



[Translation]

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

# Quarterly Report

The Second Quarter of 153rd Business Term  
From July 1, 2023 to September 30, 2023

Mitsubishi Electric Corporation

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

The Second Quarter of 153rd Business Term (from July 1, 2023 to September 30, 2023)

---

# Quarterly Report

---

This is an English translation of the Quarterly Report (“Shihanki Hokokusho”) pursuant to Article 24-4-7, paragraph 1 of the Financial Instruments and Exchange Act of Japan filed via the Electronic Disclosure for Investors’ Network (“EDINET”) system as set forth in Article 27-30-2 of the same Act. The translation includes a table of contents and pagination that are not included in the electronic filing.

Mitsubishi Electric Corporation

# Table of Contents

	Page
Cover	1
I. Overview of the Company	2
1. Key Financial Data	2
2. Description of Business	3
II. Business Overview	4
1. Business and Other Risks	4
2. Management Analysis of Financial Position, Operating Results and Cash Flows	4
3. Material Agreements, etc.	8
III. Information on the Company	9
1. Information on the Company's Stock, etc.	9
(1) Total number of shares, etc.	9
(2) Information on the stock acquisition rights, etc.	9
(3) Information on moving strike convertible bonds, etc.	9
(4) Changes in the total number of issued shares and the amount of common stock, etc.	9
(5) Principal shareholders	10
(6) Information on voting rights	11
2. Directors and Executive Officers	12
IV. Financial Information	13
1. Condensed Quarterly Consolidated Financial Statements	14
(1) Condensed Quarterly Consolidated Statement of Financial Position	14
(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income	16
(3) Condensed Quarterly Consolidated Statement of Changes in Equity	20
(4) Condensed Quarterly Consolidated Statement of Cash Flows	21
2. Other	31

## [Cover]

[Filed Document]	Quarterly Report (“Shihanki Hokokusho”)
[Applicable Law]	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
[Filed to]	Director, Kanto Local Finance Bureau
[Filing Date]	November 8, 2023
[Fiscal Year]	The Second Quarter of 153rd business term (from July 1, 2023 to September 30, 2023)
[Company Name]	Mitsubishi Denki Kabushiki Kaisha
[Company Name in English]	Mitsubishi Electric Corporation
[Title and Name of Representative]	Kei Uruma, President & CEO
[Address of Head Office]	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo
[Phone Number]	03(3218)2111
[Contact Person]	Takashi Wakabayashi, Deputy Senior General Manager, Corporate Accounting Division
[Contact Address]	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo
[Phone Number]	03(3218)2111
[Contact Person]	Takashi Wakabayashi, Deputy Senior General Manager, Corporate Accounting Division
[Place Where the Filed Document is Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

### Cautionary Statement

While the statements herein, including the forecasts regarding the Mitsubishi Electric Group, are based on assumptions considered to be reasonable under the circumstances on the date of announcement, actual results may differ significantly from forecasts.

The main factors materially affecting the expectations expressed herein include but are not limited to the following:

- (1) Changes in worldwide economic and social conditions, as well as regulations, taxation and other legislation
- (2) Changes in foreign currency exchange rates
- (3) Changes in stock markets
- (4) Changes in the fund-raising environment
- (5) Changes in the supply and demand of products, as well as the material procurement environment
- (6) Establishment of important patents, status of significant licenses and disputes related to key patents
- (7) Litigation and other legal proceedings
- (8) Issues related to quality and defects in products or services
- (9) Laws, regulations and issues related to the global environment, especially responses to climate change
- (10) Laws, regulations and issues related to human rights
- (11) Radical technological innovation, as well as the development, manufacturing and time-to-market of products using new technology
- (12) Business restructuring
- (13) Information security incidents
- (14) Large-scale disasters, including earthquakes, tsunamis, typhoons, volcanic eruptions and fires
- (15) Social, economic and political upheaval due to heightened geopolitical risks, war, conflict, terrorism or other factors
- (16) Social, economic and political upheaval due to pandemics or other factors
- (17) Important matters related to Mitsubishi Electric Corporation’s directors and executive officers, major shareholders, affiliated companies and other stakeholders

# I. Overview of the Company

## 1. Key Financial Data

(Millions of yen, unless otherwise stated)

	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023	Year ended Mar. 31, 2023
Revenue	2,339,567	2,538,471	5,003,694
[For the three months ended September 30, 2022 and 2023, respectively]	[1,271,844]	[1,318,171]	
Profit before income taxes	103,111	159,786	292,179
Net profit attributable to Mitsubishi Electric Corp. stockholders	74,825	120,228	213,908
[For the three months ended September 30, 2022 and 2023, respectively]	[41,333]	[62,394]	
Comprehensive income attributable to Mitsubishi Electric Corp. stockholders	165,304	249,614	348,064
Mitsubishi Electric Corp. stockholders' equity	3,085,257	3,408,956	3,239,027
Total equity	3,211,106	3,540,282	3,363,224
Total assets	5,204,622	5,711,277	5,582,519
Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders (yen)	35.43	57.08	101.30
[For the three months ended September 30, 2022 and 2023, respectively]	[19.57]	[29.67]	
Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders (yen)	35.43	57.08	101.30
Mitsubishi Electric Corp. stockholders' equity ratio (%)	59.3	59.7	58.0
Cash flows from operating activities	50,770	181,857	166,711
Cash flows from investing activities	(89,850)	(83,357)	(148,533)
Cash flows from financing activities	(91,046)	(113,319)	(119,568)
Cash and cash equivalents at end of period	631,587	660,905	645,870

Notes: 1. The condensed quarterly consolidated financial statements and the consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (“IFRS”).

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

3. Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders is equal to Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders as no dilutive securities existed.

## 2. Description of Business

The condensed quarterly consolidated financial statements of the Mitsubishi Electric Group are prepared in accordance with IFRS. The Mitsubishi Electric Group, which is composed of the Company, 214 consolidated subsidiaries and 39 equity method companies, engages in 6 business segments (Infrastructure, Industry & Mobility, Life, Business Platform, Semiconductor & Device, Others) and our products range from all types.

The classification of reportable segment of Business Platform was changed to 2 segments such as Business Platform and Semiconductor & Device from the first quarter of this fiscal year. Also, some businesses that were previously included in the Information Systems & Network Service of Business Platform have been reclassified in Others due to the organizational restructure. Details are described in “IV. Financial Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes 5. Segment information.”

There were no changes in major subsidiaries and affiliated companies for the six months ended September 30, 2023.

## II. Business Overview

### 1. Business and Other Risks

For the six months ended September 30, 2023, there were no new business and other risks such as unusual fluctuations in the financial position, operating results, and cash flows.

There were no material changes in the business and other risks stated in the Annual Securities Report for the fiscal year ended March 31, 2023.

Forward-looking statements in this section are based on the judgment of the Company as of the date of submission of the Quarterly Report (November 8, 2023).

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

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

#### (1) Overview of business performance

The economy in the six months ended September 30, 2023 continued to see recovery primarily in consumer spending despite monetary tightening and other factors in the U.S. In Japan, the economy continued to see moderate recovery due to robust consumer spending and an increase in inbound tourists. In China, the economy showed weakness in recovery due to sluggish export as well as slower domestic demand resulting from the real estate recession and other factors. In Europe, there were slowdowns in the corporate and household sectors due to monetary tightening and other factors.

As a result, the business performance for the six months ended September 30, 2023 is as follows.

< Consolidated performance >

(In billions of yen)

	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023	Year-on-year
Revenue	2,339.5	2,538.4	up 198.9
Operating profit	80.5	135.8	up 55.3
Profit before income taxes	103.1	159.7	up 56.6
Net profit attributable to Mitsubishi Electric Corp. stockholders	74.8	120.2	up 45.4

#### 1) Revenue

Revenue increased by 198.9 billion yen year-on-year to 2,538.4 billion yen owing primarily to the weaker yen and price hike. The Life segment saw an increase in the building systems business in Asia (excluding China), Japan and Europe, and the air conditioning systems & home products business also increased due to robust demand for air conditioners. The Industry & Mobility segment saw a decrease in the factory automation systems business due mainly to slower demand for digital equipment, while the automotive equipment business saw increases primarily in electric vehicle-related equipment and electrical components. In the Infrastructure segment, the public utility systems business saw increases in the transportation systems and public utility businesses worldwide and the energy systems business saw increases in the power distribution business worldwide and the power generation business outside Japan, while the defense & space systems business saw a decrease in the defense systems business. The Semiconductor & Device segment increased due to robust demand for power modules. The Business Platform segment saw increases in the system integrations and IT infrastructure service businesses.

< Impact of exchange rate fluctuations on revenue >

	Average exchange rate for the six months ended Sept. 30, 2022	Average exchange rate for the six months ended Sept. 30, 2023	Impact of exchange rate fluctuations on revenue for the six months ended Sept. 30, 2023
Consolidated total	—	—	About ¥66.0 billion increase
US\$	¥135	¥143	About ¥19.0 billion increase
EURO	¥139	¥155	About ¥30.0 billion increase
CNY	¥19.9	¥19.9	Little

## 2) Operating profit

Operating profit increased by 55.3 billion yen year-on-year to 135.8 billion yen due mainly to increases in the Life, Infrastructure, Industry & Mobility and Semiconductor & Device segments. Operating profit ratio improved by 2.0 points year-on-year to 5.4% due mainly to an improvement in cost ratio.

The cost ratio improved by 2.1 points year-on-year due primarily to the weaker yen and price hike. Selling, general and administrative expenses increased by 49.0 billion yen year-on-year, and the selling, general and administrative expenses to revenue ratio remained substantially unchanged year-on-year. Other profit (loss) decreased by 3.9 billion yen year-on-year, and other profit (loss) to revenue ratio deteriorated by 0.1 points year-on-year.

## 3) Profit before income taxes

Profit before income taxes increased by 56.6 billion yen year-on-year to 159.7 billion yen due primarily to an increase in operating profit. The profit before income taxes to revenue ratio was 6.3%.

## 4) Net profit attributable to Mitsubishi Electric Corp. stockholders

Net profit attributable to Mitsubishi Electric Corporation stockholders increased by 45.4 billion yen year-on-year to 120.2 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 4.7%.

Consolidated Financial Results by Business Segment are as shown below.

### 1) Infrastructure

The market for the public utility systems business continued to see recovery in the global demand for the transportation systems area and robust investment in the public utility area worldwide. In this environment, the business saw increases in both orders and revenue year-on-year due primarily to the weaker yen and increases in the transportation systems and public utility businesses worldwide.

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 generation and power distribution businesses in Japan, while revenue increased year-on-year due primarily to the weaker yen and increases in the power distribution business worldwide and the power generation business outside Japan.

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

As a result, revenue for this segment increased by 6% year-on-year to 426.2 billion yen.

Operating profit improved by 6.4 billion yen year-on-year to a loss of 8.9 billion yen due primarily to a shift in project portfolios and the deterioration in profitability in the defense & space systems business in the previous fiscal year.

### 2) Industry & Mobility

The market for the factory automation systems business saw continued demand primarily in the decarbonization area such as lithium-ion batteries, while global demand decreased mainly for digital equipment such as semiconductors. In this environment, the business saw decreases in both orders and revenue year-on-year due mainly to a decrease in demand for digital equipment.

The market for the automotive equipment business saw a year-on-year increase in sales of new cars due mainly to an improvement in the supply of some semiconductor parts, and robust demand primarily for electric vehicle-related equipment in line with the expansion of the electric vehicle market. In this environment, the business saw increases in both orders and revenue year-on-year due to increases in electric vehicle-related equipment such as motors and inverters, electrical components and advanced driver assistance system (ADAS)-related products in addition to the weaker yen and price hike.

As a result, revenue for this segment increased by 6% year-on-year to 843.7 billion yen.

Operating profit increased by 5.9 billion yen year-on-year to 49.8 billion yen owing primarily to the weaker yen and price hike, despite a shift in product mix and increased costs.

### 3) Life

The market for the building systems business continued to see recovery in the global demand. 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 (excluding China), Japan and Europe.



The market for the air conditioning systems & home products business saw robust global demand for air conditioners due to decarbonization trends worldwide. In this environment, the business saw an increase in revenue year-on-year due mainly to the weaker yen and price hike in addition to an increase in air conditioners in Europe, Asia, North America and Japan.

As a result, revenue for this segment increased by 11% year-on-year to 1,047.1 billion yen.

Operating profit increased by 44.5 billion yen year-on-year to 78.5 billion yen due primarily to an increase in revenue and the weaker yen, as well as price hike and an improvement of logistics costs.

#### 4) Business Platform

The market for the information systems & network service business saw robust demand due to updates to legacy systems and digital transformation-related efforts. In this environment, the business saw an increase in orders due mainly to increases in the system integrations and IT infrastructure service businesses. Revenue also increased by 5% year-on-year to 65.8 billion yen.

Operating profit remained substantially unchanged year-on-year to 3.9 billion yen due mainly to a shift in project portfolios, despite an increase in revenue.

#### 5) Semiconductor & Devices

The market for the semiconductor & device business saw an increase in demand for power modules used for railway & power transmission applications. In this environment, the business saw an increase in orders year-on-year due mainly to an increase in power modules used for railway & power transmission applications, while revenue for this segment increased by 4% year-on-year to 144.4 billion yen due mainly to the weaker yen and an increase in power modules used for industrial and railway & power transmission applications.

Operating profit increased by 1.6 billion yen year-on-year to 16.4 billion yen due mainly to the weaker yen.

#### 6) Others

Revenue increased by 2% year-on-year to 408.6 billion yen due primarily to increases in materials procurement and software.

Operating profit decreased by 1.4 billion yen year-on-year to 13.6 billion yen due mainly to a shift in project portfolios.

### (2) Analysis of financial position

Total assets as of the end of this fiscal quarter increased by 128.7 billion yen compared to the end of the previous fiscal year to 5,711.2 billion yen. The change in balance of total assets was mainly attributable to an increase in inventories by 103.7 billion yen.

Inventories increased due primarily to the weaker yen and a change in demand for the Industry & Mobility and Life segments.

Total liabilities decreased by 48.3 billion yen compared to the end of the previous fiscal year to 2,170.9 billion yen due primarily to a decrease in trade payables by 67.4 billion yen. Bonds and borrowings increased by 5.7 billion yen compared to the end of the previous fiscal year to 258.0 billion yen, with the ratio of bonds and borrowings to total assets recording 4.5%, unchanged compared to the end of the previous fiscal year.

Mitsubishi Electric Corporation stockholders' equity increased by 169.9 billion yen compared to the end of the previous fiscal year to 3,408.9 billion yen due mainly to net profit attributable to Mitsubishi Electric Corporation stockholders of 120.2 billion yen and an increase in accumulated other comprehensive income of 121.4 billion yen, mainly reflecting the weaker yen and rise in stock prices, despite a decrease due primarily to a dividend payment of 54.9 billion yen. The stockholders' equity ratio was 59.7%, representing a 1.7 point increase compared to the end of the previous fiscal year.

### (3) Status of cash flows

Cash flows from operating activities for the six months ended September 30, 2023 were 181.8 billion yen (cash in), while cash flows from investing activities were 83.3 billion yen (cash out). As a result, free cash flow was 98.5 billion yen (cash in). Cash flows from financing activities were 113.3 billion yen (cash out), and cash and cash equivalents at the end of the period increased by 15.0 billion yen compared to the end of the previous fiscal year to 660.9 billion yen.

Net cash provided by operating activities increased by 131.0 billion yen year-on-year due primarily to an increase in profit and a decrease in payment for inventories.

Net cash used in investing activities decreased by 6.4 billion yen year-on-year due mainly to an increase in proceeds from sale of investment securities and others, despite an increase in the purchase of property, plant and equipment.

Net cash used in financing activities increased by 22.2 billion yen year-on-year due primarily to an increase in purchase of treasury stock.

#### (4) Management Policy, Business Environment and Corporate Agenda

For the six months ended September 30, 2023, the following are the changes in “Part I Information on the Company, II. Business Overview, 1. Management Policy, Business Environment and Corporate Agenda” in the Annual Securities Report for the fiscal year ended March 31, 2023, and the relevant changes and additions are underlined.

(Omitted)

The global economy outlook is anticipated to slow down due to monetary tightening in various countries to control inflation as well as the impact of the real estate recession in China and other factors although consumption will continue to increase modestly. Furthermore, as geopolitical risks such as the prolonged situation in Ukraine and the conflict between the US and China increase, it is feared that the business environment will change beyond our expectations.

(Omit the last part)

#### (5) Research and Development

For the six months ended September 30, 2023, the total R&D expenses for the entire Group have amounted to 107.1 billion yen (Including elements spent on quality improvements, which constitute manufacturing costs).

There were no significant changes in the research and development activities of the Group for the six months ended September 30, 2023.

#### (6) Production, orders and sales

For the six months ended September 30, 2023, orders in the Infrastructure segment increased significantly year-on-year. Please refer to “(1) Overview of business performance, Financial Results by Business Segment” for changes in orders performance for the Infrastructure segment.

### (7) Major Property, Plants and Equipment

The plan for the capital investment (new installation and expansions) for the fiscal year ending March 31, 2024 was revised as follows (based on investment decisions) in the three months ended September 30, 2023.

Business segment	The plan as of Mar. 31, 2023 (millions of yen)	The plan revised in the three months ended Sept. 30, 2023 (millions of yen)	Main purpose of investment
Infrastructure	49,000	66,000	Increasing production capacity for defense-related equipment, streamlining operations, and enhancing quality of electric equipment for rolling stock, power systems, and space-related equipment, etc.
Industry & Mobility	112,000	100,000	Increasing production capacity for factory automation systems and automotive equipment operations, etc.
Life	88,000	88,000	Increasing production capacity, streamlining operations, and enhancing quality of elevators/escalators and air conditioners, etc.
Business Platform	5,000	5,000	Development of information and communications infrastructure, etc.
Semiconductor & Device	37,000	37,000	Increasing production capacity for the power device business, etc.
Others	8,000	8,000	—
Common	16,000	11,000	Bolstering research and development capabilities, etc.
Total	315,000	315,000	—

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

2. These investments are mostly derived from cash on hand and funds from operations.

The Group is expected to finance through borrowings and issuing bonds as necessary.

3. The plan for the capital investment of each business segment was revised in the three months ended September 30, 2023.

### 3. Material Agreements, etc.

In the three months ended September 30, 2023 there were no material agreements entered into, modified, or cancelled.

### III. Information on the Company

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

##### (1) Total number of shares, etc.

###### 1) Total number of shares

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

###### 2) Issued shares

Class	Number of shares issued as of the end of the quarter (shares) (Sept. 30, 2023)	Number of shares issued as of the filing date (shares) (Nov. 8, 2023)	Stock exchange on which the Company is listed	Description
Common stock	2,147,201,551	2,147,201,551	Tokyo (Prime Market)	The number of shares per one unit of shares is 100 shares.
Total	2,147,201,551	2,147,201,551	—	—

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

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

###### 1) Details of stock option plans

Not applicable.

###### 2) Details of other stock acquisition rights, etc.

Not applicable.

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

Not applicable.

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

Date	Change in the total number of issued shares (thousand shares)	Balance of the total number of issued shares (thousand shares)	Change in common stock (millions of yen)	Balance of common stock (millions of yen)	Change in capital reserve (millions of yen)	Balance of capital reserve (millions of yen)
From July 1, 2023 to September 30, 2023	—	2,147,201	—	175,820	—	181,140

## (5) Principal shareholders

As of September 30, 2023

Name	Address	Number of shares Held (thousand shares)	Ownership percentage to the total number of issued shares (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo	319,780	15.22
SSBTC CLIENT OMNIBUS ACCOUNT (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited., Tokyo branch)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (11-1, Nihombashi 3-chome, Chuo-ku, Tokyo)	109,916	5.23
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	99,519	4.74
Meiji Yasuda Life Insurance Company	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	81,862	3.90
JP MORGAN CHASE BANK 380055 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	270 PARK AVENUE, NEW-YORK, NY 10017, UNITED STATES OF AMERICA (15-1, Konan 2-chome, Minato-ku, Tokyo)	46,607	2.22
Mitsubishi Electric Group Employees Shareholding Union	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	44,954	2.14
STATE STREET BANK AND TRUST COMPANY 505223 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	P. O. BOX 351 BOSTON MASSACHUSETTS 02101 U. S. A. (15-1, Konan 2-chome, Minato-ku, Tokyo)	44,924	2.14
JP MORGAN CHASE BANK 385632 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (15-1, Konan 2-chome, Minato-ku, Tokyo)	38,094	1.81
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Service Department)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (15-1, Konan 2-chome, Minato-ku, Tokyo)	36,456	1.74
Nippon Life Insurance Company	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo	36,339	1.73
Total	—	858,455	40.87

Notes: 1. In addition to the above, the Company holds 46,748,221 company-owned shares.

2. Mitsubishi UFJ Financial Group, Inc. submitted a change report on the Statements of Large-Volume Holdings with MUFG Bank, Ltd. and 2 other companies as co-owners on October 2, 2023. However, since the Company cannot confirm the number of shares actually owned as of September 30, 2023, "Principal shareholders" column is based on the shareholder registry. The shareholding status as of September 25, 2023 according to the report is as follows.

Name	Address	Number of shares Held (thousand shares)	Ownership percentage to the total number of issued shares (%)
MUFG Bank, Ltd.	7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	18,808	0.88
Mitsubishi UFJ Trust and Banking Corporation	4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo	58,761	2.74
Mitsubishi UFJ Kokusai Asset Management Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo	18,750	0.87

## (6) Information on voting rights

### 1) Issued shares

(As of September 30, 2023)

Classification	Number of shares (shares)	Number of voting rights	Description
Shares without voting right	—	—	—
Shares with restricted voting right (treasury stock, etc.)	—	—	—
Shares with restricted voting right (others)	—	—	—
Shares with full voting right (treasury stock, etc.)	Common stock 47,215,000	—	Standard common stock of the Company without any restriction. Number of shares constituting one unit: 100 shares
Shares with full voting right (others)	Common stock 2,099,557,900	20,995,579	Same as above
Shares less than one unit	Common stock 428,651	—	Same as above
Number of shares issued	2,147,201,551	—	—
Total number of voting rights	—	20,995,579	—

Notes: 1. The number of shares in “Shares less than one unit” includes 21 shares as treasury stocks, 65 shares held by the Board Incentive Plan Trust and 80 shares registered in the name of Japan Securities Depository Center, Inc.

2. The number of shares and the number of voting rights in “Shares with full voting right (others)” include 6,700 shares (67 voting rights) registered in the name of Japan Securities Depository Center, Inc. and 1,893,500 shares (18,935 voting rights) held through the Board Incentive Plan Trust.

### 2) Treasury stock, etc.

(As of September 30, 2023)

Name of shareholder	Address	Number of shares held under own name (shares)	Number of shares held under the name of others (shares)	Total shares held (shares)	Ownership percentage to the total number of issued shares (%)
Mitsubishi Electric Corporation	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	46,748,200	—	46,748,200	2.18
Shizuki Electric Co., Inc.	10-45, Taisha-cho, Nishinomiya-shi, Hyogo	4,800	450,000	454,800	0.02
KITA KOUDENSHA Corporation	2-10, Kita 11-jo Nishi 23-chome, Chuo-ku, Sapporo-shi, Hokkaido	12,000	—	12,000	0.00
Total	—	46,765,000	450,000	47,215,000	2.20

Notes: 1. 450,000 shares held under the name of others in Shizuki Electric Co., Inc. were contributed by the company to the employee retirement benefit trust (The Master Trust Bank of Japan, Ltd. [11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo] (Retirement benefit trust account, Shizuki Electric Co., Inc. account)).

2. In addition to 46,748,200 shares owned by the Company in the table above and 21 shares less than one unit owned by the Company, 1,893,565 shares of the Company held through the Board Incentive Plan Trust are included in the shares of treasury stock in the condensed quarterly consolidated financial statements.

## 2. Directors and Executive Officers

The changes in directors and executive officers from the filing date of the Annual Securities Report for the fiscal year ended March 31, 2023 until September 30, 2023 are as follows.

### (1) Retired Directors and Executive Officers

Title	Name	Date of retire
Executive Officer, CDO (DX, Business Innovation)	Hiroshi Sakakibara	September 30, 2023

### (2) Number of Directors and Executive Officers by gender and ratio of women after change

Men: 19 persons, Women: 3 persons

(Women's percentage to total number of Directors and Executive Officers: 14%)

The changes in directors and executive officers from September 30, 2023 until the filing date of the Quarterly Report for the fiscal year ended September 30, 2023 are as follows.

### Changes in titles

New title	Former title	Name	Date of change
Executive Officer, CSO (Corporate Strategic Planning, IR and SR, Operations of Associated Companies, Three Key Reforms and Sustainability), CDO (DX, Business Innovation)	Executive Officer, Auditing, CSO (Corporate Strategic Planning, IR and SR, Operations of Associated Companies, Three Key Reforms and Sustainability)	Satoshi Takeda	October 1, 2023

Note: Based on the company-wide management policy, the Company has appointed Executive Officers (Associate) who will make decisions on overall management and execute business in relation to groups/business groups/corporate divisions within their purview. The changes in Executive Officers (Associate) from September 30, 2023 until the filing date of the Quarterly Report for the fiscal year ended September 30, 2023 are as follows.

### Changes in titles

New title	Former title	Name	Date of change
Executive Officer (Associate), Auditing, Senior General Manager, Corporate Strategic Planning Div.	Executive Officer (Associate), Senior General Manager, Corporate Strategic Planning Div.	Hiroshi Tsuchimoto	October 1, 2023

## IV. Financial Information

### 1. Basis of preparation of the condensed quarterly consolidated financial statements

The Group prepares its condensed quarterly consolidated financial statements in accordance with International Accounting Standards 34 “Interim Financial Reporting” (“IAS34”) since the Group meets all the requirements of a “specified international accounting standard company” in Article 1-2 of the cabinet Ordinance No. 64 of 2007, “Ordinance on Terminology, Forms and Preparation Methods of quarterly Consolidated Financial Statements”, and therefore Article 93 of that Ordinance applies to the Group.

### 2. Audit certification

Pursuant to Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act of Japan, the condensed quarterly consolidated financial statements for the three months from July 1, 2023 to September 30, 2023 and the first half of the current fiscal year from April 1, 2023 to September 30, 2023 are reviewed by KPMG AZSA LLC.



# 1 【Condensed Quarterly Consolidated Financial Statements】

## (1) 【Condensed Quarterly Consolidated Statement of Financial Position】

Yen (millions)

	Notes	As of Mar. 31, 2023	As of Sept. 30, 2023
(Assets)			
Cash and cash equivalents		645,870	660,905
Trade receivables		1,051,641	902,198
Contract assets		295,291	340,002
Other financial assets	9	60,953	82,612
Inventories		1,209,254	1,313,034
Other current assets		125,178	131,113
Current assets		3,388,187	3,429,864
Investments accounted for using the equity method		236,785	249,586
Other financial assets	9	358,598	385,862
Property, plant and equipment		896,313	935,016
Goodwill and intangible assets		190,601	205,554
Deferred tax assets		154,441	149,511
Other non-current assets		357,594	355,884
Non-current assets		2,194,332	2,281,413
Total assets		5,582,519	5,711,277

Yen (millions)

	Notes	As of Mar. 31, 2023	As of Sept. 30, 2023
(Liabilities)			
Bonds, borrowings and lease liabilities	9	186,304	193,202
Trade payables		644,456	576,990
Contract liabilities		239,228	259,005
Other financial liabilities	9	174,891	163,115
Accrued expenses		332,788	339,132
Accrued income taxes		46,617	39,457
Provisions		121,891	119,832
Other current liabilities		56,651	57,336
Current liabilities		1,802,826	1,748,069
Bonds, borrowings and lease liabilities	9	214,454	212,848
Other financial liabilities	9	930	930
Net defined benefit liabilities		153,821	158,108
Provisions		3,824	4,075
Deferred tax liabilities		7,762	10,722
Other non-current liabilities		35,678	36,243
Non-current liabilities		416,469	422,926
Total liabilities		2,219,295	2,170,995
(Equity)			
Common stock		175,820	175,820
Capital surplus		202,888	203,104
Retained earnings		2,636,136	2,709,395
Accumulated other comprehensive income (loss)	9	276,898	398,313
Treasury stock, at cost		(52,715)	(77,676)
Mitsubishi Electric Corp. stockholders' equity		3,239,027	3,408,956
Non-controlling interests		124,197	131,326
Total equity		3,363,224	3,540,282
Total liabilities and equity		5,582,519	5,711,277

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

Yen (millions)

	Notes	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Revenue	7	2,339,567	2,538,471
Cost of sales		1,710,855	1,801,423
Selling, general and administrative expenses		550,908	599,969
Other profit (loss)		2,699	(1,240)
Operating profit		80,503	135,839
Financial income		12,529	12,457
Financial expenses		1,627	2,835
Share of profit of investments accounted for using the equity method		11,706	14,325
Profit before income taxes		103,111	159,786
Income taxes		22,609	31,515
Net profit		80,502	128,271
Net profit attributable to:			
Mitsubishi Electric Corp. stockholders		74,825	120,228
Non-controlling interests		5,677	8,043

Yen

	Notes	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Earnings per share (attributable to Mitsubishi Electric Corp. stockholders)			
Basic	8	35.43	57.08
Diluted	8	35.43	57.08

**【Condensed Quarterly Consolidated Statement of Comprehensive Income】**

Yen (millions)

	Notes	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Net profit		80,502	128,271
Other comprehensive income (loss), net of tax			
Items that will not be reclassified to net profit			
Changes in fair value of financial assets measured at fair value through other comprehensive income	9	(2,186)	30,364
Share of other comprehensive income of investments accounted for using the equity method		20	4,732
Total items that will not be reclassified to net profit		(2,166)	35,096
Items that may be reclassified to net profit			
Exchange differences on translating foreign operations		89,343	94,529
Net changes in the fair value of cash flow hedges		(155)	(197)
Share of other comprehensive income of investments accounted for using the equity method		10,981	7,069
Total items that may be reclassified to net profit		100,169	101,401
Total other comprehensive income (loss)		98,003	136,497
Comprehensive income		178,505	264,768
Comprehensive income attributable to:			
Mitsubishi Electric Corp. stockholders		165,304	249,614
Non-controlling interests		13,201	15,154

**【Condensed Quarterly Consolidated Statement of Profit or Loss】**

Yen (millions)

	Notes	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Revenue		1,271,844	1,318,171
Cost of sales		934,382	934,149
Selling, general and administrative expenses		291,550	309,470
Other profit (loss)		626	282
Operating profit		46,538	74,834
Financial income		4,032	4,389
Financial expenses		900	3,366
Share of profit of investments accounted for using the equity method		6,545	7,045
Profit before income taxes		56,215	82,902
Income taxes		11,376	16,199
Net profit		44,839	66,703
Net profit attributable to:			
Mitsubishi Electric Corp. stockholders		41,333	62,394
Non-controlling interests		3,506	4,309

Yen

	Notes	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Earnings per share (attributable to Mitsubishi Electric Corp. stockholders)			
Basic	8	19.57	29.67
Diluted	8	19.57	29.67

**【Condensed Quarterly Consolidated Statement of Comprehensive Income】**

Yen (millions)

	Notes	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Net profit		44,839	66,703
Other comprehensive income (loss), net of tax			
Items that will not be reclassified to net profit			
Changes in fair value of financial assets measured at fair value through other comprehensive income		(339)	(12,464)
Share of other comprehensive income of investments accounted for using the equity method		(42)	3,423
Total items that will not be reclassified to net profit		(381)	(9,041)
Items that may be reclassified to net profit			
Exchange differences on translating foreign operations		11,114	21,302
Net changes in the fair value of cash flow hedges		(94)	(183)
Share of other comprehensive income of investments accounted for using the equity method		7,613	5,017
Total items that may be reclassified to net profit		18,633	26,136
Total other comprehensive income (loss)		18,252	17,095
Comprehensive income		63,091	83,798
Comprehensive income attributable to:			
Mitsubishi Electric Corp. stockholders		58,668	77,515
Non-controlling interests		4,423	6,283

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

For the six months ended Sept. 30, 2022

Yen (millions)

	Notes	Mitsubishi Electric Corp. stockholders' equity					Total	Non-controlling interests	Total equity
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock, at cost			
Balance at beginning of period		175,820	202,695	2,464,966	184,528	(52,068)	2,975,941	121,456	3,097,397
Comprehensive income									
Net profit				74,825			74,825	5,677	80,502
Other comprehensive income (loss), net of tax					90,479		90,479	7,524	98,003
Comprehensive income		—	—	74,825	90,479	—	165,304	13,201	178,505
Reclassification to retained earnings				746	(746)		—		—
Dividends	6			(54,940)			(54,940)	(6,853)	(61,793)
Purchase of treasury stock						(1,575)	(1,575)		(1,575)
Disposal of treasury stock			(784)			784	0		0
Transactions with non-controlling interests and others			527				527	(1,955)	(1,428)
Balance at end of period		175,820	202,438	2,485,597	274,261	(52,859)	3,085,257	125,849	3,211,106

For the six months ended Sept. 30, 2023

Yen (millions)

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

## (4) 【Condensed Quarterly Consolidated Statement of Cash Flows】

Yen (millions)

	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Cash flows from operating activities		
Net profit	80,502	128,271
Adjustments to cash flows from operating activities		
Depreciation and amortization	99,844	94,739
Impairment losses	706	1,431
Loss (gain) on sales and disposal of property, plant and equipment, net	(1,424)	1,688
Income taxes	22,609	31,515
Share of profit of investments accounted for using the equity method	(11,706)	(14,325)
Financial income and financial expenses	(10,902)	(9,622)
Decrease in trade receivables	141,318	183,581
Decrease (increase) in contract assets	(33,052)	(41,956)
Decrease (increase) in inventories	(135,628)	(47,946)
Decrease in other assets	4,859	(1,119)
Increase (decrease) in trade payables	(656)	(77,136)
Increase in net defined benefit liabilities	7,148	6,738
Increase (decrease) in other liabilities	(55,685)	(12,884)
Others, net	(29,721)	(20,571)
Subtotal	78,212	222,404
Interest and dividends received	12,132	16,977
Interest paid	(1,536)	(3,195)
Income taxes paid	(38,038)	(54,329)
Cash flows from operating activities	50,770	181,857
Cash flows from investing activities		
Purchase of property, plant and equipment	(71,469)	(85,498)
Proceeds from sale of property, plant and equipment	3,284	607
Purchase of intangible assets	(11,656)	(15,742)
Purchase of investment securities and others, net of cash acquired	(19,826)	(9,227)
Proceeds from sale of investment securities and others	6,747	27,086
Others, net	3,070	(583)
Cash flows from investing activities	(89,850)	(83,357)
Cash flows from financing activities		
Proceeds from bonds and long-term borrowings	5,614	457
Repayments of bonds and long-term borrowings	(21,026)	(208)
Increase in short-term borrowings, net	18,097	3,007
Repayments of lease liabilities	(28,439)	(29,086)
Dividends paid to Mitsubishi Electric Corp. stockholders	(54,940)	(54,940)
Purchase of treasury stock	(1,575)	(25,327)
Disposal of treasury stock	0	—
Dividends paid to non-controlling interests	(7,073)	(7,221)
Transactions with non-controlling interests	(1,704)	(1)
Cash flows from financing activities	(91,046)	(113,319)
Effect of exchange rate changes on cash and cash equivalents	34,534	29,854
Net increase (decrease) in cash and cash equivalents	(95,592)	15,035
Cash and cash equivalents at beginning of period	727,179	645,870
Cash and cash equivalents at end of period	631,587	660,905



## 【Notes to condensed quarterly consolidated financial statements】

### 1. Reporting entity

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

The Group is a multinational organization which develops, manufactures, sells and distributes a broad range of electrical and electronic equipment in the fields as diverse as home appliances to space electronics. The Company and its subsidiaries’ principal lines of business are: (1) Infrastructure, (2) Industry & Mobility, (3) Life, (4) Business Platform, (5) Semiconductor & Device and (6) Others. The Group’s manufacturing operations are conducted principally by the Company with 22 manufacturing sites located in Japan, as well as overseas manufacturing sites located in Thailand, China, the United States, Mexico, Italy and other countries.

### 2. Basis of preparation

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

The Group prepares its condensed quarterly consolidated financial statements in accordance with International Accounting Standards 34 “Interim Financial Reporting” (“IAS34”) since the Group meets all the requirements of a “specified international accounting standard company” in Article 1-2 of the cabinet Ordinance No. 64 of 2007, “Ordinance on Terminology, Forms and Preparation Methods of quarterly Consolidated Financial Statements”, and therefore Article 93 of that Ordinance applies to the Group.

#### (2) Functional currency and presentation currency

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

### 3. Material accounting policies

Material accounting policies adopted in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2023.

### 4. Significant accounting estimates and judgments

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

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

Accounting estimates and assumptions that could have a material effect on the amounts in the condensed quarterly consolidated financial statements are the same as in the Company’s annual consolidated financial statements for the year ended March 31, 2023.

## 5. Segment information

### (1) Overview of reportable segments

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

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

In line with the management restructure effective April 1, 2023, the classification of reportable segment of Business Platform was changed to 2 segments such as Business Platform and Semiconductor & Device from the first quarter of this fiscal year. Also, some businesses that were previously included in the Information Systems & Network Service of Business Platform have been reclassified in Others due to the organizational restructure. Segment information for the six months ended Sept. 30, 2022, has been restated to reflect the reclassification.

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

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

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

(2) Segment information by business categories

Segment information by business categories are as follows. Amounts of operating profit in Eliminations and corporate are unallocatable research and development expenses.

For the six months ended Sept. 30, 2022

	Yen (millions)								
	Infrastructure	Industry & Mobility	Life	Business Platform	Semiconductor & Device	Others	Total	Eliminations and corporate	Consolidated total
Revenue and operating profit									
Revenue									
External customers	396,927	786,398	930,811	34,460	117,682	73,289	2,339,567	—	2,339,567
Intersegment	5,077	8,563	9,373	27,925	20,654	326,387	397,979	(397,979)	—
Total	402,004	794,961	940,184	62,385	138,336	399,676	2,737,546	(397,979)	2,339,567
Operating profit (loss)	(15,382)	43,954	34,050	3,831	14,830	15,103	96,386	(15,883)	80,503

For the six months ended Sept. 30, 2023

	Yen (millions)								
	Infrastructure	Industry & Mobility	Life	Business Platform	Semiconductor & Device	Others	Total	Eliminations and corporate	Consolidated total
Revenue and operating profit									
Revenue									
External customers	420,291	835,704	1,038,894	37,385	129,068	77,129	2,538,471	—	2,538,471
Intersegment	5,999	8,092	8,301	28,426	15,377	331,514	397,709	(397,709)	—
Total	426,290	843,796	1,047,195	65,811	144,445	408,643	2,936,180	(397,709)	2,538,471
Operating profit (loss)	(8,902)	49,893	78,586	3,914	16,440	13,604	153,535	(17,696)	135,839

6. Dividends

Dividends paid for the six months ended Sept. 30, 2022 and 2023 are as follows:

Resolution date	Total amount of dividends	Dividend per share	Record date	Effective date
	Yen (millions)	Yen		
May 25, 2022 Board of Directors Meeting	54,940	26	March 31, 2022	June 2, 2022
May 15, 2023 Board of Directors Meeting	54,940	26	March 31, 2023	June 2, 2023

Dividends with a record date in the six months ended Sept. 30, 2022 and 2023 and the effective date in the next period are as follows:

Resolution date	Total amount of dividends	Dividend per share	Record date	Effective date
	Yen (millions)	Yen		
October 28, 2022 Board of Directors Meeting	29,583	14	September 30, 2022	December 2, 2022
October 31, 2023 Board of Directors Meeting	42,009	20	September 30, 2023	December 4, 2023

## 7. Revenues

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

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

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

In line with the management restructure effective April 1, 2023, reportable segments were changed from the first quarter of this fiscal year. Segment information for the six months ended Sept. 30, 2022, has been restated to reflect the reclassification.

For the six months ended Sept. 30, 2022

	Yen (millions)						Consolidated total
	Japan	Overseas				total	
		North America	Asia (excluding Japan)	Europe	Others		
Infrastructure	309,513	49,760	23,824	7,644	6,186	87,414	396,927
Industry & Mobility	296,241	113,261	291,175	79,922	5,799	490,157	786,398
Life	378,145	121,539	225,967	177,493	27,667	552,666	930,811
Business Platform	34,257	—	203	—	—	203	34,460
Semiconductor & Device	34,577	7,504	54,031	21,343	227	83,105	117,682
Others	63,958	697	7,896	732	6	9,331	73,289
Consolidated	1,116,691	292,761	603,096	287,134	39,885	1,222,876	2,339,567

For the six months ended Sept. 30, 2023

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

Revenue recognition methods for each category are primarily as follows:

1) Infrastructure, Business Platform

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

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

2) Life, Semiconductor & Device

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

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

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

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

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

3) Industry & Mobility, Others

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

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

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

8. Earnings per share

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

	Yen (millions)	
	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Net profit attributable to Mitsubishi Electric Corp. stockholders	74,825	120,228

  

	Shares	
	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Basic average ordinary shares outstanding	2,111,977,159	2,106,191,661

  

	Yen	
	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Basic earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	35.43	57.08
Diluted earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	35.43	57.08

Note : The number of the Company's shares held through the Board Incentive Plan Trust were included in the shares of treasury stock that were deducted from the average number of ordinary shares outstanding in the calculation of Earnings per share attributable to Mitsubishi Electric Corp. stockholders. (1,125,775 shares for the six months ended Sept. 30, 2022, and 1,760,470 shares for the six months ended Sept. 30, 2023).

	Yen (millions)	
	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Net profit attributable to Mitsubishi Electric Corp. stockholders	41,333	62,394

  

	Shares	
	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Basic average ordinary shares outstanding	2,111,980,605	2,102,693,657

  

	Yen	
	For the three months ended Sept. 30, 2022	For the three months ended Sept. 30, 2023
Basic earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	19.57	29.67
Diluted earnings per share for net profit attributable to Mitsubishi Electric Corp. stockholders	19.57	29.67

Note : The number of the Company's shares held through the Board Incentive Plan Trust were included in the shares of treasury stock that were deducted from the average number of ordinary shares outstanding in the calculation of Earnings per share attributable to Mitsubishi Electric Corp. stockholders. (1,122,279 shares for the three months ended Sept. 30, 2022, and 1,893,565 shares for the three months ended Sept. 30, 2023).

## 9. Financial instruments

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

- Level 1: quoted prices for identical assets or liabilities in active markets
- Level 2: fair value calculated directly or indirectly using observable prices other than those in level 1
- Level 3: fair value calculated using valuation techniques including unobservable inputs

A determination is made at the end of each reporting period as to whether there are financial instruments for which transfers between levels were carried out. There were no financial instruments with significant transfers between levels for the year ended Mar. 31, 2023 and the six months ended Sept. 30, 2023.

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

### (1) Financial instruments measured at amortized cost

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

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

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

	Yen (millions)			
	As of Mar. 31, 2023		As of Sept. 30, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial instruments measured at amortized cost				
Borrowings				
(including long-term borrowings to be repaid within 1 year)	164,773	160,437	165,164	160,940

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

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

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

Equity instruments and debt instruments

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

Derivative assets and liabilities

Fair values of derivatives are calculated based on market interest rates and market rates of foreign exchange banks as financial assets or financial liabilities measured at fair value through profit or loss and are classified as level 2 because fair value is calculated using observable market data.



### Contingent considerations

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

As of Mar. 31, 2023

		Yen (millions)			
		Level 1	Level 2	Level 3	Total
<b>Assets</b>					
Financial assets measured at fair value through profit or loss					
Debt instruments		—	—	588	588
Derivative assets		—	2,352	—	2,352
Financial assets measured at fair value through other comprehensive income					
Equity instruments		225,587	—	80,400	305,987
	Total	<u>225,587</u>	<u>2,352</u>	<u>80,988</u>	<u>308,927</u>
<b>Liabilities</b>					
Financial liabilities measured at fair value through profit or loss					
Derivative liabilities		—	1,508	—	1,508
Contingent considerations		—	—	1,717	1,717
	Total	<u>—</u>	<u>1,508</u>	<u>1,717</u>	<u>3,225</u>

As of Sept. 30, 2023

		Yen (millions)			
		Level 1	Level 2	Level 3	Total
<b>Assets</b>					
Financial assets measured at fair value through profit or loss					
Debt instruments		—	—	1,081	1,081
Derivative assets		—	2,850	—	2,850
Financial assets measured at fair value through other comprehensive income					
Equity instruments		245,985	—	84,061	330,046
	Total	<u>245,985</u>	<u>2,850</u>	<u>85,142</u>	<u>333,977</u>
<b>Liabilities</b>					
Financial liabilities measured at fair value through profit or loss					
Derivative liabilities		—	20,044	—	20,044
Contingent considerations		—	—	1,717	1,717
	Total	<u>—</u>	<u>20,044</u>	<u>1,717</u>	<u>21,761</u>

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

	Yen (millions)	
	For the six months ended Sept. 30, 2022	For the six months ended Sept. 30, 2023
Balance at beginning of period	71,169	80,988
Gains (losses)		
in profit or loss	(9)	(19)
in other comprehensive income	6,643	3,045
Purchases	600	3,668
Sales	(443)	(2,540)
Balance at end of period	<u>77,960</u>	<u>85,142</u>

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

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

#### 10. Contingent liabilities

There were no significant events as of September 30, 2023.

#### 11. Subsequent events

There were no significant subsequent events which should be disclosed as of the date of the approval of the condensed quarterly consolidated financial statements for the six months ended Sept. 30, 2023.

#### 12. Approval of the condensed quarterly consolidated financial statements

The condensed quarterly consolidated financial statements were approved by Kei Uruma, President & CEO, on November 8, 2023.

## 2 【Other】

(1) The Company decided to pay the dividend of ¥20 per share (a total of ¥42,009,066,600) to the shareholders registered or recorded in the shareholder register as of September 30, 2023, by the resolution of the Board of Directors meeting held on October 31, 2023.

(2) Other

Not applicable.