

FOR IMMEDIATE RELEASE

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MITSUBISHI ELECTRIC ANNOUNCES

REVISED SALES AND EARNINGS FORECAST FOR FISCAL 2004

(APRIL 1, 2003 – MARCH 31, 2004)

TOKYO, March 22, 2004 – Mitsubishi Electric Corporation (President and CEO: Tamotsu Nomakuchi) has revised its sales and earnings forecast for fiscal 2004.

1. Consolidated Results: the forecast for fiscal 2004, previously announced on September 22, 2003, has been revised as follows:

(unit: 100 million yen)

	Net Sales	Income before income taxes	Net Income
Revised forecast (A)	33,000	800	420
Previous forecast (B)	33,000	200	120
Change (A-B)	0	600	300
Fiscal 2003 Results	36,390	24	(118)

2. Non-consolidated Results: the forecast for fiscal 2004, previously announced on September 22, 2003, has been revised as follows:

(unit: 100 million yen)

	Net Sales	Ordinary Profit	Net Income
Revised forecast (A)	20,000	400	260
Previous forecast (B)	20,500	350	290
Change (A-B)	(500)	50	(30)
Fiscal 2003 Results	23,192	264	(121)

3. Consolidated Results: explanation for the forecast revision

Due mainly to a reduction in sales of mobile handsets, net sales in the Information and Communication Systems segment are expected to decrease. However, due to an increase in net sales in the Industrial Automation Systems and the Electronic Devices segments, as a result of the demand created by greater capital expenditure in the Chinese market, as well as the greater domestic demand for digital consumer electronics, operating income is expected to reach 90 billion yen, an increase of 10 billion yen from the previous forecast.

Both income before income taxes and net income for fiscal 2004 are expected to improve as a result of the above-mentioned increase in operating income and the reduction in the loss amount caused by repayment of the subrogated portion of the employee pension fund to the government from 40 billion yen (previous forecast) to 10 billion yen.

4. Non-consolidated Results: explanation for the forecast revision

Due mainly to a reduction in sales of mobile handsets, net sales in the Information and Communication Systems segment are expected to decrease. However, ordinary profit is expected to be greater than previously forecast as a result of the improvement in operating income in the Industrial Automation Systems and the Electronic Devices segments. Net income for fiscal 2004 is expected to be lower than previously forecast due to the earlier application of accounting for the impairment of fixed assets, and valuation losses of investments in affiliated companies.

5. Dividend Policy for fiscal 2004

The company plans to implement a dividend payment of 4 yen per share at the end of fiscal 2004, having previously suspended payment of the interim dividend. As a reference, the dividend payment at the end of fiscal 2003 was 3 yen per share, and there was no interim dividend.

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.

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