

November 1, 2010

## Brother Issues Differences between Consolidated Forecast and Actual Results for 1st Half of the Fiscal Year ending March 31, 2011

Brother Industries, Ltd. ("Brother") has announced the difference between its consolidated forecast and actual results for 1st half of the fiscal year ending March 31, 2011.

1. Differences between consolidated forecast and actual results for 1st half of 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)	248,000	16,500	17,500	10,500	39.23
Actual Results (B)	246,176	21,534	23,008	14,291	53.40
Difference (B – A)	-1,824	5,034	5,508	3,791	—
Change (%)	-0.7%	30.5%	31.5%	36.1%	—
Reference: Previous year (1st half of fiscal year ended March 31, 2010)	199,421	9,956	13,384	4,920	18.38

2. Reasons for the differences

Sales fell slightly short of the previous forecast due to the negative impact from forex. Despite this negative impact from forex, operating income and current profits surpassed the previous forecast due to improved sales composition and reduction of expenses such as depreciation and amortization, SG&A and general administration cost. Net income surpassed the previous forecast due to the increase of current profit and decrease in practical corporate income tax rate caused by tax effect accounting.