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No. 3580

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Mitsubishi Electric to Construct New Wafer Plant to Boost SiC Power Semiconductor Business

Will double previous 5-year investment plan to some 260 billion yen through March 2026.



Image of new 8-inch SiC wafer plant

TOKYO, March 14, 2023 – Mitsubishi Electric Corporation (TOKYO: 6503) announced today that it will double a previously announced its investment plan to approximately 260 billion yen in the five-year period to March 2026 mainly for constructing a new wafer plant to increase production of silicon carbide (SiC) power semiconductors. Under the plan, Mitsubishi Electric expects to respond to rapidly increasing demand for SiC power semiconductors for electric vehicles as well as expanding markets for new applications that require, for example, low energy loss, high temperature operation or high-speed switching. The plan will also enable Mitsubishi Electric to contribute to the global green-transformation trend toward energy conservation and decarbonization.

A major portion of the increased investment, approximately 100 billion yen, will be used to construct a new 8-inch SiC wafer plant and enhance related production facilities. The new factory, which will incorporate an owned facility in the Shisui area of Kumamoto Prefecture, will produce large-diameter 8-inch SiC wafers, introduce a clean room featuring state-of-the-art energy efficiency and high-level automated production

efficiency. In addition, the company will enhance its production facilities for 6-inch SiC wafers to meet growing demand in this sector as well.

In addition, Mitsubishi Electric will newly invest approximately 10 billion yen in a new factory that will consolidate existing operations, currently dispersed throughout the Fukuoka area, for the assembly and inspection of power semiconductors. The integration of design, development and production technology verification will greatly enhance the company's development capabilities and facilitate timely mass production in response to market demand. The remaining 20 billion yen, all new investment, will be targeted at equipment enhancements, environmental arrangements and related operations.

Over the years, while having led the SiC power module market in fields such as home appliances, industrial equipment and railcars, including the world's first* SiC power modules for air conditioners and high-speed trains, Mitsubishi Electric has accumulated extensive expertise in high-performance, high-reliability technologies for screening and many other facets of the SiC power semiconductor production.

Overview of New 8-inch SiC Wafer Plant

Location	1576-1 Sumiyoshi, Shisui-machi, Kikuchi, Kumamoto Prefecture
Products	SiC power semiconductors
Production	Wafer processing (front end)
Startup	Scheduled for April 2026
	- State-of-the-art energy savings through highly advanced manufacturing equipment, air-
Special	conditioning system, exhaust heat utilization, etc
features	- Advanced business continuity through deployment of seismic-isolation measures for all
	floors

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About Mitsubishi Electric Power Semiconductor Business

Mitsubishi Electric has positioned the power device business as one of our key growth businesses to help realize a sustainable society by promoting solutions to social challenges such as carbon neutral, and it provides power semiconductor products that realize significant energy savings in a wide variety of applications including automotives, home appliances, industrial equipment, and traction motors.

The company will continue to make strategic investments in the power semiconductor business in a timely manner to achieve solid business growth.

About Mitsubishi Electric Corporation

With more than 100 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. Mitsubishi Electric enriches society with technology in the spirit of its "Changes for the Better." The company recorded a revenue of 4,476.7 billion yen (U.S.\$36.7 billion*) in the fiscal year ended March 31, 2022. For more information, please visit www.MitsubishiElectric.com

*U.S. dollar amounts are translated from yen at the rate of \pmu122=U.S.\pmu1.\$1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2022

^{*} For the SiC power modules for air conditioners, according to Mitsubishi Electric's research as of August 24, 2010, and for the SiC power modules for high-speed trains, according to the company's research as of March 26, 2013.