

14 April 2016

Mitsubishi Electric Establishes New Company in Turkey for Room Air Conditioner Development and Manufacture

Expanding air-conditioning and refrigeration-systems business in Europe

Mitsubishi Electric Corporation announced that it established a new company for the development and manufacture of room air conditioners in Istanbul, Turkey. The company, called Mitsubishi Electric Turkey Klima Sistemleri Üretim Anonim Şirketi, is scheduled to begin production in January 2018.

The annual demand for room air conditioners in Turkey is about one million and further growth is expected in line with an increasing population. Rising demand is also forecast for neighboring Balkan countries.

Based on this robust demand and a favorable business environment, including a skilled labor pool and stable components procurement, Mitsubishi Electric decided to establish a development and manufacturing base in Turkey. The new company will play a key role in Mitsubishi Electric's global strategy for its air conditioning and refrigeration-systems business in the European market, which calls for accelerated localization to ensure a flexible supply chain capable of responding to fluctuating demands. The strategy also promotes product development that meets specific local needs, preferences and environmental requirements in Europe while continuously consolidating manufacturing and supply capability.

New Company Outline

Name	Mitsubishi Electric Turkey Klima Sistemleri Üretim Anonim Şirketi English: Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company
Location	Headquarters: Istanbul, Turkey Manufacturing site: Manisa, Turkey
Ownership	Mitsubishi Electric Corporation: 100%
Capital	80.6 million TRY (approximately 3,200 million JPY)
Established	4 April 2016
Site area	Approx. 60,000 square meters
Floor area	Approx. 40,000 square meters
Production capacity	500,000 units annually
Start of operations	January 2018 (subject to change)
Capital expenditure	Approx. 7,000 million JPY (approximately 176,3 million TRY)
Employees	Approx. 400 by FY2020
Business	Development and manufacture of room air conditioners

About Mitsubishi Electric Corporation

With over 90 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 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. Embracing the spirit of its corporate statement, Changes for the Better, and its environmental statement, Eco Changes, Mitsubishi Electric endeavors to be a global, leading green company, enriching society with technology. The company recorded consolidated group sales of 4,323.0 billion yen (US\$ 36.0 billion) in the fiscal year ended March 31, 2015. For more information visit: : www.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, 2015*