

Revision and Continuation of Policy Toward Large-scale Purchases of Brother Shares

Brother Industries, Ltd.

Revision and Continuation of Policy Toward Large-scale Purchases of Brother Shares



Current “Policy Toward Large-scale Purchases of Brother Shares”

March 2006 Adopted (approved by majority of the Brother shareholders at the Annual Shareholders Meeting held in June 2006)

March 2008 Established Independent Advisory Committee

Reviewed how the “Policy” should be from the aspect of assuring and enhancing the common interests of Brother shareholders taking into account the amendments to the laws and ordinances, and the decisions and discussions made concerning the issue since the adoption of the “Policy”.

<CONCLUSION>

“Policy Toward Large-scale Purchases of Brother Shares” is still necessary to provide an opportunity for Brother shareholders to receive necessary and sufficient information about the Large-scale Purchase.

Provided that the “New Policy” is approved by the shareholders at the ASM in June 2009, it will be effectuated as of the resolution made at the first Board of Directors’ Meeting following the ASM (effective for 3 years)

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Key revisions in the “New Policy”

- i) Clarification of the matters that the Board of Directors should consult to The Independent Advisory Committee.
(e.c. Request for additional information, Expression of opinion, etc.)
- ii) Manifestation of cases where it is obvious that Large-scale Purchase will cause irreparable damage or loss to the common interests of Brother shareholders as examples.

Members of Independent Advisory Committee-to-be

Yukio Masuda (Corporate Adviser of Mitsubishi Corporation)

Kunihiro Matsuo (Lawyer)

Atsushi Nishijo (Chairman of Sumisho Computer Systems Corporation)

Yasuhiro Tsubota (Management consultant)

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