



Mitsubishi Electric Key Growth Businesses

Jun 3, 2021

Mitsubishi Electric Corporation

1. Targets for FY2025

Help build a foundation for industry and technological innovation by globally providing machines, equipment, and solutions that realize the automation of manufacturing, improving quality and productivity.

Revenue ¥ 265Bn. (FY2020) → ¥ 350Bn. or more (FY2025)



2. Measures

(1) Growth Strategy

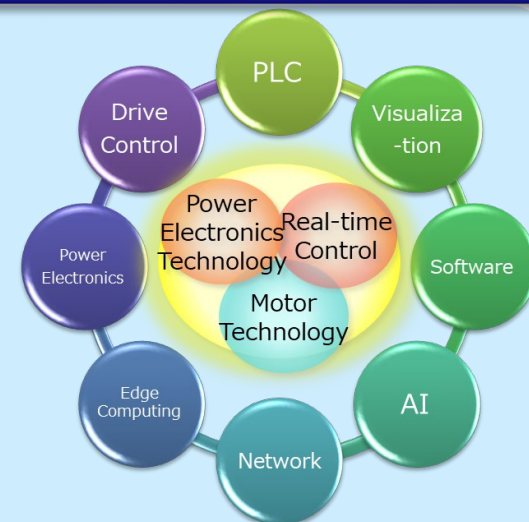
- ① Accelerate global growth strategy by concentrating management resources on PLC, servo, and CNC.
- ② Utilize Mitsubishi Electric's control and drive technology* to strengthen the competitiveness of core components.
- ③ Co-create manufacturing innovations to meet the customer's goals.
- ④ Provide solutions to customers globally and strengthen the stability of the product supply system.

(2) Integrated Solutions

- ① Evolution of the FA-IT Integrated Solution "e-F@ctory" (Core components x Field knowledge x Advanced digital technology).
- ② Expansion of "iQ Care", a remote monitoring and maintenance service that utilizes the cloud.

(3) Initiatives on Social Challenges

- ① Contribute to addressing social challenges using automation technology (labor shortage, food / water shortage, medical / welfare) .
- ② Realization of a decarbonized society by providing energy-saving equipment and solutions to production sites.



Mitsubishi Electric's control and drive technology: Real-time control, drive and motor control, power electronics technology

1. Targets for FY2025

Contribute to creating a safe, secure and comfortable society and achieving a decarbonized society as a global comprehensive air-conditioning & refrigeration manufacturer offering excellent air conditioning and ventilation technologies as well as life cycle solutions.

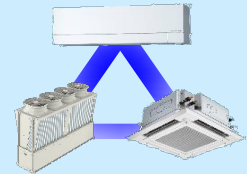
Revenue ¥ 810Bn. (FY2020) → ¥ 1,100Bn. or more(FY2025)



2. Measures

(1) Growth Strategy

- ① Accelerate the introduction of new products and services that meet the needs of each region.
 - Establishment and expansion of air conditioning R&D centers in Europe, US, China, and Asia.
- ② Development of global remote monitoring and maintenance and lifecycle solutions business.
 - Establish a common cloud and IoT platform: Linova for global collaboration.
 - Strategic investment and collaboration for the realization of lifecycle solutions.



(2) Integrated Solutions: Lifecycle Solutions

Provide various solutions for a wide range of indoor environments, from residential to commercial.

- ① Proposing of systems that realize both a higher indoor environment quality and a decarbonized society and supporting the operation.
- ② Accurate remote diagnosis of operating conditions and speedy maintenance support by using IoT.
- ③ Proposing of additional systems and updates to achieve higher indoor environment quality by analyzing operational data of building management systems, etc.

(3) Initiatives on Social Challenges

Strengthen the air-conditioning business related to growth areas: decarbonization, infection control measures, and DX.

- ① Air to Water* business: Strengthen local development and supply systems for the growing heating and hot water supply market in Europe to achieve a decarbonized society.
- ② Ventilation business: Strengthen development and proposal of solutions for high-efficiency ventilation and sanitation, for which demand is growing in the covid-19 crisis.
- ③ ITC* business: Strengthen solution proposals to meet increasing demand related to the spread of telework and 5G and promote acquisition of construction and maintenance contracts.



Air to Water

1. Targets for FY2025

Based on the expansion of maintenance services, realize Smart Buildings and Smart Cities by providing solutions making use of accumulated technologies and data, as well as multi-business synergies.

Revenue ¥ 500Bn. (FY2020) → ¥ 650Bn. or more (FY2025)



2. Measures

(1) Growth Strategy

Strengthen global elevator and escalator business through an integrated system of new installation, maintenance, and renewal.

- ① Expand new installation portfolio by sophisticating core models and expanding regional strategic models.
- ② Expand maintenance service business that supports peace of mind by utilizing remote monitoring and facility operation data.
- ③ Expand maintenance and renewal businesses that meet various needs through collaboration with independent maintenance service providers.

(2) Integrated Solutions

- ① Provide Smart Building solutions based on various building facilities (elevators, air conditioners, lighting and ventilation etc.) x field knowledge for maintenance and operation management x ICT*.
- ② Further develop the cloud/IoT platform(Ville-feuille*) in global integration.
- ③ Contribute to the realization of Smart Cities through cooperation with area energy management.

(3) Initiatives on Social Challenges

- ① Energy conservation and EMS* efforts to build a decarbonized society (ZEB*, BEMS*, AEMS*).
- ② Contribute to a more comfortable, safe and secure building space (touchless, people-flow control, security).
- ③ Efforts to improve labor shortages (Robot mobility support, etc.).



ICT: Information and Communications Technology

Ville-feuille: Mitsubishi Electric's unique open IoT platform for collecting, storing and utilizing building facility data EMS: Energy Management System

ZEB: Zero Energy Building BEMS: Building Energy Management System AEMS: Area Energy Management System

1. Targets for FY2025

Contribute to the global environment and safety/security through product development using our xEV technology (power device, cooling, high density winding) and ADAS technology (high precision-positioning, millimeter waves, image recognition).

Revenue ¥ 100Bn. (FY2020) → ¥ 300Bn. or more (FY2025)



2. Measures

(1) Growth Strategy

- ① Expand the lineup of high efficiency xEV components applicable to wide range of electric vehicles, based on market trends of regions and car manufactures.
- ② Propose smooth and stable vehicle control with the unique fast arithmetic logic and AI, also proposing ADAS by combining core technologies as high precision-positioning, millimeter waves, image recognition and lighting control.



(2) Integrated Solutions

- ① Create new MaaS* businesses(e.g., high value-added location information service, autonomous delivery robot system in large facilities) using ADAS/AD* technologies.
- ② Provide AD system in designated areas by means of infrastructure-assisted technologies and services(e.g., roadside sensor, control system, satellite positioning).



(3) Initiatives on Social Challenges

- ① Contribute to a decarbonized society by wide lineup of high efficiency xEV components and to secure and safe society by ADAS/AD technologies.
- ② Provide solutions for social challenges as labor shortage and aging by autonomous delivery robot system and AD system in the designated areas.

ADAS: Advanced Driver Assistance System MaaS: Mobility as a Service AD: Autonomous Driving

1. Targets for FY2025

Focus on the automotive/consumer product fields where high growth is expected, using IGBT*/SiC* cultivated through business synergies. Contribute to a decarbonized society by providing key devices that save energy in equipment.

Revenue ¥ 150Bn. (FY2020) → ¥ 240Bn. or more (FY2025)



2. Measures

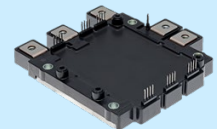
(1) Growth Strategy

Expand sales by focusing on the automotive (xEV) field and the consumer field by using inverters.

- ①Automotive field: We expand the lineup of IGBT and SiC products by utilizing our abundant achievements and top-class technical capabilities such as high efficiency / compact design.
- ②Consumer field: Taking advantage of the low loss in IPM*, we further enhance the functionality and product lineup from large to small capacity products.

(2) Integrated Solutions

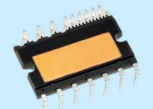
By leveraging business synergies, we provide key devices as core components of each solution in the four fields and contribute to business expansion.



Power device for electric vehicle

(3) Initiatives on Social Challenges

Contribute to realize a decarbonized society by providing SiC products with higher energy efficiency suitable for compact design, high-speed switching, and operation in high temperature.



Power device for consumer (air conditioner)

IGBT : Insulated Gate Bipolar Transistor SiC : Silicon Carbide IPM : Intelligent Power Module

Cautionary Statement

While the statements herein including the forecast of the Mitsubishi Electric Group are based on assumptions the Group considers to be reasonable under the circumstances on the date of announcement, actual results may differ significantly from forecasts. Such factors materially affecting the expectations expressed herein shall include but are not limited to the following:

1. Any change in worldwide economic and social conditions, as well as laws, regulations, taxation and other legislation
2. Changes in foreign currency exchange rates, especially JPY/dollar rates
3. Changes in stock markets, especially in Japan
4. Changes in balance of supply and demand of products that may affect prices and volume, as well as material procurement conditions
5. Changes in the ability to fund raising, especially in Japan
6. Uncertainties relating to patents, licenses and other intellectual property, including disputes involving patent infringement
7. New environmental regulations or the arising of environmental issues
8. Defects in products or services
9. Litigation and legal proceedings brought and contemplated against the Company or its subsidiaries and affiliates that may adversely affect operations or finances
10. Technological change, the development of products using new technology, manufacturing and time-to-market
11. Business restructuring
12. Incidents related to information security
13. Large-scale disasters including earthquakes, typhoons, tsunami, fires and others
14. Social or political upheaval caused by terrorism, war, pandemics, or other factors
15. Important matters related to the directors and executive officers, major shareholders and affiliated companies of Mitsubishi Electric Corporation

