

Corporate Security Export Control of Mitsubishi Electric Corporation

March 4th, 2015

MITSUBISHI ELECTRIC CORPORATION

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 - Corporate Data/Organization/Products & Services

- MELCO's Corporate Security Export Control

Corporate Data

Mitsubishi Electric Corporation

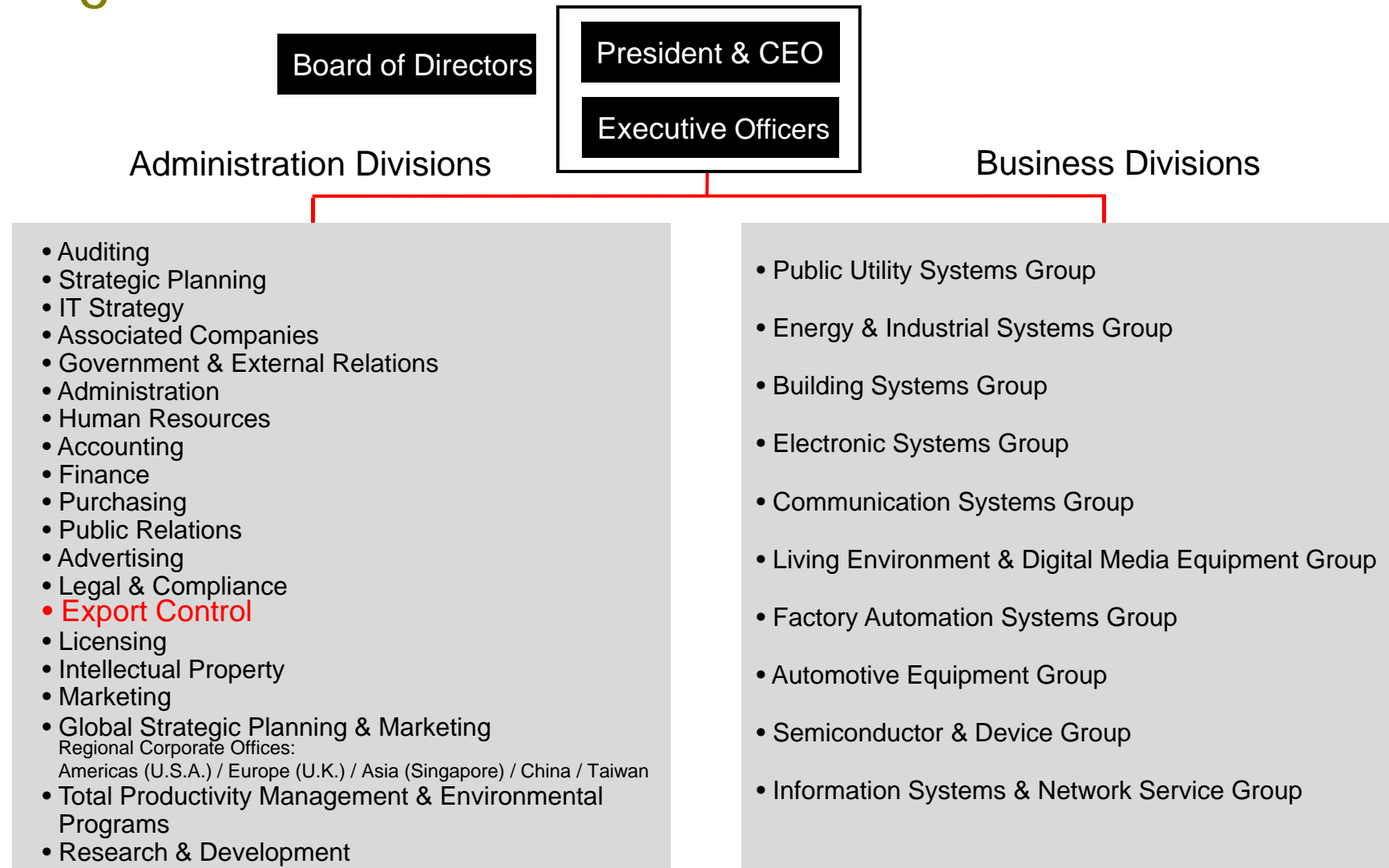
Head Office: Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo 100-8310, Japan

President & CEO:	Masaki Sakuyama
Established:	January 15, 1921
Consolidated Net Sales:	¥4,054,359 million
Paid-in Capital:	¥175,820 million
Shares Issued:	2,147,201,551 shares
Consolidated Total Assets:	¥3,612,966 million
Employees:	124,305

(as of Mar. 2014)



Organization



Global Network

Growing international network of R&D, production, sales, associated companies, and other operations throughout the world



(as of Oct., 2013)

Affiliates in Malaysia



Mitsubishi Electric Sales Malaysia Sdn. Bhd.(MESM)
Mitsubishi Elevator Malaysia Sdn. Bhd.(MELM)

Mitsubishi Electric (Malaysia) Sdn. Bhd.(MEM)

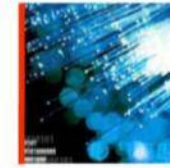
Products & Services



Building Systems



Factory Automation Systems



Information/
Communication Systems



Air Conditioning Systems



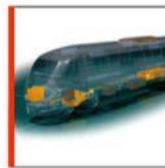
Semiconductors/Devices



Visual Information Systems



Space Systems



Transportation Systems



Public Systems



Energy Systems



Automotive Equipment



Home Products

Building Systems

Providing comfortable, safe, efficient, and ecological means of transporting people

Elevators



Our elevators are continually evolving through constant improvement.

They have achieved major breakthroughs in the industry and are known for being:

- Fast
- Comfortable
- Reliable & safe
- Efficient
- Ecological

Escalators



Mitsubishi Electric is the world's only manufacturer of spiral escalators.

Spiral design provides new opportunities for more creative interior design and use of large-scale public space.

Air Conditioning Systems

World leader in air conditioning systems for residential, commercial, and industrial use

Room Air Conditioners



Chinese model



European design model

- Applying cutting-edge Japanese technology for energy efficiency, throughout the global market
- Design and function are enriched to suit a variety of lifestyles around the world
- Precision temperature controls, including sensors

Package Air Conditioners “Mr. SLIM”

- Suitable for restaurants, bars, shops, and small offices
- A variety of indoor unit types can be selected for various applications



- ZUBADAN series features powerful heating for cold-climate areas

Space Systems

Our satellites and ground systems work behind the scenes to improve the quality and convenience of people's lives

Commercial Satellite Platform "DS2000"



Turksat 4A, Turksat 4B



Quasi-Zenith Satellite System
(2010, 2017~)



ST-2 (2011)

- A standard satellite platform with versatility designed to meet growing communications needs
- Six flight records, with nine more satellites in production, having won bids



Himawari-8,-9 (2014, 2016)

(): year to be launched

Energy Systems

Systems that create and deliver energy efficiently, and have less negative impact on the Earth

Power Generation Systems



Designed to create optimal power using hydroelectric, thermal, and nuclear technologies

Transmission & Distribution Systems



Mitsubishi Electric is one of the leading developers and manufacturers of power transmission and distribution systems on a global scale.

Factory Automation Systems

Helping companies make higher-quality products more efficiently, while reducing costs

Automation Equipment



A comprehensive range of high-performance products offers the best solution in industrial automation

- Programmable logic controllers (PLC)
- Graphic operation terminals (GOT)
- AC servo systems & motion controllers
- Variable frequency drives (VFD)

Power Distribution & Control Equipment



Ensuring high performance and high reliability

- Low-voltage circuit breakers
- Magnetic contactors



Visualizing energy consumption

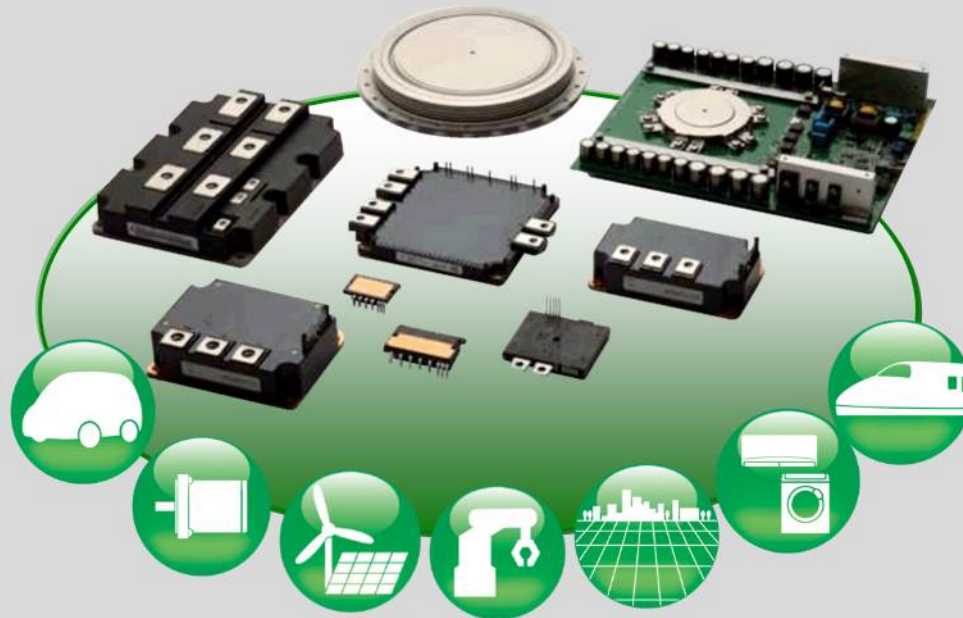
- Energy measuring units

Semiconductors and Devices

Enhancing equipment reliability, from in the home to outer space

Power Devices

Innovative Power Devices for a Sustainable Future

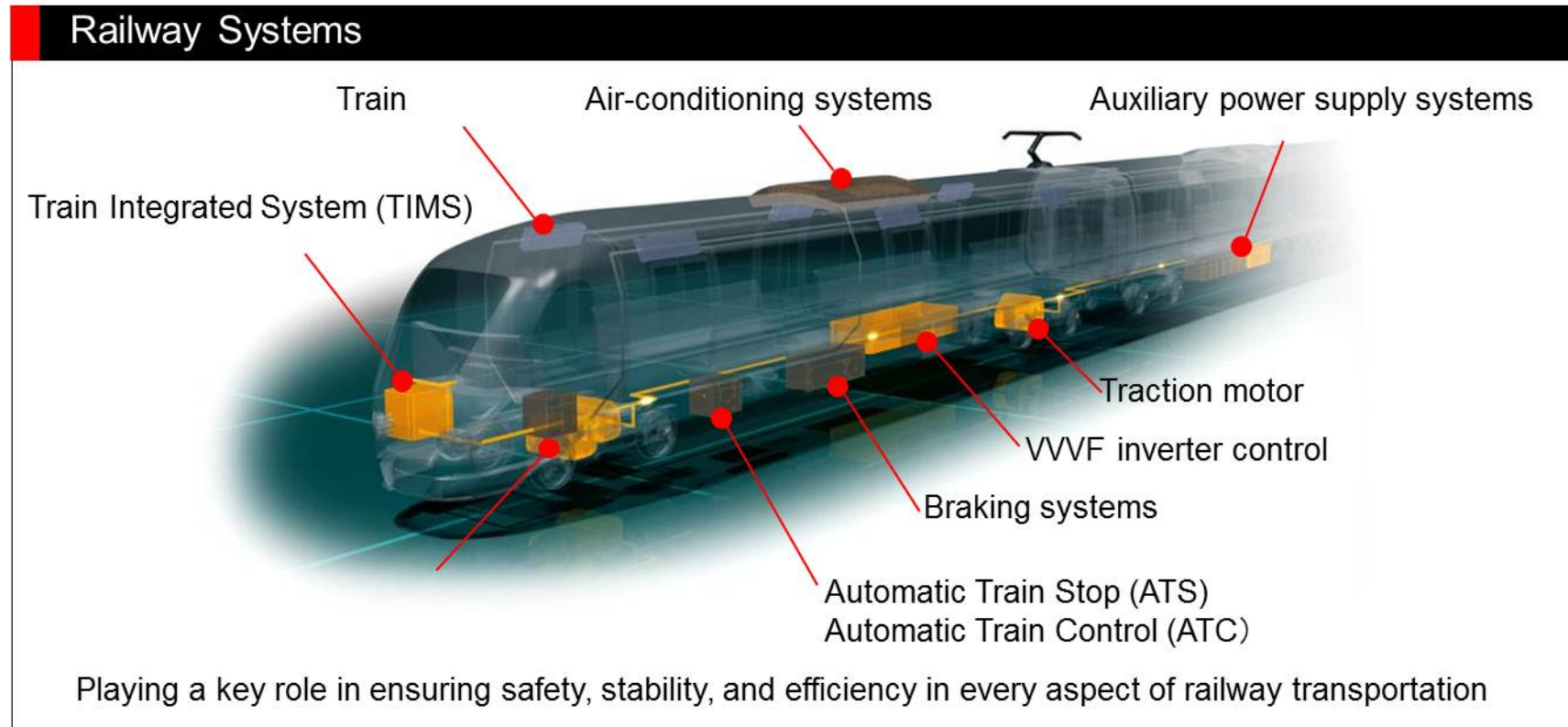


Power devices contribute to creating a low-carbon society by supporting Smart Grid implementation in a variety of fields, from the electric power infrastructure—such as power generators and transformers—to consumer electronics.

- SiC Power Modules
- DIIPiMs
- IPMs
- IGBT Modules
- HVIGBT Modules
- Rectifier Diodes
- Thyristors
- Stacks
- Transistor Arrays
- HVICs
- Sensors, etc.

Transportation Systems

Helping to reduce environmental load from railways, as a provider of total systems for operating, stopping, and controlling trains



Automotive Equipment

Advanced automotive equipment and systems that set high standards

Automotive Equipment



- Engine/Powertrain Control System
- Body Chassis Control System
- Vehicle Information System

High-quality automobile components ensure a safe and comfortable drive.
Leading-edge technologies provide improved fuel efficiency.

Information & Communication Systems

Providing more detailed information through advanced, reliable technologies

Digital CCTV Systems



Excellent video quality

High resolution (SXVGA) image – 1280 x 960

Easy to use

Operation supported by rich GUI menu

Simple to install

Automatic camera-detect function without
a manual IP address setting

High energy efficiency

Low power consumption with simple system
configurations

Visual Information Systems

Extensive line of imaging equipment

- **Diamond Vision Displays**
- Display Wall Systems
- LCD Display Wall
- Imaging Printers

Diamond Vision



The new Cowboys Stadium (Texas, USA)

- Total viewing area of 11,393 square-feet
- Holds Guinness World Record™ as the largest high-definition video display



Meydan Racecourse (Dubai, UAE)

- 107.52-meter-wide screen
- Some 12 million super-luminosity LEDs are used to realize high-definition images

Visual Information Systems

Extensive line of imaging equipment

- Diamond Vision Displays
- Display Wall Systems
- LCD Display Wall
- **Imaging Printers**

Photo Printers & Industrial Printers

Printers & photo printing systems for professional use



- Produces high-quality pictures, with easier operation and maintenance.
- Can be used to make IDs, or print pictures at photo shops, amusement parks, supermarkets, or drugstores



Public Systems

Using technology to improve the quality of people's lives and contribute to society

Water Treatment Systems



Ozone Generators

- Powerful oxidizing gas is used to effectively sterilize, deodorize, and decolorize water
- The ozone gas returns to oxygen after decomposition without leaving any residue, to ensure safety and security

Particle Beam Treatment Systems



By concentrating radiation on a tumor and minimizing damage to the surrounding tissue, particle beam irradiation technology brings new possibilities to advanced medical treatment

Home Products

SMART QUALITY products enrich people's daily lives while conserving resources

Based on the principles of SMART QUALITY,* which include energy saving, comfort, and cleanliness, Mitsubishi Electric strives to develop products that provide both advanced functionality and usability.

Home Appliance Lineup

- Refrigerators
- Dehumidifiers
- Vacuum cleaners
- Rice cookers

Refrigerators



- Slim design yet large capacity
- Supercool freezing
- Energy-saving function (inverter control)
- Icemaker with max. 10-year replacement-free filter

Vacuum cleaners

- Cyclone technology
- Simple and clean trash disposal
- Hair detangling function
- Floor-wiping function
- Power-saving mode (power control using vibration sensor)



* SMART QUALITY is a trademark of Mitsubishi Electric in Japan.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is an integral part of all business activities; corporate ethics and thoroughgoing compliance are central to our actions

Corporate Ethics and Compliance

Six basic policies:

- Compliance with the law
- Respect for human rights
- Contribution to society
- Collaboration and harmonization with the community
- Consideration of environmental issues
- Awareness of personal integrity

Symbol mark of Ethical Behavior
and Compliance Guidelines

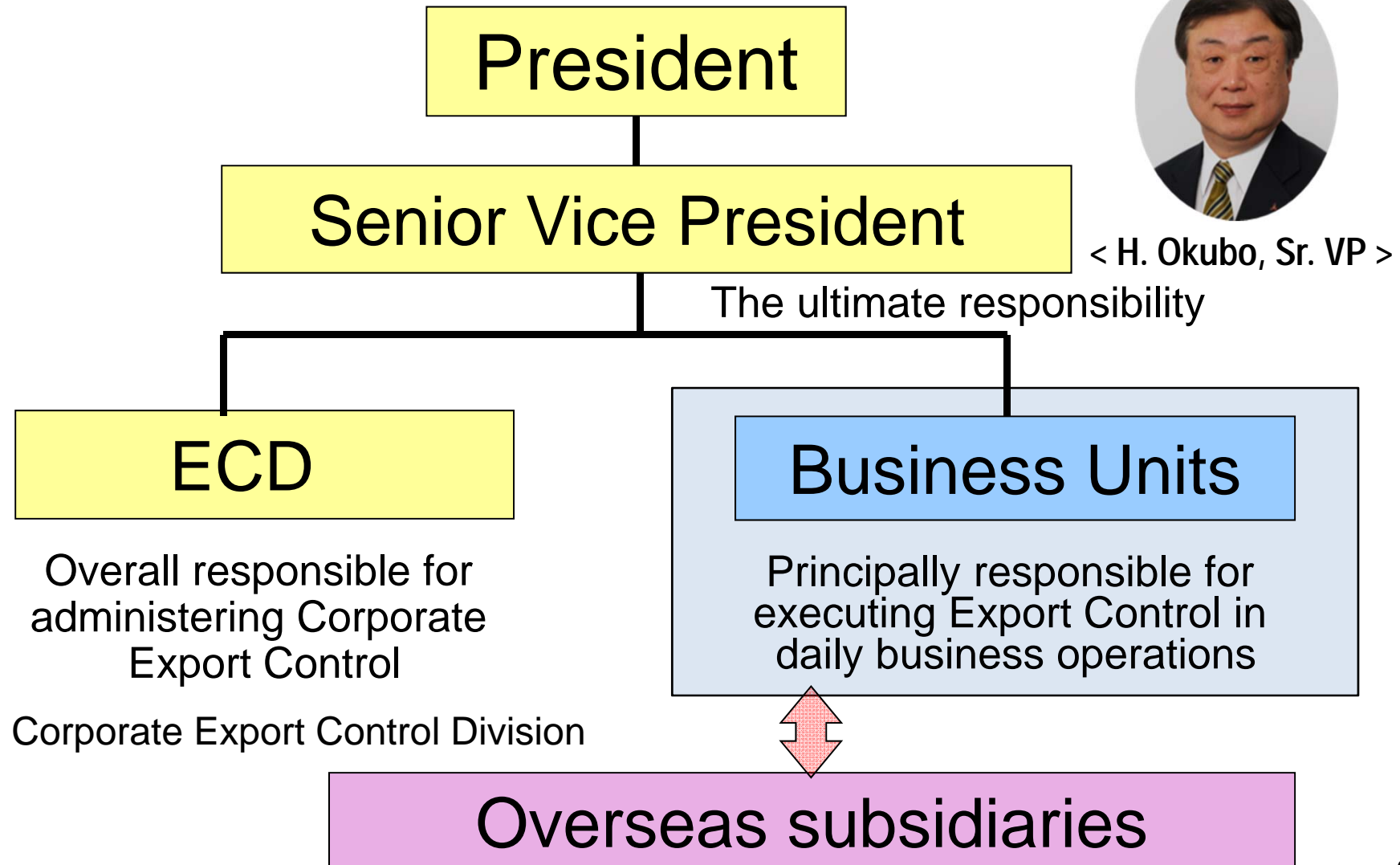


MELCO's Corporate Security Export Control

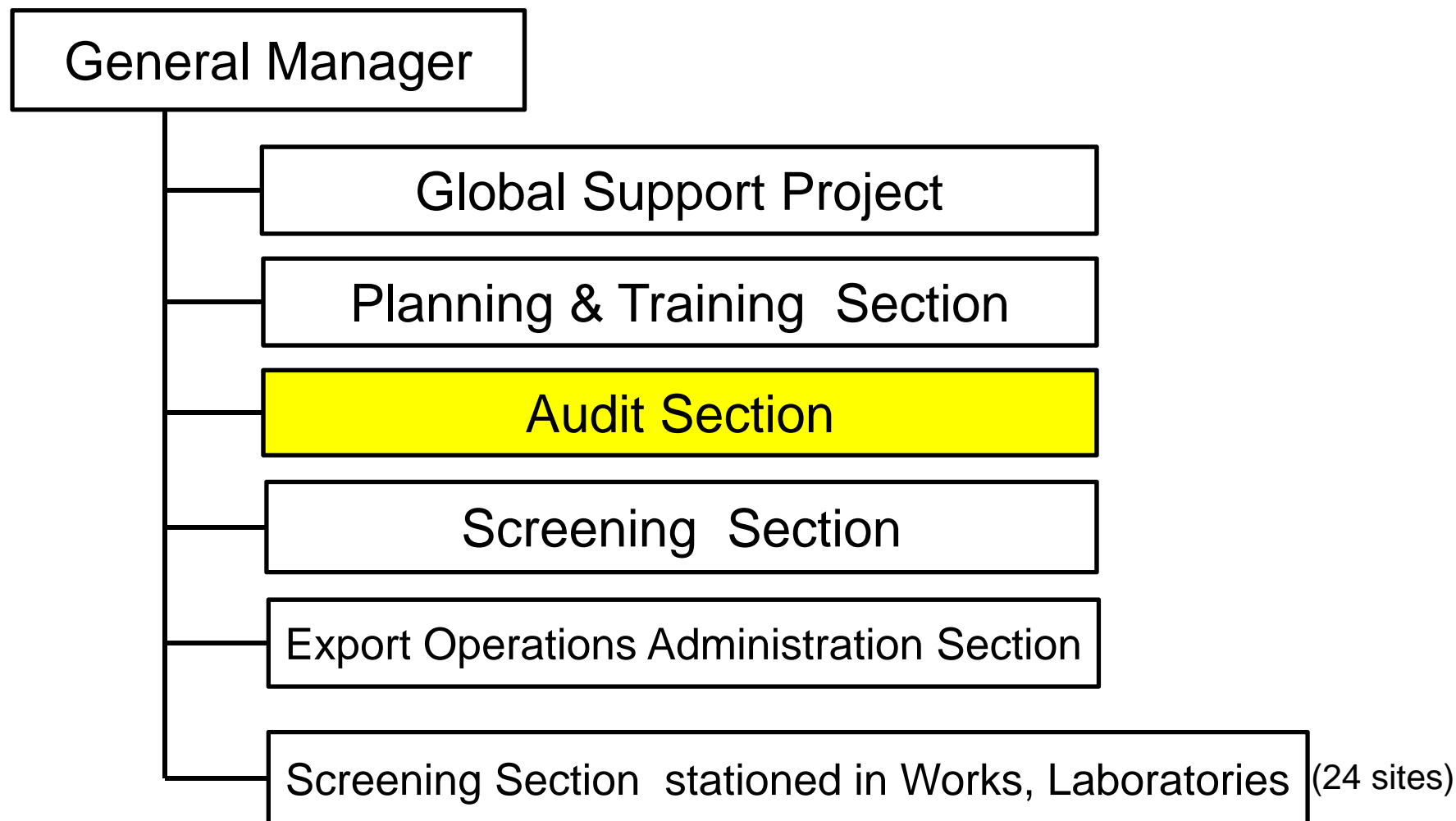
“MELCO” is abbreviation of “Mitsubishi Electric Corporation”

- Security Export Control Structure
- Security Export Control Policy
- Administration Contents under CP
- Audit works an essential position among PDCA cycle
 - Purpose of Audit/Implementation/Annual Schedule/Point of view
 - Audit Items/Timetable/FINDINGS/Notes
- Collaboration between Affiliates and MELCO

Security Export Control Structure



Corporate Export Control Division(ECD)



Total 141persons (as of Jan. 2014)

Security Export Control Policy

■ Legal control

- Comply with the applicable Laws and Regulations

■ Risk control

- Respect the principles of the law of Japan
 - International Export Control Regimes
- Corporate risk management
 - Avoid involvement in third party's illegal transactions

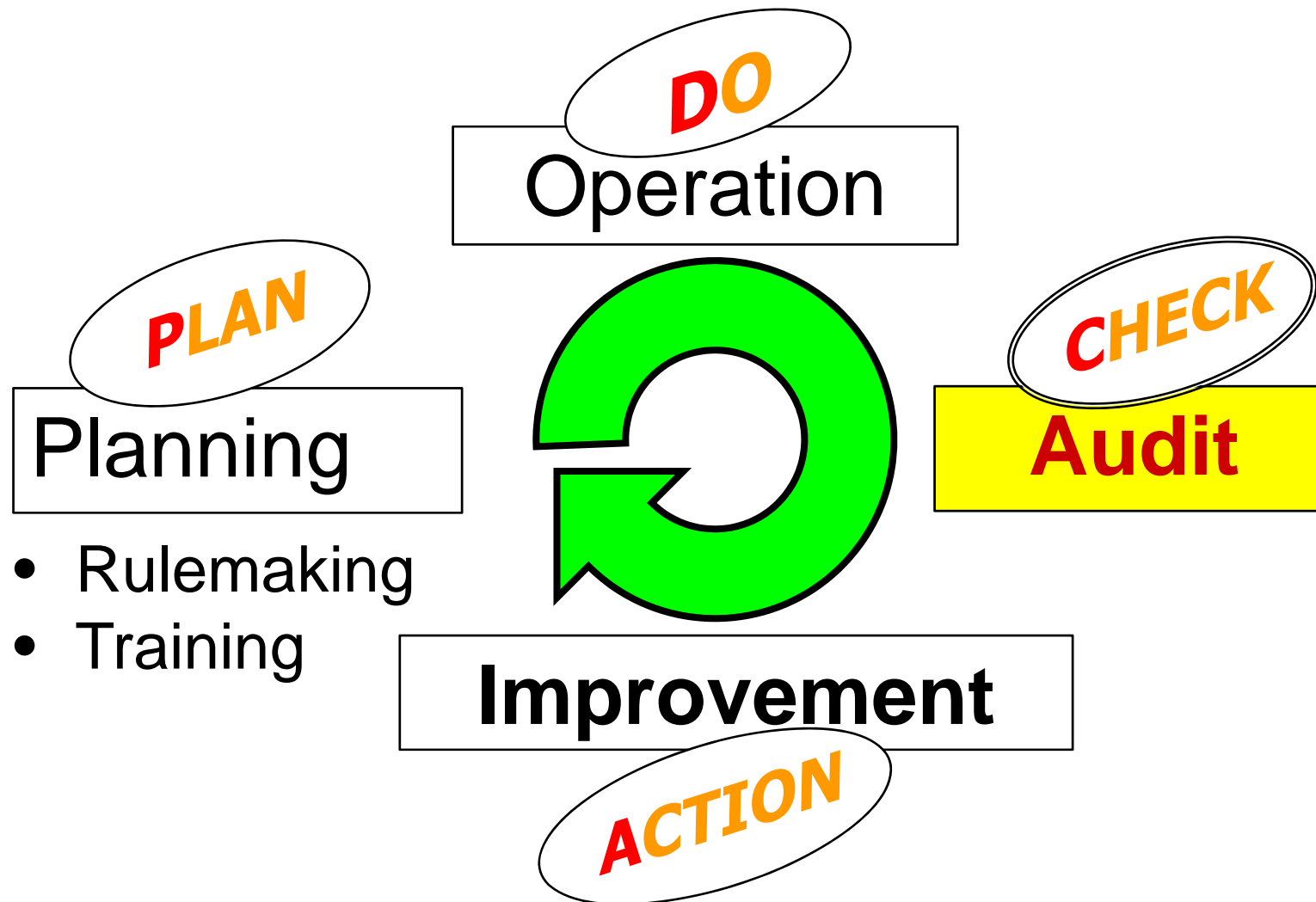


- Common basic policy of all group companies described in “Compliance Program(CP)”

Administration Contents under CP

- Internal Structure
 - System, Job scope
- Operating procedure
 - Classification, Transaction Screening, Shipping Management
- Maintenance
 - **Audit**, Training, Record Keeping, Guidance to Subsidiaries, Prevention of Recurrence

Audit works as essential position among PDCA cycle



Purpose of Audit

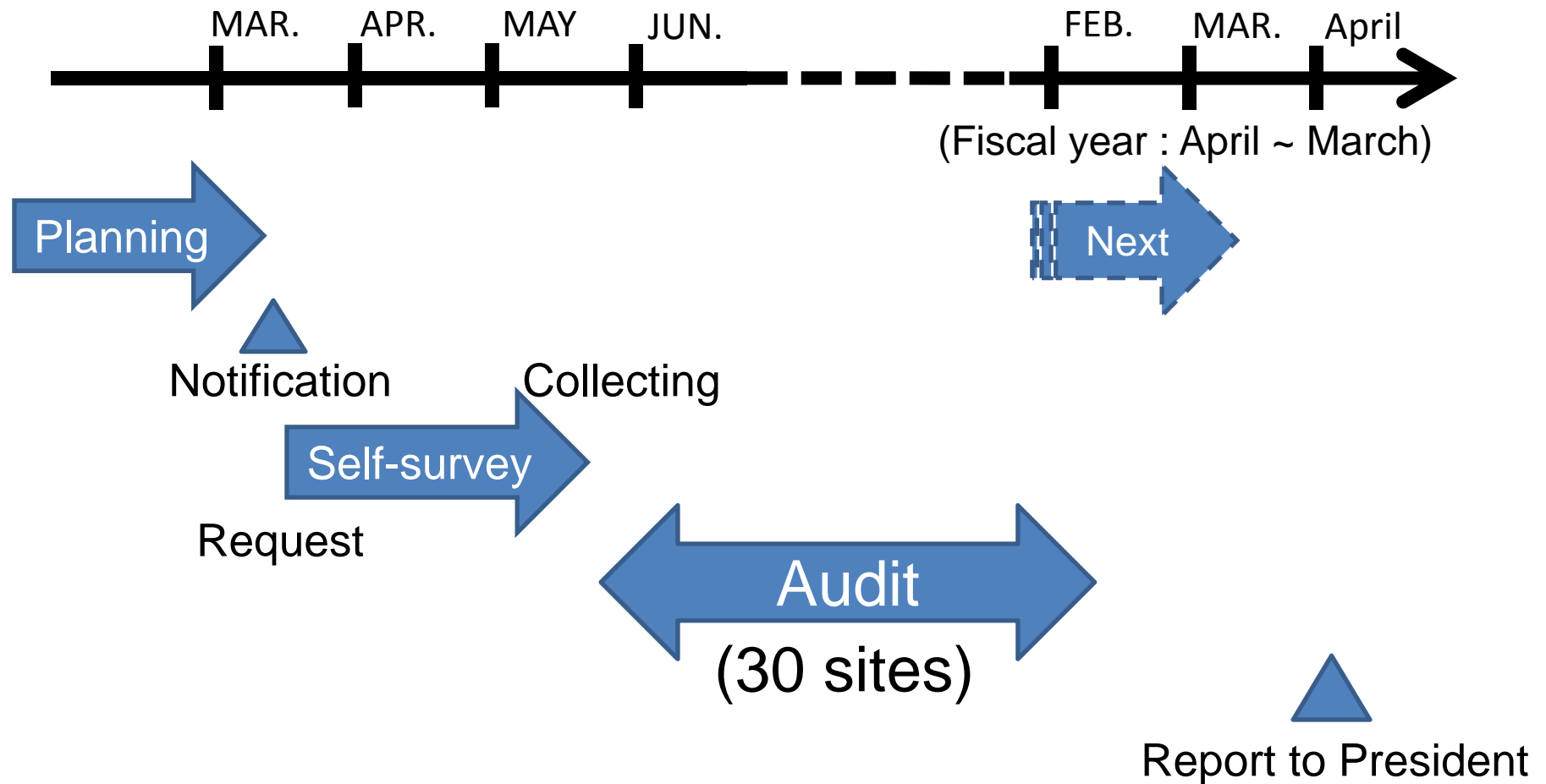
- Confirm business operations comply with CP.
- Establish export control procedures for each business unit to address export compliance proactively (before problems arise)
- As a result of the audit activity - Identify any areas of weakness and recommend corrections and improvements to business units and offer support and guidance.

Implementation

- ECD implements the audit regarding security export control because high expertise needed.
 - Corporate Auditing Division audits for overall management.

- All business unit involved in export activities shall be audited periodically
 - Sales, manufacturing, R&D, distribution ...
 - Frequency depends on the business
 - Export, Volume, Controlled Item etc.

Annual Schedule



Benefits of Audit

- **Training**
 - Communicate essential requirements of export control and explain company procedures
- **Accountability**
 - Review responsibilities, rules, operation and recordkeeping to ensure accountability.
- **Enhanced Cooperation**
 - Create relationship of trust and respect among key functions: manufacturing, sales, agents, distributors, ECD.

Audit Items

- To confirm implementation of corrections and improvements and follow-up action items identified in previous audit.
- To check compliance activities by review of random samples
- To confirm compliance with export regulations and CP through self-survey

Timetable

- Lecture from General Manager of ECD
(50minutes)
- Review action items from previous audit
(30minutes)
- Check of examples of classification
(80minutes)
- Check of examples of transaction
(120minutes)
- Check of the self-survey
(60minutes)
- Check of the records
(20minutes)
- Review
(20minutes)

FINDINGS

- 3 stages of findings
 - ✓ Immediate correction required
 - ✓ Improvement required
 - ✓ Enhancement recommended
- Not only for correction but for improvement
- Something good

- Based on the findings, promote the improvement activities

Notes

- Verify the example of transaction
 - check the actual evidence
- Hearing from the person in charge and administrator
 - the understanding and recognition of the contents
 - the decision basis, relying information

Notes

- Review the transaction from inquiry through export compliance and shipment to confirm:
 - Compliance with the ICP
 - No-deviation or inconsistency among relative documents
 - Documents reflect compliance with proper procedures in the required order

Notes

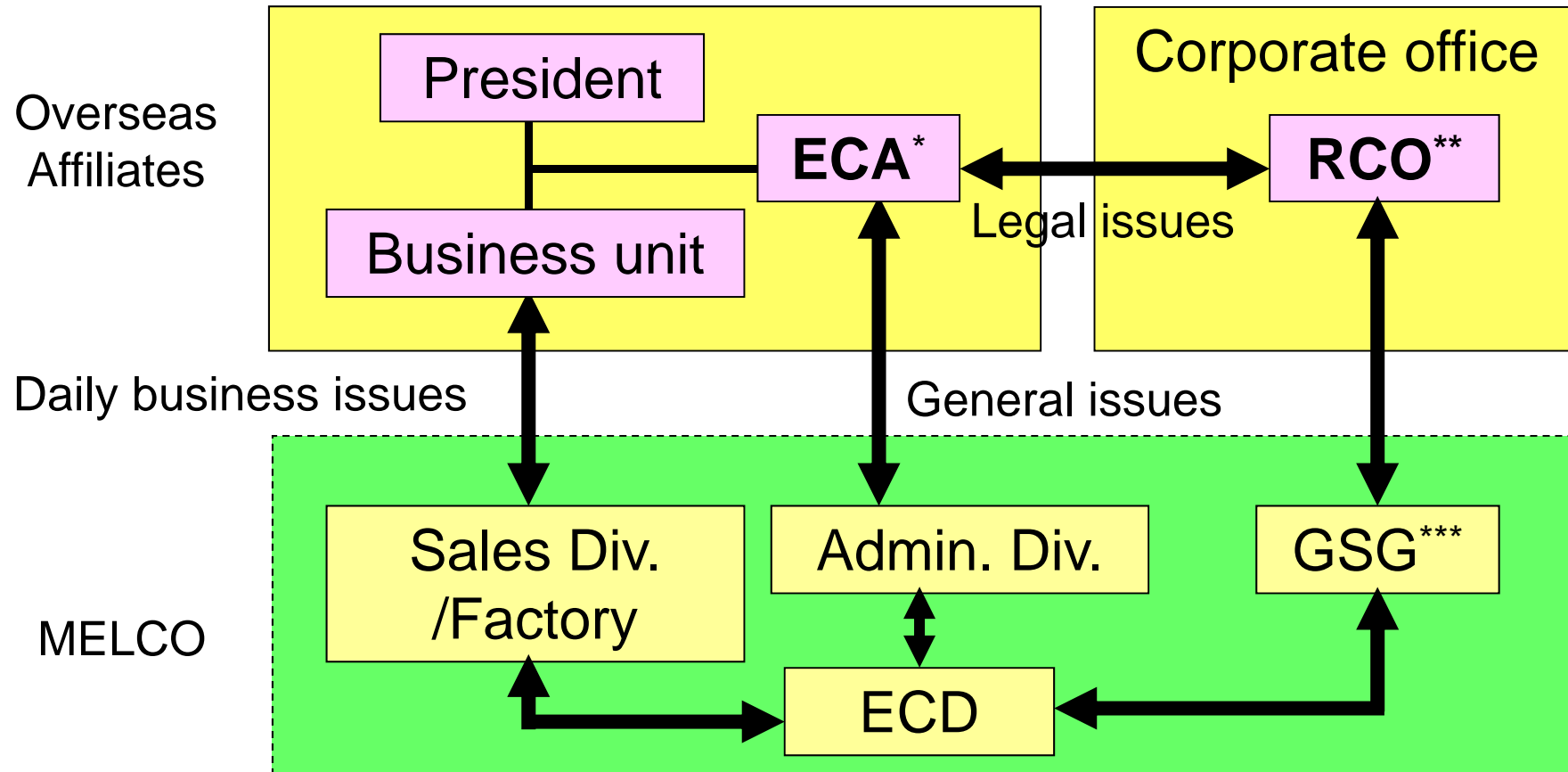
■ Follow-up to be effective audit

In addition to sending the audit report,

- Explain the findings until fully understood
- Require the problem analysis and corrective plan for the findings to confirm the understanding

Audit report and corrective plan must be sent through the Group president

Collaboration between Affiliates and MELCO



***Export Control Administrator**
****Regional Chief Compliance Officer**
*****Global Strategic Planning & Marketing Group**

Thank you very much!

Any Questions?