Consolidated Statements of Changes in Equity

Brother Industries, Ltd. and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Thousands	Millions of Yen										
							Accumulated other comprehensive income (loss)					
	Number of Shares of Common Stock Outstanding	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Treasury Stock	Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) Under Hedge Accounting	Foreign Currency Translation Adjustments	Total	Minority Interests	Total Equity
BALANCE, APRIL 1, 2009	267,649	¥ 19,210	¥ 16,134	¥ 195	¥ 197,083	¥ (11,672)	¥ (30)	¥ 3,114	¥ (27,048)	¥ 196,986	¥ 2,385	¥ 199,371
Adjustment of retained earnings due to change in scope of consolidation	—	—	—	—	310	—	—	—	—	310	—	310
Net income	—	—	—	—	19,629	—	—	—	—	19,629	—	19,629
Cash dividends, ¥ 20.00 per share	—	—	—	—	(5,375)	—	—	—	—	(5,375)	—	(5,375)
Acquisition of treasury stock	(39)	—	—	—	—	(40)	—	—	—	(40)	—	(40)
Sale of treasury stock	24	—	15	—	—	10	—	—	—	25	—	25
Net increase in stock acquisition rights	—	—	—	92	—	—	—	—	—	92	—	92
Net increase in unrealized gain on available-for-sale securities	—	—	—	—	—	—	3,128	—	—	3,128	—	3,128
Net decrease in deferred gain under hedge accounting	—	—	—	—	—	—	—	(2,013)	—	(2,013)	—	(2,013)
Net change in foreign currency translation adjustments	—	—	—	—	—	—	—	—	(232)	(232)	—	(232)
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	—	(1,363)	(1,363)
BALANCE, MARCH 31, 2010	267,634	19,210	16,149	287	211,647	(11,702)	3,098	1,101	(27,280)	212,510	1,022	213,532
Adjustment of retained earnings due to change in scope of consolidation	—	—	—	—	(1,246)	—	—	—	—	(1,246)	—	(1,246)
Decrease due to split-off type of corporate divestiture	—	—	—	—	(375)	—	—	—	—	(375)	—	(375)
Net income	—	—	—	—	26,238	—	—	—	—	26,238	—	26,238
Cash dividends, ¥ 22.00 per share	—	—	—	—	(5,912)	—	—	—	—	(5,912)	—	(5,912)
Acquisition of treasury stock	(20)	—	—	—	—	(17)	—	—	—	(17)	—	(17)
Sale of treasury stock	34	—	8	—	—	30	—	—	—	38	—	38
Net increase in stock acquisition rights	—	—	—	52	—	—	—	—	—	52	—	52
Net decrease in unrealized gain on available-for-sale securities	—	—	—	—	—	—	(653)	—	—	(653)	—	(653)
Net decrease in deferred gain under hedge accounting	—	—	—	—	—	—	—	(1,192)	—	(1,192)	—	(1,192)
Net change in foreign currency translation adjustments	—	—	—	—	—	—	—	—	(8,981)	(8,981)	—	(8,981)
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	—	(1,015)	(1,015)
BALANCE, MARCH 31, 2011	267,648	¥ 19,210	¥ 16,157	¥ 339	¥ 230,352	¥ (11,689)	¥ 2,445	¥ (91)	¥ (36,261)	¥ 220,462	¥ 7	¥ 220,469

	Thousands of U.S. Dollars (Note 1)										
						Accumulated other comprehensive income (loss)					
	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Treasury Stock	Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) Under Hedge Accounting	Foreign Currency Translation Adjustments	Total	Minority Interests	Total Equity
BALANCE, MARCH 31, 2010	$ 231,446	$ 194,567	$ 3,457	$ 2,549,964	$ (140,988)	$ 37,325	$ 13,265	$ (328,675)	$ 2,560,361	$ 12,313	$ 2,572,674
Adjustment of retained earnings due to change in scope of consolidation	—	—	—	(15,012)	—	—	—	—	(15,012)	—	(15,012)
Decrease due to split-off type of corporate divestiture	—	—	—	(4,518)	—	—	—	—	(4,518)	—	(4,518)
Net income	—	—	—	316,120	—	—	—	—	316,120	—	316,120
Cash dividends, $ 0.27 per share	—	—	—	(71,229)	—	—	—	—	(71,229)	—	(71,229)
Acquisition of treasury stock	—	—	—	—	(205)	—	—	—	(205)	—	(205)
Sale of treasury stock	—	96	—	—	362	—	—	—	458	—	458
Net increase in stock acquisition rights	—	—	627	—	—	—	—	—	627	—	627
Net decrease in unrealized gain on available-for-sale securities	—	—	—	—	—	(7,867)	—	—	(7,867)	—	(7,867)
Net decrease in deferred gain under hedge accounting	—	—	—	—	—	—	(14,361)	—	(14,361)	—	(14,361)
Net change in foreign currency translation adjustments	—	—	—	—	—	—	—	(108,205)	(108,205)	—	(108,205)
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	(12,229)	(12,229)
BALANCE, MARCH 31, 2011	$ 231,446	$ 194,663	$ 4,084	$ 2,775,325	$ (140,831)	$ 29,458	$ (1,096)	$ (436,880)	$ 2,656,169	$ 84	$ 2,656,253

See notes to consolidated financial statements.