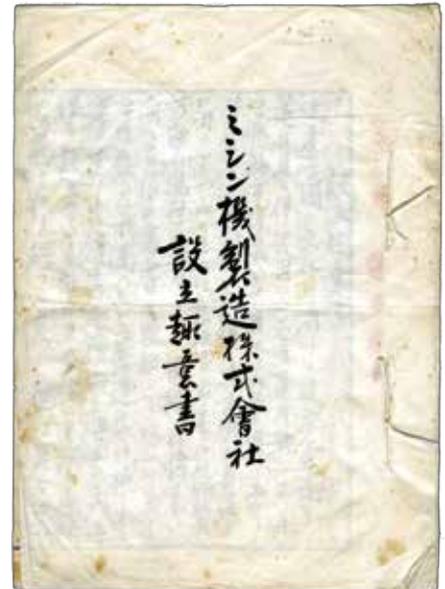


Since its foundation, Brother has been contributing to society through business; a policy that is still alive today

Spirit of Foundation

- Create work for people wishing to work
- Create factories with pleasant atmospheres
- Develop the import-based industry into the export-based industry



Prospectus of Establishment



In 1934, Nippon Sewing Machine Manufacturing Co., a predecessor of Brother Industries, was established. At the time, there was little work in Japan due to the impact of the Great Depression and the majority of sewing machines, which became the first business for Brother, were foreign-made. Against this backdrop, a Prospectus of Establishment of a Sewing Machine Manufacturing Company was drawn up with the intention of founding a company founded on the three guiding principles of “Create work for people wishing to work,” “Create factories with pleasant atmospheres,” and “Develop the import-based industry into the export-based industry.” Not only have these principles been inherited as the founding spirit of the company, but the policy of contributing to society through business is still alive today among Brother Group employees around the world.

Quality Philosophy (Superior Quality and Diligent Service)

Since the company was founded, Brother’s quality philosophy has been to provide products that will satisfy customers (“superior quality”) while fulfilling its mission of contributing to society (“diligent service”), and that philosophy continues to be passed down to Brother employees today.



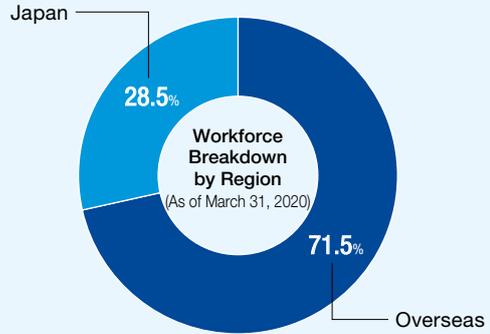
• Create work for people wishing to work

Seeing that people wanted to work while no work was available, the company's founders were passionate in their belief that opportunities for work had to somehow be created. For that to happen, industries in Japan had to be developed to make Japan a wealthy country. People with the will and ability to work needed to be given some sort of work. With these thoughts in mind, they established Nippon Sewing Machine Manufacturing Co. in 1934 to

promote industry by themselves at any cost.



Brother is creating jobs around the world with its manufacturing, sales and servicing facilities in more than 40 countries and regions.



• Create factories with pleasant atmospheres

With the belief that maintaining a clean workplace leads to a cheerful and healthy work environment, the founders installed flush toilets in its factories even before World War II. With their own difficult experiences caring for sick brothers while learning the family business, they decided they needed their own hospital to manage the health of their employees. Despite it being obvious that operating a hospital would be a money-losing business for anyone except a very large company, they completed construction of the

Brother Hospital, a three-story building, in 1954 for their employees as part of their focus on employee health and workplace environments.



The Brother Group considers the physical and mental health of every employee as an important "asset," and thinks it is important for them to be motivated to work "positively, pleasantly and powerfully" while demonstrating their various capabilities. To ensure a healthy workforce, the Group is working to maintain and improve the health of its employees in every country.



• Develop the import-based industry into the export-based industry

The founders were strongly against the almost complete monopoly of the Japanese market by foreign-made sewing machines. They were determined to manufacture sewing machines in Japan to beat the foreign-made ones, and somehow turn the market into an export-based industry. Their wish came

true in 1947 with their first export shipment of 200 sewing machines to Shanghai.



Since Brother established a sales company in the United States in 1954, it has expanded its business operations on a global scale. Its sales generated outside Japan currently make up more than 80% of its overall sales.

