt</td>
</tr>
</tbody>
</table>
## Consolidated Statement of Cash Flows

<table>
<thead>
<tr>
<th>Billions of yen</th>
<th>FY22</th>
<th>FY23</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>282.3</td>
<td>166.7</td>
<td>-115.6</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>-114.8</td>
<td>-148.5</td>
<td>-33.6</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>167.5</td>
<td>18.1</td>
<td>-149.3</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>-241.3</td>
<td>-119.5</td>
<td>+121.7</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>727.1</td>
<td>645.8</td>
<td>-81.3</td>
</tr>
</tbody>
</table>
Consolidated Financial Results by Business Segment

Revenue

Billions of yen

FY22
Infrastructure
Industry and Mobility
Life
Business Platform
Others
Eliminations and Corporate
FY23
4,476.7
+27.0
+179.4
+274.0
+46.4
+98.7
-98.8
5,003.6

Operating Profit

Billions of yen

FY22
Infrastructure
Industry and Mobility
Life
Business Platform
Others
Eliminations and Corporate
FY23
252.0
-14.0
-0.5
+8.6
+13.4
+4.7
-1.9
262.3

Notes: Business segments have been changed on April 1, 2022. Gain on sales of land within other profit (loss) presented in the ‘Consolidated Statement of Profit or Loss’ is allocated to each segment.
Consolidated Financial Results: Infrastructure

**Public Utility Systems (YoY +¥12.4bn)**
- The market saw robust investment in the public utility area worldwide, while there was a continuing trend of railway companies in Japan revising their capital expenditures due to the impact of COVID-19.
- Orders increased YoY due primarily to an increase in the public utility area worldwide. Revenue also increased YoY due to the weaker yen and an increase in the public utility area outside Japan.

**Energy Systems (YoY +¥3.4bn)**
- The market continued to see capital expenditures of power companies in Japan and robust demand for power supply stabilization worldwide in the expansion of renewable energy.
- Orders increased YoY due primarily to increases in the power distribution business in Japan and the power generation business outside Japan. Revenue remained substantially unchanged.

**Defense & Space Systems (YoY +¥11.1bn)**
- The business saw an increase in orders YoY due primarily to an increase in large-scale projects for the space systems business, while revenue increased YoY due mainly to an increase in large-scale projects for the defense systems business.

**Operating Profit (YoY -¥14.0bn)**
- Decreased YoY due primarily to a shift in project portfolios and lower profitability in the defense & space systems business.

---

Notes: Business segments have been changed on April 1, 2022. Results for FY22 were restated in line with the new segmentation.
**Factory Automation Systems (YoY +¥67.6bn)**
- The market saw a decrease in demand for digital equipment such as smartphones and semiconductors, while there was robust demand primarily for capital expenditures related to products in the decarbonization area such as lithium-ion batteries.
- Orders decreased YoY due primarily to a temporary slowdown in demand for digital equipment, while the revenue increased YoY due mainly to the weaker yen and an increase in demand for products in the decarbonization area.

**Automotive Equipment (YoY +¥111.7bn)**
- The market saw a YoY increase in sales of new cars and robust demand for electric vehicle-related equipment in line with the expansion of the electric vehicle market, despite the semiconductor shortage.
- The business saw increases in both orders and revenue YoY due primarily to the weaker yen and increases in electric vehicle-related equipment such as motors and inverters as well as electrical components.

**Operating Profit (YoY -¥0.5bn)**
- The factory automation systems business increased YoY due primarily to an increase in revenue and the weaker yen, while the automotive equipment business decreased due primarily to the rise in material prices and logistics costs as well as the recognition of an impairment losses on the fixed assets. As a result, operating profit for this segment decreased.
Revenue (YoY +¥274.0bn)

Building Systems (YoY +¥58.1bn)
- The market continued to see recovery from the slowdown stemming from COVID-19.
- The business saw increases in both orders and revenue YoY due primarily to the weaker yen and increases in Asia and Japan.

Air Conditioning Systems & Home Products (YoY +¥215.9bn)
- The market saw an improvement of the situation with regard to the electronic components shortage in and after the second quarter.
- The business saw an increase in revenue YoY due mainly to the weaker yen and an increase in air conditioners in Europe, Japan and North America.

Operating Profit (YoY +¥8.6bn)
- Increased YoY due primarily to an increase in revenue and the weaker yen, despite the rise in material prices and logistics costs as well as lower production level in the first quarter.

Notes: Business segments have been changed on April 1, 2022. Results for FY22 were restated in line with the new segmentation.
Information Systems & Network Service (YoY +¥6.3bn)
- The market saw robust demand due mainly to the restarts of projects delayed in the COVID-19 pandemic, despite the semiconductor shortage.
- The business saw an increase in both orders and revenue YoY due mainly to increases in the system integrations and the IT infrastructure service businesses.

Semiconductor & Device (YoY +¥40.1bn)
- The market saw robust demand for power modules used in consumer and industrial applications.
- Orders decreased YoY as the trend of customers securing power modules for the future settled down and there was an impact of the end of the TFT-LCD module business. Revenue increased YoY due primarily to the weaker yen, and increases in power modules used in consumer and industrial applications.

Operating Profit (YoY +¥13.4bn)
- Increased due mainly to an increase in revenue and the weaker yen.

Notes: Business segments have been changed on April 1, 2022. Results for FY22 were restated in line with the new segmentation.
## Revenue by Location of Customers

### Billions of yen

<table>
<thead>
<tr>
<th>Location</th>
<th>FY22</th>
<th>FY23</th>
<th>YoY</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>2,332.4</td>
<td>2,467.0</td>
<td>+134.6</td>
<td>106%</td>
</tr>
<tr>
<td>Overseas</td>
<td>2,144.3</td>
<td>2,536.6</td>
<td>+392.3</td>
<td>118%</td>
</tr>
<tr>
<td>North America</td>
<td>461.9</td>
<td>625.5</td>
<td>+163.6</td>
<td>135%</td>
</tr>
<tr>
<td>China</td>
<td>588.8</td>
<td>583.6</td>
<td>-5.2</td>
<td>99%</td>
</tr>
<tr>
<td>Asia (excl. China)</td>
<td>526.0</td>
<td>635.2</td>
<td>+109.1</td>
<td>121%</td>
</tr>
<tr>
<td>Europe</td>
<td>495.3</td>
<td>607.8</td>
<td>+112.5</td>
<td>123%</td>
</tr>
<tr>
<td>Others</td>
<td>72.1</td>
<td>84.3</td>
<td>+12.2</td>
<td>117%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,476.7</td>
<td>5,003.6</td>
<td>+526.9</td>
<td>112%</td>
</tr>
</tbody>
</table>
1 Consolidated Financial Results For Fiscal 2023
   1-1 Key Points
   1-2 Economic Environment
   1-3 FY23 Financial Results
   1-4 FY24 Forecast
   1-5 Supplementary Materials
   1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
## FY24 Forecast

<table>
<thead>
<tr>
<th></th>
<th>FY23</th>
<th>FY24 Forecast</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Billions of yen</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>5,003.6</td>
<td>5,200.0</td>
<td>104%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>262.3</td>
<td>330.0</td>
<td>126%</td>
</tr>
<tr>
<td>%</td>
<td>5.2%</td>
<td>6.3%</td>
<td>-</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>292.1</td>
<td>355.0</td>
<td>122%</td>
</tr>
<tr>
<td>Net profit attributable to Mitsubishi Electric Corp. stockholders</td>
<td>213.9</td>
<td>260.0</td>
<td>122%</td>
</tr>
<tr>
<td><strong>Foreign exchange rates</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>¥136</td>
<td>¥125</td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>¥142</td>
<td>¥135</td>
<td></td>
</tr>
<tr>
<td>CNY</td>
<td>¥19.7</td>
<td>¥18.5</td>
<td></td>
</tr>
</tbody>
</table>
Factors Leading to Changes in Revenue and Operating Profit Factors (FY23→FY24 Forecast)

### Revenue

- **FY23**
  - Exchange rate fluctuation: -170.0
  - Price hike: +110.0
- **FY24 (Forecast)**
  - Total: 5,200.0
  - Volume changes, etc.: +256.4

### Operating Profit

- **FY23**
  - Exchange rate fluctuation: -53.0
  - Price hike: +110.0
- **FY24 Forecast**
  - Total: 330.0
  - R&D, Depreciation, IT Investment: +62.7
  - Investment: -52.0
1 Consolidated Financial Results For Fiscal 2023
   1-1 Key Points
   1-2 Economic Environment
   1-3 FY23 Financial Results
   1-4 FY24 Forecast
   1-5 Supplementary Materials
   1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
## Revenue and Operating Profit by Segment

<table>
<thead>
<tr>
<th>Billions of yen</th>
<th>FY22</th>
<th>FY23</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td>Operating profit (loss)</td>
<td>%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>946.1</td>
<td>41.5</td>
<td>4.4%</td>
</tr>
<tr>
<td>Public Utility Systems</td>
<td>383.3</td>
<td>15.3</td>
<td>4.0%</td>
</tr>
<tr>
<td>Energy Systems</td>
<td>327.5</td>
<td>23.1</td>
<td>7.1%</td>
</tr>
<tr>
<td>Defense &amp; Space Systems</td>
<td>235.1</td>
<td>3.0</td>
<td>1.3%</td>
</tr>
<tr>
<td>Industry and Mobility</td>
<td>1,480.8</td>
<td>96.4</td>
<td>6.5%</td>
</tr>
<tr>
<td>Factory Automation Systems</td>
<td>776.1</td>
<td>128.0</td>
<td>16.5%</td>
</tr>
<tr>
<td>Automotive Equipment</td>
<td>704.6</td>
<td>-31.5</td>
<td>-4.5%</td>
</tr>
<tr>
<td>Life</td>
<td>1,673.0</td>
<td>92.6</td>
<td>5.5%</td>
</tr>
<tr>
<td>Building Systems</td>
<td>527.8</td>
<td>21.8</td>
<td>4.1%</td>
</tr>
<tr>
<td>Air Conditioning Systems &amp; Home Products</td>
<td>1,145.1</td>
<td>70.8</td>
<td>6.2%</td>
</tr>
<tr>
<td>Business Platform</td>
<td>382.8</td>
<td>26.4</td>
<td>6.9%</td>
</tr>
<tr>
<td>Information Systems &amp; Network Service</td>
<td>141.4</td>
<td>9.6</td>
<td>6.8%</td>
</tr>
<tr>
<td>Semiconductor &amp; Device</td>
<td>241.4</td>
<td>16.8</td>
<td>7.0%</td>
</tr>
<tr>
<td>Others</td>
<td>737.3</td>
<td>26.7</td>
<td>3.6%</td>
</tr>
<tr>
<td>Eliminations and corporate</td>
<td>-743.4</td>
<td>-31.8</td>
<td>-</td>
</tr>
<tr>
<td>Consolidated Total</td>
<td>4,476.7</td>
<td>252.0</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

Notes: Business segments have been changed on April 1, 2022. Results for FY22 were restated in line with the new segmentation.
## Revenue and Operating Profit by Segment (Forecast)

<table>
<thead>
<tr>
<th></th>
<th>FY23 Revenue</th>
<th>FY23 Operating profit (loss)</th>
<th>FY24 Forecast Revenue</th>
<th>FY24 Forecast Operating profit (loss)</th>
<th>YoY Revenue</th>
<th>YoY Operating profit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure</strong></td>
<td>973.1</td>
<td>27.5</td>
<td>1,010.0</td>
<td>21.0</td>
<td>+36.8</td>
<td>-6.5</td>
</tr>
<tr>
<td><strong>Public Utility Systems</strong></td>
<td>395.7</td>
<td>13.0</td>
<td>420.0</td>
<td>11.0</td>
<td>+24.2</td>
<td>-2.0</td>
</tr>
<tr>
<td><strong>Energy Systems</strong></td>
<td>331.0</td>
<td>22.0</td>
<td>320.0</td>
<td>8.0</td>
<td>-11.0</td>
<td>-14.0</td>
</tr>
<tr>
<td><strong>Defense &amp; Space Systems</strong></td>
<td>246.3</td>
<td>-7.5</td>
<td>270.0</td>
<td>2.0</td>
<td>+23.6</td>
<td>+9.5</td>
</tr>
<tr>
<td><strong>Industry and Mobility</strong></td>
<td>1,660.2</td>
<td>95.9</td>
<td>1,740.0</td>
<td>144.0</td>
<td>+79.7</td>
<td>+48.0</td>
</tr>
<tr>
<td><strong>Factory Automation Systems</strong></td>
<td>843.8</td>
<td>142.2</td>
<td>890.0</td>
<td>143.0</td>
<td>+46.1</td>
<td>+0.7</td>
</tr>
<tr>
<td><strong>Automotive Equipment</strong></td>
<td>816.4</td>
<td>-46.2</td>
<td>850.0</td>
<td>1.0</td>
<td>+33.5</td>
<td>+47.2</td>
</tr>
<tr>
<td><strong>Life</strong></td>
<td>1,947.1</td>
<td>101.2</td>
<td>2,110.0</td>
<td>153.0</td>
<td>+162.8</td>
<td>+51.7</td>
</tr>
<tr>
<td><strong>Building Systems</strong></td>
<td>586.0</td>
<td>29.8</td>
<td>610.0</td>
<td>43.0</td>
<td>+23.9</td>
<td>+13.1</td>
</tr>
<tr>
<td><strong>Air Conditioning Systems &amp; Home Products</strong></td>
<td>1,361.1</td>
<td>71.4</td>
<td>1,500.0</td>
<td>110.0</td>
<td>+138.8</td>
<td>+38.5</td>
</tr>
<tr>
<td><strong>Business Platform</strong></td>
<td>429.3</td>
<td>39.9</td>
<td>430.0</td>
<td>23.0</td>
<td>+0.6</td>
<td>-16.9</td>
</tr>
<tr>
<td><strong>Information Systems &amp; Network Service</strong></td>
<td>147.7</td>
<td>10.7</td>
<td>160.0</td>
<td>9.0</td>
<td>+12.2</td>
<td>-1.7</td>
</tr>
<tr>
<td><strong>Semiconductor &amp; Device</strong></td>
<td>281.5</td>
<td>29.2</td>
<td>270.0</td>
<td>14.0</td>
<td>-11.5</td>
<td>-15.2</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>836.0</td>
<td>31.4</td>
<td>800.0</td>
<td>22.0</td>
<td>-36.0</td>
<td>-9.4</td>
</tr>
<tr>
<td><strong>Eliminations and corporate</strong></td>
<td>-842.2</td>
<td>-33.8</td>
<td>-890.0</td>
<td>-33.0</td>
<td>-47.7</td>
<td>+0.8</td>
</tr>
<tr>
<td><strong>Consolidated Total</strong></td>
<td>5,003.6</td>
<td>262.3</td>
<td>5,200.0</td>
<td>330.0</td>
<td>+196.3</td>
<td>+67.6</td>
</tr>
</tbody>
</table>

**Notes:** Following the management restructure effective April 1, 2023, the classification of reportable segment of Business Platform will be changed and presented to 2 segments such as Business Platform and Semiconductor & Device from the first quarter of FY24. Also, some businesses that were previously included in the Information Systems & Network Service of Business Platform will be reclassified and presented in Others due to the organizational restructure. In addition, forecast for FY24 will be reclassified and restated in the new classification.
1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
Restructure Automotive-equipment Business

To simplify the decision-making process and conduct more speedy business operations in the midst of rapid shifts in industrial structure, including CASE(*), we aim to spin off its automotive-equipment business in order to improve operational efficiency and restructure the business portfolio for greater profitability.

1. Electrification and advanced driver-assistance systems (ADAS):
   Aiming for growth through collaboration with excellent partners that offer various synergies

2. Businesses where strengths such as electric power steering system products can be utilized:
   Focus on projects with potential profitability by driving cost reductions and efficiencies

3. Businesses with issues:
   Plan to promptly discontinue problematic automotive-equipment businesses, such as car multimedia

(*) “CASE” is an acronym for “Connected”, “Autonomous”, “Shared & Service” and “Electric”, the words that describe mobility transformation.
Double previous 5-year investment plan\(^{(1)}\) to some 260 billion yen through March 2026 in Power Semiconductor Business. Boost growth with SiC\(^{(2)}\) power semiconductor from FY27 onwards, in addition to Si, in response to market expansion.

---

### Capital Investment in SiC Power Semiconductor Business

**Progressing as planned for the medium-term plan**

- **SiC sales ratio >30%**
- **Expand strategic products (mainly on automotive and consumer)**
- **Accelerate growth with SiC**
- **SiC sales ratio**
- **Expand strategic products (mainly on automotive and consumer)**

### Production-related investment plan

- ** Previous Additional**
  - **Production capacity: approx. 5 times (FY23→FY27)**
    - 200mm: construct a new wafer plant in Kumamoto (Shisui) area, achieve cutting-edge energy efficiency and automation (start in FY27)
    - 150mm: enhance existing production facilities
  - **Production capacity: approx. 2 times (FY21→FY26)**
    - 300mm: start large-diameter line operation from FY25 at Fukuyama Factory
    - 200mm: constructed a line with improved production efficiency at Fukuyama Factory

### Revenue

- **¥179.0bn**
- **¥210.0bn**
- **¥240.0bn**

- **SiC**
- **Si**

### Capital Investment in SiC Power Semiconductor Business

- Double previous 5-year investment plan\(^{(1)}\) to some 260 billion yen through March 2026 in Power Semiconductor Business.
- Boost growth with SiC\(^{(2)}\) power semiconductor from FY27 onwards, in addition to Si, in response to market expansion.

\(^{(1)}\) Previous plan: some 130 billion yen  
\(^{(2)}\) SiC: silicon carbide
**Cash generation**

- Adjusted operating CF
- Sales of non-business assets

No cross-shareholdings in principle
Sales of cross-shareholdings (FY22-23) ¥57.0bn

**Capital Allocation**

- Capital investment
- Shareholder returns

Resolved to repurchase of company shares in FY24 (Purchase limit ¥50.0bn)

**Medium-term Management Plan** (Capital Allocation from FY22-26)

- Adjusted operating CF/Sale of non-business assets ¥3.4tn
- Growth investment, etc ¥2.8tn
- Shareholder returns ¥0.6tn

**Buybacks**

<table>
<thead>
<tr>
<th>Term</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY22</td>
<td>¥50.0bn</td>
</tr>
<tr>
<td>FY24 (Scheduled)</td>
<td>¥50.0bn</td>
</tr>
</tbody>
</table>
1 Consolidated Financial Results For Fiscal 2023

1-1 Key Points
1-2 Economic Environment
1-3 FY23 Financial Results
1-4 FY24 Forecast
1-5 Supplementary Materials
1-6 Portfolio Strategy

2 Introduction of Business Area (BA)
Support future manufacturing with our core components and digital technologies

Strengthen value proposition of core components to globally growing industries

Grow and expansion with partners who are expected to create synergies in the CASE area

Review the business portfolio to focus on areas with strengths that address changes in the business environment

Industry

- Contribute to technological innovation
- Realize next-generation manufacturing
- Solve labor shortages and skills loss

Mobility

- Contribute to carbon neutral
- Provide comfortable mobility opportunities
- Eliminate traffic accidents

Real-time control
Power electronics technologies
Motor technologies
High fill-factor coil winding technology
Monitoring technologies

Contribute to technological innovation
Realize next-generation manufacturing
Solve labor shortages and skills loss
Contribute to carbon neutral
Provide comfortable mobility opportunities
Eliminate traffic accidents
Real-time control
Power electronics technologies
Motor technologies
High fill-factor coil winding technology
Monitoring technologies
# Strengths and Business Strategies

## Our strengths

### Common to Industry and Mobility BA
- Synergy of core drive & control technologies and the in-house production of key parts

### Factory Automation Systems
- **Core components**\* that meet the needs of cutting-edge customers
  \*Programmable controllers, Servos and CNC
- Footprint in over 90 countries around the world **delivers a global sales and service network**
- Ability to meet various customers needs by utilizing an ecosystem of partners

### Automotive Equipment
- **Motor & inverter technologies** that contribute to automotive electrification
- **Know-how of high-speed automated mass production, miniaturization of technology products, and global supply** that meets the needs of the global automotive industry
- **Software development capabilities** that can be applied to various use cases

## Business strategies

### Utilize mass-production technologies developed by the Automotive Equipment business
- Utilize high-speed automated mass-production technologies developed by the Automotive Equipment business
  - **Enhance global supply capacity of core components** by leveraging manufacturing & development bases both in Japan and abroad

### Utilize both software capabilities and extensive design & production experience
- **Address diverse manufacturing issues** by leveraging know-how through **accelerating digital twin use** and solution development
Infrastructure
## Strengths and Business Strategies

### Our strengths

<table>
<thead>
<tr>
<th>Global customer/installation base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public utilities</td>
</tr>
<tr>
<td><strong>Energy</strong></td>
</tr>
</tbody>
</table>

**Facility**

Abnormal signals detection, operation and maintenance of entire facility

**Strong system & plant engineering capabilities accumulated through large-scale projects**

World’s top-level components/cutting-edge technologies

- Elevators
- HVAC
- PLC
- Control technology
- Power trade

### Business strategies

**Create Integrated Solutions that generate cross-business synergies**

**Synergy**

**E&F Solution business**

- Realize full-scope offering of Mitsubishi Electric’s wide variety of components, products, and solutions through leveraging our engineering capabilities
- Offer new value to customer by applying digital technologies
  - Become a Circular Digital-Engineering Company

**Allocate resources intensively to growing businesses**

- Invest concentratedly in components for decarbonization related business
  - Develop organically and form strategic alliance for renewable energy-related components
- Allocate resources intensively to Defense & Space business
  - Strengthen development capability and expand production capacity through drastic resource shifting
  - Leverage strategic partnership
## The Ideal Form

### E&F Solution Business

<table>
<thead>
<tr>
<th>Social challenges</th>
<th>Business strategies</th>
<th>Key Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>Allocate resources intensively to growing businesses</td>
<td>New value offering to customer</td>
</tr>
<tr>
<td>Carbon neutral</td>
<td>Create Integrated Solutions that generate cross-business synergies</td>
<td>Consulting service</td>
</tr>
<tr>
<td>Safety/Security</td>
<td>Develop decarbonization components/products</td>
<td>Data acquisition &amp; analysis</td>
</tr>
<tr>
<td>Facility</td>
<td>Enhance Defense &amp; Space business</td>
<td>O&amp;M service</td>
</tr>
</tbody>
</table>

- **Global customer/installation base**
- **Engineering capability**
- **Superior components**
- **Cutting-edge technologies**
- **Digital twin (DX)**

---

**BA’s Strengths**

- Energy: Carbon neutral, energy conservation and electrification
- Facility: Abnormal signals detection, operation and maintenance of entire facility

**Synergy**

**Circular Digital Engineering**

©Mitsubishi Electric Corporation
The Ideal Form

A solution provider that makes all sorts of spaces/environments comfortable
- Create, maintain and advance -

Green energy solution
- Energy conservation/electrification at facilities + Energy demand forecast and supply data
  - Demand response, Energy conversion
- Carbon neutral

Safe, secure and comfortable solution
- Operation data + Device sensing for abnormal signals prediction + Human sensory data + Data on flow of people
  - Lifeline maintenance, Personal space optimization
- Safety / Security
- Well-being

Buildings management solution
- Operation data management + Robot utilization + Data on flow of people
  - Lower lifecycle costs, Remote monitoring/control
- Energy conservation
- Higher efficiency

Enhanced components and systems utilized in a wide range of situations

HVAC & R *
Elevators & Escalators/buildings management systems
Infrastructure
Cloud infrastructure

*HVAC & R is an acronym for Heating, Ventilation, Air Conditioning & Refrigeration, standing for equipment and facilities relating to the foregoing.
Our strengths

(1) Broad-ranging equipment business enabling creation of environments
- HVAC & R (ultra low-GWP refrigerants, energy-efficient HP* technologies)
- Elevators & Escalators/buildings management systems (higher efficiency)
- DC power distribution systems, power receiving/transferring facilities (control technology)

(2) Safe and secure technologies and accumulated data
- Knowledge cultivated in field services
- Data obtained and accumulated from various facilities and knowledge in maintenance/operation/management
- Various system technologies

(3) Strong customer base and abundant assets
- Strong relationships with global business partners and sales/maintenance networks

*HP: Heat Pump

Business strategies

Growth strategies
- Evolve and expand Components business and Maintenance & Service business
- Develop into Integrated Solutions business, away from the one centered on facilities

Key initiatives
- Concentrate investment in HVAC & R and Building Systems businesses
- Establish a foundation for global business by enhancing systems for local production and consumption
- Expand and enhance our recurring revenue business

Pursue synergies
- Coordinate the service foundation for Building Systems business and the sales foundation for Air-Conditioning & Refrigeration business
- Collaborate with Infrastructure Business Area (BA) to “generate, transmit and utilize energy efficiently”
Business Platform
Strategy for Creating and Expanding Integrated Solutions

Business foundation for Circular Digital-Engineering

- **Business foundation for Circular Digital-Engineering**
  - Technology/service development PLATFORM
  - Highly skilled DX HUMAN RESOURCES
  - O&M SERVICES (Data Management, etc)

- **Integrated Solutions**
  - E&F Solution
  - OT* Security

- **Enhanced components**

- **Solving Social challenges**

- **DX Innovation Center(DIC)**
  - Established in Apr. 2023
  - Accelerate support for DX business promotion PJ
  - Develop/allocate DX human resources
  - Establish development methods and quality assurance of DX

- **Information Systems & Network Service Group**
  - Skills/processes for large-scale PM
  - Capability to develop large-scale systems

- **Corporate IT & Information Security Div.**
  - Operational DX Knowledge
  - Experience of development internal information systems
  - Experience of O&M Services

Create new value swiftly
Integrate and circulate internal/external data
Collaborate with partners


3. Provide O&M services for circulating data generated from Integrated Solutions, expanded from the conventional O&M services for the Information Systems & Network Service business

4. Solve various social challenges quickly by intensively allocating human resources to the above items 1. through 3.
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

Note: This document has been translated from Japanese original for reference purpose only. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.