

(Translation)

**NOTICE OF CONVOCATION OF
THE 152ND ORDINARY GENERAL MEETING OF
SHAREHOLDERS**

Mitsubishi Electric Corporation

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.

Dear Shareholders,

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

Regarding the series of improper quality control practices identified after June 2021, the final report on our company was announced in October 2022. We would like to reiterate our sincere apologies to all our shareholders for causing a great deal of inconvenience and concerns. We are currently making efforts to prevent any recurrence by steadily promoting company-wide reforms in three key areas of quality assurance, organizational culture and governance. We will continue to commit ourselves to reform toward the creation of a new Mitsubishi Electric, deepening and developing the three key areas of reforms aiming to restore trust. For details, please refer to “Corporate Agenda” in this Notice of Convocation, along with the materials posted on our Company’s Website.

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

In addition, aiming to increase our corporate value through “addressing social challenges through our businesses,” we will intend to transform into a “Circular Digital-Engineering” company that provides evolved integrated solutions by fusing knowledge and co-creating within and outside the Group. Therefore, we sincerely ask for further support from our shareholders.

This document has been sent in order to notify you of the 152nd Ordinary General Meeting of Shareholders, which will be convened on Thursday, June 29, 2023.

Included in the material is an overview of Mitsubishi Electric’s business operations during fiscal 2023 (year ending March 31, 2023) as well as a summary of its future initiatives.

June 2023

Kei Uruma, Director, President & CEO

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(Stock Code: 6503)

June 1, 2023

(Start date of measures for electronic provision: May 30, 2023)

To Our Shareholders

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

NOTICE OF CONVOCATION OF THE 152ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

The 152nd Ordinary General Meeting of Shareholders of Mitsubishi Electric Corporation will be convened as described below.

We request our shareholders to consider your decision to attend the General Meeting of Shareholders, taking into account the status of the novel coronavirus disease (COVID-19) and your health conditions on the designated date.

Instead of attending in person, you can exercise your voting rights beforehand in writing or via the Internet. 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 Wednesday, June 28, 2023.

Particulars

- Meeting Date and Time:** Thursday, June 29, 2023 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:**
 - Matters for Reporting**
Report on 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 152nd fiscal year (from April 1, 2022 to March 31, 2023)
 - Matters for Resolution**
The Election of Twelve (12) Directors

In convening this Ordinary General Meeting of Shareholders, we take measures for electronic provision of information contained in the reference materials for the General Meeting of Shareholders (matters subject to measures for electronic provision) and such matters are posted on the Company’s Website on the Internet as the “Notice of Convocation of the 152nd Ordinary General Meeting of Shareholders” and “Other Matters Subject to Measures for Electronic Provision for the 152nd Ordinary General Meeting of Shareholders (Matters omitted from written documents delivered).”

The Company’s Website: <https://www.MitsubishiElectric.com/en/investors/meeting/>

In addition to the above, they are posted on the Website of the Tokyo Stock Exchange (TSE). If you are unable to view the Company’s Website, please access the TSE Website below, perform a search by entering the issue name (Mitsubishi Electric) or code (6503), and then select “Basic information” followed by “Documents for public inspection/PR information” to read the matters subject to measures for electronic provision.

TSE Website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(1) 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.”
(2) Questions in advance/live streaming (available only in Japanese).	You can view the General Meeting of Shareholders via live streaming. We will also accept questions in advance.

1. Shareholders attending the meeting on June 29, 2023 are requested to submit the enclosed Voting Rights Exercise Form at the front desk of the meeting venue.
2. Among the matters subject to measures for electronic provision, the following items are posted on the above Websites only and therefore are not included in this Notice of Convocation of the 152nd 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 (1) to (5) above, have been duly audited by the Audit Committee and Independent Auditor.
3. Please kindly take note that amendments to matters subject to measures for electronic provision will be posted on the Websites above.
4. Pursuant to the amended Companies Act effective from September 1, 2022, the system for electronic provision of materials for general meetings of shareholders* has begun. Under this system, shareholders will access the Website, in principle, to see materials for a General Meeting of Shareholders via the Internet. As an exception, shareholders will be sent materials for a General Meeting of Shareholders in a paper copy, only if they have submitted a Request for Delivery of Documents through a designated procedure by the record date for the General Meeting of Shareholders.
* Including the reference materials for the general meeting of shareholders, business report, consolidated financial statements, non-consolidated financial statements, and audit report.

[For inquiries regarding the system for electronic provision]

Mitsubishi UFJ Trust and Banking Corporation, Transfer Agent Department

Toll-free number (Japan only): 0120-696-505

Office hours: From 9:00 AM to 5:00 PM (JST) (excluding Saturdays, Sundays, and holidays)

Guidance for the Exercise of Voting Rights

Please read the Reference Materials for the 152nd Ordinary General Meeting of Shareholders (pages 5-17) 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>
Meeting Date and Time	Exercise deadline	Exercise deadline
<p>Thursday, June 29, 2023 at 10:00 AM (entry begins at 9:00 AM)</p>	<p>The form must arrive at the Company by no later than 5:30 PM (JST) on Wednesday, June 28, 2023.</p>	<p>No later than 5:30 PM ((JST) on Wednesday, June 28, 2023</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.

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, smartphone, etc.
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 redundantly using a personal computer, smartphone, etc., the very last vote cast shall take precedence.

For Institutional Investors

Institutional investors may use the 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 152nd Ordinary General Meeting of Shareholders

Reference Items

Item: The Election of Twelve (12) Directors

The terms of office of all Directors (12 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.

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% (Thirteen out of thirteen meetings)
2	Kazunori Watanabe (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Chairman of the Compensation Committee, Member of the Audit Committee	100% (Thirteen out of thirteen meetings)
3	Hiroko Koide (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Member of the Nomination Committee, Member of the Compensation Committee	100% (Thirteen out of thirteen meetings)
4	Tatsuro Kosaka (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Member of the Nomination Committee, Member of the Compensation Committee	100% (Ten out of ten meetings)
5	Hiroyuki Yanagi (Reappointment) (Candidate for Outside Director) (Independent Director)	Director, Member of the Nomination Committee, Member of the Compensation Committee	90% (Nine out of ten meetings)
6	Masako Egawa (New Candidate) (Candidate for Outside Director) (Independent Director)	–	–
7	Haruka Matsuyama (New Candidate) (Candidate for Outside Director) (Independent Director)	–	–
8	Kei Uruma (Reappointment)	Director, Representative Executive Officer, President & CEO	100% (Thirteen out of thirteen meetings)
9	Tadashi Kawagoishi (Reappointment)	Director, Member of the Audit Committee	100% (Thirteen out of thirteen 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)	100% (Thirteen out of thirteen meetings)
11	Jun Nagasawa (Reappointment)	Director, Member of the Audit Committee	100% (Ten out of ten meetings)
12	Satoshi Takeda (New Candidate)	Executive Officer, in charge of Auditing, CSO (in charge of Corporate Strategic Planning, Corporate IR and SR, Operations of Associated Companies, Three Key Reforms, and Sustainability)	–

Note:

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

The status of attendance for Messrs. Tatsuro Kosaka, Hiroyuki Yanagi, and Jun Nagasawa is based on the number of the Board of Directors' meetings held after he assumed office on June 29, 2022.


Reference: Skill items required for Director


Skill item	Reason for selection of the skill item
Corporate management and corporate strategies	The Group needs Directors with abundant management experience and achievements in corporate management at companies as well as experience, knowledge and skills for formulating a sustainable growth strategy, in order to sustainably increase corporate value amid a drastic change in the business environment surrounding the Group.
ESG	The Group needs Directors with experience, knowledge, and skills concerning ESG in order to realize “addressing social challenges through our businesses,” positioning the realization of sustainability as the core of management, as well as to fulfill responsibilities to stakeholders including society, customers, shareholders, and employees.
Finance and accounting	The Group needs Directors with experience, knowledge, and skills concerning finance and accounting for building a strong financial base and realizing appropriate returns to shareholders as well as maintaining the discipline and governance of finance and accounting.
Legal affairs and compliance	The Group needs Directors with experience, knowledge, and skills concerning these items in order to globally develop the business, while thoroughly ensuring the legal and ethical compliance that forms the fundamentals of corporate activities.
Human resources and human resources development	The Group needs Directors with experience, knowledge, and skills concerning these items in order to promote human capital management, positioning human resource strategies as one of the important policies of business strategies.
Global affairs	The Group needs Directors with management experience from a global perspective and specialized knowledge and experience concerning international affairs in order to further grow in the global market.
Engineering, DX and R&D	The Group needs Directors with specialized knowledge and experience concerning engineering, DX and R&D in order to advance its “integrated solutions,” strengthening core components, field knowledge, and advanced digital technologies that are the Group’s advantages, as well as to promote open innovation and R&D strategies toward future growth.
Business development and investment	The Group needs Directors with experience, knowledge, and skills concerning these items as the implementation of growth strategies including promotion of business portfolio strategies, development of new businesses, and M&As is necessary for transforming itself into a “Circular Digital-Engineering” company and increasing corporate value in a sustainable way.


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	ESG	Finance and accounting	Legal affairs and compliance	Human resources and human resources development	Global affairs	Engineering, DX and R&D	Business development and investment
Mitoji Yabunaka		○			○	○		
Kazunori Watanabe		○	○		○			
Hiroko Koide	○	○			○	○		○
Tatsuro Kosaka	○	○			○	○	○	○
Hiroyuki Yanagi	○	○			○	○	○	○
Masako Egawa	○	○	○			○		○
Haruka Matsuyama		○		○				
Kei Uruma	○	○			○	○	○	○
Tadashi Kawagoishi	○	○	○					○
Kuniaki Masuda	○	○	○		○			○
Jun Nagasawa	○	○		○				○
Satoshi Takeda	○	○				○		○

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
1	 <p>Mitoji Yabunaka (January 23, 1948) (Reappointment) (Candidate for Outside Director) (Independent Director)</p> <p>(Period of Service: 11 years) (Status of attendance at Board of Directors' meetings: 100%)</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: 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 as Chairman of the Board of Directors since October 2021, he has led a reform of the Board of Directors. In addition, he is also making efforts for various activities as 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 ESG, 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, and Member of the Nomination Committee and 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 serves 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 and the final report was announced in October 2022. 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 enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of the reform in three key areas including measures for preventing the recurrence of similar incidents.</p>	15,600


	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
2	 <p>Kazunori Watanabe (October 9, 1950) (Reappointment) (Candidate for Outside Director) (Independent Director)</p> <p>(Period of Service: 8 years) (Status of attendance at Board of Directors' meetings: 100%)</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 (of which zero listed companies 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 making efforts for various activities 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 ESG, 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 serves 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 and the final report was announced in October 2022. 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 enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of the reform in three key areas including measures for preventing the recurrence of similar incidents.</p>	9,700

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
3	 <p>Hiroko Koide (August 10, 1957) (Reappointment) (Candidate for Outside Director) (Independent Director)</p> <p>(Period of Service: 7 years) (Status of attendance at Board of Directors' meetings: 100%)</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 making efforts for various activities 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, ESG, human resources and human resources development, global affairs, and business development and investment 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 serves 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 and the final report was announced in October 2022. 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 enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of the reform in three key areas including measures for preventing the recurrence of similar incidents.</p>	15,100

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
4	 <p>Tatsuro Kosaka (January 18, 1953) (Reappointment) (Candidate for Outside Director) (Independent Director)</p> <p>(Period of Service: 1 year) (Status of attendance at Board of Directors' meetings: 100%)</p>	<p>April 1976 Joined Chugai Pharmaceutical Co., Ltd. March 2012 Representative Director, President & COO of Chugai Pharmaceutical Co., Ltd. March 2018 Representative Director, President & CEO of Chugai Pharmaceutical Co., Ltd. March 2020 Representative Director, Chairman & CEO of Chugai Pharmaceutical Co., Ltd. March 2021 Representative Director, Chairman of Chugai Pharmaceutical Co., Ltd. March 2022 Senior Advisor of Chugai Pharmaceutical Co., Ltd. (current position) June 2022 Director, Member of the Nomination Committee and Member of the Compensation Committee, Mitsubishi Electric Corporation (current position)</p> <p>Important concurrent positions: Senior Advisor, Chugai Pharmaceutical Co., Ltd. Outside Audit & Supervisory Board Member, Komatsu Ltd. (of which one listed company where Mr. Kosaka serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: 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. Serving as Outside Director of the Company since June 2022, he has overseen the Company's business operations, and he is also currently making efforts for various activities as Member of the Nomination Committee and 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 corporate management and corporate strategies, ESG, human resources and human resources development, global affairs, engineering, DX and R&D, and business development and investment at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Kosaka as Outside Director. Mr. Kosaka will serve as 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 serves as an officer: After June 2021, improper quality control practices were found at multiple manufacturing facilities of the Company and the final report was announced in October 2022 during his term as an Outside Director of the Company. After assuming office as Outside Director in June 2022, Mr. Kosaka provides advice and instructions at the Board of Directors and other relevant bodies regarding enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of the reform in three key areas including measures for preventing the recurrence of similar incidents.</p>	2,000

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
5	 <p>Hiroyuki Yanagi (November 20, 1954) (Reappointment) (Candidate for Outside Director) (Independent Director)</p> <p>(Period of Service: 1 year) (Status of attendance at Board of Directors' meetings: 90%)</p>	<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) June 2022 Director, Member of the Nomination Committee and Member of the Compensation Committee, Mitsubishi Electric Corporation (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 and overview of the expected role: 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. Serving as Outside Director of the Company since June 2022, he has overseen the Company's business operations, and he is also currently making efforts for various activities as Member of the Nomination Committee and 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 corporate management and corporate strategies, ESG, human resources and human resources development, global affairs, engineering, DX and R&D, and business development and investment at the Board of Directors and each Committee. Thus, Mitsubishi Electric renominates Mr. Yanagi as Outside Director. Mr. Yanagi will 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 serves as an officer: After June 2021, improper quality control practices were found at multiple manufacturing facilities of the Company and the final report was announced in October 2022 during his term as an Outside Director of the Company. After assuming office as Outside Director in June 2022, Mr. Yanagi provides advice and instructions at the Board of Directors and other relevant bodies regarding enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of the reform in three key areas including measures for preventing the recurrence of similar incidents.</p>	5,000

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
6	 <p>Masako Egawa (September 7, 1956) (New Candidate) (Candidate for Outside Director) (Independent Director)</p>	<p>April 1980 Joined Tokyo Branch, Citibank, N.A. September 1986 Joined New York Headquarters, Salomon Brothers Inc. June 1988 Joined Tokyo Branch, Salomon Brothers Asia Limited (currently Citigroup Global Markets Japan Inc.) December 1993 Joined Tokyo Branch, S.G. Warburg Securities (currently UBS Securities Japan Co., Ltd.) November 2001 Executive Director, Japan Research Center, Harvard Business School (Retired in March 2009) April 2009 Executive Vice President, The University of Tokyo (Retired in March 2015) September 2015 Professor, Graduate School of Commerce (currently Graduate School of Business Administration), Hitotsubashi University (Retired in March 2020) July 2019 Vice-Chairperson, The Japan Securities Dealers Association (current position) April 2020 Specially Appointed Professor, Graduate School of Commerce (currently Graduate School of Business Administration), Hitotsubashi University (Retired in March 2022) April 2022 Chancellor, School Juridical Person Seikei Gakuen (current position)</p> <p>Important concurrent positions: Chancellor, School Juridical Person Seikei Gakuen Vice-Chairperson, The Japan Securities Dealers Association Outside Director, Tokio Marine Holdings, Inc. External Director, Mitsui & Co., Ltd. (of which two listed companies where Ms. Egawa serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Ms. Egawa's experience and insights as a specialist cultivated over the course of her career in working experience at global financial institutions, research and experience in corporate governance, management experience in educational corporations, etc. are highly beneficial to Mitsubishi Electric. The Company expects her to oversee the Company's business operations if she is elected as Outside Director, by using a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, finance and accounting, global affairs, and business development and investment at the Board of Directors and each Committee. Thus, Mitsubishi Electric nominates Ms. Egawa as Outside Director. Ms. Egawa will serve as Member of the Nomination Committee and the Compensation Committee after her election.</p>	0
7	 <p>Haruka Matsuyama (Name in the family register: Haruka Kato) (August 22, 1967) (New Candidate) (Candidate for Outside Director) (Independent Director)</p>	<p>April 1995 Assistant Judge to the Tokyo District Court July 2000 Attorney-at-law (current position) July 2000 Joined Hibiya Park Law Offices January 2002 Partner of Hibiya Park Law Offices (current position)</p> <p>Important concurrent positions: Attorney-at-law Outside Audit & Supervisory Board Member, AGC Inc. (of which one listed company where Ms. Matsuyama serves as an officer concurrently)</p> <p>Reasons for the nomination and overview of the expected role: Ms. Matsuyama's experience and insights as an attorney-at-law are highly beneficial to a governance reform of Mitsubishi Electric. The Company expects her to oversee the Company's business operations if she is elected as Outside Director, by using a wide range of experience and insights especially in the fields of ESG, and legal affairs and compliance at the Board of Directors and each Committee. Thus, Mitsubishi Electric nominates Ms. Matsuyama as Outside Director. Although she has never been involved in the management of a company other than as an outside officer before, Mitsubishi Electric has judged that she is capable of performing her duties properly as Outside Director for the above reason. Ms. Matsuyama will serve as Member of the Audit Committee after her election.</p>	0

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
8	 <p>Kei Uruma (July 27, 1959) (Reappointment)</p> <p>(Status of attendance at Board of Directors' meetings: 100%)</p>	<p>April 1982 Joined Mitsubishi Electric Corporation</p> <p>April 2017 Executive Officer, Public Utility Systems</p> <p>April 2018 Senior Vice President, Public Utility Systems</p> <p>April 2020 Representative Executive Officer, Senior Vice President, Corporate Strategic Planning and Operations of Associated Companies</p> <p>June 2020 Director, Representative Executive Officer, Senior Vice President, Corporate Strategic Planning and Operations of Associated Companies</p> <p>April 2021 Director, Representative Executive Officer, Senior Vice President, Export Control, Corporate Strategic Planning and Operations of Associated Companies, CSO</p> <p>July 2021 Director, Representative Executive Officer, President & CEO (current position)</p> <p>Reasons for the nomination: As President & CEO, Mr. Uruma has a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, human resources and human resources development, global affairs, engineering, DX and R&D, and business development and investment. In addition, in the currently ongoing reform in three key areas of quality assurance, organizational culture, and governance, he is pushing for reform under strong leadership, forming the Three Key Reforms Div. reporting directly to the President. Furthermore, he decided a policy of transforming into a “Circular Digital-Engineering” company that solves social issues through its business with sustainability positioned as the core of its management. In order to steadily implement this policy, he has established a business area management structure for more speedy decision making and is powerfully making specific efforts toward the Company’s growth. Given the above, as Mr. Uruma carries out the execution of business closely related to matters to be deliberated at the Board of Directors, Mitsubishi Electric has judged that he is qualified as a Director to oversee the Company’s business operations. Mr. Uruma will serve as a Member of the Nomination Committee after his reelection.</p>	99,223
9	 <p>Tadashi Kawagoishi (December 7, 1960) (Reappointment)</p> <p>(Status of attendance at Board of Directors' meetings: 100%)</p>	<p>April 1983 Joined Mitsubishi Electric Corporation</p> <p>April 2015 Senior General Manager, Corporate Finance Div.</p> <p>April 2018 Executive Officer, Accounting and Finance</p> <p>June 2018 Director, Member of the Compensation Committee, Executive Officer, Accounting and Finance</p> <p>April 2021 Director, Member of the Compensation Committee, Executive Officer, Accounting and Finance, CFO</p> <p>April 2022 Director, Member of the Compensation Committee</p> <p>June 2022 Director, Member of the Audit Committee (current position)</p> <p>Reasons for the nomination: Mr. Kawagoishi had served as Executive Officer in charge of Accounting and Finance and has a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, finance and accounting, and business development and investment. Serving as Director of the Company and Member of the Audit Committee since June 2022, he has overseen the Company’s business operations. Mitsubishi Electric continues to judge that he is qualified as a Director to oversee the Company’s business operations using such experience and insights. Mr. Kawagoishi will continue to serve as a Member of the Audit Committee after his reelection.</p>	42,800

	Name (Date of Birth)	Career summary, major positions and assignments at the Company, important concurrent positions and overview of the expected role	The number of shares owned
10	 <p>Kuniaki Masuda (July 21, 1964) (Reappointment)</p> <p>(Status of attendance at Board of Directors' meetings: 100%)</p>	<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)</p> <p>April 2023 Director, Member of the Nomination Committee, Member of the Compensation Committee, Executive Officer, CFO (in charge of Accounting and Finance) (current position)</p> <p>Reasons for the nomination: Mr. Masuda had served as Executive Officer in charge of General Affairs and Human Resources, and currently serves as Executive Officer in charge of Accounting and Finance, carrying out the execution of business closely related to matters to be deliberated at the Board of Directors. He has a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, finance and accounting, human resources and human resources development, and business development and investment. Particularly, from the position of CFO, he has strived to solve the Group's management issues, realize an ideal vision of the Group, and promote the corporate strategies. Mitsubishi Electric has thus judged that he is qualified as a Director to have responsibilities for deciding important items using such experience and insights. Mr. Masuda will serve as a Member of the Compensation Committee after his reelection.</p>	23,440
11	 <p>Jun Nagasawa (March 16, 1960) (Reappointment)</p> <p>(Status of attendance at Board of Directors' meetings: 100%)</p>	<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</p> <p>June 2022 Director, Member of the Audit Committee (current position)</p> <p>Reasons for the nomination: Mr. Nagasawa had served as Executive Officer in charge of Auditing and Legal Affairs & Compliance and has a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, legal affairs and compliance, and business development and investment. Serving as Director of the Company and Member of the Audit Committee since June 2022, he has overseen the Company's business operations. Mitsubishi Electric continues to judge that he is qualified as a Director to oversee the Company's business operations using such experience and insights. Mr. Nagasawa will continue to serve as a Member of the Audit Committee after his reelection.</p>	43,800
12	 <p>Satoshi Takeda (March 10, 1967) (New Candidate)</p>	<p>April 1989 Joined Mitsubishi Electric Corporation</p> <p>January 2018 Deputy Senior General Manager, Nagoya Works</p> <p>April 2020 Senior General Manager, Overseas Marketing Div. of Factory Automation Systems Group</p> <p>April 2021 Senior General Manager, Planning & Administration Div. of Factory Automation Systems Group</p> <p>April 2022 Executive Officer, Industry and Mobility Business Area Owner (Group President, Factory Automation Systems)</p> <p>April 2023 Executive Officer, in charge of Auditing, CSO (in charge of Corporate Strategic Planning, Corporate IR and SR, Operations of Associated Companies, Three Key Reforms, and Sustainability) (current position)</p> <p>Reasons for the nomination: Mr. Takeda, as Executive Officer in charge of Auditing, Corporate Strategic Planning, Corporate IR and SR, Operations of Associated Companies, Three Key Reforms, and Sustainability, carries out the execution of business closely related to matters to be deliberated at the Board of Directors and has a wide range of experience and insights especially in the fields of corporate management and corporate strategies, ESG, global affairs, and business development and investment. Particularly, from the position of CSO, he has strived to solve the Group's management issues, realize an ideal vision of the Group, and promote the corporate strategies. Mitsubishi Electric has thus judged that he is qualified as a Director to have responsibilities for deciding important items using such experience and insights.</p>	16,740

Notes:

1. There is no special interest between any of the candidates and the Company.
2. Messrs. Mitoji Yabunaka, Kazunori Watanabe, Tatsuro Kosaka and Hiroyuki Yanagi and Ms. Hiroko Koide, Masako Egawa and Haruka Matsuyama 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, Kazunori Watanabe, Tatsuro Kosaka and Hiroyuki Yanagi 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, Mses. Masako Egawa and Haruka Matsuyama also satisfy the requirement of independency in accordance with the Securities Listing Regulations of the Tokyo Stock Exchange, and the Company intends to name them as independent directors and file notifications with the Exchange of such designation.

In addition, Messrs. Mitoji Yabunaka, Kazunori Watanabe, Tatsuro Kosaka and Hiroyuki Yanagi and Mses. Hiroko Koide, Masako Egawa and Haruka Matsuyama satisfy the requirement of independency guideline for Outside Directors of the Company.

(Although Mr. Hiroyuki Yanagi was Director of Yamaha Motor Co., Ltd. until March 2022, the Company's transaction amount with Yamaha Motor is less than 1% of consolidated revenue of both companies and therefore, there is no concern about independency.)

4. Should this Item be approved by shareholders, there will be seven Independent Outside Directors and three female Directors. The composition and chairperson of each committee will be as follows.

Nomination Committee: Messrs. Tatsuro Kosaka (Chairman), Mitoji Yabunaka, Hiroyuki Yanagi and Kei Uruma and Mses. Hiroko Koide and Masako Egawa

Audit Committee: Messrs. Hiroyuki Yanagi (Chairman), Kazunori Watanabe, Tadashi Kawagoishi and Jun Nagasawa and Ms. Haruka Matsuyama

Compensation Committee: Messrs. Kazunori Watanabe (Chairman), Mitoji Yabunaka, Tatsuro Kosaka and Kuniaki Masuda and Mses. Hiroko Koide and Masako Egawa

5. Mitsubishi Electric made and entered into agreements with Messrs. Mitoji Yabunaka, Kazunori Watanabe, Tatsuro Kosaka, Hiroyuki Yanagi, Tadashi Kawagoishi and Jun Nagasawa 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 Mses. Masako Egawa and Haruka Matsuyama 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 2023. 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 accounting 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, 2022 to March 31, 2023)

I. Matters Relating to the Mitsubishi Electric Group

1. Business Development and Results

The economy in fiscal 2023 continued to see recovery in the corporate and household sectors in the U.S. In China, there was downward pressure due to the impact of movement restrictions caused by the expansion of COVID-19, and the subsequent recovery was only moderate. In Japan, gradual recovery continued primarily in the household sector. In Europe, the paces of recovery were even slower in the corporate and household sectors. There was also the impact of the rise in some material prices, high logistics costs and the prolonged electronic components shortage.

In this environment, the Mitsubishi Electric Group has been working harder than ever to maximize profitability by accelerating business transformation and its business portfolio strategy under a new business area management structure, while continuously implementing initiatives to bolster its competitiveness and business structure. As a result, the business performance for fiscal 2023 is as follows.

Revenue

Revenue increased by 526.9 billion yen year-on-year to 5,003.6 billion yen owing primarily to the weaker yen. The Life segment saw an increase in the building systems business in Asia and Japan, and the air conditioning systems & home products business also increased due mainly to an expansion in demand for air conditioners in Europe, Japan and North America. The Industry and Mobility segment saw an increase in the factory automation systems business due mainly to an increase in demand for capital expenditures related to products in the decarbonization area. The automotive equipment business also increased due to robust demand for electric vehicle-related equipment. The Business Platform segment saw an increase in the information systems & network service business due mainly to increases in the system integrations and the IT infrastructure service businesses. The semiconductor & devices business also increased due to robust demand for power modules. The Infrastructure segment saw the energy systems businesses remaining substantially unchanged year-on-year, while the public utility systems business saw an increase in the public utility area outside Japan and the defense & space systems business saw an increase in the defense systems business.

Operating Profit

Operating profit increased by 10.3 billion yen year-on-year to 262.3 billion yen due mainly to increases in the Business Platform segment and the Life segment, despite decreases in the Infrastructure segment and the Industry and Mobility segment. Operating profit ratio decreased by 0.4 points year-on-year to 5.2% due mainly to an increase in selling, general and administrative expenses.

The cost ratio deteriorated by 0.1 points year-on-year as there was the impact of the rise in some material prices and the deteriorated profitability of the Infrastructure segment, despite the improvement owing to the weaker yen and price hike.

Selling, general and administrative expenses increased by 134.3 billion yen year-on-year, and the selling, general and administrative expenses to revenue ratio deteriorated by 0.4 points year-on-year. Other profit (loss) increased by 2.2 billion yen year-on-year due primarily to sales of land despite the recognition of impairment losses on the fixed assets, and other profit (loss) to revenue ratio improved by 0.1 points year-on-year.

Profit before income taxes

Profit before income taxes increased by 12.4 billion yen year-on-year to 292.1 billion yen due primarily to an increase in operating profit. The profit before income taxes to revenue ratio was 5.8%.

Net profit attributable to Mitsubishi Electric Corporation stockholders

Net profit attributable to Mitsubishi Electric Corporation stockholders increased by 10.4 billion yen year-on-year to 213.9 billion yen due mainly to an increase in profit before income taxes. The net profit attributable to Mitsubishi Electric Corporation stockholders to revenue ratio was 4.3%.

ROE deteriorated by 0.2 points year-on-year to 6.9%.

Consolidated Performance (Billions of yen)

Fiscal period Classification	151st Fiscal 2022	152nd Fiscal 2023	
Revenue	4,476.7	5,003.6	Up 12% YoY
Operating profit	252.0	262.3	Up 4% YoY
Profit before income taxes	279.6	292.1	Up 4% YoY
Net profit attributable to Mitsubishi Electric Corp. stockholders	203.4	213.9	Up 5% YoY

Revenue by Business Segment (Billions of yen)

Business Segment	152nd Fiscal 2023	
	Revenue	As a percentage of revenue
Infrastructure	973.1	16.7
Industry and Mobility	1,660.2	28.4
Life	1,947.1	33.3
Business Platform	429.3	7.3
Others	836.0	14.3
Subtotal	5,845.9	100.0
Elimination and corporate	(842.2)	
Total	5,003.6	

Note: The figures shown in this table include internal revenue between segments (transfer). The same applies to Information by Business Segment on the following pages.

Revenue by Location (Billions of yen)

Location	151st Fiscal 2022		152nd Fiscal 2023	
	Revenue	As a percentage of revenue	Revenue	As a percentage of revenue
Japan	2,332.4	52.1	2,467.0	49.3
North America	461.9	10.3	625.5	12.5
Asia (excluding Japan)	1,114.9	24.9	1,218.9	24.4
Europe	495.3	11.1	607.8	12.1
Others	72.1	1.6	84.3	1.7
Overseas	2,144.3	47.9	2,536.6	50.7
Total	4,476.7	100.0	5,003.6	100.0

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

Information by Business Segment

		151st (Fiscal 2022)	152nd (Fiscal 2023)	YoY
Infrastructure	Revenue	¥946.1 billion	¥973.1 billion	Up 3%
	Operating profit	¥41.5 billion	¥27.5 billion	Down ¥14.0 billion
Principal products (as of March 31, 2023): Electrical equipment for locomotives and rolling stock, wireless and wired communications systems, network cameras and their systems, large display devices, turbine generators, hydraulic turbine generators, nuclear power plant equipment, motors, transformers, power electronics equipment, circuit breakers, gas insulated switchgears, switch control devices, surveillance-system control and security systems, transmission and distribution ICT systems, satellite communications equipment, satellites, radar equipment, antennas, missile systems, fire control systems, broadcasting equipment, and others				

The market for **the public utility systems business** saw robust investment in the public utility area worldwide, while there was a continuing trend of railway companies in Japan revising their capital expenditures due to the impact of COVID-19. In this environment, orders won by the business increased year-on-year due primarily to an increase in the public utility area worldwide. Revenue also increased year-on-year due to the weaker yen and an increase in the public utility area outside Japan.

The market for **the energy systems business** continued to see capital expenditures of power companies in Japan and robust demand for power supply stabilization worldwide in the expansion of renewable energy. In this environment, orders won by the business increased year-on-year due primarily to increases in the power distribution business in Japan and the power generation business outside Japan. Revenue remained substantially unchanged year-on-year.

The defense & space systems business saw an increase in orders year-on-year due primarily to an increase in large-scale projects for the space systems business, while revenue increased year-on-year due mainly to an increase in large-scale projects for the defense systems business.

As a result, revenue for this segment increased by 3% year-on-year to 973.1 billion yen.

Operating profit decreased by 14.0 billion yen year-on-year to 27.5 billion yen due primarily to a shift in project portfolios and lower profitability in the defense & space systems business.

Industry and Mobility		151st (Fiscal 2022)	152nd (Fiscal 2023)	YoY
	Revenue	¥1,480.8 billion	¥1,660.2 billion	Up 12%
Operating profit	¥96.4 billion	¥95.9 billion	Down ¥0.5 billion	

Principal products (as of March 31, 2023):
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 vehicle-related equipment, ADAS-related products, car electronics and car mechatronics, car multimedia, and others

The market for **the factory automation systems business** saw a decrease in demand for digital equipment such as smartphones and semiconductors, while there was robust demand primarily for capital expenditures related to products in the decarbonization area such as lithium-ion batteries. In this environment, orders won by the business decreased year-on-year due primarily to a temporary slowdown in demand for digital equipment, while the revenue increased year-on-year due mainly to the weaker yen and an increase in demand for products in the decarbonization area.

The market for **the automotive equipment business** saw a year-on-year increase in sales of new cars and robust demand for electric vehicle-related equipment in line with the expansion of the electric vehicle market, despite the semiconductor shortage. In this environment, the business saw increases in both orders and revenue year-on-year due primarily to the weaker yen and 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 12% year-on-year to 1,660.2 billion yen.

Operating profit of the factory automation systems business increased due primarily to an increase in revenue and the weaker yen, while operating profit of the automotive equipment business decreased due primarily to the rise in material prices and logistics costs as well as the recognition of impairment losses on the fixed assets. As a result, operating profit for this segment decreased by 0.5 billion yen year-on-year to 95.9 billion yen.

Life		151st (Fiscal 2022)	152nd (Fiscal 2023)	YoY
	Revenue	¥1,673.0 billion	¥1,947.1 billion	Up 16%
	Operating profit	¥92.6 billion	¥101.2 billion	Up ¥8.6 billion

Principal products (as of March 31, 2023):

Elevators, escalators, building security systems, building management systems, room air conditioners, package air conditioners, chillers, showcases, compressors, refrigeration units, air-to-water heat pump boilers, ventilators, hot water supply systems, IH cooking heaters, LED bulbs, indoor lighting, LCD televisions, refrigerators, electric fans, dehumidifiers, air purifiers, vacuum cleaners, jar rice cookers, microwave ovens, and others

The market for **the building systems business** continued to see recovery from the slowdown stemming from COVID-19. In this environment, the business saw increases in both orders and revenue year-on-year due primarily to the weaker yen and increases in Asia and Japan.

The market for **the air conditioning systems & home products business** saw an improvement of the situation with regard to the electronic components shortage in and after the second quarter. In this environment, the business saw an increase in revenue year-on-year due mainly to the weaker yen and an increase in air conditioners in Europe, Japan and North America.

As a result, revenue for this segment increased by 16% year-on-year to 1,947.1 billion yen.

Operating profit increased by 8.6 billion yen year-on-year to 101.2 billion yen due primarily to an increase in revenue and the weaker yen, despite the rise in material prices and logistics costs as well as lower production level in the first quarter.

Business Platform		151st (Fiscal 2022)	152nd (Fiscal 2023)	YoY
	Revenue	¥382.8 billion	¥429.3 billion	Up 12%
	Operating profit	¥26.4 billion	¥39.9 billion	Up ¥13.4 billion

Principal products (as of March 31, 2023):

Network security systems, information systems equipment, systems integration, power modules, high-frequency devices, optical devices, LCD devices, and others

The market for **the information systems & network service business** saw robust demand due mainly to the restarts of projects delayed in the COVID-19 pandemic, despite the semiconductor shortage. In this environment, the business saw an increase in both orders and revenue year-on-year due mainly to increases in the system integrations and the IT infrastructure service businesses.

The market for **the semiconductor & device business** saw robust demand for power modules used in consumer and industrial applications. In this environment, orders won by the business decreased year-on-year as the trend of customers securing power modules for the future settled down and there was an impact of the end of the TFT-LCD module business. Revenue increased year-on-year due primarily to the weaker yen, and increases in power modules used in consumer and industrial

applications.

As a result, revenue for this segment increased by 12% year-on-year to 429.3 billion yen.

Operating profit increased by 13.4 billion yen year-on-year to 39.9 billion yen due mainly to an increase in revenue and the weaker yen.

Others		151st (Fiscal 2022)	152nd (Fiscal 2023)	YoY
	Revenue	¥737.3 billion	¥836.0 billion	Up 13%
	Operating profit	¥26.7 billion	¥31.4 billion	Up ¥4.7 billion
Principal products (as of March 31, 2023): Procurement, logistics, real estate, advertising, finance, and other services				

Revenue increased by 13% year-on-year to 836.0 billion yen due primarily to increases in materials procurement and logistics.

Operating profit increased by 4.7 billion yen year-on-year to 31.4 billion yen due mainly to an increase in revenue.

2. Capital Expenditures

During fiscal 2023, the Mitsubishi Electric Group made decisions to invest a total of 365.3 billion yen, up 101% compared to the previous fiscal year, with the aim of further enhancing corporate value through strategic and intensive input of resources based on the Medium-Term Management Plan.

Principal capital expenditures per segment are as follows:

Segment	Amount* (Billions of Yen)	Major Projects Completed within Consolidated Basis Fiscal 2023	Major Ongoing Projects within Consolidated Basis Fiscal 2023
Infrastructure	36.0	Mitsubishi Electric Public Utility Equipment Corporation Facility for assembly and testing for electrical equipment for locomotives and rolling stock	–
Industry and Mobility	64.5	Industrial Mechatronics Systems Works Development of a system for increased production of micro laser processing machines	Nagoya Works Development of new facility in the Owariasahi district
Life	99.5	Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company Enhancement of air conditioner production system (Turkey)	Mitsubishi Electric India Private Limited Construction of new facility and development of production system for air conditioners (India)
Business Platform	148.6	Power Device Works Acquisition and development of Fukuyama Factory	Power Device Works Fukuyama Factory Development of 12-inch Si wafer production system Shisui Factory Construction of a new plant and development of 8-inch SiC wafer production system
Others	16.7	Mitsubishi Electric Engineering Company Limited Establishment of next-generation core operation system	Mitsubishi Electric Europe B.V. Establishment of next-generation core operation system (Europe)

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

3. Corporate Agenda

Three Key Areas to Restore Trust (Quality Assurance, Organizational Culture, and Governance) to Be Deepened, Developed, and Steadily Instilled

The Company seriously takes the full extent of the improper quality control practices identified to date and the findings and recommendations from the Investigative Committee and Governance Review Committee and is taking measures to prevent any recurrence in its entire group so that a similar incident never occurs. In addition, the Company positions three key areas to restore trust (quality assurance, organizational culture and governance) as top management priorities and, deepening and developing these priorities, is committed to reforming toward the creation of a new Mitsubishi Electric.

In the quality assurance reforms (revising engineering processes), based on efforts such as normalizing manufacturing management, design frontloading, and data-driven quality control and procedures, the Company is rebuilding an organizational capability to provide customers with technically correct explanations and reducing workloads by having managers communicate and negotiate with customers, with a goal of restructuring the organization so that there is no need to engage in improper quality control practices in the first place.

In the organizational culture reforms (facilitating two-way communication), the Company is cultivating a culture in which people feel comfortable in raising issues with their managers, and also in which people collaborate to solve problems.

In the governance reforms (building a compliance system focused on prevention), the Company is building “systems for governance and internal control that incorporate external perspectives and eliminate any incentive to act improperly.”

As announced in “Results of Investigation into Improper Quality Control Practices in the Company’s Associated Companies” (available only in Japanese, released on April 14, 2023), all improper quality control practices found by the investigation at the Company’s associated companies are violation of contracts, which, we believe, are caused mainly as a result of the staff on the ground having been forced into such practices, as is the case with the improper quality control practices occurred at the Company’s Works. Therefore, the Company will deploy and instill the quality assurance reforms and measures for strengthening the control function, which the Company is currently implementing, to the associated companies as well.

Promotion of Sustainability Management

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 “addressing social challenges through our businesses.” 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 and outside the Group, transforming itself into a “Circular Digital-Engineering” company that provides enhanced component systems and data-based solutions.

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 a long-term environmental management vision, the Group's Environmental Sustainability Vision 2050, with the aim to reach net zero emissions of greenhouse gases throughout its entire value chain by fiscal 2051. As an interim target, the Group aims to reduce greenhouse gas emissions from Group plants and offices to net zero by fiscal 2031 and nurture 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*1.

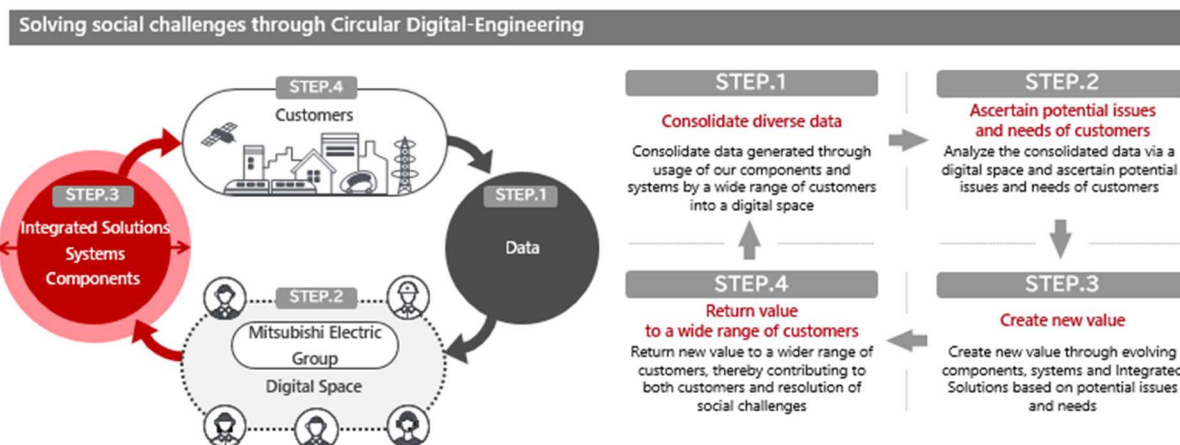
Also, the Group respects human rights of all people, recognizing broad relationships with people and societies in countries and regions where the Group operates the business and will continue to promote diversity to enable various human resources to work actively.

Acceleration of Portfolio Strategies and Business Transformation under the New Business Area Management Structure

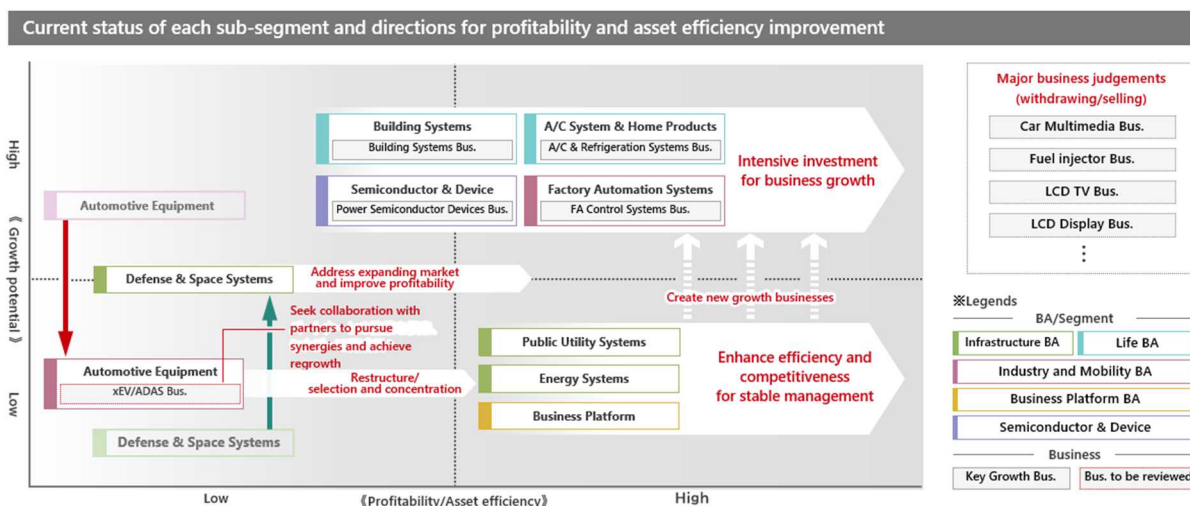
The Company will further evolve and develop the Business Area (BA) management structure to speedily implement business model transformation responding to social changes. BA Owners who supervise each BA will accelerate, through maximization of the asset efficiency based on reallocation of resources with a bird's eye view within the BA and integration of technologies and know-how, such initiatives as solution of social challenges by demonstrating synergies beyond walls of business groups, review of portfolio strategies, and building of optimal organizations and systems according to the characteristics of each business of the BA, and at the same time, promote dynamic collaboration of people and technologies among BAs and provision of the solution business.

In addition, the "DX Innovation Center" was newly established in April 2023 with the aim of accelerating transformation into the "Circular Digital-Engineering" company that contributes to solving social challenges. The Center will build digital infrastructures and spaces to organically link a broad range of data that is being accumulated at each BA with the aim of creating and promoting various digital solution businesses, and accelerate and promote such initiatives as data analysis and usage leveraging the aforementioned infrastructures and spaces, securing and development of digital technology-oriented human resources, and co-creation with customers and partners.

Contributes to solving social challenges with new value, created by consolidating data obtained from our customers into a digital space and analyzing it, and also by strengthening connections and sharing wisdom in the group.



Improve profitability and asset efficiency by measures for characteristics of each business



Strengthening Business Structure

The global economy outlook is expected to slow down, particularly in Europe and the U.S. due to monetary tightening in various countries, although consumption will continue to increase modestly owing to relaxation of movement restrictions. Furthermore, as geopolitical risks increase, it is feared that the business environment will change beyond our expectations.

Amid such a situation, in fiscal 2024, the interim year of the Medium-Term Management Plan, we will review the progress up to date and implement various measures of the key growth businesses toward achieving the Medium-Term Management Plan by, for example, accelerating and driving the business restructuring including M&As. Along with this, the Group will implement specific actions such as further price pass-through given continued high material prices and logistics costs and acceleration of a resource shift through identification of underperforming businesses and models and make investments in consideration of ROIC^{*2}, a comprehensive business efficiency indicator to improve profitability and capital efficiency. In addition, looking at geopolitical risks in the supply chain, the Group will build a procurement structure for optimal global production.

Furthermore, the Group will steadily promote the operation DX with the aim to increase the sophistication of business management and improve productivity utilizing data and digital technologies.

With regard to legal and ethical compliance, the Group takes its recent product and service quality, work-related, and information security issues extremely seriously and is promoting a number of reoccurrence prevention initiatives. Based on the Mitsubishi Electric Group compliance motto of “Always Act with Integrity,” the Group will diligently work to strengthen cross-organizational functions of head office corporate divisions, build an internal control system that emphasizes predictive indicators and prevention through visualization of risks and expansion of mechanisms to prevent improper conduct, and formulate and operate a compliance program.

The Group also intends to continually improve its corporate governance through formulating and appropriately responding to guidelines based on Japan’s Corporate Governance Codes, 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. The Company believes that human resources are the base for all business operations. We will create an environment where various types of human resources can display their capabilities to the maximum by, for example, encouraging two-way communication allowing employees with new ideas to work in cooperation and develop businesses as a team, nurturing human resources who can address changes, and creating comfortable workplaces. Through these initiatives, we aim to become a company where more people wish to work and continue to work at the Mitsubishi Electric Group.

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 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.

² 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 performances of each business segment.

4. Topics

Received the Gold award in the PRIDE Index 2022

In November 2022, the Company received the Gold award in the “PRIDE Index* 2022” established by voluntary organization “work with Pride” as an index for evaluating initiatives regarding LGBTQ and other gender minorities (hereinafter, LGBTQ) in workplaces in Japan. Following the Silver in the last year, the Company received the “Gold” award for the first time because our continuous efforts for LGBTQ were highly evaluated.

Going forward, we will proactively promote diversity across the entire Group, aiming to realize a workplace environment where each and every employee can actively work, exhibiting their full individual capabilities.

* The PRIDE index is an evaluation index, comprising of five letters representing Policy (affirmation of action), Representation (community of related parties), Inspiration (enlightenment activity), Development (HR system and program), and Engagement/Empowerment (social contribution and PR activities).

Won the Contract for the “New Japanese Geostationary Meteorological Satellite (Himawari-10)”

In March 2023, the Company won the contract from the Japan Meteorological Agency (JMA) to build the nation's newest geostationary meteorological satellite (Himawari-10), which will be the fourth straight such satellite to be built by Mitsubishi Electric from the Himawari-7.

We were awarded the contract based on a comprehensive evaluation from JMA after making a proposal of the Company's proprietary “DS2000*” standard satellite platform and ground-data processing software.

Also in the future, we will fully utilize our knowledge obtained by contributing to the meteorological satellite business of Japan for over 20 years from Himawari-7 to increase prediction accuracy of typhoons, localized heavy rain, or lengthy bands of rain which are recently causing serious damage in Japan and improve meteorological disaster prevention information, contributing to strengthening Japan's disaster prevention functions.

* A standard satellite platform targeting the commercial communication and broadcasting satellite markets to respond to increasing and diversifying demand for high-speed, large-capacity communication. This platform with Engineering Test Satellite-VIII KIKU No. 8 of the Japan Aerospace Exploration Agency (JAXA) used as a base is also employed for MTSAT-2 multifunctional transport satellite (Himawari-7), Himawari-8 and Himawari-9.

Constructed New Wafer Plant to Boost Sic Power Semiconductor Business

The Company will double the previous five-year investment plan^{*1} to approximately 260 billion yen from fiscal 2022 to 2026 in the Power Device Business.

As the energy-saving trend has been growing worldwide toward realizing decarbonization, the market of the SiC^{*2} power semiconductor is rapidly expanding for electric vehicles and is also projected to further expand for various applications that require, for example, low energy loss, high temperature operation or high-speed switching. The plan will also enable the Company to contribute to realizing green transformation (GX). To respond to this expanding market, the Company will construct a new plant to produce large-diameter (8-inch) SiC wafers. In addition, the Company will enhance its production facilities for 6-inch wafers, aiming to further expand the business.

*1 Approximately 130 billion yen for the previous plan

*2 SiC (Silicon Carbide): compound of silicon and carbon

5. Research and Development

(1) Research and Development Strategy

Toward realizing sustainability, the Company advances research and development, aiming to provide solutions by fusing knowledge within and outside the Group as a “Circular Digital-Engineering” company.

We thoroughly enhance core technologies that create a competitive advantage for business, deepen fundamental technologies that support functions, properties, quality and reliability of equipment, systems and services, and investigate and create new technologies in a balanced way, preparing for a game change or any other event in the future. The Company will also accelerate development and create value through proactive cooperation with universities and other external R&D institutions, contributing to solving diversifying social issues.

During fiscal 2023, the total R&D expenses for the entire Group have amounted to 212.3 billion yen (9% increase compared to the previous fiscal year).

(2) Major R&D Achievements in Fiscal 2023

Development of High-power, High-efficiency Power Semiconductor Module

Demand for a high-power, high-efficiency power semiconductor module has been increasing for power systems such as a traction system for railway vehicles and DC-power transmitters.

The Company has developed a HV100 dual type X-Series HVIGBT* module with a high voltage of 4.5 kV and rated current of 450 A. The seventh-generation IGBTs and RFC diode chips mounted have achieved higher current density with lower loss compared to existing products. In addition, the terminal layout is optimized for easy paralleling, which enables correspondence with various types of inverters.

We contribute to realizing carbon neutrality by making efforts to achieve further higher power and higher efficiency of power semiconductor modules.

* HVIGBT: High voltage insulated gate bipolar transistor

Contributing to further higher power and higher efficiency of inverters for large industrial devices

Development of Wire-laser Metal 3D Printer AZ600

Demand for metal 3D printers that create objects from 3D shape data is expected to increase due to such advantages as a significant reduction in manufacturing processes, a reduction in waste materials disposed of in manufacturing processes and an increase in the freedom of designing. We recently developed a wire-laser metal 3D printer “AZ600” that combines the world’s first*¹ simultaneous 5-axis spatial control and digital manufacturing technology that cooperatively controls processing conditions, which enables high-quality, high-precision 3D printing. In addition, we apply a near-net-shape method*² to parts machining, which realized both energy saving by shortening machining time and a reduction in waste materials.

Going forward, we will continue to contribute to environmentally friendly manufacturing in a decarbonized era.

*¹ As of February 24, 2022, according to Mitsubishi Electric’s research

*² A near-finished shape is formed.

Note: Although we announced the release of AZ600 on February 24, 2022, this information is included here because the product’s major contributions to our business performance pertain to fiscal 2023.

Realized both energy saving by shortening machining time and a reduction in waste materials.

Development of “Quantum Artificial Intelligence Technology” That Uses Automated Design to Realize Compact Inference Models

The development of quantum computers that exhibit advanced processing power through computation using quantum bits^{*1} is accelerating around the world.

The Company has developed a quantum artificial intelligence technology that automatically designs and optimizes inference models to downsize the scale of computation and confirmed for the first time in the world^{*2} that the technology contributes to higher performance in multiple areas such as non-destructive terahertz inspections, Wi-Fi indoor monitoring, compressed sensing and biosignal processing.

This recently developed technologies allow for significantly shorten computation time in a hybrid combination of both quantum and classical AI^{*3}, even when using limited data. Going forward, we will advance the development of quantum artificial intelligence technology, aiming for its application to FA, air conditioning, building systems, mobility and a wide range of other industrial areas.

*1 Minimum unit of quantum information handled for quantum computers

*2 As of December 2, 2022, according to Mitsubishi Electric’s research

*3 Machine learning with conventional computers using classical bits

Can be incorporated in first-ever application for terahertz imaging

6. Trends in Operating Results and Financial Condition

(Billions of yen, except per share data)

(1) The Mitsubishi Electric Group (Consolidated)

	149th Period Fiscal 2020	150th Period Fiscal 2021	151st Period Fiscal 2022	152nd Period Fiscal 2023
Revenue	4,462.5	4,191.4	4,476.7	5,003.6
Operating profit	259.6	230.1	252.0	262.3
Profit before income taxes	281.9	258.7	279.6	292.1
Net profit attributable to Mitsubishi Electric Corp. stockholders	221.8	193.1	203.4	213.9
Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders	¥103.41	¥90.03	¥95.41	¥101.30
Total assets	4,409.7	4,797.9	5,107.9	5,582.5

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)

	149th Period Fiscal 2020	150th Period Fiscal 2021	151st Period Fiscal 2022	152nd Period Fiscal 2023
Net sales	2,639.2	2,459.2	2,557.4	2,712.1
Ordinary income	143.2	177.5	172.9	163.3
Net income	157.8	185.5	179.3	146.2
Net income per share	¥73.59	¥86.48	¥84.11	¥69.28
Total assets	2,866.8	3,057.0	3,065.5	3,161.7

7. Principal Offices (As of March 31, 2023)

(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
Integrated 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

Segment	Facility Name	Location (Prefecture)
Infrastructure	Kamakura Works	Kanagawa
	Itami Works	Hyogo
	Transmission & Distribution Systems Center	Hyogo
	Communication Networks Center	Hyogo
	Communication Systems Center	Hyogo
	Kobe Works	Hyogo
	Energy Systems Center	Hyogo
	Power Distribution Systems Center	Kagawa
	Nagasaki Works	Nagasaki
Industry and Mobility	Nagoya Works	Aichi
	Industrial Mechatronics Systems Works	Aichi
	Sanda Works	Hyogo
	Himeji Works	Hyogo
	Fukuyama Works	Hiroshima
Life	Gunma Works	Gunma
	Shizuoka Works	Shizuoka
	Nakatsugawa Works	Gifu
	Air-Conditioning & Refrigeration Systems Works	Wakayama

Segment	Facility Name	Location (Prefecture)
Business Platform	Information Systems & Network Service Division	Kanagawa
	High Frequency & Optical Device Works	Hyogo
	Power Device Works	Fukuoka
	LCD Division	Kumamoto

(Note) As regards “4. Manufacturing Facilities,” the following change was made as of April 1, 2023:

- Infrastructure: Communication Systems Center changed its name to Electronics and Communication Systems Center.

(2) Subsidiaries

Please refer to Section 11. Principal Subsidiaries.

8. Employees (As of March 31, 2023)

Segment	Number of employees	Year-on-Year increase (decrease)
Infrastructure	21,840	133
Industry and Mobility	31,897	294
Life	61,833	2,585
Business Platform	11,557	608
Others	16,575	27
Common	5,953	312
Total	149,655	3,959

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: 93,344 located in Japan; 56,311 located overseas.

9. Fund Raising

Mitsubishi Electric Corporation repaid the borrowings reaching their maturities within fiscal 2023, while procuring working capital through loans from financial institutions and other methods.

As a result, the balance of bonds and borrowings as of the end of fiscal 2023 stood at ¥252.2 billion, an increase of ¥35.0 billion compared with the previous fiscal year.

10. Principal Lenders (As of March 31, 2023)

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 as of the end of the fiscal year were as follows.

(Billions of yen)

Name of Lender	Outstanding Borrowings
MUFG Bank, Ltd.	76.5
Mizuho Bank, Ltd.	31.3
The Norinchukin Bank	28.1
Sumitomo Mitsui Trust Bank, Limited	14.8

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, 2023)

Segment	Subsidiary Name	Principal Business Activities	Location	Ratio of Voting Rights Held (%)
Infrastructure	Mitsubishi Electric Plant Engineering Corporation	Maintenance services for energy and electric plants and equipment	Tokyo	100.0
	Mitsubishi Electric TOKKI Systems Corporation	Manufacturing and sales of radar application equipment, electronic application equipment, and optical equipment	Tokyo	100.0
	Mitsubishi Electric Power Products, Inc.	Manufacturing and sales of various transmission and distribution equipment and electrical equipment for railway vehicles	United States	100.0
Industry and Mobility	SETSUYO ASTEC CORPORATION	Sales of factory automation equipment	Osaka	100.0
	DB Seiko Co., Ltd.	Manufacturing and sales of automotive equipment	Hyogo	78.7
	Mitsubishi Electric Automation (CHINA) Ltd.	Sales of factory automation equipment	China	100.0
	Mitsubishi Electric Automotive America, Inc.	Manufacturing and sales of automotive equipment	United States	100.0
Life	Mitsubishi Electric Building Solutions Corporation	Development, manufacturing, sales, installation, maintenance, repair, etc. of elevator equipment, building management systems, and other building equipment	Tokyo	100.0
	Mitsubishi Electric Lighting Corporation	Manufacturing and sales of lighting equipment, lamps, and related components	Kanagawa	100.0
	Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	Manufacturing and sales of air conditioning equipment	Thailand	90.0
	Mitsubishi Electric Kang Yong Watana Co., Ltd.	Sales of air conditioning equipment and home appliances	Thailand	50.1
Business Platform	Mitsubishi Electric Information Network Corporation	Planning, design, development, and sales of information systems	Tokyo	100.0
	Melco Power Device Corporation	Manufacturing of power devices	Hyogo	67.0
	Vincotech Holdings S.à r.l.	Holding company of a power device business company in Europe, etc.	Luxembourg	100.0
Others	The Kodensha Co., Ltd.	Contractor undertaking electrical construction, sales of the Company's products	Tokyo	51.2
	Mitsubishi Electric Trading Corporation	Procurement and sales of materials	Tokyo	100.0
	Mitsubishi Electric Logistics Corporation	Logistics and distribution	Tokyo	99.2
	Mitsubishi Electric Europe B.V.	Sales and distribution of Group products	The Netherlands	100.0
	Mitsubishi Electric US, Inc.	Sales and distribution of Group products	United States	100.0

Number of Consolidated Subsidiaries

Infrastructure	Industry and Mobility	Life	Business Platform	Others	Total
27	42	76	15	49	209

II. Matters Related to Mitsubishi Electric Corporation

1. Matters Related to Shares (As of March 31, 2023)

- (1) Authorized shares: 8,000,000,000 shares
 (2) Shares issued and outstanding 2,147,201,551 shares
 (3) Number of shareholders 117,501
 (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	126	804,967	37.5%
Traders of financial instruments	81	56,153	2.6%
Other corporations	1,276	75,628	3.5%
Foreign corporations <i>et al.</i>	1,014	911,350	42.5%
Individual <i>et al.</i>	115,004	299,101	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)	332,483	15.7%
SSBTC CLIENT OMNIBUS ACCOUNT	117,992	5.6%
Custody Bank of Japan, Ltd. (Trust Account)	106,410	5.0%
Meiji Yasuda Life Insurance Company	81,862	3.9%
Mitsubishi Electric Group Employees Shareholding Union	45,979	2.2%
JP MORGAN CHASE BANK 380055	37,178	1.8%
Nippon Life Insurance Company	36,339	1.7%
STATE STREET BANK WEST CLIENT – TREATY 505234	33,373	1.6%
JP MORGAN CHASE BANK 385781	25,633	1.2%
THE BANK OF NEW YORK MELLON 140044	23,516	1.1%

Note: The Company owns 34,098,941 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
 As stated in "2. (3) 2) ii. Total Number of Shares Granted as Compensation for Directors and Executive Officers" below.

2. Directors and Executive Officers

(1) Directors (As of March 31, 2023)

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	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	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.
Outside Director	Tatsuro Kosaka	Member of the Nomination Committee, Member of the Compensation Committee	Senior Advisor, Chugai Pharmaceutical Co., Ltd. Outside Audit & Supervisory Board Member, Komatsu Ltd.
Outside Director	Hiroyuki Yanagi	Member of the Nomination Committee, Member of the Compensation Committee	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.
Director	Kei Uruma	—	—
Director	Tadashi Kawagoishi	Member of the Audit Committee	—
Director	Kuniaki Masuda	Member of the Nomination Committee Member of the Compensation Committee	—
Director	Jun Nagasawa	Member of the Audit Committee	—
Director	Kunihiko Kaga	—	—

Notes: 1. Directors Kei Uruma, Kuniaki Masuda and Kunihiko Kaga all concurrently serve as Executive Officers.

2. Outside Directors Tatsuro Kosaka and Hiroyuki Yanagi and Directors Jun Nagasawa and Kunihiko Kaga were newly elected and took office at the 151st Ordinary General Meeting of Shareholders held

on June 29, 2022.

3. Director Hiroshi Obayashi retired from the positions of Outside Director, Audit & Supervisory Committee Member of NIPPON STEEL CORPORATION as of June 23, 2022 and Outside Auditor of Japan Tobacco Inc. as of March 24, 2023.
4. Directors Masahiko Sagawa and Takashi Sakamoto retired upon the expiration of their terms of office at the end of the 151st Ordinary General Meeting of Shareholders held on June 29, 2022.
5. Mr. Kazunori Watanabe, a member of the Audit Committee, is a certified public accountant. Mr. Tadashi Kawagoishi, a member of the Audit Committee, has many years of extensive experience in the Corporate Accounting and Finance Division of the Company. They both possess considerable knowledge and experience in the fields of finance and accounting.
6. Mitsubishi Electric Corporation appointed Directors, namely, Messrs. Tadashi Kawagoishi and Jun Nagasawa 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.
7. Mitsubishi Electric Corporation has filed a notification on the nomination of its seven Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe, Takashi Oyamada, Tatsuro Kosaka and Hiroyuki Yanagi 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.
Seven Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe, Takashi Oyamada, Tatsuro Kosaka and Hiroyuki Yanagi and Ms. Hiroko Koide, satisfy the requirement of independency guidelines of Outside Directors of the Company.
8. Among the important concurrent positions of outside directors, the Company maintains business relationships with Osaka University, Daiwa Securities Co. Ltd., MUFG Bank, Ltd., Komatsu Ltd., Yamaha Motor Co., Ltd. and AGC Inc. 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 seven Outside Directors, namely, Messrs. Mitoji Yabunaka, Hiroshi Obayashi, Kazunori Watanabe, Takashi Oyamada, Tatsuro Kosaka and Hiroyuki Yanagi and Ms. Hiroko Koide, and two Directors, namely, Messrs. Tadashi Kawagoishi and Jun Nagasawa 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 governance, human resources and human resources development, and global affairs, and oversees the management of the Company.</p> <p>100% (thirteen out of thirteen) 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 governance, legal affairs and compliance, and human resources and human resources development, and oversees the management of the Company.</p> <p>100% (thirteen out of thirteen) attendance at Board of Directors' meetings and 100% (fifteen out of fifteen) 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 governance, finance and accounting, and human resources and human resources development, and oversees the management of the Company.</p> <p>100% (thirteen out of thirteen) attendance at Board of Directors' meetings and 100% (fifteen out of fifteen) 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, governance, human resources and human resources development, and global affairs, and oversees the management of the Company.</p> <p>100% (thirteen out of thirteen) 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, governance, finance and accounting, and human resources and human resources development, and oversees the management of the Company.</p> <p>100% (thirteen out of thirteen) attendance at Board of Directors' meetings and 100% (fifteen out of fifteen) attendance at Audit Committee meetings.</p>

Name	Principal Activities and Overview of Duties Performed in Their Expected Roles
Tatsuro Kosaka	He sufficiently fulfills the role expected of an Outside Director 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 corporate management and corporate strategies, governance, global affairs, and engineering, manufacturing and R&D, and oversees the management of the Company. 100% (ten out of ten) attendance at Board of Directors' meetings.
Hiroyuki Yanagi	He sufficiently fulfills the role expected of an Outside Director 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 corporate management and corporate strategies, governance, global affairs, and engineering, manufacturing and R&D, and oversees the management of the Company. 90% (nine out of ten) attendance at Board of Directors' meetings.

- Notes: 1. Mitsubishi Electric Corporation held thirteen Board of Directors' meetings during the fiscal year. The status of attendance for Outside Directors Tatsuro Kosaka and Hiroyuki Yanagi is based on the number of the Board of Directors' meetings held after they assumed office on June 29, 2022.
2. After June 2021, improper quality control practices were found at multiple manufacturing facilities of the Company and the final report was announced in October 2022. The 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 Outside Directors provide advice and instructions at the Board of Directors and other relevant bodies regarding enhancement of the system, making rigorous investigations to uncover the full extent of the issue and its causes, and monitoring progress of reform in three key areas in order to prevent the recurrence of similar incidents.

(2) Executive Officers (As of March 31, 2023)

Title	Name	Positions Held/Responsibilities
Representative Executive Officer President & CEO	Kei Uruma	CEO
Representative Executive Officer Senior Vice President	Tadashi Matsumoto	Life Business Area Owner (Group President, Building Systems, Representative Director and President, Mitsubishi Electric Building Solutions Corporation), 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
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. Representative Executive Officer, President & CEO Kei Uruma, Executive Officers Kunihiko Kaga and Kuniaki Masuda also serve concurrently as Directors.
2. The category, Important Concurrent Positions, does not apply to all 17 Executive Officers.
3. Of those listed above, Executive Officers Yoshihisa Hara, So Suzuki, Shozui Takeno and Katsuya Furuta retired upon the expiration of their terms of office on March 31, 2023.

(Reference) Executive Officers as of April 1, 2023 are as follows:

Title	Name	Positions Held/Responsibilities
Representative Executive Officer President & CEO	Kei Uruma	CEO
Representative Executive Officer Executive Vice President	Tadashi Matsumoto	Life Business Area Owner (Senior General Manager, Life BA Strategic Planning Office, Representative Director and President, Mitsubishi Electric Building Solutions Corporation), In charge of Export Control
Representative Executive Officer Senior Vice President	Kunihiko Kaga	Industry and Mobility Business Area Owner (Senior General Manager, Industry and Mobility BA Strategic Planning Office), CTO (In charge of Technology Strategies)
Senior Vice President	Noriyuki Takazawa	Infrastructure Business Area Owner (Senior General Manager, Infrastructure BA Strategic Planning Office)
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	CMO (In charge of Global Marketing and Advertising, Vice President, Corporate Marketing), In charge of Government & External Relations
Executive Officer	Eiichiro Mitani	Business Platform Business Area Owner (Senior General Manager, Business Platform BA Strategic Planning Office, Group President, Information Systems & Network Service), CIO (In charge of Information Security and IT, Vice President, Corporate Process & Operation Reengineering)
Executive Officer	Kuniaki Masuda	CFO (In charge of Accounting and Finance)
Executive Officer	Tomonori Sato	Group President, Defense & Space Systems
Executive Officer	Yoshikazu Nakai	CPO (In charge of Manufacturing, Vice President, Corporate Total Productivity Management & Environmental Programs), CQO (Vice President, Corporate Quality Assurance Reengineering)
Executive Officer	Satoshi Takeda	In charge of Auditing, CSO (In charge of Corporate Strategic Planning, IR and SR, Operations of Associated Companies, Three Key Reforms and Sustainability)
Executive Officer	Hiroshi Sakakibara	CDO (In charge of DX, Vice President, Corporate Business Innovation)
Executive Officer	Yasunari Abe	CHRO (In charge of General Affairs and Human Resources, Senior General Manager, Corporate Human Resources Div.), In charge of Public Relations

Note: Details of Executive Officers (Associate)

Based on the company-wide management policy, the Company has appointed Executive Officers (Associate) who make decisions on overall management and execute business in relation to sections within their purview. Executive Officers (Associate) as of April 1, 2023 are as follows.

Title	Name	Positions Held/Responsibilities
Executive Officer (Associate)	Yasumichi Tazunoki	Group President, Living Environment & Digital Media Equipment
Executive Officer (Associate)	Shigeki Kawaji	In charge of Purchasing, Senior General Manager, Corporate Purchasing Div.
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)	Masahiro Oya	Vice President, Global Strategic Planning & Marketing
Executive Officer (Associate)	Iwao Oda	Group President, Building Systems, Representative Director and Vice President, Mitsubishi Electric Building Solutions Corporation
Executive Officer (Associate)	Hiroshi Tsuchimoto	Senior General Manager, Corporate Strategic Planning Div.
Executive Officer (Associate)	Toshie Takeuchi	Group President, Factory Automation Systems
Executive Officer (Associate)	Soichi Hamamoto	Group President, Energy & Industrial Systems
Executive Officer (Associate)	Toru Oka	In charge of Intellectual Property, Vice President, Corporate Research and Development
Executive Officer (Associate)	Michael Corbo	Representative of Americas, Global Strategic Planning & Marketing President, Mitsubishi Electric US Holdings, Inc. President & CEO, Mitsubishi Electric US, Inc.

(3) Directors' and Executive Officers' Compensation for Fiscal 2023

1) The Policy for Determining Compensation for Directors and Executive Officers

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, including the chairperson. The policy is as follows. If a Director concurrently serves as an Executive Officer, the policy for determining compensation, etc. for Executive Officers is applied.

i Basic Policies

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 Directors and 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 duty and position. The compensation will be determined by the Compensation Committee based on the following basic policies:

(a) Directors

- a. The compensation scheme should encourage the Directors to demonstrate their supervisory function of management.
- b. The compensation should be the amount necessary to secure suitable talent to fulfill the responsibilities of the Company's Directors.

(b) Executive Officers

- a. The compensation scheme should observe the corporate philosophy of the Mitsubishi Electric Group, and be fully accountable to all stakeholders including society, customers, shareholders, and employees.
- b. The compensation scheme should encourage the execution of duties in line with management strategies and provide strong incentives to achieve management goals.
- c. The compensation scheme should function as an incentive for sustained performance growth and the improvement of corporate value.
- d. The compensation scheme should reflect a fair and impartial evaluation of the achievements and contributions toward their respective roles and responsibilities.

ii. The system for determining compensation

(a) Directors

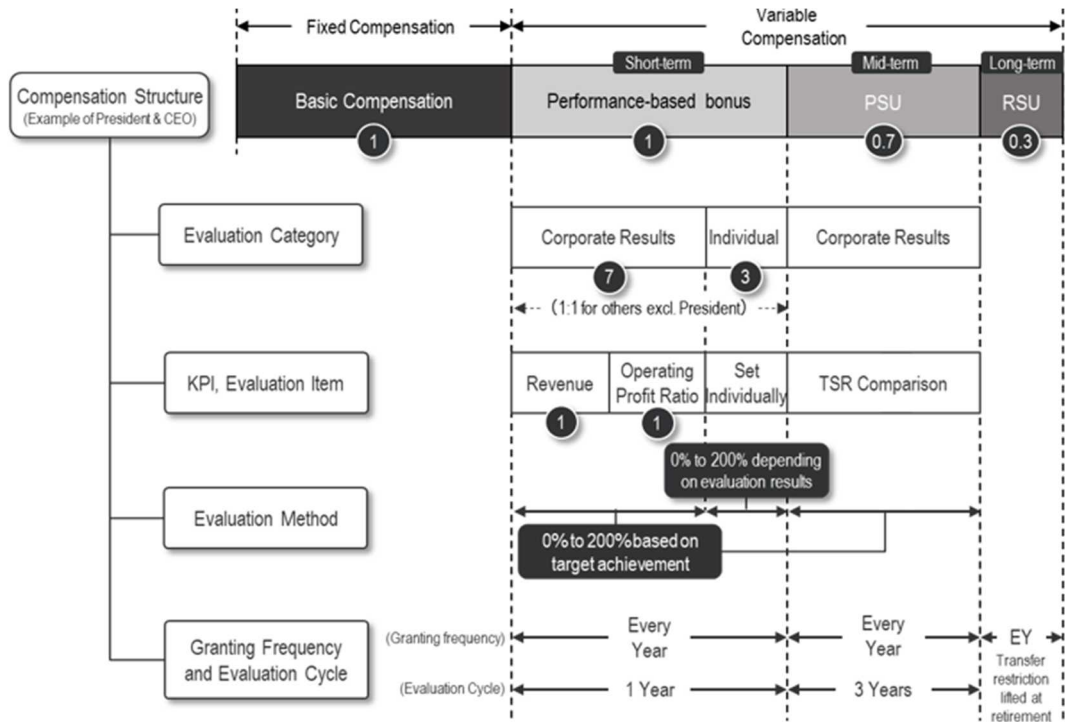
The compensation scheme for Directors shall consist exclusively of basic compensation (fixed compensation), in light of the Directors' role to provide advice and supervise management from an objective and independent

perspective.

(b) Executive Officers

The compensation scheme for Executive Officers shall be as follows, with an emphasis on the improvement of medium-term corporate value and shareholder value.

■ Compensation Structure (Percentage of compensation is that of the President & CEO)



a. Basic compensation

Fixed compensation is set in accordance with the roles and responsibilities of each Executive Officer and is paid monthly in cash by dividing the position-based annual standard amount by 12.

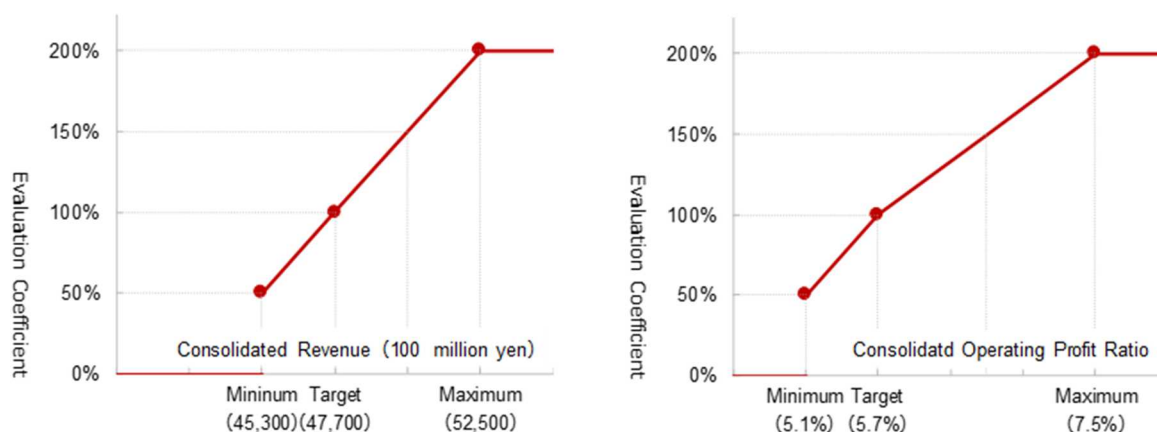
b. Performance-based bonus

The performance-based bonus consists of “Corporate Performance Evaluation” and “Individual Evaluation.” Toward the implementation and achievement of targets of important indicators, priority measures, etc. in the Medium-Term Management Plan, consolidated revenue and the consolidated operating profit ratio are used as evaluation indicators for “Corporate Performance Evaluation.” For “Individual Evaluation,” as an evaluation indicator, non-financial targets are determined for each Executive Officer. For Executive Officers who control a Business Group, actual results of their Business Group as well as non-financial targets are used as evaluation indicators. The amount to be paid is determined in accordance with the status of achievements of these indicators.

The payment amount for each individual will fluctuate in the range of 0% to 200% and shall be calculated as below and paid in a lump sum in cash after the end of each fiscal year.

Individual payment amount =	Position-based standard amount × (Corporate performance evaluation coefficient + Individual evaluation coefficient) (in the range of 0-200%)
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■ Determination of corporate performance evaluation coefficients



* The target, minimum and maximum are those for the fiscal 2023.

■ Determination of individual evaluation coefficients

The targets for the President and CEO shall be determined through the deliberation of the Compensation Committee at the beginning of the fiscal year.

Evaluations shall be made after the end of the fiscal year, by deliberation and decision by the Compensation Committee following a self-evaluation by the President and CEO.

Targets and evaluations of other Executive Officers are discussed and approved by the Compensation Committee after a meeting between the President and CEO and each Executive Officer.

■ Evaluation indicators, ratios, targets, performance results and evaluation coefficient for fiscal 2023

Evaluation indicators		Evaluation ratios		Targets, etc.		Performance results	Evaluation coefficient
		President & CEO	Other Executive Officers				
Corporate performance evaluation	Consolidated revenue	35%	25%	Maximum	5,250.0 billion yen	5003.6 billion yen	148.7%
				Target	4,770.0 billion yen		
				Minimum (Threshold)	4,530.0 billion yen		
	Consolidated operating profit ratio	35%	25%	Maximum	7.5%	5.2%	58.3%
				Target	5.7%		
				Minimum (Threshold)	5.1%		
Individual evaluation		30%	50%	Set specific targets for each Executive Officer based on the priority measures in FY2026 Medium-Term Management Plan, “Three Reforms” to restore trust, ESG promotion, and performance of the business group in charge.		Based on evaluation against individual targets and business performance of the business group in charge, etc.	—

c. Performance-based stock compensation (PSU)*

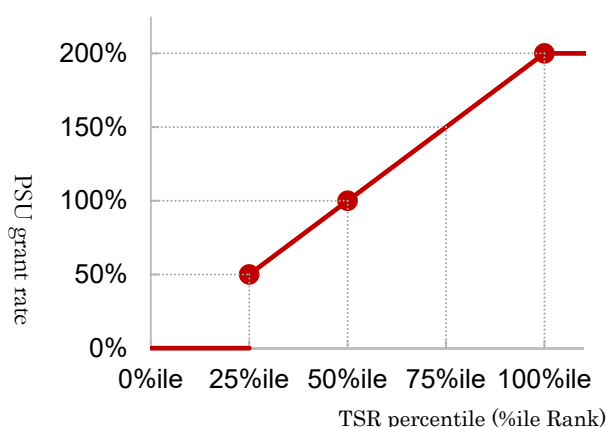
In principle, the number of shares to be issued as performance-based stock compensation (PSU) varies between 0% and 200%, depending on the comparison result (in percentile) between the Company’s TSR (total shareholder return) for the three years and the TSR of a pre-selected group of comparable companies. The comparable companies are selected from domestic and overseas companies in the business areas in which the Company operates. The number of shares to be delivered to each individual is calculated as follows:

* PSU: Performance Share Units

Number of shares delivered to each individual =	Standard PSU points for the position × PSU grant rate (in the range of 0-200%)
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■ Determination of PSU grant rate

[TSR percentile vs comparable companies]



■PSU of which evaluation period ended in fiscal 2023

There is no performance-based stock compensation (PSU) for which the evaluation period ended in this fiscal year, as it was introduced in fiscal 2023.

d. Restricted Stock Units (RSU)*

In order to promote continuous shareholding and shareholder value during the term of office, the Restricted Stock Unit (RSU) program shall, in principle, deliver shares, with transfer restrictions, equivalent to the standard amount for the position at the end of each fiscal year. The transfer restrictions shall be lifted at retirement (when the Company's Director or Executive Officer retires from his/her position).

* RSU: Restricted Stock Unit

iii. Method of setting compensation levels and compensation composition ratios

The compensation levels and compensation composition ratios of Directors and Executive Officers are set each year according to their roles and responsibilities based on a comparison with market compensation levels using compensation survey data of external professional organizations. When comparing with market compensation levels, major domestic manufacturers similar to the Company in terms of scale, type of business, global expansion, etc., are selected as the compensation benchmark group.

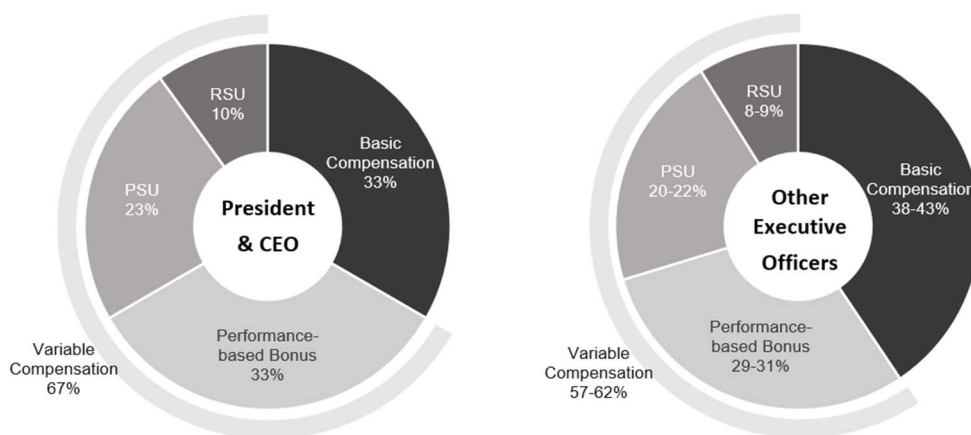
(a) Directors

The basic compensation levels of Directors are set in consideration of the compensation levels of non-executive internal directors and outside directors of the compensation benchmark companies, their roles and responsibilities, and other factors.

(b) Executive Officers

The compensation, etc. of Executive Directors is set in consideration of the trends in compensation levels of executive officers at the compensation benchmark companies, the management strategy and business environment of the Company, the objectives of incentive compensation and the degree of difficulty in achieving the targets, the roles and responsibilities of the Executive Officer concerned and other relevant factors. Additionally, from the perspective of pay-for-performance, the compensation composition has been set with a higher ratio of incentive compensation to place greater emphasis on the link between performance and the medium- and long-term improvement of corporate value and shareholder value. The composition of standard compensation for fiscal 2023 is as follows.

■ Composition of standard compensation for fiscal 2023



* The ratio of “Basic compensation: Performance-based bonus: Stock compensation (PSU + RSU)” is “1: 1: 1” for the President & CEO, and within the range of “1: (0.67 to 0.8): (0.67 to 0.8)” for the other Executive Officers. The ratio has been set so that the higher the position of the Executive Officer, the greater the ratio of variable compensation. The weight of short-term and medium- to long-term are considered to be the same, and the ratios of performance-based bonus and stock compensation have been equally set.

iv. Compensation governance

The Company’s Compensation Committee has the authority to determine the details of compensation, etc. for individual Directors and Executive Officers of the Company. It mainly determines the policies for determining executive compensation etc., the details of compensation, etc. for individual Directors and Executive Officers, company-wide performance evaluations related to the incentive compensation of Executive Officers, and the individual evaluations of Executive Officers. The Compensation Committee is chaired by an Outside Director.

v. Stock ownership guidelines

We believe it is important to ensure that our Executive Officers share the same value with our shareholders on a long-term and sustainable basis. To this end, we have established the following stock ownership guidelines and require Executive Officers to continuously hold the Company’s stock during their term of office in an amount equal to or higher than a target amount, even after the target amount has been reached.

[Stock Ownership Guidelines]

Targeted holdings to be achieved within four years of assuming the position

Position	Target amount	
President & CEO	The multiple to be applied to the annual basic compensation	1.3 times
Senior Vice President		1.0 times
Executive Officer		0.8 times

vi. Malus and clawback provisions

The Company shall introduce “malus and clawback provisions” so that, in the event of any material misconduct or violation by an Executive Officer, or in the event of any material revision to the financial results of prior fiscal years, the Compensation Committee may, by resolution, demand that such Executive Officer forfeit his/her right to receive incentive compensation (malus) or return his/her paid compensation (clawback). The compensation that may be subject to these provisions shall be performance-based bonuses to be paid or already paid, points granted before the delivery of shares and shares before the lifting of transfer restrictions, and some or all of the shares already delivered.

2) Total amount of compensation for Directors and Executive Officers (for fiscal 2023)

i. Total Amount of Compensation for Directors and Executive Officers

Category	Number Receiving Payment	Total Compensation Amount (Millions of yen)	Total Compensation Amount by Type				
			Basic Compensation (Millions of yen)	Performance-based bonus (Millions of yen)	Performance Share Unit (Millions of yen)	Restricted Stock Unit (Millions of yen)	Retirement Benefit (Millions of yen)
Directors	4	120	108	–	–	–	12
Outside Directors	7	122	122	–	–	–	–
Executive Officers	17	1,645	686	479	335	143	–

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 151st fiscal year, there was a difference amounting to 59 million yen between the total compensation disclosed for the previous fiscal year and the compensation paid during fiscal 2023. Said difference was not included in the amount disclosed above.

3. The amount of performance-based bonus is a reserve amount for a bonus as of the end of March 2023 to be paid to applicable Executive Officers in June 2023 for the target period from April 2022 to March 2023.

4. The amount of the Performance Share Unit is a reserve amount for stock compensation as of the end of March 2023 to be granted to applicable Executive Officers after the TSR evaluation period (three years) for the target period from April 2022 to March 2023.

5. The amount of the Restricted Stock Unit is the total amount of compensation for shares with transfer restrictions granted to applicable Executive Officers in March 2023 for the target period from April 2022 to March 2023.

6. The Company has adopted the BIP (Board Incentive Plan) Trust for the Performance Share Unit and Restricted Stock Unit whereby shares will be granted to Executive Officers after the TSR evaluation period (three years) for the Performance Share Unit and after the vesting period (one year) for the Restricted Stock Unit.

7. 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.

8. With serious consideration of the improper quality control practices, the basic compensation for April 2022 and the period from November 2022 to January 2023 for relevant Executive Officers has been partly reduced based on the decision by the Compensation Committee.

ii. Total Number of Shares Granted as Compensation for Directors and Executive Officers

	Number of Shares Granted	Number of Recipients
Executive Officers and Directors (excluding Outside Directors)	391,018	36
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, 287,507 shares have been converted in the trust and delivered as cash equivalent to the disposal price, based on the regulations for granting shares.

3) The Grounds for Determination by the Compensation Committee that the Details of Compensation Given to Individuals Observe the Determination Policy for Fiscal 2023

With regard to the determination of the amount of compensation given to individual Directors and Executive Officers, the Compensation Committee met eleven times during the period from April 2022 and March 2023. In the deliberations by the Compensation Committee, compensation consultants from an external professional organization with global experience and knowledge were employed with the aim to introduce outside objective points of view and specialized knowledge and information on the executive compensation scheme.

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. Furthermore, as for the retirement benefits paid to Directors and Executive Officers who retired during fiscal 2022 or 2023, their individual payments were determined 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.

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 2023

(Millions of yen)

	Payment
1) Compensation and other payments to the Independent Auditor by Mitsubishi Electric Corporation	296
2) A total of financial returns payable on monetary and other assets by Mitsubishi Electric Corporation and its subsidiaries	559

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. Eight 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 2023, 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, hold discussions with Executive Officer, etc., and conduct investigations such as interviews with 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/>).

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, 2023

In the fiscal year ended March 31, 2023, 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, 2023, amounted to ¥40 per share, which includes an interim dividend of ¥14 per share paid on December 2, 2022.

Note: Fiscal year-end dividends will be paid on Friday, June 2, 2023.

Consolidated Financial Statements

Consolidated Statement of Financial Position

(March 31, 2023)

(Millions of yen)

Assets		Liabilities	
Current assets	3,388,187	Current liabilities	1,802,826
Cash and cash equivalents	645,870	Bonds, borrowings and lease liabilities	186,304
Trade receivables	1,051,641	Trade payables	644,456
Contract assets	295,291	Contract liabilities	239,228
Other financial assets	60,953	Other financial liabilities	174,891
Inventories	1,209,254	Accrued expenses	332,788
Other current assets	125,178	Accrued income taxes	46,617
Non-current assets	2,194,332	Provisions	121,891
Investments accounted for using the equity method	236,785	Other current liabilities	56,651
Other financial assets	358,598	Non-current liabilities	416,469
Property, plant and equipment	896,313	Bonds, borrowings and lease liabilities	214,454
Goodwill and intangible assets	190,601	Other financial liabilities	930
Deferred tax assets	154,441	Net defined benefit liabilities	153,821
Other non-current assets	357,594	Provisions	3,824
		Deferred tax liabilities	7,762
		Other non-current liabilities	35,678
		Total liabilities	2,219,295
		Equity	
		Mitsubishi Electric Corp. stockholders' equity	3,239,027
		Common stock	175,820
		Capital surplus	202,888
		Retained earnings	2,636,136
		Accumulated other comprehensive income (loss)	276,898
		Treasury stock, at cost	(52,715)
		Non-controlling interests	124,197
		Total equity	3,363,224
Total assets	5,582,519	Total liabilities and equity	5,582,519

Consolidated Statement of Profit or Loss

(April 1, 2022 to March 31, 2023)

(Millions of yen)

Revenue	5,003,694
Cost of sales	3,596,781
Selling, general and administrative expenses	1,147,981
Other profit (loss)	3,420
Operating profit	262,352
Financial income	12,302
Financial expenses	4,296
Share of profit of investments accounted for using the equity method	21,821
Profit before income taxes	292,179
Income taxes	67,235
Net profit	224,944
Net profit attributable to:	
Mitsubishi Electric Corp. stockholders	213,908
Non-controlling interests	11,036

[Reference]

Consolidated Statement of Cash Flows

(April 1, 2022 to March 31, 2023)

(Millions of yen)

Cash flows from operating activities	166,711
Cash flows from investing activities	(148,533)
Free cash flow	18,178
Cash flows from financing activities	(119,568)
Effect of exchange rate changes on cash and cash equivalents	20,081
Net increase (decrease) in cash and cash equivalents	(81,309)

Financial Statements

Balance Sheet

(March 31, 2023)

(Millions of yen)

Assets		Liabilities	
Current assets:	1,833,664	Current liabilities:	1,439,218
Cash and cash equivalents	227,158	Electronically recorded obligations – operating	114,135
Notes receivable	7,178	Trade accounts payable	360,777
Trade accounts receivable	749,237	Short-term loans payable	532,145
Contract assets	225,148	Lease obligation	2,190
Finished goods	108,887	Other accounts payable	108,203
Raw materials	69,035	Accrued expenses	106,273
Work in process	239,424	Income taxes payable	5,301
Advance payments	25,878	Advances received	125,215
Other	181,828	Reserve for product warranties	38,145
Allowance for doubtful accounts	(112)	Reserve for loss on construction contracts	23,238
Noncurrent assets:	1,328,099	Other	23,594
Property, plant and equipment	386,171	Noncurrent liabilities:	150,181
Buildings, net	202,656	Long-term loans payable	141,730
Structures, net	10,454	Lease obligations	3,901
Machinery and equipment, net	72,424	Reserve for loss on investments in foreign subsidiaries and affiliates	293
Vehicles, net	278	Reserve for directors' retirement benefits	287
Tools, furniture and fixtures, net	20,729	Reserve for competition-law-related expenses	375
Land	41,192	Asset retirement obligations	386
Lease assets, net	2,672	Other	3,207
Construction in progress	35,762	Total liabilities	1,589,400
Intangible fixed assets	39,049	Net assets	
Software	26,555	Shareholders' equity:	1,462,545
Other	12,493	Common stock	175,820
Investments and other assets	902,878	Capital surplus	181,321
Investment in securities	236,163	Legal capital surplus	181,140
Investment in subsidiaries and affiliates	453,073	Other capital surplus	181
Long-term loans receivable	6,147	Retained earnings	1,158,118
Long-term prepaid expenses	6,201	Legal retained earnings	43,955
Deferred tax assets	39,559	Other retained earnings	1,114,163
Other	162,498	Reserve for reduction entry	9,819
Allowance for doubtful accounts	(764)	General reserve	300,000
		Retained earnings brought forward	804,343
		Treasury stock	(52,715)
		Valuation and translations adjustments:	109,818
		Unrealized gains (losses) on securities	109,849
		Deferred gains (losses) on hedges	(31)
		Total net assets	1,572,363
Total assets	3,161,763	Total liabilities and net assets	3,161,763

Statement of Income

(April 1, 2022 to March 31, 2023)

(Millions of yen)

Net sales		2,712,165
Cost of sales		2,124,908
Gross profit		587,256
Selling, general and administrative expenses		516,890
Operating income		70,366
Non-operating income		
Interest and dividends	108,411	
Other	16,223	124,634
Non-operating expenses		
Interest	2,810	
Other	28,817	31,628
Ordinary income		163,372
Extraordinary income		
Gain on sale of non-current assets	22,463	22,463
Extraordinary loss		
Loss on impairment	22,395	22,395
Income before income taxes		163,440
Income taxes-current		18,225
Income taxes-deferred		(1,079)
Net income		146,293

Independent Auditor's Report

May 9, 2023

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, 2023 and for the year from April 1, 2022 to March 31, 2023 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.

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 9, 2023

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, 2023 and for the year from April 1, 2022 to March 31, 2023 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and others 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 others 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.

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 others 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 others, 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 others 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 others, 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 others 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 others are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and others, including the disclosures, and whether the financial statements and others 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 152nd fiscal period (April 1, 2022 to March 31, 2023). 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, 2023.

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 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, the Company seriously takes the full extent of the improper quality control practices identified to date and the findings and recommendations from the Investigative Committee and Governance Review Committee and is taking measures to prevent any recurrence in its entire group so that a similar incident never occurs. In addition, the Company positions three key areas to restore trust (quality assurance, organizational culture, and governance) as top management priorities and, deepening and developing these priorities, is committed to reforming toward the creation of a new Mitsubishi Electric. The Audit Committee positions responses to the product quality issue of the Company and its associated companies as an agenda with a higher degree of importance and, including promotion of a number of recurrence prevention initiatives for work-related and information security issues as recently identified, will continue to closely monitor their progress.

(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 12, 2023

The Audit Committee
Mitsubishi Electric Corporation

Hiroshi Obayashi, Committee Chairman
Kazunori Watanabe, Committee Member
Takashi Oyamada, Committee Member
Tadashi Kawagoishi, Committee Member (Standing)
Jun Nagasawa, Committee Member (Standing)

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.