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Mitsubishi Electric's New South Korean Elevator Plant to Start Up

*Will accelerate elevator and escalator global business
 by strengthening development, verification and manufacturing*

TOKYO, February 26, 2018 – [Mitsubishi Electric Corporation](http://www.mitsubishielectric.com) (TOKYO: 6503) announced today that its subsidiary Mitsubishi Elevator Korea Co., Ltd. (KMEC) will begin operating a new elevator factory in the Incheon Free Economic Zone of South Korea on March 1. The factory will have an R&D center for strengthened development and verification functions and will expand current production capacity by 2.5 times to 4,000 units, Mitsubishi Electric expects to help expand its elevator and escalator global business and increase market share in South Korea.



New factory

KMEC's New Factory

Location	Incheon Free Economic Zone (Songdo), Incheon Metropolitan City, Republic of Korea		
Site area	18,220 square meters	Floor Space	19,070 square meters
Purpose	Development, verification and manufacture of elevator equipment		
Start of operation	March 1, 2018	Production capacity	4,000 units annually
Investment	Approx. 33 billion KRW (Approx. US\$ 27 million)		
Employees	Approx. 120 (initially)		
Adjunct facilities	95-meter elevator testing tower, and field training center		

Aims of New Factory

- 1) ***Leverage reinforced development and verification capabilities of new R&D Center to respond to global market needs***
 - New R&D center for development and verification will make full use of KMEC's engineering capabilities
 - New R&D center will take over selected development functions from Inazawa Works, Mitsubishi Electric's elevator and escalator mother factory in Japan, for global development and verification
 - Strategically integrate sales, engineering, development, manufacturing, installation and maintenance functions in South Korea to offer elevators that meet specific local needs
- 2) ***Strengthen product competitiveness by expanding supply of high-speed elevators for global market***
 - To meet the rising global demand created by increasing high-rise buildings, Mitsubishi Electric will introduce high-speed elevator models capable of 300 meters/minute or even 360 meters/minute, supplementing current models that travel 240 meters/minute. Also, locating production operations in South Korea will contribute to the price competitiveness of these high-speed elevators
 - Respond to growing demands for high-speed elevator renewals, particularly in the ASEAN and Middle East regions
- 3) ***Strengthen production capacity to expand business in South Korea***
 - Boost production of NexPia series elevators designed specifically for South Korea
 - Respond to rising demand for small and midsize low-rise buildings in South Korea's market

Background of New Factory

The market for elevator and escalator new installations in South Korea will reach about 26,000 units in the fiscal year ending in March 2018, and thereafter will remain stable owing to the increasing construction of small and midsize low-rise buildings and demands for elevator renewals.

Mitsubishi Electric established KMEC in South Korea in 2001 and since then has steadily grown its elevator and escalator business in the country. KMEC has been exporting high-quality, price-competitive high-speed elevators since 2008 and has served as Mitsubishi Electric's global supply base for such models.

With its new factory in place, Mitsubishi Electric will transform KMEC into a global development base, effectively utilize its engineering capabilities and increase its annual production capacity by 2.5 times to 4,000 units. By doing so, Mitsubishi Electric expects to further stabilize its elevator development and manufacturing foundations for global business development as well as business expansion in South Korea.

About KMEC

Name	Mitsubishi Elevator Korea Co., Ltd.		
President	Yong-Sung Kim		
Location	Seoul, Republic of Korea		
Ownership	Mitsubishi Electric Corporation: 54% Mitsubishi Electric Building Techno-Service Co., Ltd.: 26% Mitsubishi Corporation: 20%		
Capital	38.5 billion KRW (January 2018)		
Established	December 2001	Employees	Approx. 630 (January 2018)
Business	Elevator and escalator manufacturing, sales, installation and maintenance		

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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 4,238.6 billion yen (US\$ 37.8 billion*) in the fiscal year ended March 31, 2017. For more information, visit:

<http://www.MitsubishiElectric.com>

*At an exchange rate of 112 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2017