

Dear Shareholders,

We wish to extend our sincere gratitude for your continued support.

We would like to reiterate our sincere apologies to all our shareholders for the impact of the series of improper quality control practices. We take the occurrence of this incident extremely seriously, and will make every effort to reform our corporate culture and restore trust by analyzing the causes and pursuing the root causes, while promoting reforms in three key areas of quality assurance, organizational culture and governance as our most important management issues.

Furthermore, the company and its employees will work together to steadily implement various measures toward the creation of a new Mitsubishi Electric Group.

For details, please refer to the materials posted on our Company's Website (<https://www.MitsubishiElectric.com/en/investors/meeting/>).

This document has been sent in order to notify you of the 151st Ordinary General Meeting of Shareholders, which will be convened on Wednesday, June 29, 2022.

Included in the material is an overview of Mitsubishi Electric's business operations during fiscal 2022 as well as a summary of its future initiatives.

June 2022

Kei Uruma, Director, President & CEO

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IMPORTANT NOTICE

The present Notice of Convocation and all of the attached materials are English translations of the original Japanese-language notice, which has been prepared in compliance with requirements under applicable Japanese laws, regulations and/or administrative ordinances. Please note that this English translation is published for the purposes of reference and convenience and UNDER NO CIRCUMSTANCES shall this English translation create any binding effect on Mitsubishi Electric Corporation; ONLY the Japanese original shall have effect on the exercise of shareholders' rights, and only to the extent secured under the laws of Japan. Also, Mitsubishi Electric Corporation makes no warranty of any nature as to the accuracy or preciseness of the present English translation of the Notice of Convocation.

(Stock Code: 6503)

June 1, 2022

To Our Shareholders

Mitsubishi Electric Corporation
2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Kei Uruma
Director, President & CEO

NOTICE OF CONVOCATION OF THE 151ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

The 151st Ordinary General Meeting of Shareholders of Mitsubishi Electric Corporation will be convened as described below.

In order to prevent the spread of the novel coronavirus disease (COVID-19) and also for your safety and security, we request our shareholders to carefully consider your decision to attend the General Meeting of Shareholders on the designated date.

You are requested to consider the attached reference materials and exercise your voting rights, **indicating your approval or disapproval of each of the proposals put forward for resolution, by no later than 5:30 PM (JST) on Tuesday, June 28, 2022.**

How to exercise voting rights	You can exercise your voting rights in writing or via the Internet. For details, please refer to pages 3-4, "Guidance for the Exercise of Voting Rights."
Live streaming/ questions in advance (available only in Japanese).	You can view the General Meeting of Shareholders via live streaming. We will also accept questions in advance
Measures to prevent the spread of COVID-19	Seating availability at the venue is limited in order to ensure spacing between seats. In addition, the venue, the start time, and other details may change depending on the status of COVID-19 infections. The Company's Website provides details about our measures to prevent infection. Please refer to them if you are attending the meeting in person (available only in Japanese).

Particulars

- Meeting Date and Time:** Wednesday, June 29, 2022 at 10:00 AM (entry begins at 9:00 AM)
- Meeting Venue:** Palace Hotel Tokyo, 2nd Floor "AOI"
1-1-1 Marunouchi, Chiyoda-ku, Tokyo
- Meeting Agenda:**
Tabling of Reports
Tabling of the Business Report, Consolidated and Non-Consolidated Financial Statements, Independent Auditor's Report and the Audit Committee's Report on Consolidated Financial Statements for the 151st fiscal year (from April 1, 2021 to March 31, 2022)
Matters for Resolution
Item 1 Partial Amendments to the Articles of Incorporation
Item 2 The Election of Twelve (12) Directors

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- Shareholders attending the meeting on June 29, 2022 are requested to submit the enclosed Voting Rights Exercise Form at the front desk of the meeting venue.

2. The following items of the Business Report and Consolidated and Non-Consolidated Financial Statements are posted on the Company's Website (<https://www.MitsubishiElectric.com/en/investors/meeting/>) and therefore are not included in the Notice of Convocation of the 151st Ordinary General Meeting of Shareholders, in accordance with laws and Article 15 of Mitsubishi Electric's Articles of Incorporation.
 - (1) Summary of Systems Necessary to Ensure the Properness of Operations of the Company and the Status of the Management
 - (2) Consolidated Statement of Changes in Equity
 - (3) Notes to Consolidated Financial Statements
 - (4) Statement of Changes in Net Assets
 - (5) Notes to Financial StatementsStatements to be audited, including relevant notes to be disclosed on the Company's Website, have been duly audited by the Audit Committee and Independent Auditor.
3. Please kindly take note that amendments to reference materials, the Business Report and the Consolidated and Non-Consolidated Financial Statements will be posted on the Company's Website.

Guidance for the Exercise of Voting Rights

Please read the Reference Materials for the 151st Ordinary General Meeting of Shareholders (pages 5-19) before exercising your voting rights.

The three methods listed below are available for exercising your voting rights.

Attending the Ordinary General Meeting of Shareholders	Mail	The Internet
<p>Shareholders attending the meeting are requested to submit the enclosed Voting Rights Exercise Form at the front desk of the meeting venue.</p> <p>*Please be advised that people other than shareholders with voting rights, such as proxies of shareholders and people accompanying shareholders, will not be permitted to enter the meeting venue (except for people accompanying shareholders with disabilities).</p>	<p>Please complete and send back the enclosed Voting Rights Exercise Form indicating your approval or disapproval of each of the proposals put forward for resolution by the exercise deadline.</p>	<p>Please indicate your approval or disapproval of the agenda by the exercise deadline using the method provided in the following “Instructions for the Exercise of Voting Rights via the Internet.”</p>
<p>Meeting Date and Time</p> <p>Wednesday, June 29, 2022 at 10:00 AM (entry begins at 9:00 AM)</p>	<p>Exercise deadline</p> <p>The form must arrive at the Company by no later than 5:30 PM on Tuesday, June 28, 2022.</p>	<p>Exercise deadline</p> <p>No later than 5:30 PM on Tuesday, June 28, 2022</p>

Instructions for the Exercise of Voting Rights via the Internet

Method 1: Scanning the QR code

This method allows users to log in to the site for exercising voting rights without entering the Login ID and temporary password provided in the Voting Right Exercise Form.

1. Please scan the QR code provided on the bottom right of the Voting Right Exercise Form.
*The “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. After accessing the site for exercising voting rights, please follow the instructions provided on the screen to exercise your vote.

The Login QR code is for one-time use.

If you wish to re-exercise your voting rights, please review the following “Entering the Login ID and temporary password.”

Method 2: Entering the Login ID and temporary password

The site for exercising voting rights: <https://evote.tr.mufg.jp/>

1. Please access the site for exercising voting rights above from a personal computer or smartphone.
2. Please enter the Login ID and temporary password provided in the Voting Right Exercise Form. Click “Login” button.
3. Please register a new password.
4. Hereafter, please follow the instructions provided on the screen to exercise your vote.

- Shareholders shall bear the fees (Internet connection fees, communications fees, etc.) arising from accessing the site for exercising voting rights.
- Shareholders who use the site for exercising voting rights are requested to change their temporary password once they access the site to exercise their voting rights. Please understand that it is intended to prevent illegal access (i.e. impersonation by a third party) as well as the falsification of voting results.
- The Company will provide shareholders with new Login IDs and temporary passwords with each convocation notice of General Meeting of Shareholders.

Multiple Exercises of Voting Rights

- ▶ Please note that if your voting rights were exercised both in written form and via the Internet, the Internet vote shall take precedence.
- ▶ In instances where a shareholder exercises their voting rights more than once via the Internet, the very last vote cast shall take precedence. In instances where a shareholder exercises their voting rights more than once using a personal computer, smartphone, the very last vote cast shall take precedence.

For Institutional Investors

Institutional investors may use the Electronic Proxy Voting Platform for Institutional Investors operated by ICJ Inc.

Please direct queries to the Help Desk as shown below:

Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Department (Help Desk) Toll-free number (Japan only): 0120-173-027 Office hours: From 9:00 AM to 9:00 PM (JST)

Reference Materials for the 151st Ordinary General Meeting of Shareholders

Reference Items

Item 1: Partial Amendments to the Articles of Incorporation

The Company proposes to partially amend the Articles of Incorporation as follows.

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 15, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 15, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure of the reference materials for the general meeting of shareholders, etc. (Article 15 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

Current Articles of Incorporation	Proposed Amendments
<p>(Internet Disclosure of Reference Documents for the Shareholders Meeting, etc.)</p> <p>Article 15 The Company may, when convening the shareholders meeting, disclose information to be indicated or represented in reference documents for the shareholders meeting, business reports, financial statements, and consolidated financial statements through the Internet, as provided for in the applicable Ordinance of the Ministry of Justice, and this shall be deemed as a provision to the shareholders.</p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p>(Measures for Electronic Provisions, Etc.)</p> <p>Article 15 The Company may, when convening the shareholders meeting, provide information contained in the reference materials for the shareholders meeting, etc. electronically.</p> <p>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="213 174 764 212">Article 16 to Article 33 (Provisions omitted)</p> <p data-bbox="368 230 609 268">(Newly established)</p>	<p data-bbox="810 174 1273 212">Article 16 to Article 33 (No changes)</p> <p data-bbox="810 230 1136 268">Supplementary provisions</p> <ol data-bbox="810 286 1390 1243" style="list-style-type: none"> <li data-bbox="810 286 1390 786">1. The deletion of Article 15(Internet Disclosure of Reference Documents for the Shareholders Meeting, etc.) of the Articles of Incorporation before amendment and the new establishment of Article 15 (Measures for Electronic Provision, Etc.) after the amendment shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”). <li data-bbox="810 790 1390 1032">2. Notwithstanding the provisions of the preceding paragraph, Article 15 of the Articles of Incorporation before amendment shall remain in force with respect to the shareholders meeting to be held on a date within six months from the Effective Date. <li data-bbox="810 1037 1390 1243">3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the shareholders meeting set forth in the preceding paragraph, whichever is later.

(Reference) Notice of Electronic Provision System

In accordance with the revised Companies Act, the Company will adopt an electronic provision system from the General Meeting of Shareholders in March 2023. An electronic provision system is a system (mandatory adoption for listed companies) for providing materials* for general meetings of shareholders by notifying in writing the shareholders of the website address, etc., of the company's website where the meeting materials are posted.

*Reference materials for the general meeting of shareholders, business report, non-consolidated financial statements, consolidated financial statements, and audit report

- The Voting Rights Exercise Form will still be sent in writing as before, even after the launch of the system.
- Shareholders who wish to receive the meeting materials for the General Meeting of Shareholders in writing as before after the adoption of the electronic provision system will be required to submit a Request for Delivery of Documents. The procedures will begin on September 1, 2022. Further details will be announced in due course.

Item 2: The Election of Twelve (12) Directors

Of the 12 Directors elected at the Company's Ordinary General Meeting of Shareholders held on June 29, 2021, Messrs. Takeshi Sugiyama and Masaki Sakuyama resigned on July 28, 2021 and October 1, 2021, respectively. The terms of office with all other Directors (10 members) will expire at the end of this General Meeting of Shareholders. Therefore, Mitsubishi Electric Corporation is to submit an agenda item concerning the election of 12 Directors, including 7 Outside Directors, in line with a decision made by the Nomination Committee.

Going forward, if any person among the elected Directors is found to be lacking the qualifications as Director based on the reports of the Investigative Committee and the Governance Review Committee, the Company will consider appropriate measures to be taken for such Director.

Details of the candidates are as follows:

No.	Name	Current major positions and assignments at the Company	Status of attendance at Board of Directors' meetings
1	Mitoji Yabunaka (Reappointment) (Candidate for Outside Director) (Independent Director)	Chairman of the Board of Directors, Chairman of the Nomination Committee, Member of the Compensation Committee	100% (Twenty out of twenty meetings)
2	Hiroshi Obayashi (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Chairman of the Audit Committee, Member of the Nomination Committee	95% (Nineteen out of twenty meetings)
3	Kazunori Watanabe (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Chairman of the Compensation Committee, Member of the Audit Committee	100% (Twenty out of twenty meetings)
4	Hiroko Koide (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Member of the Nomination Committee, Member of the Compensation Committee	100% (Twenty out of twenty meetings)
5	Takashi Oyamada (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Member of the Nomination Committee, Member of the Audit Committee	100% (Twenty out of twenty meetings)
6	Tatsuro Kosaka (New Candidate) (Candidate for Outside Director) (Independent Director)	–	–
7	Hiroyuki Yanagi (New Candidate) (Candidate for Outside Director) (Independent Director)	–	–
8	Kei Uruma (Reappointment)	Director, Representative Executive Officer, President & CEO	100% (Twenty out of twenty meetings)
9	Tadashi Kawagoishi (Reappointment)	Director, Member of the Compensation Committee	100% (Twenty out of twenty meetings)
10	Kuniaki Masuda (Reappointment)	Director, Member of the Nomination Committee, Member of the Compensation Committee, Executive Officer, CFO (in charge of Accounting and Finance), CHRO (in charge of General Affairs and Human Resources)	100% (Seventeen out of seventeen meetings)
11	Jun Nagasawa (New Candidate)	Senior Advisor	–
12	Kunihiko Kaga (New Candidate)	Executive Officer, Auditing, CSO (in charge of Corporate Strategic Planning and Operations of Associated Companies), CTO (in charge of Technology Strategies)	–

Note:


Mitsubishi Electric Corporation held twenty Board of Directors' meetings during the fiscal year.


The status of attendance for Mr. Kuniaki Masuda is based on the number of the Board of Directors' meetings held after he assumed office on June 29, 2021.


Skill Matrix of the Candidates


The various skills possessed by the Directors are arranged into a matrix and disclosed as follows, with the aim of continuously improving the supervisory function that the Board of Directors of the Company is expected to fulfil.

	Corporate management and corporate strategies	Governance	Finance and accounting	Legal affairs and compliance	Human resources and human resources development	Global affairs	Engineering, manufacturing and R&D
Mitoji Yabunaka		○			○	○	
Hiroshi Obayashi		○		○	○		
Kazunori Watanabe		○	○		○		
Hiroko Koide	○	○			○	○	
Takashi Oyamada	○	○	○		○		
Tatsuro Kosaka	○	○				○	○
Hiroyuki Yanagi	○	○				○	○
Kei Uruma	○				○	○	
Tadashi Kawagoishi	○		○				
Kuniaki Masuda	○		○		○		
Jun Nagasawa	○	○		○			
Kunihiko Kaga	○						○

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
1	 <p>Mitoji Yabunaka (January 23, 1948)</p> <p>(Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings) (Period of Service: 10 years)</p>	<p>April 1969 Joined the Ministry of Foreign Affairs of Japan January 2008 Vice-Minister, Ministry of Foreign Affairs of Japan (Retired in August 2010) October 2010 Advisor, Nomura Research Institute, Ltd. (Retired in September 2017) June 2012 Director, Member of the Nomination Committee and Member of the Compensation Committee, Mitsubishi Electric Corporation June 2020 Director, Chairman of the Nomination Committee and Member of the Compensation Committee October 2021 Chairman of the Board of Directors, Chairman of the Nomination Committee and Member of the Compensation Committee (current position)</p> <p>Important concurrent positions: Visiting Professor, Ritsumeikan University Specially Appointed Professor, Osaka University (of which zero listed companies where Mr. Yabunaka serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Mr. Yabunaka's experience and insights as an expert in international affairs cultivated through the course of his career are highly beneficial to Mitsubishi Electric. Serving as Outside Director of the Company since June 2012, he has overseen the Company's business operations, and he is also currently serving as Chairman of the Board of Directors, Chairman of the Nomination Committee and Member of the Compensation Committee. The Company expects him to oversee the Company's business operations if he is reelected as Outside Director, by using a wide range of experience and insights especially in the fields of governance, human resources and human resources development, and global affairs at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Yabunaka as Outside Director. Mr. Yabunaka will also continue to serve as Chairman of the Board of Directors, Chairman of the Nomination Committee and Member of the Compensation Committee after his reelection.</p> <p>Violations of laws and regulations or the Articles of Incorporation of the Company or other companies in which the candidate for Outside Director concurrently serve as an officer During his term as an Outside Director of the Company, improper quality control practices were found at multiple manufacturing facilities of the Company. Mr. Yabunaka was unaware of these practices. However, he had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, he provides advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents.</p>	13,900

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
2	 <p>Hiroshi Obayashi (June 17, 1947)</p> <p>(Status of attendance at Board of Directors' meetings: 95% (Nineteen out of twenty meetings) (Period of Service: 9 years)</p>	<p>April 1972 Appointed as Public Prosecutor June 2006 Vice-Minister, Ministry of Justice of Japan July 2008 Superintending Prosecutor, Tokyo High Public Prosecutors Office June 2010 Appointed as the Prosecutor General (Retired in December 2010) March 2011 Attorney-at-law (current position) June 2013 Director, Member of the Nomination Committee and Member of the Audit Committee, Mitsubishi Electric Corporation June 2016 Director, Chairman of the Nomination Committee and Member of the Audit Committee June 2020 Director, Chairman of the Audit Committee and Member of the Nomination Committee (current position)</p> <p>Important concurrent positions: Attorney-at-law Outside Auditor, Daiwa Securities Co. Ltd. Outside Director, Audit & Supervisory Committee Member, NIPPON STEEL CORPORATION Outside Auditor, Japan Tobacco Inc. (of which two listed companies where Mr. Obayashi serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Mr. Obayashi's experience and insights cultivated through the course of his career as a lawyer (public prosecutor, attorney-at-law) are highly beneficial to Mitsubishi Electric. Serving as Outside Director of the Company since June 2013, he has overseen the Company's business operations, and he is also currently serving as Chairman of the Audit Committee and Member of the Nomination Committee. The Company expects him to oversee the Company's business operations if he is reelected as Outside Director, by using a wide range of experience and insights especially in the fields of governance, legal affairs and compliance, and human resources and human resources development at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Obayashi as Outside Director. Mr. Obayashi will also continue to serve as Chairman of the Audit Committee and Member of the Nomination Committee after his reelection.</p> <p>Violations of laws and regulations or the Articles of Incorporation of the Company or other companies in which the candidate for Outside Director concurrently serve as an officer During his term as an Outside Director of the Company, improper quality control practices were found at multiple manufacturing facilities of the Company. Mr. Obayashi was unaware of these practices. However, he had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, he provides advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents.</p>	14,900

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
3	 <p>Kazunori Watanabe (October 9, 1950)</p> <p>(Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings) (Period of Service: 7 years)</p>	<p>April 1975 Joined Showa Audit Corporation (currently Ernst & Young ShinNihon LLC)</p> <p>September 1978 Registered as a certified public accountant (current position)</p> <p>March 1980 Registered as a tax accountant (current position)</p> <p>May 2002 Partner, Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>August 2008 Executive Partner, Ernst & Young ShinNihon LLC (Retired in March 2010)</p> <p>March 2010 Chief, Kazunori Watanabe Certified Public Accountant & Tax Accountant Office (current position)</p> <p>June 2015 Director, Member of the Audit Committee and Member of the Compensation Committee, Mitsubishi Electric Corporation</p> <p>June 2020 Director, Chairman of the Compensation Committee and Member of the Audit Committee (current position)</p> <p>Important concurrent positions: Certified Public Accountant Tax Accountant Outside Corporate Auditor, BELLSYSTEM24 Holdings, Inc. (of which one listed company where Mr. Watanabe serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Mr. Watanabe's experience and insights as a certified public accountant cultivated over the course of his career are highly beneficial to Mitsubishi Electric. Serving as Outside Director of the Company since June 2015, he has overseen the Company's business operations, and he is also currently serving as Chairman of the Compensation Committee and Member of the Audit Committee. The Company expects him to oversee the Company's business operations if he is reelected as Outside Director, by using a wide range of experience and insights especially in the fields of governance, finance and accounting, and human resources and human resources development at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Watanabe as Outside Director. Mr. Watanabe will also continue to serve as Chairman of the Compensation Committee and Member of the Audit Committee after his reelection.</p> <p>Violations of laws and regulations or the Articles of Incorporation of the Company or other companies in which the candidate for Outside Director concurrently serve as an officer During his term as an Outside Director of the Company, improper quality control practices were found at multiple manufacturing facilities of the Company. Mr. Watanabe was unaware of these practices. However, he had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, he provides advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents.</p>	8,100

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
4	 <p>Hiroko Koide (August 10, 1957)</p> <p>(Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings) (Period of Service: 6 years)</p>	<p>May 1993 Joined Nippon Lever K.K. (currently Unilever Japan K.K.) April 2001 Director, Nippon Lever K.K. (Retired in March 2006) April 2006 Joined Masterfoods Ltd. (currently Mars Japan Limited) April 2008 Chief Operating Officer (COO), Mars Japan Limited (Retired in August 2010) November 2010 President and Director, Parfums Christian Dior Japon K.K. (Retired in January 2012) April 2013 Senior Vice President, Global Marketing, Newell Rubbermaid (U.S.) (currently Newell Brands Inc. (U.S.)) (Retired in February 2018) June 2016 Director, Member of the Nomination Committee and Member of the Compensation Committee, Mitsubishi Electric Corporation (current position) April 2018 Director, Vicela Japan Co., Ltd. (Retired in March 2019)</p> <p>Important concurrent positions: Outside Director, J-OIL MILLS, Inc. Outside Director, J. FRONT RETAILING Co., Ltd. (of which two listed companies where Ms. Koike serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Ms. Koide's experience and insights as a business specialist cultivated over the course of her career in international corporate management are highly beneficial to Mitsubishi Electric. Serving as Outside Director of the Company since June 2016, she has overseen the Company's business operations, and she is also currently serving as Member of the Nomination Committee and the Compensation Committee. The Company expects her to oversee the Company's business operations if she is reelected as Outside Director, by using a wide range of experience and insights especially in the fields of corporate management and corporate strategies, governance, human resources and human resources development, and global affairs at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Ms. Koide as Outside Director. Ms. Koide will also continue to serve as Member of the Nomination Committee and the Compensation Committee after her reelection.</p> <p>Violations of laws and regulations or the Articles of Incorporation of the Company or other companies in which the candidate for Outside Director concurrently serve as an officer During her term as an Outside Director of the Company, improper quality control practices were found at multiple manufacturing facilities of the Company. Ms. Koide was unaware of these practices. However, she had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, she provides advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents.</p>	13,400

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
5	 <p>Takashi Oyamada (November 2, 1955)</p> <p>(Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings) (Period of Service: 3 years)</p>	<p>April 1979 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2015 Director, Deputy President, Mitsubishi UFJ Financial Group, Inc.</p> <p>April 2016 President, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) (Retired in June 2017) and Director, Mitsubishi UFJ Financial Group, Inc. (Retired in June 2017)</p> <p>June 2017 Senior Advisor, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) (current position)</p> <p>June 2019 Director, Member of the Nomination Committee and Member of the Audit Committee, Mitsubishi Electric Corporation (current position)</p> <p>Important concurrent positions: Senior Advisor, MUFG Bank, Ltd. Outside Director, Isetan Mitsukoshi Holdings Ltd. Outside Director of the Board, Kyowa Kirin Co., Ltd. (of which two listed company where Mr. Oyamada serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Mr. Oyamada's experience and insights as a business specialist cultivated over the course of his career in bank management are highly beneficial to Mitsubishi Electric. Serving as Outside Director of the Company since June 2019, he has overseen the Company's business operations, and he is also currently serving as Member of the Nomination Committee and the Audit Committee. The Company expects him to oversee the Company's business operations if he is reelected as Outside Director, by using a wide range of experience and insights especially in the fields of corporate management and corporate strategies, governance, finance and accounting, and human resources and human resources development at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Oyamada as Outside Director. Mr. Oyamada will also continue to serve as Member of the Nomination Committee and the Audit Committee after his reelection.</p> <p>Violations of laws and regulations or the Articles of Incorporation of the Company or other companies in which the candidate for Outside Director concurrently serve as an officer During his term as an Outside Director of the Company, improper quality control practices were found at multiple manufacturing facilities of the Company. Mr. Oyamada was unaware of these practices. However, he had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, he provides advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents. In addition, MICARD Co., Ltd, a subsidiary of Isetan Mitsukoshi Holdings Ltd. for which Mr. Oyamada serves as an Outside Director, has received an Order for Action in 2019 and an Order for Payment of Surcharge in 2020 from the Consumer Affairs Agency, on the grounds of improper representation that infringes on the Act against Unjustifiable Premiums and Misleading Representations regarding service transactions in relation to credit cards supplied by the company. Mr. Oyamada assumed the position of Outside Director at a stage shortly before the issuance of the Order for Action. After his appointment, he took the necessary actions as an Outside Director to address this matter through deliberations at meetings of the Board of Directors, such as formulating measures to prevent recurrence in the group including the relevant company and its subsidiaries, and also working to ensure that all employees were informed and employee education was enhanced.</p>	6,000
6	 <p>Tatsuro Kosaka (January 18, 1953)</p>	<p>April 1976 Joined Chugai Pharmaceutical Co., Ltd.</p> <p>March 2012 Representative Director, President & COO of Chugai Pharmaceutical Co., Ltd.</p> <p>March 2018 Representative Director, President & CEO of Chugai Pharmaceutical Co., Ltd.</p> <p>March 2020 Representative Director, Chairman & CEO of Chugai Pharmaceutical Co., Ltd.</p> <p>March 2021 Representative Director, Chairman of Chugai Pharmaceutical Co., Ltd.</p> <p>March 2022 Senior Advisor of Chugai Pharmaceutical Co., Ltd. (current position)</p> <p>Important concurrent positions: Senior Advisor, Chugai Pharmaceutical Co., Ltd. (of which zero listed company where Mr. Kosaka serves as an officer concurrently)</p> <p>Reasons for the nomination: Mr. Kosaka's experience and insights as a business specialist cultivated over the course of his career in management of a manufacturing company are highly beneficial to Mitsubishi Electric. The Company expects him to oversee the Company's business operations if he is elected as Outside Director, by using a wide range of experience and insights especially in the fields of corporate management and corporate strategies, governance, global affairs, and engineering, manufacturing and R&D at the Board of Directors and each Committee. Thus, Mitsubishi Electric nominates Mr. Kosaka as Outside Director. Mr. Kosaka will serve as Member of the Nomination Committee and the Compensation Committee after his election.</p>	0

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
7	 Hiroyuki Yanagi (November 20, 1954)	<p>April 1978 Joined Yamaha Motor Co., Ltd. March 2010 President, Chief Executive Officer and Representative Director of Yamaha Motor Co., Ltd. January 2012 President, Chief Executive Officer, Representative Director, and Chief General Manager of Motorcycle Business Operations of Yamaha Motor Co., Ltd. January 2018 Chairman and Representative Director of Yamaha Motor Co., Ltd. March 2021 Chairman and Director of Yamaha Motor Co., Ltd. January 2022 Director of Yamaha Motor Co., Ltd. March 2022 Adviser of Yamaha Motor Co., Ltd. (current position)</p> <p>Important concurrent positions: Adviser, Yamaha Motor Co., Ltd. Outside Director, AGC Inc. Non-executive Director of the Board, Kirin Holdings Company, Limited Outside Director, Japan Airlines Co., Ltd. (of which three listed companies where Mr. Yanagi serves as an officer concurrently)</p> <p>Reasons for the nomination: Mr. Yanagi's experience and insights as a business specialist cultivated over the course of his career in management of a manufacturing company are highly beneficial to Mitsubishi Electric. The Company expects him to oversee the Company's business operations if he is elected as Outside Director, by using a wide range of experience and insights especially in the fields of corporate management and corporate strategies, governance, global affairs, and engineering, manufacturing and R&D at the Board of Directors and each Committee. Thus, Mitsubishi Electric nominates Mr. Yanagi as Outside Director. Mr. Yanagi will serve as Member of the Nomination Committee and the Compensation Committee after his election.</p>	0
8	 Kei Uruma (July 27, 1959) (Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings))	<p>April 1982 Joined Mitsubishi Electric Corporation April 2017 Executive Officer, Public Utility Systems April 2018 Senior Vice President, Public Utility Systems April 2020 Representative Executive Officer, Senior Vice President, Corporate Strategic Planning and Operations of Associated Companies June 2020 Director, Representative Executive Officer, Senior Vice President, Corporate Strategic Planning and Operations of Associated Companies April 2021 Director, Representative Executive Officer, Senior Vice President, Export Control, Corporate Strategic Planning and Operations of Associated Companies, CSO July 2021 Director, Representative Executive Officer, President & CEO (current position)</p> <p>Reasons for the nomination: As President & CEO, Mr. Uruma carries out the execution of business closely related to matters to be deliberated at the Board of Directors. Mitsubishi Electric has thus judged that he is qualified as a Director to oversee the Company's business operations.</p>	66,200
9	 Tadashi Kawagoishi (December 7, 1960) (Status of attendance at Board of Directors' meetings: 100% (Twenty out of twenty meetings))	<p>April 1983 Joined Mitsubishi Electric Corporation April 2015 Senior General Manager, Corporate Finance Div. April 2018 Executive Officer, Accounting and Finance June 2018 Director, Member of the Compensation Committee, Executive Officer, Accounting and Finance April 2021 Director, Member of the Compensation Committee, Executive Officer, Accounting and Finance, CFO April 2022 Director, Member of the Compensation Committee (current position)</p> <p>Reasons for the nomination: Mr. Kawagoishi has gained a wide range of experience and insights through his involvement in the Company's business operations as Executive Officer in charge of Accounting and Finance. Mitsubishi Electric has thus judged that he is qualified as a Director to oversee the Company's business operations. Mr. Kawagoishi will serve as a Member of the Audit Committee after his reelection.</p>	24,200

	Name (Date of Birth)	Career summary, major positions and assignments at the Company and important concurrent positions	The number of shares owned
10	 Kuniaki Masuda (July 21, 1964) (Status of attendance at Board of Directors' meetings: 100% (Seventeen out of seventeen meetings))	<p>April 1987 Joined Mitsubishi Electric Corporation</p> <p>April 2015 Senior General Manager, Planning & Administration Div. of Semiconductor & Device Group</p> <p>October 2020 Senior General Manager, Corporate Human Resources Div.</p> <p>April 2021 Executive Officer, General Affairs and Human Resources</p> <p>June 2021 Director, Executive Officer, in charge of General Affairs and Human Resources</p> <p>April 2022 Director, Member of the Nomination Committee, Member of the Compensation Committee, Executive Officer, CFO (in charge of Accounting and Finance), CHRO (in charge of General Affairs and Human Resources) (current position)</p> <p>Reasons for the nomination: As Executive Officer in charge of Accounting and Finance, General Affairs and Human Resources, Mr. Masuda carries out the execution of business closely related to matters to be deliberated at the Board of Directors. Mitsubishi Electric has thus judged that he is qualified as a Director to oversee the Company's business operations. Mr. Masuda will serve as a Member of the Nomination Committee and the Compensation Committee after his reelection.</p>	10,500
11	 Jun Nagasawa (March 16, 1960)	<p>April 1983 Joined Mitsubishi Electric Corporation</p> <p>April 2016 Senior General Manager, Kansai Branch Office</p> <p>April 2018 Executive Officer (Advertising, Domestic Marketing)</p> <p>April 2021 Senior Vice President (in charge of Auditing, Legal Affairs & Compliance and Corporate Communication (Sustainability, Public Relations and Advertising)), CCO</p> <p>July 2021 Representative Executive Officer, Senior Vice President (in charge of Auditing, Legal Affairs & Compliance and Corporate Communication (Sustainability, Public Relations and Advertising)), CCO</p> <p>April 2022 Senior Advisor (current position)</p> <p>Reasons for the nomination: Mr. Nagasawa has gained a wide range of experience and insights through his involvement in the Company's business operations as Executive Officer in charge of Auditing and Legal Affairs & Compliance. Mitsubishi Electric has thus judged that he is qualified as a Director to oversee the Company's business operations. Mr. Nagasawa will serve as a Member of the Audit Committee after his election.</p>	28,300
12	 Kunihiro Kaga (September 22, 1964)	<p>April 1990 Joined Mitsubishi Electric Corporation</p> <p>April 2017 Deputy Senior General Manager, Air-Conditioning & Refrigeration Systems Works</p> <p>April 2018 Senior General Manager, Air-Conditioning & Refrigeration Systems Works</p> <p>April 2020 Deputy Senior General Manager, Corporate Research and Development Group</p> <p>April 2021 Executive Officer (in charge of Research and Development), CTO</p> <p>July 2021 Executive Officer (in charge of Corporate Strategic Planning and Operations of Associated Companies, CSO)</p> <p>April 2022 Executive Officer, CSO (in charge of Corporate Strategic Planning and Operations of Associated Companies), CTO (in charge of Technology Strategies) (current position)</p> <p>Reasons for the nomination: As Executive Officer in charge of Auditing, Corporate Strategic Planning, Operations of Associated Companies and Technology Strategies, Mr. Kaga carries out the execution of business closely related to matters to be deliberated at the Board of Directors. Mitsubishi Electric has thus judged that he is qualified as a Director to oversee the Company's business operations.</p>	12,200

Notes:

1. There is no special interest between any of the candidates and the Company.
2. Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe, Takashi Oyamada, Tatsuro Kosaka and Hiroyuki Yanagi and Ms. Hiroko Koide are seven candidates for Outside Directors, as defined under Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
3. Mitsubishi Electric Corporation has named Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada and Ms. Hiroko Koide given that they satisfy the requirement of independency in accordance with the Securities Listing Regulations of the Tokyo Stock Exchange as independent directors. The Company has filed notification with the Exchange of such designations.
Furthermore, Messrs. Tatsuro Kosaka and Hiroyuki Yanagi also satisfy the requirement of independency in accordance with the Securities Listing Regulations of the Tokyo Stock Exchange, and should this Item be approved by shareholders, the Company intends to name them as independent directors and file notifications with the Exchange of such designation.
In addition, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe, Takashi Oyamada, Tatsuro Kosaka and Hiroyuki Yanagi and Ms. Hiroko Koide satisfy the requirement of independency guideline for Outside Directors of the Company.
4. Should this Item be approved by shareholders, the composition and chairperson of each committee will be as follows.
Nomination Committee: Messrs. Mitoji Yabunaka (Chairman), Hiroshi Obayashi, Takashi Oyamada, Tatsuro Kosaka, Hiroyuki Yanagi and Kuniaki Masuda and Ms. Hiroko Koide
Audit Committee: Messrs. Hiroshi Obayashi (Chairman), Kazunori Watanabe, Takashi Oyamada, Tadashi Kawagoishi and Jun Nagasawa
Compensation Committee: Messrs. Kazunori Watanabe (Chairman), Mitoji Yabunaka, Tatsuro Kosaka, Hiroyuki Yanagi and Kuniaki Masuda and Ms. Hiroko Koide
5. Mitsubishi Electric made and entered into agreements with Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada and Ms. Hiroko Koide to limit their liability as stipulated in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, the limit of liability is either ¥10 million or the minimum statutory amount, whichever is higher.
In addition, should this Item be approved by shareholders, the Company intends to enter into the same agreement with the candidates for Director, namely Messrs. Tatsuro Kosaka, Hiroyuki Yanagi, Tadashi Kawagoishi and Jun Nagasawa, who are to assume the office of Directors.
6. The Company has concluded a directors and officers liability insurance agreement provided in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The agreement is scheduled to be renewed in June 2022. This insurance policy shall compensate for damages including compensation for damages and legal expenses to be borne by the insured, in the event of a claim for damages submitted by a shareholder or third party, etc. However, claims for damages arising from criminal acts by the executives, etc. shall be exempt from compensation. Should the candidates be reelected or elected, each of the candidates will be insured under the insurance contract. All insurance premiums shall be borne by the Company.

(Reference) **Independency Guideline for Outside Directors**

Mitsubishi Electric Corporation nominates persons with experience in company management in the business world, attorneys and academics, among other specialists, who are appropriate to oversee the Company's business operations and not falling under any of the following cases, as candidates for Outside Directors. Each of the following 1), 2), 4) and 5) includes a case in any fiscal year during the past three fiscal years.

- 1) Persons who serve as Executive Directors, Executive Officers, managers or other employees (hereinafter "business executers") at a company whose amount of transactions with the Company accounts for more than 2% of the consolidated revenue of the Company or the counterparty
- 2) Persons who serve as business executers at a company to which the Company has borrowings that exceed 2% of the consolidated total assets
- 3) Persons who are related parties of the Company's independent auditor
- 4) Persons who receive more than ¥10 million of compensation from the Company as specialists or consultants
- 5) Persons who serve as Executive Officers (Directors, etc.) of an organization to which the Company offers contribution that exceeds ¥10 million and 2% of the total revenue of the organization
- 6) Persons who are the Company's major shareholders (holding more than 10% of voting rights) or who serve as their business executers
- 7) Persons who are related parties of a person or company that have material conflict of interest with the Company

Business Report

(April 1, 2021 to March 31, 2022)

I. Matters Relating to the Mitsubishi Electric Group

1. Business Development and Results

The economy in fiscal 2022 generally continued to see recovery in the corporate sector in the U.S., Europe and Japan. The household sector continued to recover in the U.S. and Europe, while in Japan there was the downward pressure stemming from the novel coronavirus diseases (COVID-19), despite recovery owing to normalization of economic activities. China continued to see recovery in export and manufacturing, while the pace of recovery in the household sector slowed down. There was also the impact of the rise in material prices and logistics costs as well as a prolonged components shortage.

In this environment, the Mitsubishi Electric Group has been working even harder than before to uplift profitability by strengthening its business portfolio strategy towards sustainable growth, while continuously implementing initiatives to strengthen its competitiveness and business structure. As a result, the business performance for fiscal 2022 is as follows.

Revenue

Revenue increased by 285.3 billion yen compared to the previous fiscal year to 4,476.7 billion yen due primarily to increased revenue in Industrial Automation Systems, Home Appliances and Electronic Device segments, despite decreased revenue in Energy and Electric Systems and Information and Communication Systems segments. Industrial Automation Systems segment saw an increase in the factory automation systems business due mainly to an increase in demand for capital expenditures relating to digital equipment and decarbonization worldwide. The automotive equipment business also increased due to the expansion of the electric vehicle market. Home Appliances segment increased due mainly to an increase in air conditioners particularly in Europe and North America, despite a decrease in air conditioners in Japan due primarily to a semiconductor shortage. Electronic Devices segment increased due primarily to recovery in demand for power modules.

Operating Profit

Operating profit increased by 21.8 billion yen compared to the previous fiscal year to 252.0 billion yen due mainly to increased operating profit in Industrial Automation Systems and Electronic Devices segments, despite decreased operating profit in Energy and Electric Systems and Home Appliances segments. Operating profit ratio improved by 0.1 points compared to the previous fiscal year to 5.6% due mainly to increased revenue.

The cost ratio improved by 0.2 points compared to the previous fiscal year due primarily to higher operating ratio owing to increased revenue in Industrial

Automation Systems segment and the yen depreciating against other currencies, despite the rise in material prices. Selling, general and administrative expenses increased by 60.0 billion yen compared to the previous fiscal year, but selling, general and administrative expenses to revenue ratio improved by 0.2 points. Other profit (loss) decreased by 8.2 billion yen compared to the previous fiscal year due mainly to decreased profit from sales of land, and other profit (loss) to revenue ratio deteriorated by 0.3 points compared to the previous fiscal year.

Profit before income taxes

Profit before income taxes increased by 20.9 billion yen compared to the previous fiscal year to 279.6 billion yen due primarily to an increase in operating profit. Profit before income taxes to revenue ratio was 6.2%.

Net profit attributable to Mitsubishi Electric Corporation stockholders

Net profit attributable to Mitsubishi Electric Corporation stockholders increased by 10.3 billion yen compared to the previous fiscal year to 203.4 billion yen due mainly to increased profit before income taxes. Net profit attributable to Mitsubishi Electric Corporation stockholders to revenue ratio was 4.5%.

ROE deteriorated by 0.4% compared to the previous fiscal year to 7.1%.

Consolidated Performance (Billions of yen)

Fiscal period Classification	150th Fiscal 2021	151st Fiscal 2022	
Revenue	4,191.4	4,476.7	Up 7% YoY
Operating profit	230.1	252.0	Up 9% YoY
Profit before income taxes	258.7	279.6	Up 8% YoY
Net profit attributable to Mitsubishi Electric Corp. stockholders	193.1	203.4	Up 5% YoY

Revenue by Business Segment (Billions of yen)

Business Segment	151st Fiscal 2022	
	Revenue	As a percentage of revenue
Energy and Electric Systems	1,238.1	24.2
Industrial Automation Systems	1,460.3	28.6
Information and Communication Systems	354.1	6.9
Electronic Devices	241.4	4.7
Home Appliances	1,144.7	22.4
Others	676.2	13.2
Subtotal	5,115.0	100.0
Elimination and corporate	(638.2)	—
Total	4,476.7	—

Note: The figures shown in this table include internal revenue between segments (transfer). The later section “Information by Business Segment” reflects the figures computed at the same condition.

Revenue by Location (Billions of yen)

Location	150th Fiscal 2021		151st Fiscal 2022	
	Revenue	As a percentage of revenue	Revenue	As a percentage of revenue
Japan	2,430.8	58.0	2,332.4	52.1
North America	379.2	9.1	461.9	10.3
Asia (excluding Japan)	926.5	22.1	1,114.9	24.9
Europe	391.6	9.3	495.3	11.1
Others	63.1	1.5	72.1	1.6
Overseas	1,760.5	42.0	2,144.3	47.9
Total	4,191.4	100.0	4,476.7	100.0

Note: Revenue is shown by country and region based on customer location.

Information by Business Segment

		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
Energy and Electric Systems	Revenue	¥1,270.2 billion	¥1,238.1 billion	Down 3%
	Operating profit	¥108.9 billion	¥62.1 billion	Down ¥46.7 billion
Principal products (as of March 31, 2022): 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, large display devices, electrical equipment for locomotives and rolling stock, wireless and wired communications systems, network cameras and their systems, elevators, escalators, building security systems, building management systems, and others				

The market for the social infrastructure systems business saw buoyant investment in the public utility business in Japan, while demand relating to power systems decreased in Japan and there was the reconsideration of the capital expenditure plans by railway companies in Japan due to the impact of COVID-19. In this environment, orders won by the business remained substantially unchanged compared to the previous fiscal year due primarily to an increase in the public utility systems business in Japan despite a decrease in the power systems and the transportation systems businesses in Japan. Revenue decreased compared to the previous fiscal year due mainly to decreases in the power systems and the transportation systems businesses in Japan.

The market for the building systems business saw recovery from stagnation stemming from COVID-19 primarily in China, while recovery is delayed in some parts of Asia. In this environment, the business saw increases in both orders and revenue compared to the previous fiscal year due mainly to an increase primarily in China.

As a result, revenue for this segment decreased by 3% compared to the previous fiscal year to 1,238.1 billion yen.

Operating profit decreased by 46.7 billion yen compared to the previous fiscal year to 62.1 billion yen due mainly to decreased revenue and a shift in project portfolios.

Industrial Automation Systems		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
	Revenue	¥1,248.5 billion	¥1,460.3 billion	Up 17%
	Operating profit	¥40.5 billion	¥96.8 billion	Up ¥56.2 billion

Principal products (as of March 31, 2022):

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, automotive electrical equipment, electric powertrain system, ADAS-related products, car electronics and car mechatronics, car multimedia, and others

The market for the factory automation systems business saw a global increase in demand for capital expenditures relating to digital equipment such as semiconductors, electronic components and smartphones, and products in the decarbonization area such as lithium-ion batteries. In this environment, the business saw increases in both orders and revenue compared to the previous fiscal year.

The market for the automotive equipment business saw an increase in electric vehicle-related equipment due to the expansion of electric vehicle market, while sales of new cars decreased in Japan, China Europe and the U.S. due primarily to a semiconductor shortage compared to the previous fiscal year. In this environment, the business saw increases in both orders and revenue compared to the previous fiscal year due mainly to increases in electric vehicle-related equipment such as motors and inverters, as well as electrical components.

As a result, revenue for this segment increased by 17% compared to the previous fiscal year to 1,460.3 billion yen.

Operating profit for this segment increased by 56.2 billion yen compared to the previous fiscal year to 96.8 billion yen, as operating profit for the factory automation systems business increased due mainly to increased revenue and the yen depreciating against other currencies, while operating profit for the automotive equipment business decreased due primarily to the rise in material prices and logistics costs.

Information and Communication Systems		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
	Revenue	¥380.1 billion	¥354.1 billion	Down 7%
	Operating profit	¥16.4 billion	¥14.7 billion	Down ¥1.7 billion

Principal products (as of March 31, 2022):

Satellite communications equipment, satellites, radar equipment, antennas, missile systems, fire control systems, broadcasting equipment, network security systems, information systems equipment, systems integration, and others

The market for the information systems and service business saw a decrease in large-scale projects for the IT infrastructure service business, while delayed system development projects restarted, particularly in the manufacturing industry. In this environment, the business saw an increase in orders but a decrease in revenue

compared to the previous fiscal year.

The electronic systems business saw an increase in orders compared to the previous fiscal year due primarily to an increase in large-scale projects for the defense systems business, while revenue decreased compared to the previous fiscal year due mainly to a decrease in large-scale projects for the defense systems business.

As a result, revenue for this segment decreased by 7% compared to the previous fiscal year to 354.1 billion yen.

Operating profit decreased by 1.7 billion yen compared to the previous fiscal year to 14.7 billion yen due mainly to decreased revenue.

Electronic Devices		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
	Revenue	¥205.2 billion	¥241.4 billion	Up 18%
Operating profit	¥6.2 billion	¥16.8 billion	Up ¥10.5 billion	

Principal products (as of March 31, 2022):
Power modules, high-frequency devices, optical devices, LCD devices, and others

The market for the electronic devices business saw recovery in demand for power modules used in consumer, industrial and automotive applications. In this environment, the business saw an increase in orders compared to the previous fiscal year and revenue also increased by 18% compared to the previous fiscal year to 241.4 billion yen due primarily to an increase in power modules used in consumer, industrial and automotive applications.

Operating profit increased by 10.5 billion yen compared to the previous fiscal year to 16.8 billion yen due mainly to increased revenue.

Home Appliances		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
	Revenue	¥1,038.3 billion	¥1,144.7 billion	Up 10%
Operating profit	¥75.7 billion	¥70.9 billion	Down ¥4.8 billion	

Principal products (as of March 31, 2022):
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

The market for the home appliances business saw an increase in demand for residential air conditioners primarily in Europe and North America as working from home becomes common, despite the impact of a semiconductor shortage. Demand for industrial air conditioners also recovered gradually as capital expenditures started to recover from the impact of COVID-19. In this environment, the business saw an increase in revenue by 10% compared to the previous fiscal year to 1,144.7 billion yen due mainly to an increase in air conditioners primarily in Europe and North America as well as the yen depreciating against other currencies, despite a decrease in air

conditioners in Japan due primarily to a semiconductor shortage.

Operating profit decreased by 4.8 billion yen compared to the previous fiscal year to 70.9 billion yen due mainly to the rise in material prices and logistics costs despite increased revenue and the yen depreciating against other currencies.

		150th (Fiscal 2021)	151st (Fiscal 2022)	YoY
Others	Revenue	¥603.0 billion	¥676.2 billion	Up 12%
	Operating profit	¥13.6 billion	¥21.9 billion	Up ¥8.3 billion
Principal products (as of March 31, 2022): Procurement, logistics, real estate, advertising, finance, and other services				

Revenue increased by 12% compared to the previous fiscal year to 676.2 billion yen due primarily to increases in materials procurement and logistics.

Operating profit increased by 8.3 billion yen compared to the previous fiscal year to 21.9 billion yen due mainly to increased revenue.

2. Capital Expenditures

During fiscal 2022, the Mitsubishi Electric Group made decisions to invest a total of ¥182.1 billion, up 56% compared to the previous fiscal year, with the aim of establishing our business foundation and contributing to our sustainable growth.

Principal capital expenditures per segment are as follows:

Segment	Amount* (Billions of Yen)	Major Projects Completed within Consolidated Basis Fiscal 2022	Major Ongoing Projects within Consolidated Basis Fiscal 2022
Energy and Electric Systems	24.1	Tada Electric Co., Ltd. New factory building and renewal of major facilities	Mitsubishi Electric Public Utility Equipment Corporation Facility for assembly and testing for electrical equipment for locomotives and rolling stock
Industrial Automation Systems	50.4	Himeji Works Facility for increased production of motors and inverters used in electric vehicles	Nagoya Works Development of new facility in the Owariasahi district
Information and Communication Systems	15.8	–	–
Electronic Devices	35.1	–	Power Device Works Development of new manufacturing facility
Home Appliances	43.8	–	Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company Enhancement of air conditioner production system (Turkey)
Others	12.9	Mitsubishi Electric Logistics Corporation New distribution center in Hirohata, Himeji district	Mitsubishi Electric Engineering Company Limited Establishment of next-generation core operation system

*Figures shown in this table are based on investment decisions.

3. Research and Development

(1) Basic Policy on Research and Development

The Company advances the following research and development with a balanced approach. These R&D efforts reinforce and transform our existing businesses and promote the creation of new value, in order to solve a variety of social issues through the use of advanced technologies and contribute to the realization of a sustainable society. We thoroughly enhance core technologies that drive increased profitability, continuously deepen fundamental technologies such as AI, and investigate and create new technologies aimed at realizing a decarbonized society and other achievements. The Company will also accelerate development and create value through proactive utilization of open innovation with universities and other external R&D institutions.

During fiscal 2022, the total R&D expenses for the entire Group have amounted to 195.1 billion yen (2% increase compared to the previous fiscal year).

(2) Major R&D Achievements in Fiscal 2022

The SUSTIE Net Zero-energy Building (ZEB) Test Facility Achieves “ZEB” Certification in its Operational Phase

The SUSTIE ZEB^{*1} test facility, which was completed at the Company’s Information Technology R&D Center in 2020, retained its energy consumption at less than 0% in its first full year of operation by producing more energy than it consumed, thereby achieving the criteria for “ZEB”^{*2} certification. A building equipment operation plan that keeps the building comfortable while minimizing energy consumption is automatically generated, through the combined use of technologies simulating the operating status of building equipment such as air conditioning and lighting, as well as the state of the offices such as temperature and brightness, and Maisart^{*3} AI technology. Through this development, the Company achieved ZEB-level operation in an urban location with limited premise area, while maintaining a highly comfortable and productive work environment. The Company will use this case example to further promote the popularization of “ZEB” and contribute to carbon neutrality.

*1 ZEB: net Zero Energy Building

*2 “ZEB”: Certification given to buildings with zero or less net primary energy consumption on an annual basis. The “ZEB” is the highest of the ZEB evaluation rankings. SUSTIE is Japan’s first mid-sized office building to meet the criteria for “ZEB” certification (as of August 7, 2019, according to internal research)

*3 Mitsubishi Electric’s AI creates the State-of-the-ART in technology: Mitsubishi Electric’s AI technology brand aimed at making every device smarter

Achieved “ZEB” certification in just one year of operation since completion, promoting future ZEB construction

Development of “Teaching-less Robot System Technology” that Facilitates Introduction of Robots

A decrease in the working population due to the declining birthrate and aging population is causing especially prominent personnel shortages in food factories, logistics centers, and other facilities. The Company has developed technologies for operating robots without the need for specialized knowledge by using the industry’s first^{*1} spoken operating instructions or simple item selections, technologies for performing visual confirmation using 3D sensor measurement information and AR,^{*2} and technologies for automatically optimizing robot movements, enabling them to perform tasks as fast as humans.

These technologies will promote the automation of processes that had difficulty in introducing robots, such as dishing up ingredients in food-processing plants where the menu changes frequently, and sorting in logistics centers. Through these technologies, the Company will contribute to the unmanned operations in factories.

*1 As of February 28, 2022, for measures provided by industrial robot manufacturers for issuing work instructions (according to internal research).

*2 AR: Augmented Reality

Promoting the automation of processes that had difficulty in introducing robots, thereby contributing to the unmanned operation of plants

Development of AI Technology that Clarifies its own Control Rationale

The inference processes used by AI technologies are black boxes and often difficult to understand. This presents major difficulties when applying them to the control field, where reliability and explicability are vital.

This newly developed technology* eliminates black boxes by splitting up the AI inference processes step-by-step, into a step in which the AI predicts from the current sensor detection value the future sensor detection value based on past data, etc., a step in which AI is used to simulate the future state based on the predicted sensor detection value, and a step in which an equipment control schedule is set based on the simulation results.

Not only does this allow people to understand the control rationale of the AI, it also enables early maintenance and rapid recovery, contributing to the realization of a society in which people can feel secure using AI.

* Developed jointly with the National Institute of Physical and Chemical Research (RIKEN)

Contributing to the realization of a society in which people can feel secure using AI by clarifying its control rationale

4. Topics

Begins Accepting Orders for MelCare Elderly Watching Service

As the first stage of its MelCare healthtech* business for the elderly, the Company has begun accepting orders for the MelCare Elderly Watching Service. This service, intended for comprehensive protective monitoring of residents in facilities for the elderly, covers everything from detecting falls to checking on their everyday sleep status. AI smart sensors are used to assess conditions in residents' rooms, and if any abnormalities are detected, care providers are promptly notified via cloud integration of the service. This reduces the operational burden placed on the care providers and helps provide high quality nursing care services tailored to the needs of the elderly.

Going forward, the Company is also considering additional services such as the elderly living at home and leveraging health information to maintain and promote good health, as well as expanding the service field to encompass comprehensive community care, with the aim of realizing longer healthy lives for the elderly, full of vigor and vitality.

* Neologism that combines “health” and “technology.” This business field provides innovative services through the combined application of the latest ICT and IoT technologies to the nursing and health fields.

Launched Activities of Open Technology Bank

In order to realize a sustainable future, the Company has launched activities of the Open Technology Bank*¹, which promotes internal and external collaborations based on intellectual property. The Company will license its technology assets that contribute to solve the increasingly diverse social issues to various industries and fields, and aim to create new businesses by combining the technologies and ideas of the Company and partner companies.

The Company is maintaining a high level in numbers of patent applications and registrations*² both in Japan and overseas, through its active engagement in intellectual property activities. In the past, the primary use of intellectual property was for competition between companies (monopolizing their use, preventing imitation, and exercising rights in relation to other companies); however, going forward, the Company will actively use intellectual property as tools for promoting collaborative creation.

*¹ Please refer to the website below for details on the “Open Technology Bank”:

<https://www.MitsubishiElectric.co.jp/corporate/chiteki/otb/> (available only in Japanese)

*² According to information announced by the Japan Patent Office, the Company had the most registered patents among all companies in Japan (in 2021). According to information announced by the World Intellectual Property Organization, it had the fifth most international patent applications among all companies (in 2021) and the most among all companies in Japan.

Evolution of METoA Ginza, Mitsubishi Electric’s Event Space, into a Place of Co-Creation

The Company will seek to evolve METoA Ginza, Mitsubishi Electric’s event space located in Tokyo, Ginza, into a place of co-creation, from a space where customers can learn about its activities.

For the six years since METoA Ginza opened, it has held hands-on events with themes such as smart cities, space, and parasports every few months where visitors can enjoy experiencing and learning about the Group’s technologies and services. Going forward, the Group aims to develop it into a place of co-creation that helps solve social issues, through exhibitions based on sustainability-focused themes that provide stakeholders with front-row experiences of ideas that are in development and reflecting their feedback in the development process.

5. Corporate Agenda

The global economy is expected to continue recovering but growth is anticipated to slow down due to the expansion of COVID-19 variants and supply constraints causing rising inflation in various countries and regions, as well as a slowdown in the U.S. and China. There is also an increase in uncertainty about recent geopolitical risks and the rise in material prices, which might exert more downward pressure on the global economy.

On the occasion of its 100th anniversary, Mitsubishi Electric Corporation has revised its corporate philosophy system, which serves as its basic policies for management activities. The Mitsubishi Electric Group's Purpose of "contributing to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity" encapsulates the reason of our existence in society. Led by this corporate philosophy, in addition to its threefold balanced management policy consisting of "Growth," "Profitability & Efficiency," and "Soundness," the Mitsubishi Electric Group positions realizing sustainability as the core of its management based on its roots of "solving social issues through its business." The Group will thus seek to sustainably increase its corporate value and fulfill its responsibilities to the stakeholders, including society, customers, shareholders and employees. Furthermore, it will contribute to solving diversifying social issues by fusing knowledge and co-creating within the Group, transforming itself into a "Circular Digital-Engineering Company" that provides advanced integrated solutions. Toward sustainable growth, the Group will shift its resources to highly profitable businesses and businesses with growth potential by strategically investing business resources into key growth businesses, in order to improve profitability by enhancing its business portfolio strategies. The Group will also create new businesses that respond to changes in customer values through the promotion of open innovation, incorporation of new fields and technologies, pursuit of synergy and other means, and expand its solutions business centered on data integration and utilization. To achieve this, the Group has created a new management structure that assigns Business Area (BA) Owners who develop and drive business strategies with medium- to long-term perspectives. Through this, the Group will facilitate the acceleration of M&As and business restructuring in business groups from a company-wide perspective, and drive the creation of new businesses, enhancement of technological and business fields and strategic shifting of resources, thereby maximizing its corporate value as the Group seeks to strive more than ever in solving social issues through its business activities.

In addition, the Group will enhance competitiveness in Japan, the U.S., Europe and China, while also focusing on meeting demands in growing markets such as India. To this end, the Group will supplement missing products and technologies and secure distribution and service networks in new regions and markets. Furthermore, while carrying out capital cost-conscious management, the Group will continue the following measures: optimizing resource distribution including R&D investments and capital expenditures through continuous reevaluation of its business portfolio; strengthening its development and production capability that will contribute to the strengthening of its integrated comprehensive manufacturing capability; emphasizing quality from the early stages of design and development; increasing the sophistication of business management and improving productivity, including enhancement of work efficiency in indirect departments utilizing data and digital technologies; streamlining its human resources structure and allocating them

appropriately; further improving its financial standing; and improving its comprehensive business and capital efficiency from a medium and long term perspective, while aiming for further dissemination of Mitsubishi Electric's version of ROIC^{*1}, a comprehensive business efficiency indicator.

In addition to the recent decline in the part and material procurement environment resulting from soaring material prices and logistics costs, and supply crunch of semiconductors and electronic components, the business environment is also undergoing profound change such as new rising needs in markets including decarbonization and autonomous driving. In particular, the automotive equipment business which includes electric vehicle-related equipment, has recognized consecutive operating losses for some years. As the business environment is expected to remain highly uncertain, the Group will endeavor to build a solid revenue base that is resilient in the face of change.

Through these measures, the Group will strive to create further value in order to achieve the goals of its Medium-Term Management Plan towards fiscal 2026.

Among these activities, in the area of the environment, the Mitsubishi Electric Group has positioned the realization of a decarbonized society as a key management issue, and has formulated an environmental management vision. Under the Group's Environmental Vision 2021, which was formulated in 2007 targeting the Group's 100th anniversary year, the Group met its targets of reducing CO₂ emissions from product usage by 30% compared to fiscal 2001 and 30% from product manufacturing across the entire Group compared to fiscal 1991^{*2}. Starting from fiscal 2022, the Group is working with the aim to reach net zero emissions of greenhouse gases throughout its entire value chain by 2050, based on the Group's Environmental Sustainability Vision 2050. To this end, the Group has defined as an interim target the reduction of greenhouse gas emissions from Group plants and offices by 50% or more by fiscal 2031 compared to fiscal 2014. The Group will further enhance its efforts to meet these targets, while also nurturing businesses that contribute to the decarbonization of society as a whole with the aim of realizing a decarbonized society. Additionally, the Group will continue to strive to disclose the risks and opportunities brought by climate change, based on the recommendations of the TCFD^{*3}.

With regard to legal and ethical compliance, the Group takes its recent product and service quality, work-related, and information security issues extremely seriously as a top management priority, and is promoting a number of reoccurrence prevention initiatives. Based on the Mitsubishi Electric Group compliance motto of "Always Act with Integrity," the Group as a whole will diligently work to further disseminate compliance awareness by strengthening its organizational compliance frameworks through inculcating compliance policy, enhancing internal control measures and internal training.

With regard to improper quality control practices, the Group has commissioned investigations by an Investigative Committee of external experts, and will reflect the findings of the investigation in its measures as appropriate. To address the Group issues that have been identified to date, the Group is steadily pursuing reform in three key areas (quality assurance, organizational culture, and governance), with the aim of regaining trust, including measures to prevent future recurrence. In its quality assurance reforms, the Group implements common measures throughout all sites and Group companies, led by a Quality Reform Promotion Division under the command of the CQO appointed this April from outside the Company. The aims of these common measures are to (1) reconstruct the control function, (2) address

technology and resource issues, and (3) re-foster an awareness of quality compliance. In the Group's organizational culture reforms, the Group has launched measures to revitalize constructive, two-way communication through efforts such as the activities of the "Team Sousei (Creation)" company-wide transformation project. The Group will achieve an organizational culture where "employees feel that they can consult with their superiors," "problems are solved together," and "failures are tolerated." In the Group's governance reforms, the Group will act on the recommendations of the Governance Review Committee, which consists of outside experts and was established in October 2021, to reinforce the Group's management and supervision functions, assess its internal control system, and implement measures aimed at strengthening its risk management system.

With regard to work-related issues, along with the Group's reform in three key areas (quality assurance, organization culture, and governance), the Group is also advancing the Mitsubishi Electric Workplace Reform Program, which is based on third-party inspections by external experts. Through this Program, the Group will continue to address work-related issues through a Group-wide effort to create a working environment where all employees can work energetically with peace of mind while maintaining their physical and mental health.

With regard to security, based on past incidents of unauthorized access, the Group will reinforce our information security infrastructure and strengthen measures against the latest attack patterns, which are becoming increasingly sophisticated and elaborate.

The Group also intends to improve its corporate governance through continuous promotion of measures such as compliance with Japan's Corporate Governance Code, while striving for appropriate and timely disclosure of information, in order to acquire a higher level of trust from society, customers, shareholders, suppliers, and employees working together.

Steadily executing the strategies above, the Mitsubishi Electric Group will work to further enhance its corporate value. Looking ahead, the Group asks for the understanding and support of all its stakeholders.

^{*1} ROIC (Mitsubishi Electric version): A comprehensive business efficiency indicator which is calculated by asset items (fixed assets, working capital, etc.) per different segments (and not by capital and liability) so that it is easier to track and improve.

^{*2} Base fiscal years of reduction targets:

Mitsubishi Electric Corporation: fiscal 1991, fiscal 2001, fiscal 2006

^{*3} TCFD (Task Force on Climate-related Financial Disclosures): A task force for the disclosure of climate-related financial information led by the private sector. The TCFD was established at the request of the G20 Finance Ministers and Central Bank Governors.

6. Trends in Operating Results and Financial Condition

(Billions of yen, except per share data)

(1) The Mitsubishi Electric Group (Consolidated)

	148th Period Fiscal 2019	149th Period Fiscal 2020	150th Period Fiscal 2021	151st Period Fiscal 2022
Revenue	4,519.9	4,462.5	4,191.4	4,476.7
Operating profit	290.4	259.6	230.1	252.0
Profit before income taxes	315.9	281.9	258.7	279.6
Net profit attributable to Mitsubishi Electric Corp. stockholders	226.6	221.8	193.1	203.4
Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders	¥105.65	¥103.41	¥90.03	¥95.41
Total assets	4,356.2	4,409.7	4,797.9	5,107.9

Note: Figures presented in the table above are based on the Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS).

(2) Mitsubishi Electric Corporation (Non-Consolidated)

	148th Period Fiscal 2019	149th Period Fiscal 2020	150th Period Fiscal 2021	151st Period Fiscal 2022
Net sales	2,717.7	2,639.2	2,459.2	2,557.4
Ordinary income	184.4	143.2	177.5	172.9
Net income	164.5	157.8	185.5	179.3
Net income per share	¥76.70	¥73.59	¥86.48	¥84.11
Total assets	2,841.1	2,866.8	3,057.0	3,065.5

7. Principal Offices (As of March 31, 2022)

(1) Mitsubishi Electric Corporation

1. Head Office: Tokyo

2. Marketing Bases:

Branch Name	Location (Prefecture)	Branch Name	Location (Prefecture)
Hokkaido Branch Office	Hokkaido	Chubu Branch Office	Aichi
Tohoku Branch Office	Miyagi	Kansai Branch Office	Osaka
Kanetsu Branch Office	Saitama	Chugoku Branch Office	Hiroshima
Kanagawa Branch Office	Kanagawa	Shikoku Branch Office	Kagawa
Hokuriku Branch Office	Ishikawa	Kyushu Branch Office	Fukuoka

3. Research Laboratories

Laboratory Name	Location (Prefecture)	Laboratory Name	Location (Prefecture)
Information Technology R&D Center	Kanagawa	Manufacturing Engineering Center	Hyogo
Industrial Design Center	Kanagawa	Component Production Engineering Center	Hyogo
Living Environment Systems Laboratory	Kanagawa	Advanced Technology R&D Center	Hyogo
Design Systems Engineering Center	Hyogo	Automotive Electronics Development Center	Hyogo

4. Manufacturing Facilities

Business Segment	Facility Name	Location (Prefecture)
Energy and Electric Systems	Inazawa Works	Aichi
	Itami Works	Hyogo
	Transmission & Distribution Systems Center	Hyogo
	Communication Networks Center	Hyogo
	Kobe Works	Hyogo
	Energy Systems Center	Hyogo
	Power Distribution Systems Center	Kagawa
Industrial Automation Systems	Nagasaki Works	Nagasaki
	Nagoya Works	Aichi
	Industrial Mechatronics Systems Works	Aichi
	Sanda Works	Hyogo
	Himeji Works	Hyogo
Information and Communication Systems	Fukuyama Works	Hiroshima
	Information Systems & Network Service Division	Kanagawa
	Kamakura Works	Kanagawa
	Communication Systems Center	Hyogo

Business Segment	Facility Name	Location (Prefecture)
Electronic Devices	High Frequency & Optical Device Works	Hyogo
	Power Device Works	Fukuoka
	LCD Division	Kumamoto
Home Appliances	Gunma Works	Gunma
	Shizuoka Works	Shizuoka
	Nakatsugawa Works	Gifu
	Kyoto Works	Kyoto
	Air-Conditioning & Refrigeration Systems Works	Wakayama

Note: As regards “4. Manufacturing Facilities,” the following changes were made as of April 1, 2022:

- Energy and Electric Systems Segment: Inazawa Works was transferred to Mitsubishi Electric Building Solutions Corporation.
- Home Appliances Segment: Kyoto Works was dissolved as of March 31, 2022, and Kyoto area office of the Planning and Administration Dept. and Home Appliances & Digital Media Equipment Div. were established.

(2) Subsidiaries

Please refer to Section 11. Principal Subsidiaries.

8. Employees (As of March 31, 2022)

Business Segment	Number of employees	Year-on-Year increase (decrease)
Energy and Electric Systems	47,113	(584)
Industrial Automation Systems	32,692	(283)
Information and Communication Systems	13,818	(82)
Electronic Devices	5,393	70
Home Appliances	28,710	1,165
Others	12,329	(274)
Common	5,641	31
Total	145,696	43

Notes: 1. Employees whose job and functions are not directly attributable to any of the aforementioned business segments are included in the line titled as “common.”

2. Breakdown of employees: 92,293 located in Japan; 53,403 located overseas.

9. Fund Raising

Mitsubishi Electric Corporation repaid the borrowings reaching their maturities within fiscal 2022, while procuring working capital through loans from financial institutions.

As a result, the balance of bonds and borrowings as of the end of fiscal 2022 stood at ¥217.1 billion, a decrease of ¥31.7 billion compared with the previous fiscal year.

10. Principal Lenders (As of March 31, 2022)

The Mitsubishi Electric Group has introduced a Group financing system, and is striving to improve the efficiency of funding operations through aggregation and financing of funds between Group companies.

The main financial institutions providing loans to the Group during the fiscal year were as follows.

(Billions of yen)

Name of Lender	Outstanding Borrowings
MUFG Bank, Ltd.	62.2
Mizuho Bank, Ltd.	30.3
The Norinchukin Bank	25.6
Sumitomo Mitsui Trust Bank, Limited	12.3

The borrowings on the Company's non-consolidated balance sheet include loans from financial institutions and loans from associated companies received through the Group financing system.

11. Principal Subsidiaries (As of March 31, 2022)

(1) Subsidiaries in Japan

Subsidiary Name	Business Segment	Paid-in capital (millions)	Owner -ship	Principal Business Activities	Location
Mitsubishi Electric Building Techno-Service Co., Ltd.	Energy and Electric Systems	¥5,000	100.0%	Sale, installation and maintenance of the Company's elevators and escalators and other building equipment	Tokyo
Mitsubishi Electric Lighting Corporation	Home Appliances	¥3,790	100.0%	Manufacture and sale of lighting equipment, lamps, and related components	Kanagawa
Mitsubishi Precision Co., Ltd.	Information and Communication Systems	¥3,170	74.8%	Manufacture and sale of simulators and precision electronic equipment	Tokyo
The Kodensha Co., Ltd.	Others	¥1,520	50.0%	Contractor undertaking electrical construction, sale of the Company's products	Tokyo

Note: Mitsubishi Electric Building Techno-Service Co., Ltd. acquired the Company's building system business from April 1, 2022, and changed its corporate name to Mitsubishi Electric Building Solutions Corporation.

(2) Overseas Subsidiaries

Region	Subsidiary Name	Business Segment	Paid-in capital (millions)	Owner-ship	Principal Business Activities	Location
North America	Mitsubishi Electric Automotive de Mexico, S.A. de C.V.	Industrial Automation Systems	938.038 Mexican Peso	100.0%	Manufacture and sale of automotive equipment	Mexico
North America	Mitsubishi Electric US, Inc.	—	\$31.623	100.0%	Sale and distribution of Group products	United States
North America	Mitsubishi Electric Automotive America, Inc.	Industrial Automation Systems	\$28.00	100.0%	Manufacture and sale of automotive equipment	United States
Asia	Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company	Home Appliances	571.3 Turkish lira	100.0%	Manufacture and sale of air conditioners	Turkey
Asia	Mitsubishi Electric (Guangzhou) Compressor Co., Ltd.	Home Appliances	\$122.22	100.0%	Manufacture and sale of rotary compressors for air conditioners	China
Asia	Mitsubishi Electric (Hong Kong) Ltd.	—	1,012.317 Hong Kong dollar	100.0%	Sale and distribution of Group products	Hong Kong
Europe	Mitsubishi Electric Europe B.V.	—	€100.597	100.0%	Sale and distribution of Group products	The Netherlands
Europe	Mitsubishi Electric Air Conditioning Systems Europe Ltd.	Home Appliances	14.90 pound	100.0%	Manufacture and sale of industrial air conditioners	The United Kingdom
Europe	Mitsubishi Electric Hydronics & IT Cooling Systems Sp.A.	Home Appliances	€10.00	100.0%	Design, manufacture, and sale of industrial air conditioning equipment	Italy
Other	Mitsubishi Electric Australia Pty. Ltd.	—	11.00 Australian dollar	100.0%	Sale and distribution of Group products	Australia

- Notes: 1. Mitsubishi Electric US, Inc., Mitsubishi Electric (Hong Kong) Ltd., Mitsubishi Electric Europe B.V. and Mitsubishi Electric Australia Pty. Ltd. sell and distribute the products produced by Mitsubishi Electric Corporation and/or the companies belonging to the Group, and marketed by multiple business segments.
2. The paid-in capital of Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company has fluctuated due to additional financing.

Number of Consolidated Subsidiaries

Region	Japan	Overseas					Total
		North America	Asia	Europe	Other	Subtotal	
Number	96	15	68	21	3	107	203

II. Matters Related to Mitsubishi Electric Corporation

1. Matters Related to Shares (As of March 31, 2022)

- (1) Authorized shares: 8,000,000,000 shares
 (2) Shares issued and outstanding 2,147,201,551 shares
 (3) Number of shareholders 118,280
 (4) Outstanding share information by shareholder category

Category	Number of Shareholders	Number of Shares Held (Thousand shares)	Percentage of Ownership
Government and municipal public organizations	0	0	0.0%
Financial institutions	137	844,076	39.3%
Traders of financial instruments	87	51,059	2.4%
Other corporations	1,304	86,327	4.0%
Foreign corporations <i>et al.</i>	1,024	866,715	40.4%
Individual <i>et al.</i>	115,728	299,022	13.9%

(5) Principal shareholders (Top 10)

Shareholder	Holdings of the Company's Shares	
	Number of Shares Held (Thousand Shares)	Percentage of Ownership
The Master Trust Bank of Japan, Ltd. (Trust Account)	357,390	16.9%
SSBTC CLIENT OMNIBUS ACCOUNT	106,213	5.0%
Custody Bank of Japan, Ltd. (Trust Account)	97,804	4.6%
Meiji Yasuda Life Insurance Company	81,862	3.9%
Mitsubishi Electric Group Employees Shareholding Union	44,478	2.1%
JP MORGAN CHASE BANK 380055	37,375	1.8%
Nippon Life Insurance Company	36,339	1.7%
STATE STREET BANK WEST CLIENT – TREATY 505234	30,422	1.4%
JP MORGAN CHASE BANK 385781	25,072	1.2%
THE BANK OF NEW YORK MELLON 140044	24,180	1.1%

Note: The Company owns 34,098,523 company-owned shares, but is excluded from the above list of principal shareholders. Shareholder ratio calculations deduct company-owned shares (figures are rounded to the first decimal place).

(6) Status of the Company's shares granted to the Company's officers as consideration for execution of duties during the fiscal year

Stock compensation granted during the fiscal year is as stated in 2) ii. b. of “2. (4) The Policy for Determining Compensation for Directors and Executive Officers for Fiscal 2022” below, and the status of grant are as stated in “2. (6) Total Number of Shares Granted as Compensation for Directors and Executive Officers for Fiscal 2022” below.

2. Directors and Executive Officers

(1) Directors (As of March 31, 2022)

1) Title, positions held and important concurrent posts of Directors

Title	Name	Positions Held	Important Concurrent Positions
Outside Director	Mitoji Yabunaka	Chairman of the Board of Directors, Chairman of the Nomination Committee, Member of the Compensation Committee	Visiting Professor, Ritsumeikan University Specially Appointed Professor, Osaka University
Outside Director	Hiroshi Obayashi	Chairman of the Audit Committee, Member of the Nomination Committee	Attorney-at-Law Outside Auditor, Daiwa Securities Co. Ltd. Outside Director, Audit & Supervisory Committee Member, NIPPON STEEL CORPORATION Outside Auditor, Japan Tobacco Inc.
Outside Director	Kazunori Watanabe	Chairman of the Compensation Committee, Member of the Audit Committee	Certified Public Accountant Tax Accountant Outside Corporate Auditor, BELLSYSTEM24 Holdings, Inc.
Outside Director	Hiroko Koide	Member of the Nomination Committee, Member of the Compensation Committee	Outside Director, J-OIL MILLS, Inc. Outside Director, J.FRONT RETAILING Co., Ltd.
Outside Director	Takashi Oyamada	Member of the Nomination Committee, Member of the Audit Committee	Senior Advisor, MUFG Bank, Ltd. Outside Director, Isetan Mitsukoshi Holdings Ltd. Outside Director of the Board, Kyowa Kirin Co., Ltd.
Director	Kei Uruma	—	—
Director	Masahiko Sagawa	Member of the Audit Committee	—
Director	Tadashi Kawagoishi	Member of the Compensation Committee	—
Director	Takashi Sakamoto	Member of the Audit Committee	—
Director	Kuniaki Masuda	Member of the Nomination Committee Member of the Compensation Committee	—

- Notes: 1. Directors Kei Uruma, Tadashi Kawagoishi and Kuniaki Masuda all concurrently serve as Executive Officers. Director Tadashi Kawagoishi retired from the position of Executive Officer on March 31, 2022 upon the expiration of his term of office, and his concurrent position as Executive Officer was terminated April 1, 2022 onward.
2. Director Kuniaki Masuda was newly elected and took office at the 150th Ordinary General Meeting of Shareholders held on June 29, 2021.
3. Director Mitoji Yabunaka retired from the position of Outside Director of Takasago Thermal Engineering Co., Ltd. as of June 22, 2021, and Director Hiroko Koide retired from the position of Outside Director of Honda Motor Co., Ltd. as of June 23, 2021.
4. Director Shinji Harada retired upon the expiration of his term of office at the end of the 150th Ordinary General Meeting of Shareholders held on June 29, 2021.

5. Director Takeshi Sugiyama resigned upon the conclusion of the extraordinary meeting of the Board of Directors held on July 28, 2021, and Director Masaki Sakuyama resigned upon the conclusion of the extraordinary meeting of the Board of Directors held on October 1, 2021. The titles and important concurrent positions of the two Directors when they resigned were as follows, and the Company had concluded a limited liability agreement with Director Masaki Sakuyama.

Title	Name	Positions Held	Important Concurrent Positions
Chairman	Masaki Sakuyama	—	Outside Auditor, The Japan Atomic Power Company
Director	Takeshi Sugiyama	—	—

6. Director Mitoji Yabunaka was elected and assumed the position of Chairman of the Board of Directors at the extraordinary meeting of the Board of Directors held on October 1, 2021.
7. Mr. Kazunori Watanabe, a member of the Audit Committee, is a certified public accountant. Mr. Masahiko Sagawa, a member of the Audit Committee, has many years of extensive experience in the Corporate Accounting and Finance Division of the Company and associated companies. They both possess considerable knowledge and experience in the fields of finance and accounting.
8. Mitsubishi Electric Corporation appointed Directors, namely, Messrs. Masahiko Sagawa and Takashi Sakamoto as the Standing Members of the Audit Committee to attend important meetings such as Executive Officer meetings, collect information including from Internal Auditors, conduct investigations such as interview with the execution divisions and other sections in a continuous and effective manner, while sufficiently cooperating with the divisions in charge of internal control.
9. Mitsubishi Electric Corporation has filed a notification on the nomination of its five Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada and Ms. Hiroko Koide, as Independent Directors to the Tokyo Stock Exchange in accordance with its directives and on the grounds that these individuals' nomination is in conformity with the requirement of independency.
- Five Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada and Ms. Hiroko Koide, satisfy the requirement of independency guidelines of Outside Directors of the Company.
10. Among the important concurrent positions of outside directors, the Company maintains business relationships with Osaka University, Daiwa Securities Co. Ltd., NIPPON STEEL CORPORATION and MUFG Bank, Ltd. It does not maintain special relationships with any of these that would conflict with the interest of its shareholders.

2) Overview of the limited liability agreements

Mitsubishi Electric Corporation made and entered into agreements with two Directors, namely, Messrs. Masahiko Sagawa and Takashi Sakamoto, and five Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada and Ms. Hiroko Koide, to limit their liability as stipulated in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, the limit of liability is either ¥10 million or the minimum statutory amount, whichever is higher.

3) Principal activities of Outside Directors

Name	Principal Activities and Overview of Duties Performed in Their Expected Roles
Mitoji Yabunaka	<p>He sufficiently fulfills the role expected of an Outside Director while also serving as the Chairman of the Board of Directors and the Chairman of the Nomination Committee, by attending Board of Directors' meetings, Nomination Committee meetings, and Compensation Committee meetings, where he proactively expresses opinions based on his wide range of experience and deep insight into the fields of internal control and governance, human resources and human resources development, and global affairs, and oversees the management of the Company.</p> <p>100% (twenty out of twenty) attendance at Board of Directors' meetings.</p>
Hiroshi Obayashi	<p>He sufficiently fulfills the role expected of an Outside Director while also serving as the Chairman of the Audit Committee, by attending Board of Directors' meetings, Nomination Committee meetings, and Audit Committee meetings, where he proactively expresses opinions based on his wide range of experience and deep insight into the fields of internal control and governance, legal affairs and compliance, and human resources and human resources development, and oversees the management of the Company.</p> <p>95% (nineteen out of twenty) attendance at Board of Directors' meetings and 100% (thirteen out of thirteen) attendance at Audit Committee meetings.</p>
Kazunori Watanabe	<p>He sufficiently fulfills the role expected of an Outside Director while also serving as the Chairman of the Compensation Committee, by attending Board of Directors' meetings, Audit Committee meetings, and Compensation Committee meetings, where he proactively expresses opinions based on his wide range of experience and deep insight into the fields of internal control and governance, finance and accounting, and human resources and human resources development, and oversees the management of the Company.</p> <p>100% (twenty out of twenty) attendance at Board of Directors' meetings and 100% (thirteen out of thirteen) attendance at Audit Committee meetings.</p>
Hiroko Koide	<p>She sufficiently fulfills the role expected of an Outside Director by attending Board of Directors' meetings, Nomination Committee meetings, and Compensation Committee meetings, where she proactively expresses opinions based on her wide range of experience and deep insight into the fields of corporate management and corporate strategies, internal control and governance, human resources and human resources development, and global affairs, and oversees the management of the Company.</p> <p>100% (twenty out of twenty) attendance at Board of Directors' meetings.</p>
Takashi Oyamada	<p>He sufficiently fulfills the role expected of an Outside Director by attending Board of Directors' meetings, Nomination Committee meetings, and Audit Committee meetings, where he proactively expresses opinions based on his wide range of experience and deep insight into the fields of corporate management and corporate strategies, internal control and governance, finance and accounting, and human resources and human resources development, and oversees the management of the Company.</p> <p>100% (twenty out of twenty) attendance at Board of Directors' meetings and 100% (thirteen out of thirteen) attendance at Audit Committee meetings.</p>

Notes: 1. Mitsubishi Electric Corporation held twenty Board of Directors' meetings during the fiscal year.

2. In fiscal 2022, improper quality control practices were found at multiple manufacturing facilities of the Company. The five Outside Directors were unaware of these practices. However, they had constantly called the attention of the Company's Board of Directors to relevant issues in the interest of ensuring compliance. After the incident, the five Outside Directors provide advice and instructions at the Board of Directors and other relevant bodies regarding rigorous investigations to uncover the full extent of the issue and its causes, as well as measures to further strengthen the compliance system in order to prevent the recurrence of similar incidents.

(2) Executive Officers (As of March 31, 2022)

Title	Name	Positions Held
Representative Executive Officer President & CEO	Kei Uruma	CEO
Representative Executive Officer Senior Vice President	Tadashi Matsumoto	In charge of Export Control, Building Systems
Representative Executive Officer Senior Vice President	Jun Nagasawa	In charge of Auditing, Legal Affairs & Compliance and Corporate Communication (Sustainability, Public Relations and Advertising), CCO
Senior Vice President	Satoshi Matsushita	In charge of Business Innovation, Chief Business DX Officer
Senior Vice President	Yoshikazu Miyata	In charge of Factory Automation Systems
Senior Vice President	Koichi Orito	In charge of Information Systems & Network Service
Executive Officer	Tadashi Kawagoishi	In charge of Accounting and Finance, CFO
Executive Officer	Juichi Shikata	In charge of Purchasing
Executive Officer	Yoshihisa Hara	In charge of Electronic Systems
Executive Officer	Atsuhiko Yabu	In charge of Automotive Equipment
Executive Officer	Satoshi Kusakabe	In charge of Government & External Relations, Risk Management, Economic Security, Export Control and Intellectual Property, CRO
Executive Officer	Yoji Saito	In charge of Global Strategic Planning & Marketing
Executive Officer	Hideki Fukushima	In charge of Public Utility Systems
Executive Officer	Noriyuki Takazawa	In charge of Energy & Industrial Systems
Executive Officer	Yuzuru Saito	In charge of Semiconductor & Device
Executive Officer	So Suzuki	In charge of Living Environment & Digital Media Equipment
Executive Officer	Eiichiro Mitani	In charge of Process & Operation Reform and IT, Chief Operation DX Officer, CIO
Executive Officer	Shozui Takeno	In charge of Information Security, Quality and Total Productivity Management & Environmental Programs, CISO, CQO
Executive Officer	Kunihiko Kaga	In charge of Corporate Strategic Planning and Operations of Associated Companies, CSO
Executive Officer	Katsuya Furuta	In charge of Domestic Marketing
Executive Officer	Kuniaki Masuda	In charge of General Affairs and Human Resources
Executive Officer	Tomonori, Sato	In charge of Research & Development, CTO

Notes: 1. Representative Executive Officer, President & CEO Kei Uruma, Executive Officers Tadashi Kawagoishi and Kuniaki Masuda also serve concurrently as Directors.

2. The category, Important Concurrent Positions, does not apply to all 22 Executive Officers.

3. Representative Executive Officer, President & CEO Takeshi Sugiyama resigned upon the conclusion of the extraordinary meeting of the Board of Directors held on July 28, 2021. The title and positions held by Mr. Takeshi Sugiyama when he resigned were as follows.

Title	Name	Positions Held
Representative Executive Officer President & CEO	Takeshi Sugiyama	CEO

4. Of those listed above, Representative Executive Officer, Senior Vice President Jun Nagasawa, Senior Vice Presidents Satoshi Matsushita, Yoshikazu Miyata and Koichi Orito, Executive Officers Tadashi Kawagoishi, Junichi Shikata, Hideki Fukushima and Yuzuru Saito retired upon the expiration of their terms of office on March 31, 2022.

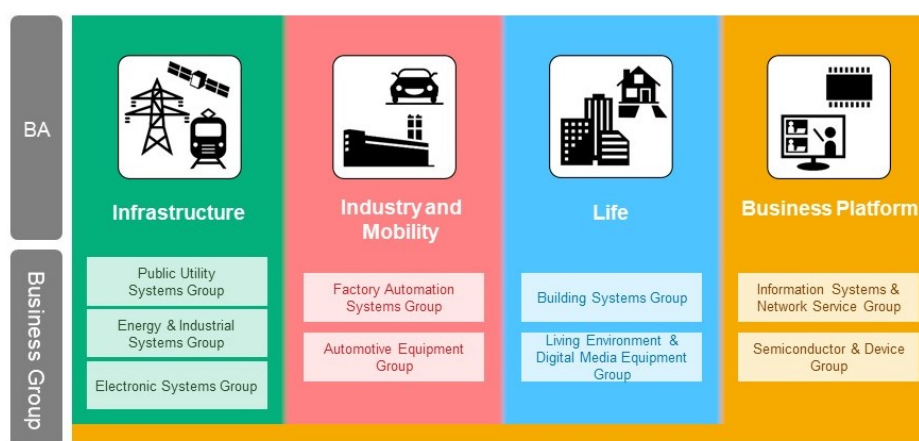
(Reference) Details of Management Structure as of April 1, 2022

The Mitsubishi Electric Group's corporate strategy is to provide Integrated Solutions in the four fields of Life, Industry, Infrastructure and Mobility by uniting the capabilities inside and outside of the Group, in addition to strengthening the management foundation that it has cultivated over the past 100 years, by transforming its business model with view to solving diversifying social issues.

To accelerate this corporate strategy, on April 1, 2022, its nine business groups were categorized into four business areas, namely, Infrastructure, Industry and Mobility, Life, and Business Platform, and new Business Area (BA) Owners were assigned to maximize corporate value from a medium- to long-term perspective, maintaining a bird's eye view of company-wide business to solve social issues. Each business group has clearly defined the domains in which it will grow its business and contribute to solving social issues, and has established a formation to realize this.

While maintaining the business group structure, Group Presidents will be responsible for strengthening the competitiveness of individual businesses. BA Owners will take a bird's eye view of the business assigned to them from an investor's perspective, without giving undue attention to short-term performance, drive business restructuring and cross-sectional strategies to maximize the value of their respective BA, and by extension, maximize the corporate value of the entire Group and achieve sustainable growth. In corporate divisions, the Company has expanded the chief officer structure to clarify their roles by primary function. Swiftly grasping various changes in the environment surrounding the business, such as digital transformation (DX), carbon neutrality and geopolitical risks, they will seek to develop company-wide strategies, such as sustainability strategies, to be implemented across the boundaries of BAs to create both social and economic values, and to enhance their functions to support each BA.

* The relationship between business areas and business groups in fiscal 2023 are as follows:



[Infrastructure BA]

Infrastructure BA helps build more resilient and safe social infrastructure systems by proposing a wide range of solutions that leverage digital engineering technologies the Company has accumulated.

[Industry and Mobility BA]

Industry and Mobility BA helps create a smart industrial society and mobility society amid a rapidly changing business environment with the advent of industry 4.0 and CASE, by reciprocally leveraging and developing the technologies accumulated by the two business groups under its umbrella, such as drive control technology and sensor technology.

[Life BA]

Life BA helps create an enriched sustainable living by offering comfortable and convenient spaces for a wide range of communities from personal to public, unconstrained by individual business domains such as elevators and HVAC systems.

[Business Platform BA]

Business Platform BA offers highly efficient and reliable semiconductor devices as well as secure and highly scalable information systems throughout society to help solve diversifying social challenges while supporting the development of the three abovementioned BAs.

* Executive Officers as of April 1, 2022 are as follows:

Title	Name	Positions Held
Representative Executive Officer President & CEO	Kei Uruma	CEO
Representative Executive Officer Senior Vice President	Tadashi Matsumoto	Life Business Area Owner (Group President, Building Systems), in charge of Export Control
Executive Officer	Yoshihisa Hara	Group President, Electronic Systems
Executive Officer	Atsuhiko Yabu	Group President, Automotive Equipment
Executive Officer	Satoshi Kusakabe	CRO (In charge of Legal Affairs & Compliance, Risk Management, Economic Security and Export Control)
Executive Officer	Yoji Saito	CMPO (In charge of Purchasing), CCO (Vice President, Corporate Communication, In charge of Government & External Relations)
Executive Officer	Noriyuki Takazawa	Infrastructure Business Area Owner (Group President, Energy & Industrial Systems)
Executive Officer	So Suzuki	Group President, Living Environment & Digital Media Equipment
Executive Officer	Eiichiro Mitani	Business Platform Business Area Owner (Group President, Information Systems & Network Service), CIO (In charge of Information Security and IT, Vice President, Corporate Process & Operation Reengineering)
Executive Officer	Shozui Takeno	Vice President, Corporate Total Productivity Management & Environmental Programs

Title	Name	Positions Held
Executive Officer	Kunihiko Kaga	In charge of Auditing, CSO (In charge of Corporate Strategic Planning and Operations of Associated Companies), CTO (In charge of Technology Strategies)
Executive Officer	Katsuya Furuta	CMO (In charge of Global Marketing, Vice President, Corporate Marketing)
Executive Officer	Kuniaki Masuda	CFO (In charge of Accounting and Finance), CHRO (In charge of General Affairs and Human Resources)
Executive Officer	Tomonori Sato	In charge of Intellectual Property, Vice President, Corporate Research and Development
Executive Officer	Yoshikazu Nakai	CPO (In charge of Manufacturing), CQO (Vice President, Corporate Quality Assurance Reengineering)
Executive Officer	Satoshi Takeda	Industry and Mobility Business Area Owner (Group President, Factory Automation Systems)
Executive Officer	Hiroshi Sakakibara	CDO (Vice President, Corporate Business Innovation)

Notes: 1. Details of areas of responsibility:

Technology Strategies:

Global Marketing:

Manufacturing:

Infrastructure Business Area:

Industry and Mobility Business Area:

Life Business Area:

Business Platform Business Area:

Intellectual Property, Corporate Research and Development

Overseas and Domestic Marketing

Corporate Quality Assurance Reengineering, Total Productivity Management & Environmental Programs

Public Utility Systems, Energy & Industrial Systems, Electronic Systems

Factory Automation Systems, Automotive Equipment

Building Systems, Living Environment & Digital Media Equipment

Information Systems & Network Service, Semiconductor & Device

2. Details of Chief Officer:

CEO: Chief Executive Officer	CSO: Chief Strategy Officer
CRO: Chief Risk Management Officer	CTO: Chief Technology Officer
CMPO: Chief Material Procurement Officer	CMO: Chief Marketing Officer
CCO: Chief Communication Officer	CFO: Chief Financial Officer
CIO: Chief Information Officer	CHRO: Chief Human Resources Officer
CISO: Chief Information Security Officer	CPO: Chief Productivity Officer
CQO: Chief Quality Officer	CDO: Chief Digital Officer

3. Details of Executive Officers (Associate)

Effective April 1, 2022, based on the company-wide management policy, the Company has newly appointed Executive Officers (Associate) who will make decisions on overall management and execute business in relation to groups / business groups / corporate divisions within their purview. The appointments are as follows:

Title	Name	Positions Held
Executive Officer (Associate)	Noriyuki Shimizu	Group President, Global Strategic Planning & Marketing
Executive Officer (Associate)	Yasumichi Tazunoki	Senior General Manager, Corporate Strategic Planning Div.
Executive Officer (Associate)	Shigeki Kawaji	Senior General Manager, Corporate Purchasing Div.

Title	Name	Positions Held
Executive Officer (Associate)	Kenichiro Fujimoto	Overseeing Accounting and Finance, Senior General Manager, Corporate Accounting Div.
Executive Officer (Associate)	Masayoshi Takemi	Group President, Semiconductor & Device
Executive Officer (Associate)	Hideto Negoro	Group President, Public Utility Systems
Executive Officer (Associate)	Yasunari Abe	Senior General Manager, Corporate Human Resources Div.

(3) Directors' and Executive Officers' Compensation for Fiscal 2022

	Number Receiving Payment	Total Compensation Amount (Millions of yen)	Total Compensation Amount by Type			
			Basic Compensation (Millions of yen)	Performance-based Compensation (Millions of yen)		Retirement Benefit (Millions of yen)
				Stock Compensation		
Directors	4	140	138	-	-	1
Outside Directors	5	79	77	-	-	2
Executive Officers	23	1,986	859	1,112	556	15

Notes: 1. The number of Directors receiving compensation does not include Outside Directors or Directors who concurrently hold posts as Executive Officers.

2. Regarding Executive Officers who assumed the office in the 150th fiscal year, there was a difference amounting to ¥42 million between the total compensation disclosed for the previous fiscal year and the compensation paid during fiscal 2022. Said difference was not included in the amount disclosed above.
3. The details of the performance indices that were selected as the basis for the calculation of the amount and number of the performance-based compensation, the reason for the selection of such performance indices, the calculation method for the performance-based compensation, and the results relating to such performance indices are as stated in 2) ii. b. of “(4) The Policy for Determining Compensation for Directors and Executive Officers for Fiscal 2022” below.
4. As an incentive plan, the Company has adopted a performance-based stock compensation plan as compensation for Executive Officers, with the main purpose of realizing a higher level of growth and further raising management awareness that places importance on the interest of shareholders. The BIP (Board Incentive Plan) Trust has been adopted for the compensation plan whereby 50% of performance-based compensation will be granted to Executive Officers as stock compensation, i.e., non-monetary compensation, after a three-year deferment period. Details of this stock compensation are as stated in 2) ii. b. of “(4) The Policy for Determining Compensation for Directors and Executive Officers for Fiscal 2022” below.
5. With regard to the retirement benefits for Directors and Executive Officers, the retirement benefits were terminated for Directors after the conclusion of the Ordinary General Meeting of Shareholders held in June 2021, and for Executive Officers from April 1, 2021. Directors and Executive Officers who assumed office prior to the termination date of retirement benefits shall be paid retirement benefits at the time of retirement for the term of office until the termination date of the retirement benefits, in accordance with the Regulations on the Retirement Benefits of Directors and Executive Officers determined by the Compensation Committee.
6. With serious consideration of the work-related issues and improper quality control practices, the basic compensation from April to May in 2021 and from January to March in 2022 and retirement benefits for fiscal 2022 for relevant Directors and Executive Officers have been partly reduced or voluntarily returned.

(4) The Policy for Determining Compensation for Directors and Executive Officers for Fiscal 2022

The policy for determining compensation for Directors and Executive Officers are deliberated upon and decided by the Compensation Committee, a majority of which is comprised of outside directors. The relevant policy for fiscal 2022 is as follows.

1) Basic Policies

- i. As a Company with a Three-committee System, the Company segregates the supervisory function and the execution function of management. The supervisory function of management is assigned to the Board of Directors and the execution function of management is assigned to the Executive Officers. The compensation scheme for Directors and the compensation

scheme for the Executive Officers will be set differently, corresponding to the contents and responsibilities of each of the duty and position.

- ii. Directors give advice to and supervise the Company's management from an objective point of view, and therefore, the basic policy of the compensation scheme for Directors is the payment of basic compensation.
- iii. The compensation scheme for the Executive Officers focuses on incentives for the realization of management policies and the improvement of business performance, and performance-based compensation will be paid in addition to the payment of basic compensation, based on the following basic policies:
 - a. The compensation scheme should raise awareness of the contribution to the improvement of the mid- and long-term business performance, and to the enhancement of the Group's corporate value.
 - b. The compensation scheme should be closely linked with the company's performance and be highly transparent and objective.
 - c. The compensation scheme should mainly aim at sharing of interest with shareholders and raising management awareness which places importance on the interest of shareholders.
- iv. In order to introduce from the outside objective points of view and specialized knowledge about the executive compensation scheme, the Company will employ external compensation consultants, and deliberate the compensation level, compensation scheme, etc. with the support of such consultants, taking into consideration external data concerning compensation in major Japanese corporations developing their businesses globally, the domestic economic environment, industry trends, management conditions, etc.

2) The System and the Policy for Determining Compensation for Directors and Executive Officers for Fiscal 2022

- i. Compensation for Directors:

The basic compensation shall be a monthly fixed amount set at a level considered reasonable, while taking into account the contents of the Directors' duties and the Company's conditions, etc.
- ii. Compensation for Executive Officers:
 - a. The basic compensation shall be a monthly fixed amount set at a level considered reasonable, while taking into account the contents of the Executive Officers' duties and the Company's conditions, etc.
 - b. Performance-based compensation shall be paid as indicated below, at a certain period each year.
 - The Group strives to achieve sustainable growth and further improvement of corporate value through its threefold balanced management policy of "Growth," "Profitability & Efficiency" and

“Soundness.” The payment reference amount for performance-based compensation is based on the consolidated business performance such as net profit attributable to Mitsubishi Electric Corp. stockholders, in line with the Medium-Term Management Plan. The Company’s business performance for fiscal 2022 is as stated in the above “6. Trends in Operating Results and Financial Condition.”

- Compensation for Executive Officers are set within a range of $\pm 20\%$ the payment reference amount, reflecting business performance in their respective business segments.
 - With the purposes of meshing the interest of shareholders with the Executive Officers and further raising management awareness that places importance on the interest of shareholders, and increasing the incentives for the improvement of business performance from the mid- and long-term perspectives, 50% of performance-based compensation will be paid in the form of shares. Share-based compensation consists of Company stocks issued after a three-year deferment period. The Company sets a rule that the Executive Officers are required to continue to hold the Company stocks issued until 1 year has passed from resignation, in principle.
- c. If the Company achieves the consolidated revenue of ¥5 trillion or more and the operating profit ratio of 10% or more, which are the growth targets for the Medium-Term Management Plan, the basic composition of the compensation will be as follows: basic compensation 30%, and performance-based compensation 70%, of which the ratio of mid- and long-term incentives (share-based compensation in the performance-based compensation) is 35% of the total compensation. If the consolidated business performance is within the growth targets for the Medium-Term Management Plan, the percentage of performance-based compensation shall fluctuate between the range of 0% to 70%.
- iii. Other important matters regarding the decision on details of compensation given to individual Directors, etc.

Regarding the stock compensation of the performance-based compensation of Executive Officers, if there has been any serious breach of responsibilities by the Executive Officer, or if the Executive Officer has resigned for personal reasons against the will of the Company, the Company may confiscate the rights to receive the granting of shares or demand the refund of cash equivalent to the value of the granted shares, etc., from such Executive Officer by resolution of the Compensation Committee. Additionally, if certain grounds arise that materially impact the management of the Company, the Company may reduce the basic compensation of Executive Officers by resolution of the Compensation Committee.

iv. Decision-making process, etc.:

The Company decides on compensation decision policies for Directors and Executive Officers, and the compensation given to individuals based on these policies, through the Compensation Committee, a majority of which is comprised of outside directors. The details of the activities of the Compensation Committee are reported to the Board of Directors on a case-by-case basis. The Compensation Committee meeting was held eleven times in fiscal 2022.

Note: The Company has decided to review the entire compensation scheme for Executive Officers (including Directors who concurrently serve as Executive Officers) in light of the management and business environment the Mitsubishi Electric Group is facing and the environment surrounding executive compensation. A new executive compensation scheme will be applied from fiscal 2023.

[Reference] For details, please refer to our Company's Website:

(<https://www.MitsubishiElectric.com/en/investors/meeting/>)

(5) The Grounds for Determination by the Compensation Committee that the Details of Compensation Given to Individuals Observe the Determination Policy for Fiscal 2022

The basic compensation to individual Directors and Executive Officers has been deliberated and determined by the Compensation Committee by utilizing external data on the compensation of major companies in Japan operating globally and taking into account the contents of the duties of the Directors and Executive Officers. As for the performance-based compensation for individual Executive Officers, individual compensation has been determined upon setting a payment reference amount by the Compensation Committee based on the Company's consolidated business results for fiscal 2022 (profit attributable to Mitsubishi Electric Corp. stockholders), within a range of $\pm 20\%$ of the payment reference amount, reflecting business performance in their respective business segments. Furthermore, the retirement benefits paid to Directors and Executive Officers who retired during fiscal 2022 were determined upon deliberation of their individual payments by the Compensation Committee, based on the Regulations on the Retirement Benefits of Directors and Executive Officers formulated under the policy prior to the revision. Based on the above, the Compensation Committee has determined that the details of compensation given to individuals observe the determination policy.

(6) Total Number of Shares Granted as Compensation for Directors and Executive Officers for Fiscal 2022

	Number of Shares Granted	Number of Recipients
Executive Officers and Directors (excluding Outside Directors)	329,900	22
Outside Directors	-	-

Notes: 1. The above includes former Directors and Executive Officers.

2. The above number of shares granted is the number of shares that were actually granted to Directors and Executive Officers. Of the shares that Directors and Executive Officers are entitled to be granted, 331,881 shares have been converted in the trust and delivered as cash equivalent to the disposal price, based on the regulations for granting shares.

3. Matters Related to the Directors and Officers Liability Insurance (D&O Insurance)

The Company has concluded a directors and officers liability insurance (D&O Insurance) agreement provided in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The scope of the insured under this insurance policy includes the Company, the Company's executives, important employees, dispatched Outside Directors, and their heirs. This insurance policy shall compensate for damages and legal expenses to be borne by the insured, in the event of a claim for damages submitted by a shareholder or third party, etc. However, claims for damages arising from criminal acts by the executives, etc. shall be exempt from compensation. All insurance premiums shall be borne by the Company.

4. Status of the Independent Auditor

(1) Name of the Independent Auditor

KPMG AZSA LLC

(2) Compensation Paid to the Independent Auditor in Fiscal 2022

(Millions of yen)

	Payment
1) Compensation and other payments to the Independent Auditor by Mitsubishi Electric Corporation	283
2) A total of financial returns payable on monetary and other assets by Mitsubishi Electric Corporation and its subsidiaries	529

Notes: 1. In its auditing agreements with independent auditors, the Company makes no distinction between compensation for audits as defined by the Companies Act or for audits as defined under the Financial Instruments and Exchange Law. The total of compensation for such audits is included in 1) in the above table.

2. Aside from audit work defined in Article 2, Paragraph 1 of the Certified Public Accountant Law, Mitsubishi Electric Corporation has paid the Independent Auditor a fee for advisory services related to assessment of the Company's accounting operations.

3. Ten of the Company's principal overseas subsidiaries have been audited by audit corporations in alliance with the Independent Auditor retained by Mitsubishi Electric Corporation.

4. Audit Committee determined that the compensation for Independent Auditors were legitimate and agreed to the amount, as it was based on the estimated audit hours taking into account the audit policies and plans for fiscal 2022, which were confirmed with the Independent Auditors, and as the compensation unit price was a reasonable amount.

(3) Policy on Dismissal or Non-Reappointment of the Independent Auditor

1) The Independent Auditor may be dismissed in the event that it:

- a. Commits any breach or omission of due fulfillment of the responsibilities of its work;
- b. Acts in a manner that is inappropriate for an independent auditor; or,
- c. Is involved in any sort of incident or activity that is deemed to fall within the scope of (a) and (b) above.

2) In addition to the event as contemplated in 1) above, for such reasons as (but not limited to) amelioration of the audit quality, the Company may opt, as necessary, not to renew the retention or appointment of the Independent Auditor.

5. Summary of Systems Necessary to Ensure the Properness of Operations of the Company and the Status of the Management

(1) For the execution of the duties of the Audit Committee, its independence is secured by assigning employees whose job is exclusively to assist the Audit Committee members. In addition, internal regulations regarding the processing of expenses and debts incurred in the execution of the duties of the Audit Committee members are established and such expenses and debts are properly processed.

A system for reporting to the Audit Committee is developed to report information about the Company and its subsidiaries to the Audit Committee via the divisions in charge of internal control, and an internal whistle-blower system is developed and its details are reported to the Audit Committee members.

Furthermore, the Audit Committee members attend important meetings including Executive Officer meetings and conduct investigations such as interviews with Executive Officer and the executives of the Company's offices and subsidiaries, and undertake deliberations to determine audit policies, methods, implementation status, and results of the audit by regularly receiving reports from the Independent Auditor and Executive Officers in charge of audits.

(2) Internal regulations and systems to ensure the properness of operations within the Mitsubishi Electric Group are established. Executive Officers take responsibility for constructing such systems within the areas over which they are appointed. Important matters are deliberated by convening Executive Officer meetings.

Executive Officers regularly monitor the status of management of the systems. The divisions in charge of internal control monitor the status of design and management of internal control system and regulations. Also an internal whistle-blower system is established and the matters reported thereto are informed to the Audit Committee members.

Furthermore, the status of management of the system is audited by internal auditors, and the audit results are reported regularly to the Audit Committee via Executive Officers in charge of audit.

Details of this section are posted on the Company's Website (<https://www.MitsubishiElectric.com/en/investors/meeting/>).

[Details Disclosed on the Company's Website]

- (1) For the execution of the duties of the Audit Committee, its independence is secured by assigning employees whose job is exclusively to assist the Audit Committee members. In addition, internal regulations regarding the processing of expenses and debts incurred in the execution of the duties of the Audit Committee members are established and such expenses and debts are properly processed.

A system for reporting to the Audit Committee is developed to report information about the Company and its subsidiaries to the Audit Committee via the divisions in charge of internal control, and an internal whistle-blower system is developed and its details are reported to the Audit Committee members.

Furthermore, the Audit Committee members attend important meetings including Executive Officer meetings and conduct investigations such as interviews with Executive Officer and the executives of the Company's offices and subsidiaries, and undertake deliberations to determine audit policies, methods, implementation status, and results of the audit by regularly receiving reports from the Independent Auditor and Executive Officers in charge of audits.

Item	Matters resolved	Status of management
<p>The matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee</p>	<ul style="list-style-type: none"> ■ Assign employees whose job is exclusively to assist the Audit Committee. ■ The Senior General Manager of the Corporate Human Resources Division will consult with Audit Committee members regarding the evaluation of performance by and relocation of employees exclusively assisting the Audit Committee. ■ Establish a system for reporting information about the Company and its subsidiaries to the Audit Committee via the divisions in charge of internal control. ■ Establish internal regulations and systems to protect people who reported information about the Company and its subsidiaries to the Audit Committee. ■ Establish internal regulations regarding the processing of expenses and debts incurred in the execution of the duties of the Audit Committee members. ■ Establish the following structures and systems in relation to other audits by the Audit Committee: <ol style="list-style-type: none"> 1. Conduct investigation of the Company and its subsidiaries. 2. Undertake deliberations to determine audit policies, methods, implementation status and results of the audit by regularly convening debriefing sessions between the Independent Auditor and Executive Officers in charge of audits. 	<ul style="list-style-type: none"> ■ Employees whose job is exclusively to assist the Audit Committee are assigned and are assisting the Audit Committee. ■ The Senior General Manager of the Corporate Human Resources Division consults with Audit Committee members regarding the evaluation of performance by and relocation of employees exclusively assisting the Audit Committee. ■ Reporting systems are established based on the type of information, and information about the Company and its subsidiaries is reported to the Audit Committee via the divisions in charge of internal control. ■ Results of internal audit are reported to the Audit Committee on a regular basis from the internal auditors via the Executive Officers in charge of audits. ■ An internal whistle-blower system is developed and its details are reported to the Audit Committee members. ■ Internal regulations and systems to protect people who reported information about the Company and its subsidiaries to the Audit Committee are established and are thoroughly informed in the Group. ■ Internal regulations regarding the processing of expenses and debts incurred in the execution of the duties of the Audit Committee members are established, and such expenses and debts are properly processed. ■ The Audit Committee members attend important meetings including Executive Officer meetings, and conduct investigations such as interviews with Executive Officers and the executives of the Company's offices and subsidiaries. ■ The Audit Committee undertakes deliberations to determine audit policies, methods, implementation status and results of the audit by regularly receiving reports from the Independent Auditor and Executive Officers in charge of audits and exchanging opinions.

(2) Internal regulations and systems to ensure the properness of operations within the Mitsubishi Electric Group are established. Executive Officers take responsibility for constructing such systems within the areas over which they are appointed. Important matters are deliberated by convening Executive Officer meetings.

Executive Officers regularly monitor the status of management of the systems. The divisions in charge of internal control monitor the status of design and management of internal control system and regulations. Also an internal whistle-blower system is developed and its details are reported to the Audit Committee members.

Furthermore, the status of management of the system is audited by internal auditors, and the audit results are reported regularly to the Audit Committee via Executive Officers in charge of audit.

Item	Matters resolved	Status of management	
<p>The development of systems necessary to ensure that the execution of duties by Executive Officers complies with laws and regulations and the Articles of Incorporation</p>	<p>■ Establish internal regulations ensuring that the Executive Officers' performance and execution of duties is in accordance with laws and regulations the Articles of Incorporations. Internal auditors shall monitor the status of management.</p>	<p>■ Internal regulations ensuring that the Executive Officers' performance and execution of duties is in accordance with laws and regulations and the Articles of Incorporations are established. Their duties are executed in accordance with these internal regulations.</p> <p>■ Compliance training is implemented for all Executive Officers on a regular basis. Points of concern for Executive Officers in light of legal reform and social trends are provided.</p>	<p>Executive Officers take responsibility for constructing systems to ensure the properness of operations of the Group within the areas over which they are appointed, and regularly monitor the status of management of the systems.</p> <p>The divisions in charge of internal control monitor the status of design and management of internal control system and regulations. Also an internal whistle-blower system is developed and its details are reported to the Audit Committee members.</p>
<p>Other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of the company, and of the corporate group formed by the company and its subsidiaries</p>	<p>■ Establish internal regulations related to the record keeping and information management regarding Executive Officers' performance and execution of duties. Internal auditors shall monitor the status of management.</p> <p>■ Executive officers shall take responsibility for constructing risk management systems related to possible losses within the areas over which they are appointed. Important matters shall be deliberated at Executive Officer meetings. Internal auditors shall monitor the status of management.</p> <p>■ Executive officers shall take responsibility for ensuring management efficiency within the areas over which they are appointed. Important matters shall be deliberated at Executive Officer meetings. Internal auditors shall monitor the status of management.</p> <p>■ Establish the following systems ensuring that employees' performance and execution of duties is in accordance with laws and the Articles of Incorporation.</p> <ul style="list-style-type: none"> - Establish internal regulations and action guidelines regarding ethics and compliance. - Implement an internal whistle-blower system. 	<p>■ Internal regulations related to the record keeping and information management regarding Executive Officers' performance and execution of duties are established. Record keeping and information management are carried out in an appropriate manner.</p> <p>■ Executive Officers take responsibility for constructing risk management systems related to possible losses within the areas over which they are appointed. Important matters are deliberated by convening Executive Officer meetings.</p> <p>■ Executive officers take responsibility for ensuring management efficiency within the areas over which they are appointed. Important matters are deliberated by convening Executive Officer meetings.</p> <p>■ Internal regulations and action guidelines regarding ethics and compliance are established, based on which the performance and execution of duties is carried out.</p> <p>■ Various types of compliance-related trainings are implemented for employees on a regular basis.</p>	<p>The status of management of the systems is audited by internal auditors, and the audit results are reported regularly to the Audit Committee via Executive Officers in charge of audit.</p>

Item	Matters resolved	Status of management	
	<ul style="list-style-type: none"> ■ The following systems shall be established in order to ensure the properness of operations within the Group. - Executive officers shall manage the subsidiaries within the areas over which they are appointed. - Establish action guidelines shared throughout the Group regarding ethics and compliance. - Create a specialized organization for integrated management of the Group companies. - Build systems for reporting matters relating to the performance and execution of duties of the Group companies, managing risks of possible losses, and ensuring the efficiency of performance and execution of duties, and establish management standards. Important matters shall be deliberated and reported at Executive Officer meetings. - Conduct regular audits of subsidiaries by internal auditors. 	<ul style="list-style-type: none"> ■ Executive Officers take responsibility for managing the subsidiaries within the areas over which they are appointed. ■ Action guidelines shared throughout the Group regarding ethics and compliance are established and thoroughly informed in the Group. ■ A specialized organization for the management of associated companies is created for the integrated management of the Group companies. ■ In order to ensure the properness of operations within the Group, management standards for the Group companies are established. Important matters of the Group companies are deliberated and reported by convening Executive Officer meetings. 	

6. Basic Policy Regarding Control over the Company

At present, Mitsubishi Electric Corporation has not formulated basic policies or anti-takeover measures.

The Company aims to further enhance corporate value in incessant pursuit of growth and *better-than-ever* business results. Through proactive IR activities, the Company endeavors to convey timely information to investors and financial markets, regarding its management policies, strategies and business results.

However, due to the possibility that large volumes of shares may be purchased, the Company believes it is necessary to take appropriate steps in response to any action not in conformity with the objective of enhancing the Company's corporate value, or in contrary to the common interest of shareholders. Looking forward, the Company will maintain a careful watch over social trends and examine avenues of action.

7. Policy on the Determination of Dividends from Surplus

(1) Medium- to long-term policy

Mitsubishi Electric Corporation shall remain focused on enhancing corporate value as its ultimate objective. The Company aims to maintain a balance between distributing profits that reflect earnings conditions for the respective fiscal year and strengthening its financial standings by improving internal reserves. From this perspective, the Company's fundamental policy is to improve overall shareholder returns.

(2) Dividends for the fiscal year ended March 31, 2022

In the fiscal year ended March 31, 2022, Mitsubishi Electric Corporation decided to pay a fiscal year-end dividend of ¥26 per share in line with its performance and financial standing during the fiscal period.

As a result, the annual dividend for the fiscal year ended March 31, 2022, amounted to ¥40 per share, which includes an interim dividend of ¥14 per share paid on December 2, 2021.

Note: Fiscal year-end dividends will be paid on Thursday, June 2, 2022.

Consolidated Financial Statements

Consolidated Statement of Financial Position

(March 31, 2022)

(Millions of yen)

Assets		Liabilities	
Current assets	3,090,296	Current liabilities	1,646,722
Cash and cash equivalents	727,179	Bonds, borrowings and lease liabilities	173,213
Trade receivables	944,405	Trade payables	601,606
Contract assets	287,697	Contract liabilities	188,300
Other financial assets	62,135	Other financial liabilities	167,687
Inventories	959,660	Accrued expenses	326,703
Other current assets	109,220	Accrued income taxes	33,575
Non-current assets	2,017,677	Provisions	106,112
Investments accounted for using the equity method	221,467	Other current liabilities	49,526
Other financial assets	321,056	Non-current liabilities	363,854
Property, plant and equipment	855,746	Bonds, borrowings and lease liabilities	156,248
Goodwill and intangible assets	161,494	Net defined benefit liabilities	162,353
Deferred tax assets	159,915	Provisions	4,921
Other non-current assets	297,999	Deferred tax liabilities	4,774
		Other non-current liabilities	35,558
		Total liabilities	2,010,576
		Equity	
		Mitsubishi Electric Corp. stockholders' equity	2,975,941
		Common stock	175,820
		Capital surplus	202,695
		Retained earnings	2,464,966
		Accumulated other comprehensive income (loss)	184,528
		Treasury stock, at cost	(52,068)
		Non-controlling interests	121,456
		Total equity	3,097,397
Total assets	5,107,973	Total liabilities and equity	5,107,973

Consolidated Statement of Profit or Loss

(April 1, 2021 to March 31, 2022)

(Millions of yen)

Revenue	4,476,758
Cost of sales	3,212,216
Selling, general and administrative expenses	1,013,674
Other profit (loss)	1,183
Operating profit	252,051
Financial income	11,910
Financial expenses	2,702
Share of profit of investments accounted for using the equity method	18,434
Profit before income taxes	279,693
Income taxes	61,808
Net profit	217,885
Net profit attributable to:	
Mitsubishi Electric Corp. stockholders	203,482
Non-controlling interests	14,403

[Reference]

Consolidated Statement of Cash Flows

(April 1, 2021 to March 31, 2022)

(Millions of yen)

Cash flows from operating activities	282,371
Cash flows from investing activities	(114,867)
Free cash flow	167,504
Cash flows from financing activities	(241,319)
Effect of exchange rate changes on cash and cash equivalents	33,588
Net increase (decrease) in cash and cash equivalents	(40,227)

Financial Statements

Balance Sheet

(March 31, 2022)

(Millions of yen)

Assets		Liabilities	
Current assets:	1,742,473	Current liabilities:	1,406,491
Cash and cash equivalents	311,641	Electronically recorded obligations – operating	98,339
Notes receivable	6,085	Trade accounts payable	344,817
Trade accounts receivable	631,881	Short-term loans payable	567,885
Contract assets	246,144	Lease obligation	2,524
Finished goods	96,211	Other accounts payable	97,326
Raw materials	59,639	Accrued expenses	113,179
Work in process	203,330	Income taxes payable	4,201
Advance payments	20,489	Advances received	86,520
Other	167,151	Reserve for product warranties	35,277
Allowance for doubtful accounts	(101)	Reserve for loss on construction contracts	31,208
Noncurrent assets:	1,323,118	Other	25,211
Property, plant and equipment	432,987	Noncurrent liabilities:	168,919
Buildings, net	213,625	Long-term loans payable	160,880
Structures, net	12,779	Lease obligations	4,127
Machinery and equipment, net	85,978	Reserve for loss on investments in foreign subsidiaries and affiliates	711
Vehicles, net	507	Reserve for directors' retirement benefits	590
Tools, furniture and fixtures, net	25,714	Reserve for competition-law-related expenses	1,257
Land	48,177	Asset retirement obligations	386
Lease assets, net	3,533	Other	966
Construction in progress	42,671	Total liabilities	1,575,410
Intangible fixed assets	37,519	Net assets	
Software	24,491	Shareholders' equity:	1,401,422
Other	13,028	Common stock	175,820
Investments and other assets	852,610	Capital surplus	181,321
Investment in securities	211,270	Legal capital surplus	181,140
Investment in subsidiaries and affiliates	440,659	Other capital surplus	181
Long-term loans receivable	7,794	Retained earnings	1,096,349
Long-term prepaid expenses	4,726	Legal retained earnings	43,955
Deferred tax assets	47,599	Other retained earnings	1,052,394
Other	141,589	Reserve for reduction entry	9,583
Allowance for doubtful accounts	(1,030)	General reserve	300,000
		Retained earnings brought forward	742,810
		Treasury stock	(52,068)
		Valuation and translations adjustments:	88,757
		Unrealized gains (losses) on securities	89,342
		Deferred gains (losses) on hedges	(584)
		Total net assets	1,490,180
Total assets	3,065,591	Total liabilities and net assets	3,065,591

Statement of Income

(April 1, 2021 to March 31, 2022)

(Millions of yen)

Net sales		2,557,436
Cost of sales		2,008,189
Gross profit		549,247
Selling, general and administrative expenses		482,629
Operating income		66,618
Non-operating income		
Interest and dividends	118,588	
Other	14,108	132,697
Non-operating expenses		
Interest	2,978	
Other	23,416	26,395
Ordinary income		172,920
Extraordinary income		
Gain on sales of investment in securities	29,646	29,646
Extraordinary loss		
Loss on impairment	3,684	3,684
Income before income taxes		198,882
Income taxes-current		13,218
Income taxes-deferred		6,274
Net income		179,389

Independent Auditor's Report

May 24, 2022

Kei Uruma
President and CEO
Mitsubishi Electric Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Kensuke Sodekawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Naoki Matsumoto
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yukihiko Ishiguro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the related notes of Mitsubishi Electric Corporation (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”), as at March 31, 2022 and for the year from April 1, 2021 to March 31, 2022 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the second sentence of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 11(2) to the consolidated financial statements. An internal investigation revealed that the inspections of some of the HVAC (Heating, Ventilation and Air Conditioning systems) and other products for railcars manufactured at Nagasaki Works were conducted in a different way from the inspections described in the purchase specification, had not been actually conducted, and had inappropriate documentation in the inspection reports. The company-

wide investigation by the investigative committee is still in progress. The Company recognized inspection and replacement costs, etc. in relation to the improper quality control practices identified up to March 31, 2022 in this fiscal year. The financial position and financial results of Mitsubishi Electric Group may be affected depending on the progress of future discussions with customers and investigations. The Company has not incorporated these impacts into the consolidated financial statements for this fiscal year as it is impossible to reasonably estimate the impacts at present.

Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the second sentence of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 the second sentence of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards.

The audit committee is responsible for overseeing the executive officers and the 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 Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the second sentence of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

Independent Auditor's Report

May 24, 2022

Kei Uruma
President and CEO
Mitsubishi Electric Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Kensuke Sodekawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Naoki Matsumoto
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yukihiko Ishiguro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules (“the financial statements and others”) of Mitsubishi Electric Corporation (“the Company”) as at March 31, 2022 and for the year from April 1, 2021 to March 31, 2022 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and Others* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 10(2) to the financial statements. An internal investigation revealed that the inspections of some of the HVAC (Heating, Ventilation and Air Conditioning systems) and other products for railcars manufactured at Nagasaki

Works were conducted in a different way from the inspections described in the purchase specification, had not been actually conducted, and had inappropriate documentation in the inspection reports. The company-wide investigation by the investigative committee is still in progress. The Company recognized inspection and replacement costs, etc. in relation to the improper quality control practices identified up to March 31, 2022 in this fiscal year. The financial position and financial results of the Company may be affected depending on the progress of future discussions with customers and investigations. The Company has not incorporated these impacts into the financial statements for this fiscal year as it is impossible to reasonably estimate the impacts at present.

Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and others does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and others, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and others or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit committee for the Financial Statements and Others

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

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

Auditor's Responsibilities for the Audit of the Financial Statements and Others

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

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

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Our firm and its designated engagement partners do not have any interest in the Company which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

Audit Committee Report

The Audit Committee has conducted audits of the Directors and Executive Officers of the Company with regard to their performance of duties during the 151st fiscal period (April 1, 2021 to March 31, 2022). A report covering the methodology and findings of the audit follows.

1. Methodology and Scope of Audit

The Company's Audit Committee monitored and examined the content of resolutions of the Board of Directors related to matters set forth in Article 416, Paragraph 1, Item 1, Sections 2 and 5 of the Companies Act, as well as the structure of the Company's internal control system as set forth in the aforementioned resolutions. To this end, the Audit Committee received periodic reports from Directors, Executive Officers and employees regarding the content of the above resolutions, along with the constitution and operating effectiveness of the above-referred internal control system. The Audit Committee, where necessary, sought explanations and voiced opinions on these matters. At the same time, the Audit Committee conducted audits using the following methods.

(a) In accordance with its established policies and procedures, the Audit Committee attended important meetings, received reports on business activities from Directors and Executive Officers, sought explanations where necessary, and perused documents pertaining to important decisions, and also surveyed properly the condition of operations and assets at the Company's head office and key operational facilities, in collaboration with the divisions in charge of internal control. Where necessary, the Audit Committee sought reports on the operations and assets of subsidiaries.

(b) In addition to monitoring and examining the activities of the independent auditor to ensure that it maintains its independent position and that it conducts its auditing duties properly, the Audit Committee received reports from the Independent Auditor regarding the status of its activities and sought explanations when necessary. Furthermore, the Independent Auditor notified the Committee that it was adhering to "Quality Management Standards Regarding Audits" (Business Accounting Council of the Financial Services Agency, October 28, 2005) as it worked to improve its system "to ensure that its duties are properly executed," as stipulated in Article 131 of the "Company Accounting Regulations." The Committee sought explanations where necessary.

Based upon the above methods, the Audit Committee carefully examined the Business Report and its supplementary schedules, the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to consolidated financial statements), the non-consolidated financial statements (balance sheets, statements of income, statements of changes in shareholders' equity and notes to non-consolidated financial statements) and their supplementary schedules for the fiscal year ended March 31, 2021.

2. Audit Results

(1) Results of the Audit of the Business Report and Supplementary Schedules

(a) The Business Report and Supplementary Schedules present fairly, in conformity with applicable laws and regulations and the Company's Articles of Incorporation, the conditions of the Company.

(b) In executing their duties, the Directors and Executive Officers have not made any significant transactions or actions deemed to be in contradiction of any laws or the Company's Articles of Incorporation.

(c) The content of the Board of Directors' resolutions related to internal control systems as set forth in Article 416, Paragraph 1, Item 1, Sections 2 and 5, of the Companies Act is adequate. Moreover, we find no issues of concern at present with regard to contents of the Business Report and the performance of Directors and Executive Officers in their duties related to internal control systems.

As mentioned in the Business Report, in response to the discovery of improper inspection practices concerning HVAC and other products for railcars, the Company has established an Investigative Committee comprising external experts in July 2021 to investigate the facts and determine the underlying causes of any other improper incidents at a Company-wide level, and formulate and recommend measures to prevent recurrence. Additionally, in response to this series of improper quality control practices, the Company has commissioned the Governance Review Committee comprised of external specialists to examine whether there is room for improvement in the Company's internal control system and governance as well as management's responsibility. Going forward, the Audit Committee will carefully monitor the investigation, the determination of the underlying causes, and the formulation and execution of measures to prevent recurrence, and ultimately, the improved management of the internal control system.

Furthermore, as mentioned in the Business Report, the Audit Committee has confirmed that, with regard to work-related issues, the Company is promoting the Mitsubishi Electric Workplace Reform Program and working to prevent recurrences, and with regard to the leakage of information due to unauthorized access, the Company is working to reinforce comprehensive information security measures based on the analysis of the causes. The Audit Committee will continue to closely monitor their progress to ensure the steady implementation of these preventive measures.

(2) Results of the Audit of Consolidated Financial Statements

The procedures and report of the audit by the Independent Auditor, KPMG AZSA LLC, are adequate.

(3) Results of the Audit of Non-Consolidated Financial Statements and Supplementary Schedules

The procedures and report of the audit by the Independent Auditor, KPMG AZSA LLC, are adequate.

May 25, 2022

The Audit Committee
Mitsubishi Electric Corporation

Hiroshi Obayashi, Committee Chairman
Masahiko Sagawa, Committee Member (Standing)
Takashi Sakamoto, Committee Member (Standing)
Kazunori Watanabe, Committee Member
Takashi Oyamada, Committee Member

Note: Hiroshi Obayashi, Kazunori Watanabe and Takashi Oyamada are Outside Directors as prescribed under Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.