

Special Feature

Teaming with Startups for Open Innovation

Investing in Startups via the ME Innovation Fund

Mitsubishi Electric established the ME Innovation Fund, its first corporate venture capital fund, in 2022. With a mission of "transforming the world through technology," the ME innovation fund invests in, and partners with, top-tier startups in Japan and beyond. Through this collaboration, the Mitsubishi Electric Group brings in technology, knowhow, and new value propositions in order to create new business opportunities and transform business models. Investments are focused on the areas of sustainability, digital, and deep-tech sectors, targeting strategic returns driven by business synergies.

Total amount invested	5 billion yen
Management structure	The Mitsubishi Electric Corporation and Global Brain Corporation Partnership*1
Investment period	10 years



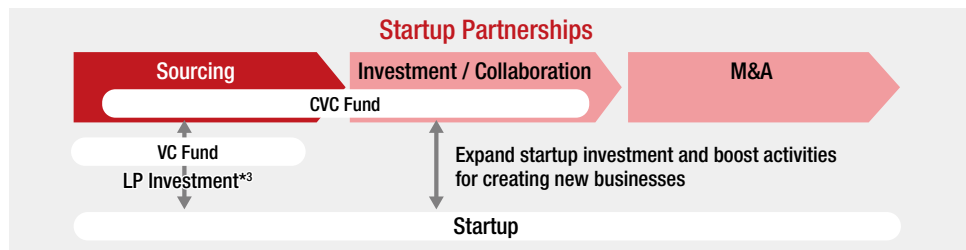
Investment performance (as of October 2024)

Japan 	Singapore 	Israel 	Japan
Singapore 	United States 	United States 	United States

Expanding VC*2 Fund Investment to 15 Billion Yen

With the objective of accelerating investments in and collaborating with promising startups, Mitsubishi Electric will expand investments in VC funds to 15 billion yen and strengthen sourcing efforts to broadly gather information on startups both domestically and internationally.

At the same time, Mitsubishi Electric aims to develop investment expertise and earn financial returns. In the medium- to long-term, the Company will aggressively pursue M&A activities in line with its vision for business expansion and new business entry.



*1 A structure in which a corporate entity and a VC jointly establish a CVC fund, the corporate entity provides the capital, and the VC manages the fund

*2 Venture capital

*3 Instead of directly investing in startups, funds are raised and invested in startups through a VC

Startup Partnership Case Study

Mitsubishi Electric is assessing the feasibility of collaboration with the Singapore-based startup Hydroleap Pte. Ltd. After a 2023 investment in Hydroleap, the Company is conducting a proof of concept at Siam Compressor Industry Co., Ltd. and Mitsubishi Elevator Asia Co., Ltd., Mitsubishi Electric Group manufacturing bases in Thailand.



Mitsubishi Electric is testing the effectiveness of Hydroleap's water treatment technologies, electrocoagulation (HL-EC) and electrooxidation (HL-EO), and deliberating the efficacy of these solutions. Looking ahead, Mitsubishi Electric and Hydroleap will work collaboratively to address water issues in Southeast Asia and contribute to the effective utilization of precious resources.

Partner Voice

Providing Solutions to Address Water Issues

Human life depends on access to water, but there is a limited supply. In Southeast Asia and other parts of the world, industrial demand for water has continued to rise in recent years, exacerbating water issues. Hydroleap provides water treatment solutions to address these problems. Examples include the application of HL-EC to purify industrial wastewater and HL-EO for the circulation of cooling water for data centers.



Mohammad Sherafatmand
CEO
Hydroleap Pte. Ltd.

Compared to conventional methods, we employ a sustainability-minded approach that avoids the use of chemicals. We have achieved social-positive implementation by successfully reducing power consumption, which has been a significant challenge. However, it is difficult for Hydroleap to achieve this alone, so collaboration with other companies is essential. Ideally, working with Mitsubishi Electric will allow us to accelerate technology development and expand our sales channels, to drive business growth.