

FOR IMMEDIATE RELEASE

No. 2317

Investor Relations Inquiries:

Yasumitsu Kugenuma
Corporate Finance Department
Tel: +81-3-3218-2391

Yasumitsu.Kugenuma@hq.melco.co.jp

Media Contact:

Katsuyuki Hashimoto
Public Relations Department
Tel: +81-3-3218-2346

Katsuyuki.Hashimoto@hq.melco.co.jp

**MITSUBISHI ELECTRIC ANNOUNCES CONSOLIDATED AND
NON-CONSOLIDATED HALF-YEAR RESULTS FOR THE PERIOD OF
APRIL 1, 2003 – SEPTEMBER 30, 2003**

TOKYO, October 30, 2003 - Mitsubishi Electric Corporation today announced its consolidated and non-consolidated financial results for the half-year ended September 30, 2003 as follows:

Consolidated:

Net sales	1. ⁵⁶⁴¹ trillion yen (5% decrease from the previous semiannual period)
Operating income	12.0 billion yen (48% decrease from the previous semiannual period)
Income before income taxes	16.8 billion yen (43% increase from the previous semiannual period)
Net income	3.8 billion yen (44% decrease from the previous semiannual period)

Non-consolidated:

Net sales	911.3 billion yen (13% decrease from the previous semiannual period)
Operating income	- 3.0 billion yen
Ordinary profit	21.4 billion yen (136% increase from the previous semiannual period)
Net income	17.2 billion yen (89% increase from the previous semiannual period)

The business environment during the fiscal 2004 interim period saw a recovery centering on the corporate sector in the U.S. together with the expansion of economies in parts of Asia. However, as a whole, the feeling of recovery in the global economy was weak. Furthermore, though the deceleration trend of the Japanese economy appeared to be halting, severe economic conditions continued with the advancing of deflation, a lack of power in the recovery of domestic demand and other factors.

Under these circumstances, Mitsubishi Electric spun off its semiconductor business centered on system LSIs and formed a joint venture, Renesas Technology Corporation (hereafter Renesas), with Hitachi, Ltd. on April 1, 2003. In addition, we spun off the industrial electric and

automation systems business for manufacturing plants and set up a joint venture, Toshiba Mitsubishi Electric Industrial Systems Corporation, with Toshiba Corporation on October 1, 2003. We have thus continued to focus on improving and reinforcing the profitability of each business by promoting the structural reformation of business. Furthermore, we have continued to pursue with resolute corporate wide management improvement measures including activities to improve our financial base such as the “EA21 Activities” to reduce assets and fixed costs, “E SIGMA 21 Project Activities” to reform our materials procurement structure and “Inventory Reduction Project.” In addition to this, we are also implementing a growth strategy built around the two wheels of the “VI Strategy” and “AD Strategy” towards the increasing of added value. These measures are being implemented to heighten performance and our financial standing.

Consolidated Results by Business Segment

In the **Energy and Electric Systems** segment, compared to the corresponding period in the previous year, sales decreased by 2% to 324.7 billion yen and operating loss was 5.7 billion yen, a decrease of 14.7 billion yen compared to the corresponding period of the previous fiscal year.

Social infrastructure systems fell short of their year-ago levels both for orders and net sales due to the spinning off of our power systems and substation businesses, along with the restraining of private capital investment by Japanese power companies and the manufacturing industry, the suppression of public works spending, and the shrinking of major overseas construction.

Building systems posted a level of orders similar to last year despite slumping new demand for elevators and escalators in Japan. However, an increase in orders in South Korea and the Middle East led to an increase in net sales from the corresponding period of the previous fiscal year.

As a result, total sales for this segment showed a 2% decrease, while operating income showed a decrease of 14.7 billion yen due to decreased sales and a drop in sales prices.

The **Industrial Automation Systems** segment, compared to the corresponding period in the previous year, experienced a 9% increase in sales to 336.8 billion yen while operating income decreased by 1.9 billion yen to 26.0 billion yen.

The FA systems business saw an increase from the corresponding period of the previous fiscal year in both orders and sales through increases in semiconductor and liquid crystal panel manufacturing equipment for the domestic market, and programmable controllers, servo

motor systems and numerical controllers for the automotive market in Taiwan, South Korea, China and other parts of Asia.

The automotive equipment business posted an increase from the corresponding period of the previous fiscal year in net sales due to increases in car navigation systems, ETC onboard units, as well as alternators and starters for overseas automobile manufacturers.

As a result, total sales for this segment increased by 9% over the previous year, while operating income showed a decrease of 1.9 billion yen due to price decrease and other factors.

The **Information and Communication Systems** segment posted an increase in net sales of 4% to 331.6 billion yen and an operating loss of 3.4 billion yen, which was an improvement of 3.1 billion yen from the corresponding period of the previous fiscal year.

In the telecommunications equipment business, demand fell for wireless base stations and this led to a drop in orders from the corresponding period of the previous fiscal year. However, the increase in exports of wireless base stations led to greater net sales than the same period last year.

In the information systems and services business, there was an increase in businesses related to outsourcing of information systems and systems integration and net sales surpassed the same period of last year.

In the space business, we are in a period between large governmental projects, which led to decreases in both orders and net sales compared to last year. As for the defense electronics business, the decrease in major projects led to a drop in orders from the corresponding period of the previous fiscal year but net sales exceeded the same period of last year.

As a result, total sales for this segment showed an increase of 4% from the corresponding period of the previous fiscal year, while operating income improved by 3.1 billion yen due to increased sales and other factors.

The **Electronic Devices** segment recorded net sales of 87.3 billion yen, a 61% decrease from the corresponding period of the previous fiscal year, while operating income improved by 20.5 billion yen to a loss of 4.5 billion yen.

The semiconductor business posted increases in laser diodes for recordable DVD players, semiconductor manufacturing equipment and power modules for industrial machinery bound for Asia centering on China. However, the impact from spinning off the system LSI and system memory businesses led to decreases from the corresponding period of the previous fiscal year in both orders and net sales.

On the liquid crystal business front, FA display devices and other products for the industrial sector did well, but the drop in prices within the general use panel sector and other factors led to decreases from the corresponding period of the previous fiscal year in both orders and net sales.

As a result, total sales for this segment showed a decrease of 61% from the previous year, while operating income improved by 20.5 billion yen due to the improved performance of the semiconductor business and other factors.

In the **Home Appliances** segment, compared to the corresponding period in the previous year, net sales increased 9% to 403.4 billion yen while operating income was 9.6 billion yen, a 13.3 billion yen decrease.

In the home appliance business, sales in ventilators, hot water heaters, solar power generation systems and other residential home equipment for the domestic market, DVD-related equipment, and packaged and home air conditioners for Europe increased. These increases offset the decrease in home air conditioners, refrigerators and other appliances for the domestic market, leading to an overall sales increase from the previous year.

As a result, total sales for this segment increase by 9% from the corresponding period of the previous fiscal year, while operating income decreased by 13.3 billion yen due to decreased sales prices and other factors.

In the **Others** segment, compared to the corresponding period in the previous year, net sales decreased by 9% to 240.7 billion yen while operating income decreased 3.7 billion yen to 2.2 billion yen.

Overall sales decreased due mainly to the change of our credit subsidiary into an equity method company.

As a result, total sales for this segment decreased by 9% from the corresponding period from the previous fiscal year, while operating income decreased by 3.7 billion yen due to the decreased in sales and other factors.

Dividend

We must forgo the interim shareholder dividend for the current year. Furthermore, we plan to implement year-end dividend after confirming the overall performance for the year. We will continue to steadily strengthen our financial position and enhance profitability, which will improve

the profit of shareholders.

Financial Position (consolidated basis)

Assets, liabilities and shareholders' equity:

The company's total balance of assets and liabilities declined greatly from the end of the previous fiscal year, due to progress in asset reduction, spinning off of our semiconductor business centering on system LSIs to form Renesas, and other factors.

The company's total asset declined by 369.4 billion yen from the end of the previous fiscal year to 3,304.1 billion yen. Major changes included reductions of 190.1 billion yen in trade receivables, 53.7 billion yen in inventories, and 133.4 billion yen in tangible fixed assets, respectively, while investments increased by 76.5 billion yen due to the appropriation of investment in Renesas.

As for liabilities, the balance of total interest bearing debt outstanding fell 188.1 billion yen from the end of the previous fiscal year to 996.0 billion yen, reducing the loan ratio to 30.1% (an improvement of 2.1 point from the end of the previous fiscal year). Trade payables declined by 93.9 billion yen, while employee retirement and severance benefits reserve decreased by 96.9 billion yen.

As for shareholders' equity, consolidated retained earnings decreased 2.6 billion yen due to the appropriation of net income of 3.8 billion yen and the dividend payment of 6.4 billion yen. Meanwhile, a reduction of exemption in minimum pension liability adjustments, along with an increase of net unrealized gains on securities and other factors, have resulted in total increase of shareholders' equity balance to 429.4 billion yen, 34.8 billion yen more than the end of the previous fiscal year, increasing the company's shareholders' equity ratio by 2.3 points to 13.0%.

Cash flow

The company's cash flows from operating activities increased 17.5 billion yen from the corresponding period of the previous fiscal year to 142.2 billion yen (provided). Meanwhile, cash flows from investment activities decreased 4.6 billion yen to 35.3 billion yen (used), mainly due to the reduction of capital expenditure in the semiconductor business that had been spun off to Renesas. As a result, the free cash flow achieved an income of 106.8 billion yen.

On the other hand, cash flows from financial activities represented net cash used of 111.1 billion yen, mainly due to the progress in loan repayment and bond redemptions for improved financial standing.

Annual Forecast for Fiscal 2004 (The year ending March 31st, 2004)

Expectations for an economic recovery is growing both in Japan and overseas, but the severe business climate is expected to continue with lack of transparency regarding the period of a full recovery in demand, further intensification of global competition and concern over foreign exchange trends.

Under these circumstances, the Mitsubishi Electric Group will continue to seek to further improve performance and our financial base while reinforcing our management foundation. The steps being taken to do so include improving and reinforcing profitability in each segment and continuing to promote management improvement measures across the corporation, and also steadily implement growth strategies to expand added value.

Our fiscal 2004 performance forecast as of now is as follows. No change has been made from the revised values of our performance forecast announced on September 22, 2003.

Consolidated:

Net sales	3. ³⁰⁰⁰ trillion yen (9% decrease year-on-year)
Operating income	80.0 billion yen (27% increase year-on-year)
Income before income taxes	20.0 billion yen (708% increase year-on-year)
Net income	12.0 billion yen

Non-consolidated:

Net sales	2. ⁰⁵⁰⁰ trillion yen (12% decrease year-on-year)
Operating income	30.0 billion yen (49 times year-on-year)
Ordinary profit	35.0 billion yen (32% increase year-on-year)
Net income	29.0 billion yen

Note: *The forecast of results above is based on assumptions deemed reasonable by the Company at the present time, and actual results may differ significantly from forecasts.*

MANAGEMENT POLICY

Management Policy

The Mitsubishi Electric Group intends to contribute to a new society, industry and daily life based on the spirits of its corporate statement “Changes for the Better” as a foundation from which to achieve a “better tomorrow.” With this end in view, the group will seek to establish a solid management base and sustainable growth with the help of “balanced management” from the three critical areas of “growth,” “profitability and efficiency” and “soundness.”

Furthermore, we seek to fulfill the expectations of our customers, shareholders and other stakeholders by channeling our efforts to further enhance corporate value through our self-reformation as a strong conglomerate of electric and electronic businesses with robust synergy.

Policy on Profit Sharing

With the ultimate aim of enhancing corporate value, our basic policy is to seek a comprehensive improvement in enhancing shareholder value by distributing as much profit as may be permitted by our current year earnings position, while at the same time retaining sufficient profit to strengthen the group’s financial position.

Policy on Reducing Minimum Stock Purchase Requirement

Mitsubishi Electric recognizes that one of its most important management goals must be to enhance corporate value along with the number of stable, long-term shareholders. With this in mind, we will continue carrying out a meticulous study of the overall benefits and costs of reducing the size of purchase requirements for our stock-trading units.

Issues the Company Must Confront

The Mitsubishi Electric Group will strive to further improve its performance and financial base and reinforce its management foundation. This shall be done by resolutely pursuing the following management measures from the three perspectives of a balanced management – “growth,” “profitability and efficiency” and “soundness.”

*We will continue to pursue corporate wide management improvement measures including dramatic restructuring and fixed cost structure reformation, cost reduction promotion, and improving the soundness of our financial structure in line with changes in the business environment.

*We will pursue a growth strategy built around the two elements of our “VI strategy” (reinforcing individual business strategies) and “AD strategy” (reinforcing the solutions business across multiple business fields) with superior market businesses as a core, and applying our synergy of broad business areas.

*We will more strongly implement a global management policy that includes the pursuit of global integration, in which we aim to establish optimum business structure from a global viewpoint, combined with strengthening our research and development, marketing and finance, etc.

*We will strive to further strengthen our environmental management built around the implementation of the “4th Environment Plan” (Fiscal 2004-2006), the voluntary measures of our group, as we aim to realize a sustainable society.

Basic Thinking on Corporate Governance and Status of the Implementation of Measures

With the approval of our general shareholders’ meeting held in June 2003, Mitsubishi Electric has reformed its management structure by transforming to a “Company with Committee” structure. This transformation will further heighten the dynamistic and transparency of our management while also be used to reinforce supervision on management and achieve sustainable growth.

By separating the supervision of management and execution functions traditionally handled by the board of directors, the board of directors will now handle the supervision of management function and the executive officers will handle the management execution function. The broad authority that had been the exclusive realm of the board of directors has been transferred to the executive officers. Furthermore, the auditing committee, nomination committee, and compensation committee have been established as internal organizations of the board of directors with a majority of members comprised of outside directors.

A key characteristic of our management structure is separation of the chairman of the board, who is the head of our management supervisory function, and the president, who is the chief executive officer. Clear-cut implementation to the separation of management supervision and execution have made our corporate governance much more effective.

In addition, we have established a board of executive officers for executive officers to debate and decide important items related to the execution of management in their role of responsibility for making decisions on and implementing execution of operations. This was done from the perspectives of having them all participate in management and share information, to pursue management synergy effects and multiple risk management aspects.

Further, our five outside directors are providing advice and supervision to our company's management from an objective perspective.

Furthermore, there is no special interest relationship between our company and any of our outside directors.

CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL RESULTS

1. CONSOLIDATED HALF-YEAR RESULTS OF MITSUBISHI ELECTRIC

(In billions of yen except where noted)

	FY '04 1 st half (A) April 1, 2003 – Sept. 30, 2003	FY '03 1 st half (B) April 1, 2002 – Sept. 30, 2002	(A)/(B) (%)	Fiscal 2003 (Apr. 1, 2002–Mar. 31, 2003)
Net sales	1,564.1	1,638.9	95	3,639.0
Operating income	12.0	23.2	52	63.1
Income before income taxes	16.8	11.7	143	2.4
Net income (loss)	3.8	6.7	56	(11.8)
Net income (loss) per share	1. ⁷⁸ yen	3. ¹⁶ yen	56	(5. ⁵¹) yen

Fiscal 2004 1st half: April 1, 2003 – September 30, 2003

Note: 1) Consolidated financial charts made according to U.S. GAAP.
2) Company has 135 consolidated subsidiaries.

2. NON-CONSOLIDATED HALF-YEAR RESULTS OF MITSUBISHI ELECTRIC

(In billions of yen except where noted)

	FY '04 1 st half (A) April 1, 2003 – Sept. 30, 2003	FY '03 1 st half (B) April 1, 2002 – Sept. 30, 2002	(A)/(B) (%)	Fiscal 2003 (Apr. 1, 2002–Mar. 31, 2003)
Net sales	911.3	1,045.0	87	2,319.2
Ordinary profit	21.4	9.0	236	26.4
Net income (loss)	17.2	9.1	189	(12.1)
Dividend per share	None (Interim dividend)	None (Interim dividend)	-	Annual dividend 3. ⁰⁰ yen [Biannual dividend] 3. ⁰⁰ yen
Net income (loss) per share	8. ⁰² yen	4. ²⁴ yen	189	(5. ⁶⁷) yen

Fiscal 2004 1st half: April 1, 2003 – September 30, 2003

CONSOLIDATED PROFIT AND LOSS STATEMENT

(In millions of yen)

	FY '04 1 st half (April 1, 2003 – Sept. 30, 2003) A		FY '03 1 st half (April 1, 2002 – Sept. 30, 2002) B		A - B	A/B (%)	FY '03 (April 1, 2002 – March 31, 2003)	
		% of total		% of total				% of total
Net sales	1,564,121	100.0	1,638,967	100.0	(74,846)	95	3,639,071	100.0
Cost of sales	1,195,563	76.4	1,221,785	74.6	(26,222)	98	2,782,180	76.5
Selling, general and administrative expenses	356,461	22.8	393,981	24.0	(37,520)	90	793,751	21.8
Operating income	12,097	0.8	23,201	1.4	(11,104)	52	63,140	1.7
Non-operating income	29,840	1.9	32,515	2.0	(2,675)	92	57,236	1.6
Interest and Dividends	4,393	0.3	7,151	0.4	(2,758)	61	11,486	0.3
Other income	25,447	1.6	25,364	1.6	83	100	45,750	1.3
Non-operating expenses	25,083	1.6	43,950	2.7	(18,867)	57	117,901	3.2
Interest	8,296	0.5	10,275	0.6	(1,979)	81	20,407	0.5
Other expenses	16,787	1.1	33,675	2.1	(16,888)	50	97,494	2.7
Income before income taxes	16,854	1.1	11,766	0.7	5,088	143	2,475	0.1
Income taxes	11,332	0.8	6,681	0.4	4,651	170	16,332	0.5
Equity in earnings (losses) of affiliated companies	(1,699)	(0.1)	1,692	0.1	(3,391)	-	2,032	0.1
Net income (loss)	3,823	0.2	6,777	0.4	(2,954)	56	(11,825)	(0.3)

Fiscal 2004, 1st half:

April 1, 2003 – September 30, 2003

CONSOLIDATED BALANCE SHEETS

(In millions of yen)

	FY '04 1 st half (A) ending Sept. 30 th , 2003	FY '03 (B) ending March 31 st , 2003	(A) – (B)
(Assets)			
Current assets	1,706,364	1,937,537	(231,173)
Cash and cash equivalents	357,483	363,595	(6,112)
Short-term investments	28,233	22,523	5,710
Trade receivables	637,077	821,943	(184,866)
Inventories	457,005	510,750	(53,745)
Prepaid expenses and other current assets	226,566	218,726	7,840
Long-term trade receivables	14,486	19,795	(5,309)
Investments	436,525	359,961	76,564
Net property, plant and equipment	594,314	727,770	(133,456)
Other assets	552,480	628,574	(76,094)
Total assets	3,304,169	3,673,637	(369,468)
(Liabilities and shareholders' equity)			
Current liabilities	1,314,365	1,589,322	(274,957)
Bank loans and current portion of long-term debt	395,062	555,863	(160,801)
Trade payables	556,790	650,696	(93,906)
Other current liabilities	362,513	382,763	(20,250)
Long-term debt	600,967	628,361	(27,394)
Employee retirement and severance benefits	898,795	995,765	(96,970)
Other fixed liabilities	13,391	11,596	1,795
Minority interests	47,195	54,006	(6,811)
Shareholders' equity	429,456	394,587	34,869
Capital	175,820	175,820	-
Capital surplus	210,671	210,671	-
Retained earnings	348,234	350,851	(2,617)
Accumulated other comprehensive income (loss)	(304,918)	(342,687)	37,769
Treasury stock at cost	(351)	(68)	(283)
Total liabilities and stockholders' equity	3,304,169	3,673,637	(369,468)
Balance of Debt	996,029	1,184,224	(188,195)
Accumulated other comprehensive income (loss):			
Foreign currency translation adjustments	(7,591)	(686)	(6,905)
Minimum pension liability adjustments	(317,089)	(346,546)	29,457
Net unrealized gains on securities	19,762	4,545	15,217

CONSOLIDATED CASH FLOW STATEMENT

(In millions of yen)

	FY '04 1 st half (A) (April 1, 2003 – Sept. 30, 2003)	FY '03 1 st half (B) (April 1, 2002 – Sept. 30, 2002)	A-B	FY '03 (April 1, 2002 – March 31, 2003)
Cash flows from operating activities				
1 Net income (loss)	3,823	6,777	(2,954)	(11,825)
2 Adjustments to reconcile net income (loss) to net cash provided by operating activities				
(1) Depreciation of tangible fixed assets	50,371	102,046	(51,675)	208,884
(2) Deferred income taxes (increase)	(1,435)	(16,346)	14,911	(27,669)
(3) Decrease (increase) in trade receivables	133,158	119,142	14,016	(36,183)
(4) Decrease (increase) in inventories	6,259	(4,601)	10,860	96,715
(5) Decrease (increase) in prepaid expenses and other assets	(16,642)	6,637	(23,279)	(1,702)
(6) Increase (decrease) in trade payables	(47,455)	(107,353)	59,898	53,813
(7) Increase (decrease) in other liabilities	24,238	20,145	4,093	(38,877)
(8) Other, net	(10,057)	(1,713)	(8,344)	(4,691)
Net cash provided by operating activities	142,260	124,734	17,526	238,465
Cash flows from investing activities				
1 Capital expenditure	(43,194)	(62,238)	19,044	(133,223)
2 Proceeds from sale of property, plant and equipment	7,829	2,620	5,209	17,449
3 Purchase of short-term investments and investment securities	(37,675)	(8,228)	(29,447)	(37,068)
4 Proceeds from sale of short-term investments and investment securities	34,581	28,811	5,770	56,463
5 Other, net	3,080	(1,024)	4,104	2,694
Net cash used in investing activities	(35,379)	(40,059)	4,680	(93,685)
+ Free cash flow	106,881	84,675	22,206	144,780
Cash flows from financing activities				
1 Proceeds from long-term debt	83,381	128,495	(45,114)	304,814
2 Repayment of long-term debt	(186,979)	(160,446)	(26,533)	(415,445)
3 Increase (decrease) in bank loans, net	(785)	(138,823)	138,038	(118,853)
4 Dividends paid	(6,440)	-	(6,440)	-
5 Purchase of treasury stock	(283)	-	(283)	(491)
Net cash provided by (used in) financing activities	(111,106)	(170,774)	59,668	(229,975)
Effect of exchange rate changes on cash and cash equivalents	(1,887)	(6,152)	4,265	(6,100)
Net increase (decrease) in cash and cash equivalents	(6,112)	(92,251)	86,139	(91,295)
Cash and cash equivalents at beginning of period	363,595	454,890	(91,295)	454,890
Cash and cash equivalents at the end of period	357,483	362,639	(5,156)	363,595

CONSOLIDATED SEGMENT INFORMATION

1. Business Segment

(In millions of yen)

Business Segment	FY '04 1 st half (April 1, 2003 – Sept. 30, 2003)			FY '03 1 st half (April 1, 2002 – Sept. 30, 2002)			(A)/(B) (%)	FY '03 (April 1, 2002 – March 31, 2003)		
	Sales (A)	% of total	Operating income (loss)	Sales (B)	% of total	Operating income (loss)		Sales	% of total	Operating income (loss)
Energy and Electric Systems	324,760	18.8	(5,713)	332,598	18.3	8,991	98	861,120	21.5	59,406
Industrial Automation Systems	336,815	19.5	26,022	307,740	16.9	27,979	109	639,422	16.0	57,969
Information and Communication Systems	331,625	19.2	(3,428)	318,690	17.5	(6,530)	104	686,432	17.2	(27,273)
Electronic Devices	87,338	5.1	(4,599)	225,321	12.4	(25,150)	39	460,469	11.5	(53,078)
Home Appliances	403,420	23.4	9,624	369,235	20.3	23,019	109	789,149	19.7	36,195
Others	240,770	14.0	2,256	266,000	14.6	6,051	91	566,199	14.1	11,080
Sub Total	1,724,728	100.0	24,162	1,819,584	100.0	34,360	95	4,002,791	100.0	84,299
Elimination and Others	(160,607)	-	(12,065)	(180,617)	-	(11,159)	-	(363,720)	-	(21,159)
Consolidated Total	1,564,121	-	12,097	1,638,967	-	23,201	95	3,639,071	-	63,140

Fiscal 2004, 1st half: April 1, 2003 – September 30, 2003

*Note: Intersegment sales are included in the above chart.

2. Geographic Segment

(In millions of yen)

	FY '04 1 st half		FY '03 1 st half		A/B (%)	FY 2003	
	Sales (A)	Operating income (loss)	Sales (B)	Operating income		Sales	Operating income (loss)
Japan	1,315,178	(6,766)	1,436,916	2,961	92	3,168,639	42,559
North America	114,327	1,214	149,406	2,364	77	301,034	3,628
Asia (except Japan)	202,212	12,807	154,951	12,061	131	384,891	23,189
Europe	99,187	1,455	100,787	2,009	98	206,946	(9,921)
Others	10,137	481	6,960	126	146	15,268	471
Sub Total	1,741,041	9,191	1,849,020	19,521	94	4,076,778	59,926
Eliminations	(176,920)	2,906	(210,053)	3,680	-	(437,707)	3,214
Consolidated Total	1,564,121	12,097	1,638,967	23,201	95	3,639,071	63,140

Fiscal 2004, 1st half: April 1, 2003 - September 30, 2003

*Note: Intersegment sales are included in the above chart

3. Overseas Sales

(In millions of yen)

	FY '04 1 st half		FY '03 1 st half		A/B (%)	FY '03	% of total net sales
	Sales (A)	% of total net sales	Sales (B)	% of total net sales			
North America	156,523	10.0	151,023	9.2	104	361,774	9.9
Asia (except Japan)	190,247	12.2	190,655	11.6	100	406,316	11.2
Europe	109,447	7.0	96,990	5.9	113	200,049	5.5
Others	26,892	1.7	28,914	1.8	93	84,476	2.3
Total overseas sales	483,109	30.9	467,582	28.5	103	1,052,615	28.9

###

Cautionary Statement

The expectation of operating results herein and any associated statement to be made with respect to Company's current plans, estimates, strategies and beliefs and any other statements that are not historical facts are forward-looking statements. Words such as "expects", "anticipates", "plans", "believes", "scheduled", "estimated", "targeted" along with any variations of these words and similar expressions are intended to identify forward-looking statements which include but are not limited to projections of revenues, earnings, performance and production. While the statements herein are based on certain assumptions and premises that trusts and considers to be reasonable under the circumstances to the date of announcement, you are requested to kindly take note that actual operating results are subject to change due to any of the factors as contemplated hereunder and/or any additional factor unforeseeable as of the date of this announcement.

Such factors materially affecting the expectations expressed herein shall **include but are not limited to the following**: (1) Any change in operating circumstances in any of the markets, in which the Company conducts its business operation *inter alia* Japan, the USA and Europe: such change shall include but not limited to changes in economic situation, political regime, legal system and legislation, relevant laws and regulations, administrative policies and practices by any competent authorities, taxation in any of such markets. (2) Foreign exchange fluctuations, in particular, the rate of Japanese yen against US Dollar. (3) Relative disproportion between demand and supply of any products that may affect price and volume, which could be highly intrusive in such fields like information, telecommunication, electronic devices and home appliances, without limitation thereto. (4) Shortage of any devices, components and/or parts necessary for manufacturing operation and difficulties in material procurement arising out of such shortage, which could even lead to substantial disconformity with the operating results as expected herein. Also this factor could be highly intrusive in such fields as information, telecommunication, electronic devices and home appliances, without limitation thereto. (5) Any change in technical and technological trends that may be relevant to businesses of the Company, including but not limited to IT-based or IT-related fields. (6) Any patent and its licensing that may be granted from time to time and may affect businesses of the Company. (7) Any development of products incorporating new technological innovation and the time of their introduction in the marketplace. (8) Any business alliances of any nature whatsoever, including but not limited to joint ventures, business transfers, mergers, acquisitions, capital contributions, technical licensing or co-development. (9) Any change in fund raising or procurement, *inter alia* in the Japanese financial market. (10) Any fluctuation in stock quotations at any relevant markets including securities exchanges and over-the counter stock markets, *inter alia* in Japan.

About Mitsubishi Electric

With over 80 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric Corporation (TSE: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. The company has operations in 35 countries and recorded consolidated group sales of 3,639 billion yen (US\$30.3 billion*) in the year ended March 31, 2003.

For more information visit <http://global.mitsubishielectric.com>

*At an exchange rate of 120 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2003.