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MITSUBISHI ELECTRIC TO EXPAND PHOTOVOLTAIC CELL/MODULE PRODUCTION CAPACITY TO 500MW BY 2012

Tokyo, March 19, 2008 – Mitsubishi Electric Corporation (President and CEO: Setsuhiro Shimomura) announced today that it will invest a total of some 7 billion yen to expand annual production capacity of photovoltaic (PV) cells, at its Nakatsugawa Works Iida Factory (Nagano Prefecture), and modules, at its Nakatsugawa Works Kyoto Factory (Kyoto Prefecture), in response to a sharp increase in demand for solar power generation systems. This investment will expand Mitsubishi Electric's annual PV production capacity from 150MW to 220MW in October 2008. Looking to the future, the company aims to establish a production system with an annual capacity of 500MW by fiscal 2013 (April 1, 2012-March 31, 2013).

Projected Growth of Annual Production Capacity for PV Cells/Modules

Date	Jan. 2003	Sep. 2003	Jun. 2004	Apr. 2005	Aug. 2007	Oct. 2008 (plan)	2012 (target)
Annual production capacity (MW)	35	50	90	135	150 ¹	220	500

1: Increase due to improvements in productivity

Background

Recently, the PV market has been growing rapidly, reflecting concerns of increasing prices of petroleum and other materials, as well as increased environmental awareness arising from international activities aimed at reducing carbon dioxide emissions to prevent global warming. Mitsubishi Electric forecasts a global PV market size of 1,950MW in fiscal 2008 (April 1, 2007-March 31, 2008), an increase by 26 percent compared to the previous fiscal year, and demands are expected to continue increasing.

Having started the residential PV systems business in 1996, Mitsubishi Electric then opened the Nakatsugawa Works PV facility in 1998, where production of cells and modules began. A lead-free solder module² production line, the first in Japan, was opened in January 2003, the same year as the opening of the Kyoto Factory. Total annual production capacity was increased to 35MW in January 2003, to 50MW in September 2003, to 90MW in June 2004, and then up to 135MW in April 2005. In September 2006, Mitsubishi Electric began production of residential PV inverters for the European market, and in August 2007, the company improved factory productivity, increasing its annual PV production capacity to 150MW. Around the same time, the Iida Factory was assigned to specialize in production of PV cells, while the Kyoto Factory made modules.

2: The first to be produced by domestic (Japanese) silicon crystal solar cell manufacturers (as of January, 2003)

Mitsubishi Electric expects a 30-percent increase in global shipment volume for fiscal 2008 compared to the previous fiscal year. The company has decided on the investment to meet these increasingly active market demands.

Mitsubishi Electric also has prospects to obtain stable supplies of silicon wafers, which would become the basis of PV cells.

As one of the approaches for “Environmental Vision 2021,” a long-term environmental management vision of the Mitsubishi Electric Group announced on October 22, 2007, the company plans to reduce carbon dioxide emissions by further promoting PV installation and by developing technologies to increase module efficiency. Specifically, Mitsubishi Electric intends to improve output of solar power generation systems by combining the company’s multi-crystal silicon cell technologies, having just achieved the world’s highest³ photoelectric conversion efficiency rate⁴ of 18.6 percent⁵, with its PV inverters, which have the industry’s highest⁶ energy conversion efficiency rate of 97.5 percent. The company plans to promote these PV systems worldwide, thus contributing to preserving the environment and achieving a sustainable society.

3: As of March 19, 2008, based on Mitsubishi Electric’s research.

4: Efficiency that solar light energy is converted to direct current electrical energy.

5: Results from evaluation by the National Institute of Advanced Industrial Science and Technology (AIST), a public standards agency in Japan.

6: PV-PN40G: 97.5%, as of March 19, 2008. Based on JIS C8961 regulated rated load efficiency.

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 recorded consolidated group sales of 3,855 billion yen (US\$ 32.7billion*) in the fiscal year ended March 31, 2007. For more information visit <http://global.mitsubishielectric.com>

*At an exchange rate of 118 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2007

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