

Media Relations:

Mitsubishi Electric Turkey PR Agency

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Mitsubishi Electric Officially Opens Room Air Conditioner Factory in Manisa

The new factory is Mitsubishi Electric's first room air conditioner factory in Europe.

Mitsubishi Electric, operating in 43 countries with approximately 138,700 employees worldwide and 37.8 billion dollars in sales, held the official opening ceremony of the its new room air conditioner factory in Manisa, Turkey. The event took place on Thursday, February 8th, with Dr. Faruk Özlü, Minister of Science, Industry, and Technology attending.

The new production facility is the first room air conditioner factory of Mitsubishi Electric in Europe. With the new factory established in the Manisa Organized Industrial Zone by Mitsubishi Electric Turkey Klima Sistemleri Üretim A.Ş., Turkey is now an important production base for Mitsubishi Electric. Established with 382.5 million TL capital, the factory occupies a 60 thousand square meter area and expected to employ 400 people and reach an annual production amount of 500,000 sets (internal and external units) as of the financial year ending in March 2021.

Arda Ermut, President of Republic of Turkey Prime Ministry Investment Support & Promotion Agency (Turkish Investment Agency); Mustafa Hakan Güvençer, Governor of Manisa; Akio Miyajima, Japan Ambassador; Selçuk Özdağ, Member of Parliament for Manisa; Masaki Sakuyama, Chairman and CEO of Mitsubishi Electric Corporation; Takeshi Sugiyama, Vice President of Mitsubishi Electric Corporation and Group President of Living Environment & Digital Media Equipment; as well as Mitsubishi employees and many guests attended the opening ceremony of the new Mitsubishi Electric factory.

Dr. Faruk Özlü, Minister of Science, Industry, and Technology, stated in his speech that he wished the new factory would be beneficial for the country, Mitsubishi Electric, and Manisa. He added, *“Any factory and enterprise that contributes to the production, export, and employment in Turkey has the utmost importance for us. This factory we are opening today is a sign of trust in the Turkish Economy and political stability. The stability in the growth rate, increase in exports, and major financial successes we have achieved in recent years make Turkey a strategic country and a place for safe investments. Turkey will continue growing with all the contributing industries. It is of great importance that Turkey and Japan develop a more intense collaboration in terms of science, technology, and industry. Japan is one of the most important financial partners of Turkey in the Asia-Pacific region. It is our common interest to reach a trade volume in proportion with the financial scales of our countries, gradually increasing the trade volume 5 to 10 times in the near future. I believe with all my heart that the commercial, cultural, and political relations we have built upon friendship will continue to grow. I wish the Mitsubishi Electric factory established in Manisa Organized Industrial Zone and planned to employ some 400 people in a couple of years may be both beneficial and rewarding to all the shareholders.”*

In his speech during the opening ceremony, **Arda Ermut, President of Turkey Investment Agency**, stated that Turkey once more proved its importance to international investors. *“As the Agency, we have been working for this investment in close relation with Mitsubishi Electric since*

2013. We helped with the feasibility study and accelerated the bureaucratic processes. We visited many regions in Turkey to locate a suitable site, culminating in successful meetings with Manisa Organized Industrial Zone management. We also conducted important meetings in Japan. Finally, in February 2016, we were so glad to hear from our team in Japan after their meeting with Mitsubishi Electric that the corporation made a decision to invest. We are happy to see that all the efforts have led to a great outcome.”

In his speech during the ceremony, **Masaki Sakuyama, Chairman and CEO of Mitsubishi Electric Corporation** talked about the worldwide operations of Mitsubishi Electric and its goals within Turkey. “As Mitsubishi Electric Corporation, we are aiming to reach net sales worth 4.42 trillion Japanese Yen and an operating income worth 325 billion Yen in this financial year. The air conditioning and cooling systems segment, of which Mitsubishi Electric Turkey Klima Sistemleri Üretim A.Ş. is also included, is an integral part of our household appliances segment that we attach great importance to as Mitsubishi Electric Corporation. We estimate the net sales of household appliances department as 1.04 trillion Yen, equaling one fourth of our total sales. We expect the operating income of the department to reach 57 billion Yen, making up one sixth of the total operating income of our corporation.”

“Turkey has become an important production base for Mitsubishi Electric”

Reminding that Mitsubishi Electric, as a corporation operating in 43 countries, believes in Turkey’s potential and power and has been operating in Turkey since 2012, **Masaki Sakuyama** added, “As Mitsubishi Electric Corporation, we provide services in air conditioning and cooling systems and factory automation systems in Turkey. We are also taking an active part in many business areas, such as elevator and escalator systems, transportation systems, generator and transformer equipment, and satellite systems. We consider Turkey as a primary market and it has become an important production base for Mitsubishi Electric with this new room air conditioner factory.”

Brand new page for Turkish & Japanese friendship

Stating that Turkey and Japan have a strong friendship, **Masaki Sakuyama** continued, “Our friendship started with the Ertuğrul Frigate disaster in 1890 and it only grew stronger as Japanese citizens were rescued from the Iran-Iraq war by Turkish planes in 1985. One of our most important factories involved with the development and design of air conditioning and cooling systems is located in Wakayama city of Kii peninsula, where our friendship started in 1890. Now, we are profoundly delighted to contribute to the historical friendship between Turkey and Japan with our new factory in Manisa. We will produce our high-quality air conditioners with advanced technology for Turkey and Europe here and continue to contribute to the prosperity of Turkish people by broadening our operations in other business areas.”

Currently 1 million units per year, Turkish room air conditioner market growing quickly

Providing information about the air conditioning and cooling systems activities of Mitsubishi Electric Corporation in Turkey and Europe, **Takeshi Sugiyama, Vice President of Mitsubishi Electric Corporation and Group President of Living Environment & Digital Media Equipment**, said, “Turkey and the European countries nearby are among our most important markets for the air conditioning and cooling systems segment. These markets hold great significance for our corporation to achieve our future vision of “2020 Progression and Innovation”. Our net sales in this region constitute approximately 20 percent of our total sales in air conditioning and cooling. With the advantages of the economic growth in Turkey and its friendly relations with the European countries nearby, our new factory will take up a strategic role for us. We expect the Turkish room air conditioner market with approximately 1 million units per year to thrive along with the country’s economic growth.”

Stating that in 1994 they established a commercial air conditioner production factory in Scotland and that they produce the room air conditioners in Thailand, **Takeshi Sugiyama** said, “In order to

become more customer-oriented, reduce lead time, and gain advantage on time to market, we have established our new factory in Manisa.”

Local products to be developed meeting market needs

With the corporate motto “Changes for the Better”, Mitsubishi will continue to invest in Turkey. **Takeshi Sugiyama** added, *“In our new factory, we will produce high energy saving and eco-friendly air conditioners that meet the European Union legislation requirements in line with our aim of becoming a leading eco-friendly corporation. We will also develop flexible local products that quickly correspond to the market needs. In this context, we plan on developing a model for Turkey, with the advantage of having a local factory.”*

500 thousand sets to be produced annually and 400 people to be employed

Katsu Wada, President of Mitsubishi Electric Turkey Klima Sistemleri Üretim A.Ş., shared information on the factory and explained, *“Our corporation, Mitsubishi Electric Turkey Klima Sistemleri Üretim A.Ş., was founded in April 2016 with the aim of development and production of room air conditioners in Turkey. The construction was completed in June 2017, and our factory started production in December 2017. Established with 382.5 million TL capital, the factory is set up on a 60 thousand square meter area and is expected to employ 400 people and reach the annual production amount of 500,000 sets as of the financial year ending in March 2021.”*

Digital factory compatible with Industry 4.0

Stating that the new factory is the first to produce Mitsubishi Electric’s room air conditioners in Europe, **Katsu Wada** added that it was designed with the e-F@ctory concept of the corporation. The factory is aligned to Industry 4.0 principles and it will produce high-technology, eco-friendly products.

Details of the New Factory

Location	Manisa Organized Industrial Zone, Manisa, Turkey
Facility area	Approximately 60.000 square meters
Floor area	Approximately 40.000 square meters
Date of operation	Tuesday, December 12, 2017
Product	Room Air Conditioner
Production Capacity	500,000 sets (internal and external units) annually

Outlook on the Company

Name	Mitsubishi Electric Turkey Klima Sistemleri Üretim Anonim Şirketi English: Mitsubishi Electric Air Conditioning Systems Manufacturing Turkey Joint Stock Company
President	Katsu Wada
Location	Manisa, Turkey
Capital	382.5 million TL (approximately 11.5 billion JPY) (Owner: Mitsubishi Electric Corporation, 100%)
Foundation date	April 4, 2016
Number of employees	211 as of February 2018 Approximately 400 as of the financial year ending in March 2021
Field of operation	Development and production of room air conditioners

About Mitsubishi Electric Corporation

Mitsubishi Electric Corporation is considered one of the prominent brands in the world with regard to production, marketing and sales of data processing and communications systems, space development and satellite communications, consumer electronic devices, industrial technologies, electronic equipment used in energy, transportation and construction machines. It's a creditable corporation that produces high-quality products with more than 95 years of experience. Mitsubishi Electric aims to become a leading eco-friendly corporation with its corporate motto “Changes for the Better” and in accordance with its environmental principle “Eco Changes”, and enrich the community with its technologies. The corporation gained consolidated group sales of 4,238.6 billion Yen (37.8 billion USD) in the financial year ending on March 31, 2017. Contact for detailed information: www.MitsubishiElectric.com.*

*Calculated with the exchange rate of 1 USD = 112 Yen as declared by Tokio Currency Exchange Market in March 31, 2017.