

Brother Issues Revised Consolidated Forecasts for the Fiscal Year ending March 31, 2011

Brother Industries, Ltd. ("Brother") has revised its consolidated forecast for the fiscal year ending March 31, 2011, announced on May 10, 2010.

1. Revised consolidated forecast for the first Half of fiscal year ending March 31, 2011

(Million yen)

	Net sales	Operating income	Current profits	Net income	Net income per share (yen)
Previous Forecast (A)	227,000	10,500	11,000	6,500	24.29
Revised Forecast (B)	248,000	16,500	17,500	10,500	39.23
Difference (B – A)	21,000	6,000	6,500	4,000	-
Change (%)	9.3%	57.1%	59.1%	61.5%	-
Reference: Previous year (Six month ended September 30, 2009)	199,421	9,956	13,384	4,920	18.38

2. Revised consolidated forecast for the fiscal year ending March 31, 2011

(Million yen)

	Net sales	Operating income	Current profits	Net income	Net income per share (yen)
Previous Forecast (A)	475,000	27,500	27,500	18,500	69.12
Revised Forecast (B)	488,000	27,500	27,500	18,500	69.12
Difference (B – A)	13,000	-	-	-	-
Change (%)	2.7%	-	-	-	-
Reference: Previous year (ended March 31, 2010)	446,269	26,637	29,664	19,629	73.34

3. Reasons for the revision

(1) The consolidated financial forecast for the first half

Sales are expected to surpass the previous forecast mainly due to sales increase in the machine tools business, although sales are expected to have a negative impact from forex: The Euro dropped to 115 yen from 125 yen.

Despite a negative impact from forex presumed, profits are expected to surpass the previous forecast due to sales increase.

(2) The consolidated financial forecast for the year

Sales are expected to surpass the previous forecast mainly due to sales increase in the machine tools business, although sales are expected to have a negative impact from forex: The Euro dropped to 115 yen from 125 yen.

Despite a significant negative impact from forex presumed, sales are expected to increase.

In total, the forecast of profits remains unchanged from the previous forecast.

The revised consolidated financial forecast for fiscal year ending March 31, 2011 is based on the premise that the exchange rates are 90 yen to the U.S. dollar and 115 yen to the Euro.

(The average rates for the first half are 91.36 yen to the U.S. dollar and 118.16 yen to the Euro.

The average rates for the year are 90.68 yen to the U.S. dollar and 116.58 yen to the Euro)

[Reference Data]

Forecast for Fiscal Year ending March 2011

1-1. Sales breakdown by business segment

(Million yen)

		Forecast 3/2011 [Revised]	Results 3/2010	Change (w/o forex impact)	Forecast 3/2011 [Previous]	Change
Printing and Solutions	Communications and Printing equipment	297,000	304,022	-2.3% (3.1%)	296,600	0.1%
	Electronic stationery	37,100	37,447	-0.9% (3.9%)	37,400	-0.8%
	Total	334,100	341,469	-2.2% (3.2%)	334,000	0.0%
Personal and Home		28,100	27,948	0.5% (4.2%)	27,300	2.9%
Machinery and Solution	Industrial sewing machines	20,400	16,599	22.9% (26.7%)	20,500	-0.5%
	Machine tools	34,000	15,191	123.8% (124.3%)	21,100	61.1%
	Total	54,400	31,790	71.1% (73.3%)	41,600	30.8%
Network and Contents		57,300	32,739	75.0% (75.0%)	58,000	-1.2%
Other		14,100	12,321	14.4% (14.7%)	14,100	—
Grand Total		488,000	446,269	9.4% (13.9%)	475,000	2.7%

1-2. Operating income breakdown by business segment

(Million yen)

	Forecast 3/2011 [Revised]	Results 3/2010	Change	Forecast 3/2011 [Previous]	Change
Printing and Solutions	18,500	26,427	-30.0%	22,300	-17.0%
Personal and Home	1,800	1,796	0.2%	1,600	12.5%
Machinery and Solution	4,600	-2,673	—	1,000	360.0%
Network and Contents	1,600	572	179.3%	1,600	—
Other	1,000	512	95.0%	1,000	—
Grand Total	27,500	26,637	3.2%	27,500	—

1-3. Sales breakdown by geographic segment

(Million yen)

	Forecast 3/2011 [Revised]	Results 3/2010	Change (w/o forex impact)	Forecast 3/2011 [Previous]	Change
Japan	147,400	103,462	42.5% (42.5%)	136,100	8.3%
Americas	143,900	143,266	0.4% (2.8%)	138,900	3.6%
Europe	130,400	143,294	-9.0% (2.4%)	136,400	-4.4%
Asia and Others	66,300	56,244	17.9% (18.7%)	63,600	4.2%
Grand Total	488,000	446,269	9.4% (13.9%)	475,000	2.7%

<NOTE>

*Change in business segment

Effective on April 1, 2010, Brother changed its business segment. Online karaoke and Contents distribution services, which was formerly part of the "Others" segment, was included in the "Network & Contents" segment.

Figures for the FY ended Mar 31, 2010 in the above tables 1-1. and 1-2. are reclassified according to the new business segment starting on April 1, 2010.

** Attention concerning this information

The above report contains forward-looking statements which are based on the obtainable information at the time of the announcement with respect to certain future events. Therefore, actual results may differ based upon assumptions of future events which may not prove to be accurate.