

Fiscal Year 2018 (ending March 31, 2019)

First Half & Second Quarter Results
(ended September 30, 2018)

Brother Industries, Ltd.
November 6, 2018

Information on this report, other than historical facts, refers to future prospects and performance, and has been prepared by our Management on the basis of information available at the time of the announcement. This covers various risks, including, but not limited to, economic conditions, customer demand, foreign currency exchange rates, tax rules, regulation and other factors. As a result, actual future performance may differ from any forecasts contained on this report.

Consolidated Results for FY2018 1H



(100 Millions of Yen)

	171H	181H	Change	Rate of Change (w/o FX)
Sales Revenue	3,464	3,437	-27 *	-0.8% (-0.4%)
Business Segment Profit	391	384	-8	-1.9%
Business Segment Profit Ratio	11.3%	11.2%		
Other income/expense	-78	-3	75	
Operating Profit	313	380	67	21.5%
Operating Profit Ratio	9.0%	11.1%		
Income before Tax	316	384	68	21.6%
Net Income	227	286	59	25.9%
USD	111.42	110.07		
EUR	126.63	129.88		

* Including negative impact of 2.3 billion yen due to application of IFRS 15

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These are the results for the first half of FY2018.

Sales revenue was 343.7 billion yen, marking a decrease of 2.7 billion yen year-on-year.

Even in real terms excluding the impact of forex rates, there was a slight decrease in revenue. The impact of applying IFRS 15, however, was a decrease in sales revenue of 2.2 billion yen, and if this negative impact is excluded, in real terms, there was an increase in sales revenue of approximately 800 million yen.

Business segment profit was 38.4 billion yen, marking a decrease, albeit a slight decrease.

Operating profit was 38.0 billion yen, up 6.7 billion yen year-on-year. The main driver for this was the virtual elimination of last year's impairment loss related to exchange contracts.

As a consequence, profit for the period attributable to owners of the parent company was 28.6 billion yen, an increase of 5.9 billion yen.

Highlight by business segment FY2018 1H



(100 Millions of Yen)

Sales Revenue	171H	181H	Rate of Change	Rate of Change (w/o FX)
Total	3,464	3,437	-0.8%	-0.4%
Printing & Solutions	1,992	1,986	-0.3%	0.3%
Personal & Home	207	214	3.3%	4.3%
Machinery	635	593	-6.6%	-6.9%
Network & Contents	240	233	-2.9%	-2.9%
Domino business	330	347	5.2%	5.0%
Other	60	63	6.3%	6.3%

Business Segment Profit	171H	181H	Rate of Change
Total	391	384	-1.9%
Printing & Solutions	269	268	-0.5%
Personal & Home	4	10	135.1%
Machinery	76	71	-6.9%
Network & Contents	11	6	-43.1%
Domino business	25	24	-3.0%
Other	6	5	-19.1%
Adjustment	-1	-1	-

Operating Profit	171H	181H	Rate of Change
Total	313	380	21.5%
Printing & Solutions	203	262	29.0%
Personal & Home	-0	9	-
Machinery	75	72	-2.8%
Network & Contents	9	5	-42.6%
Domino business	19	25	28.4%
Other	7	7	-8.4%
Adjustment	-1	-1	-

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This is a breakdown of each business segment.

The main variations were an increase in revenue and profit in the P&H business due to strong orders for premium sewing & embroidery machines, and a decrease in revenue and profit for machine tools in the machinery business due to a lack of large IT-related orders.

Operating profit increased considerably in the P&S business. This was mostly due to the elimination of last year's impairment loss related to exchange contracts.

◆ Sales Revenue 34.4 billion yen/ -0.8%

- ✓ Sales of communications & printing equipment hardware remained strong in China and Asia
- ✓ In home sewing machines, orders for premium sewing & embroidery machines were strong
- ✓ Sales of industrial sewing machines were strong in each region
- ✓ In machine tools, automobile-related and general orders were strong, but IT-related orders decreased significantly
- ✓ The Domino business maintained steady growth

◆ Business Segment Profit 38.4 billion yen/ -1.9%

- ✓ A high level of overall profit ratio of 11.2% was maintained

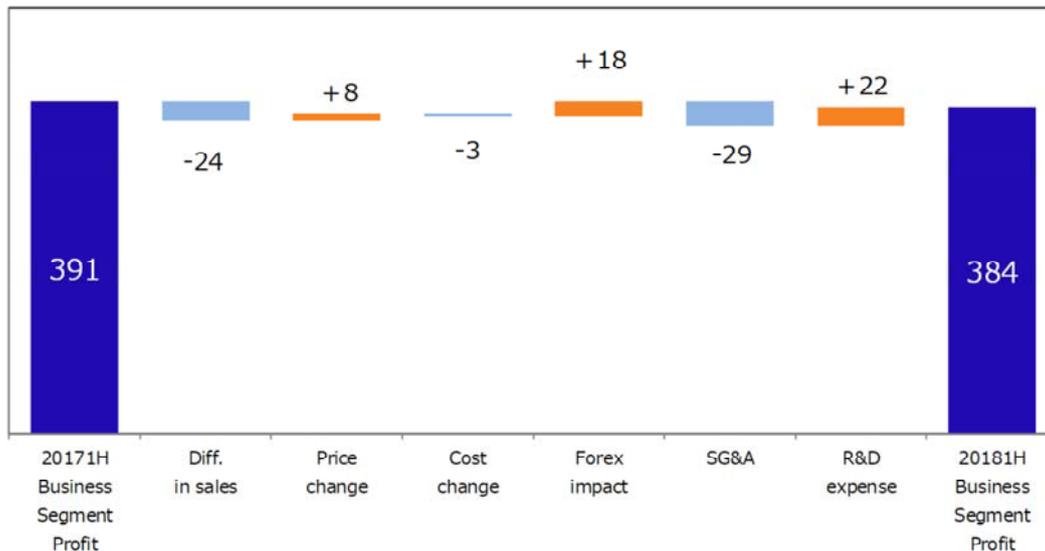
◆ Operating Profit 38 billion yen/ + 21.5%

- ✓ Valuation gain/loss on exchange contracts improved significantly

This is a summary of the main points from the first half of FY2018.

Main Factors for Changes in Business Segment Profit 181H

(100 Millions of Yen)



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This is an analysis of variations in business segment profit. Only the main points are covered.

The difference in sales was a decrease of 2.4 billion yen, primarily due to a change in product lineup in P&S. Rather than the impact of a decrease in sales, it is due to a temporary deterioration in product mix following an increase in the volume of hardware produced.

The 800 million yen increase in price changes is the effect of a price rise in P&S products.

Most of the 2.9 billion yen increase in SG&A is also due to the P&S business.

In addition to investments in sales companies tailored to the changing customer makeup, there has also been an increase in investments for business reforms at Brother Industries head office.

As a result of holding back on the release of a new model black-and-white laser printer, development expenses decreased significantly compared to the previous period when there had been a rise in R&D expenses.



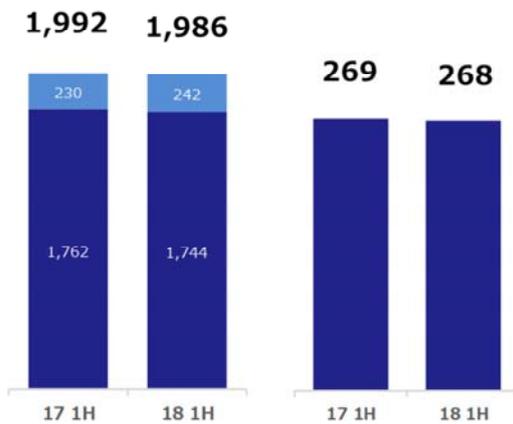
Printing & Solutions

Communications & Printing equipment /Electronic stationery

(100 Millions of Yen)

Sales Revenue

Business Segment Profit



Communications & Printing equipment

- ◆ Mono LBP
 - Global sales of hardware, excluding OEM, decreased slightly compared to the previous year
 - Sales remained strong in Asia and China
- ◆ Color LBP
 - Global sales are expanding steadily
- ◆ IJP
 - Sales of the models with high-yield ink tanks have increased faster than planned

Electronic Stationery

- Labeling business is tracking above plan on a global basis
- Solutions business is performing well in the US

FIRST TANK



DCP-J988N

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This is the first-half highlights of each business segment.

First is the Printing & Solutions business.

Sales revenue of the Printing & Solutions business was 198.6 billion yen, which is also almost the same as last year.

Looking at the breakdown, sales of communications and printing equipment decreased by 1.8 billion yen to 174.4 billion yen, and sales of electronic stationery increased by 1.1 billion yen to 24.2 billion yen.

In communications and printing equipment, overall sales of black-and-white LBP have decreased year-on-year due to a fall in OEM orders. Despite this, sales of Brother branded products not including OEM have increased, in part due to an increase in sales volume in China and Asia, as well as due to the effects of a better product mix as a consequence of keeping the sale of inexpensive models in check.

As for color LBP, except for slightly weaker sales in China, sales grew steadily on a global basis, and there were increases in both sales revenue and volume.

With regard to inkjet multi-function printers, as a consequence of a limit on the volume of less profitable cartridge models, sales decreased in Europe and the United States. Sales of models with high-yield ink tanks, however, grew strongly and faster than planned, especially in Asia and in Central and South America. As a result, both sales revenue and volume were just slightly below last year's level.

As for electronic stationery, the labeling business performed steadily globally, centered around the P-touch brand. In addition, the solutions business performed well in the United States.

Profit of this business segment was 26.8 billion yen, virtually on par with last year, and a high profit ratio of 13.5% was maintained.



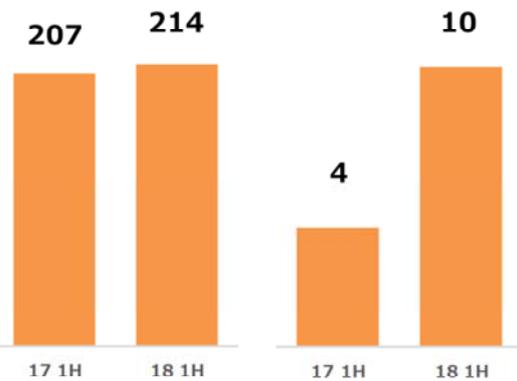
Personal & Home

Home Sewing Machines / Craft

(100 Millions of Yen)

Sales Revenue

Business Segment Profit



- ✓ The Luminaire Innov-is XP1 sewing & embroidery machine, which launched in the US in August, has been a great hit, with orders far exceeding plan
- ✓ Featuring automatic blade depth adjustment (an industry first), the ScanNCut DX has been well received in Europe and the US



Luminaire Innov-is XP1
©Disney



ScanNCut DX

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This slide shows the results of the Personal & Home business.

Sales revenue was 21.4 billion yen, an increase of 700 million yen.

Pictured on this slide is the Innov-is XP1 premium sewing & embroidery machine. Having launched in the US in August, its popularity has far exceeded expectations, and has contributed to the results.

In terms of profit, increased sales and changes in our product lineup have resulted in a significant increase in profit.



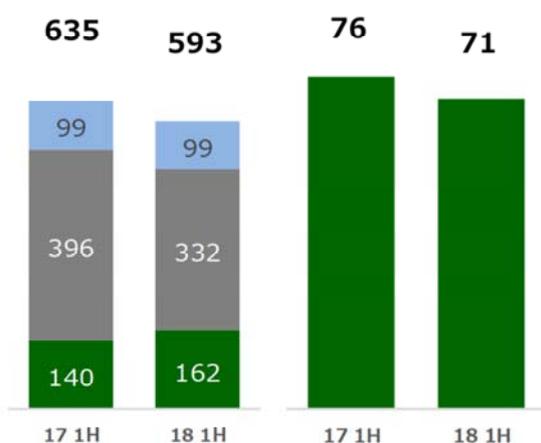
Machinery

Industrial sewing machines/Machine tools/ Industrial Parts

(100 Millions of Yen)

Sales Revenue

Business Segment Profit



Industrial Sewing Machines

- ✓ Demand for products targeting the apparel industry grew steadily in China
- ✓ In the Asian market, demand in India and Vietnam picked up
- ✓ The BAS-360/365 Bridge type programmable electronic pattern sewer was released
- ✓ The GTX garment printer has been popular in Europe and the US

Machine tools

- ✓ Revenue for IT-related orders decreased as demand ran its course
- ✓ Automobile-related and general orders remained steady, except in China

Industrial Parts

- ✓ Despite slump in the US and Japan, orders for Asia showed steady growth



BAS-365H



F600X1

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This slide shows the results of the machinery business.

Sales revenue was 59.3 billion yen, down 4.2 billion yen across the entire business. Almost all of the decrease was a consequence of large orders for machine tools no longer being received from IT-related customers.

Starting with an explanation about machine tools, sales revenue in the first half of FY2018 was 33.2 billion yen, down 6.4 billion yen, or 16%.

As for the sales breakdown, IT-related orders accounted for approximately 30%, and sales for stable orders, such as from automobile and general machinery customers, accounted for 70%.

The breakdown of sales for the three months of the second quarter is the same as for the first half. Compared to the first half of FY2017, IT-related orders have almost halved.

Conversely, there were strong results in automobile-related orders, increasing by about 30% year-on-year.

However, with orders from China being sluggish recently, we have lowered our full-year forecast. I will touch on this again later.

Moving onto industrial sewing machines, sales were strong in every region during the first half of FY2018.

In addition to the continued strong performance in China, sales in the Asian region have also remained firm.

On top of strong demand in Central America, garment printers have also been popular in Europe and the US, making a significant contribution to results.

As for industrial parts, sales of reducers for logistics orders and for LCD and semiconductor manufacturing orders were firm, especially in Japan.

Business segment profit was down across the entire business, largely affected by the fall in sales revenue for machine tools.



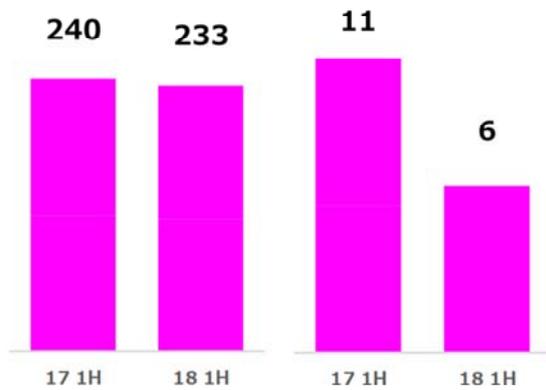
Network & Contents

Online Karaoke machines

(100 Millions of Yen)

Sales Revenue

Business Segment Profit



- ✓ Shipments of the new JOYSOUND MAX2, which was launched last year, remained steady
- ✓ An increase in rental agreements was a factor in revenue and profit decreasing compared to the previous year
- ✓ In the directly managed stores business, aiming to increase the ability to attract customers, Brother collaborated with JETSTAR in the 2nd step of the "Non-Singing Karaoke" series



This slide shows the results of the Network & Contents business.

Sales revenue was 23.3 billion yen, a decrease of 700 million yen.

JOYSOUND MAX2, which was released last year, has performed steadily. Whereas sales were focused on outright purchases last year, this fiscal year, there has been an increase in rental transactions. The impact of this has been a decrease in revenue.

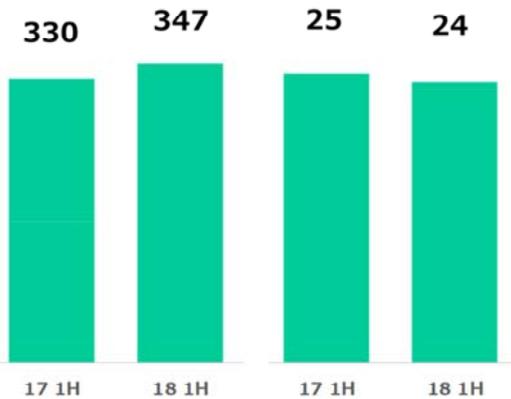
Profit has also declined for the same reason.

DOMINO

Domino Business

(100 Millions of Yen)

Sales Revenue **Business Segment Profit**



Coding and marking

- ✓ Except for the Americas, there has been steady growth in each region
Overall, sales are trending above plan and above last year's actual results

Digital Printing Equipment

- ✓ A delay in product launch has meant sales have been below plan
However, with no major changes in demand in any region, sales are on track to exceed last year's actual results



Continuous Inkjet Ax350i



Full color digital label press N610i

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This slide shows the results of the Domino business.

Sales revenue was 34.7 billion yen, an increase of 1.7 billion yen.

The C&M business showed firm growth in each region, apart from in the Americas where there was a decline in revenue. The business is trending above plan and is on track to surpass last year's actual results.

Sales of digital printing equipment have also been below plan due to a delay in product launch. However, with no major changes in demand in any region, sales are on track to exceed last year's actual results.

Business segment profit was 2.4 billion yen, on par with last year.

Forecast for FY2018

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(100 Millions of Yen)

	Previous Forecast	FY18 Forecast	Change	FY17	Change	Rate of Change (w/o FX)
Sales Revenue	6,900	6,900	-	7,130	-230*	-3.2% (-1.5%)
Business Segment Profit	710	690	-20	772	-82	-10.7%
Business Segment Profit Ratio	10.3%	10.0%		10.8%		
Other income/expense	-10	10	20	-86	96	
Operating Profit	700	700	-	687	13	1.9%
Operating Profit Ratio	10.1%	10.1%		9.6%		
Income before Tax	700	700	-	697	3	0.5%
Net Income	520	520	-	500	20	4.0%
USD	107.00	109.16		110.81		
EUR	128.00	129.33		129.45		

* Including negative impact of 5.6 billion yen due to application of IFRS 15

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Next is the forecast for FY2018.

Only business segment profit has been revised.

It is now 69.0 billion yen, a downward revision of 2.0 billion yen from the previous forecast.

Compared to the actual results of FY2017, this marks a decrease in profit of 8.2 billion yen, or 10.7%.

All other items remain unchanged from the previous forecast.

The assumed exchange rates also remain unchanged.

Forecast for 2018 by business segment

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at your side

(100 Millions of Yen)

Sales Revenue	previous Forecast	FY18 Forecast	Rate of Change	FY17	Rate of Change	Rate of Change (w/o FX)
Total	6,900	6,900	-	7,130	-3.2%	-1.5%
Printing & Solutions	3,935	4,012	2.0%	4,122	-2.7%	-0.3%
Personal & Home	449	463	3.1%	445	4.1%	7.2%
Machinery	1,153	1,090	-5.5%	1,273	-14.4%	-14.0%
Network & Contents	490	487	-0.6%	491	-0.7%	-0.7%
Domino business	735	714	-2.9%	684	4.4%	5.4%
Other	138	134	-2.9%	116	15.3%	15.3%

Business Segment Profit	previous Forecast	FY18 Forecast	Rate of Change	FY17	Rate of Change
Total	710	690	-2.8%	772	-10.7%
Printing & Solutions	498	485	-2.6%	529	-8.3%
Personal & Home	30	37	23.3%	20	86.8%
Machinery	116	100	-13.8%	144	-30.7%
Network & Contents	24	24	-	27	-9.9%
Domino business	40	40	-	46	-13.8%
Other	2	4	100.0%	7	-45.7%
Adjustment	-	-	-	-1	-

Operating Profit	previous Forecast	FY18 Forecast	Rate of Change	FY17	Rate of Change
Total	700	700	-	687	1.9%
Printing & Solutions	489	493	0.8%	474	4.1%
Personal & Home	30	37	23.3%	11	252.0%
Machinery	117	103	-12.0%	141	-27.1%
Network & Contents	21	21	-	13	56.4%
Domino business	40	40	-	40	0.0%
Other	3	6	100.0%	9	-33.4%
Adjustment	-	-	-	-1	-

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This slide shows a forecast breakdown by business segment.

Compared to the previous forecast for sales revenue, the P&S and P&H businesses have been revised upward, and the machinery, N&C and domino businesses have been revised downward.

Overall, there has been no overall change.

As for business segment profit, the forecasts for the P&S and machinery businesses have been revised downward, and the P&H business has been revised upward. The main factor in revising the forecast for the P&S business was to incorporate increased costs of parts and materials and a risk for emerging nations. Revision for the machinery business basically follows the lower forecast for machine tools.

Looking at forecasts for operating profit, the machinery business has been revised downward in line with its business segment profit; in the P&S business, the decrease in business segment profit will be offset by revisions related to exchange contracts; and the P&H business has been revised upward. Overall, there has been no overall change.

◆ **Sales Revenue 690 billion yen (No change)**

- ✓ The anticipated reduction in machinery business will be offset by other businesses, and so overall, there is no change from the previous forecast

◆ **Business Segment Profit 69 billion yen (-2 billion yen)**

- ✓ P&S business revised downward by 1.3 billion yen, incorporating increased costs and emerging nations risk
- ✓ P&H business revised upward by 0.7 billion yen, due to effects of strong product sales
- ✓ Machinery business revised downward by 1.6 billion yen, due mostly to impact of decrease in orders for machine tools in China

◆ **Operating Profit 70 billion yen (No change)**

- ✓ No change in previous forecast, since decrease in business segment profit will be offset mostly by the revised foreign exchange gain (loss)

This slide shows a summary of the main points concerning the revised forecast.

Appendix

Consolidated Results for FY2018 Q2



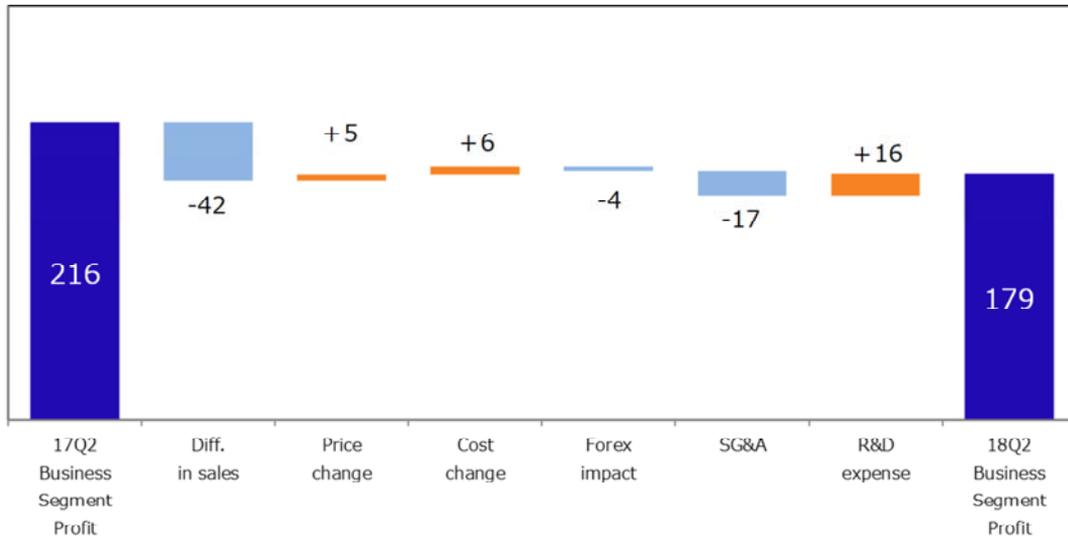
(100 Millions of Yen)

	17Q2	18Q2	Change	Rate of Change (w/o FX)
Sales Revenue	1,787	1,726	-61*	-3.4% (-2.3%)
Business Segment Profit	216	179	-37	-17.3%
Business Segment Profit Ratio	12.1%	10.4%		
Other income/expense	-29	-21	8	
Operating Profit	187	158	-29	-15.7%
Operating Profit Ratio	10.5%	9.1%		
Income before Tax	186	159	-27	-14.5%
Net Income	135	120	-15	-11.4%
USD	111.38	111.55		
EUR	130.45	129.89		

* Including negative impact of 1.2 billion yen due to application of IFRS 15

Main Factors for Changes in Business Segment Profit 18Q2

(100 Millions of Yen)



Highlight by business segment 18Q2

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(100 Millions of Yen)

Sales Revenue	17Q2	18Q2	Rate of Change	Rate of Change (w/o FX)
Total	1,787	1,726	-3.4%	-2.3%
Printing & Solutions	1,004	992	-1.3%	0.3%
Personal & Home	114	126	10.8%	12.2%
Machinery	344	279	-18.9%	-18.7%
Network & Contents	128	118	-7.9%	-7.9%
Domino business	166	176	6.4%	7.8%
Other	31	36	13.9%	13.9%

Business Segment Profit	17Q2	18Q2	Rate of Change
Total	216	179	-17.3%
Printing & Solutions	135	119	-12.2%
Personal & Home	6	12	95.2%
Machinery	51	29	-42.4%
Network & Contents	11	4	-65.9%
Domino business	9	12	31.8%
Other	4	3	-14.2%
Adjustment	-0	-0	-

Operating Profit	17Q2	18Q2	Rate of Change
Total	187	158	-15.7%
Printing & Solutions	112	102	-8.6%
Personal & Home	4	10	127.8%
Machinery	49	29	-41.4%
Network & Contents	10	4	-65.3%
Domino business	7	9	33.6%
Other	4	4	-9.2%
Adjustment	-0	-0	-

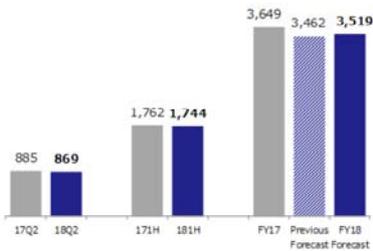
Printing & Solutions Sales Revenue & Profit



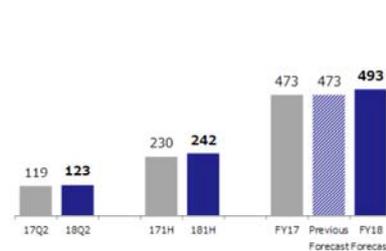
(100 Millions of Yen)

	17Q2	18Q2	Change	Change x FX	171H	181H	Change	Change x FX	FY17	Previous Forecast	FY18 Forecast	Change v LY	Change x FX
Sales Revenue	1,004	992	-1.3%	0.3%	1,992	1,986	-0.3%	0.3%	4,122	3,935	4,012	-2.7%	-0.3%
Communications & Printing equipment	885	869	-1.9%	-0.3%	1,762	1,744	-1.0%	-0.4%	3,649	3,462	3,519	-3.6%	-1.3%
Americas	335	331	-1.1%	1.0%	665	646	-2.9%	-0.5%	1,335	1,263	1,276	-4.4%	-0.7%
Europe	274	275	0.0%	0.8%	539	548	1.6%	0.0%	1,192	1,155	1,164	-2.4%	-1.4%
Asia & Others	158	159	0.6%	3.6%	315	332	5.5%	6.6%	616	615	630	2.3%	5.9%
Japan	118	104	-12.1%	-12.1%	243	219	-9.8%	-9.8%	505	428	448	-11.2%	-11.2%
Electronic stationery	119	123	3.3%	4.6%	230	242	5.0%	5.7%	473	473	493	4.3%	6.7%
Americas	56	60	7.6%	9.3%	108	116	7.9%	10.3%	212	209	220	3.9%	7.5%
Europe	35	33	-5.4%	-4.9%	67	65	-3.2%	-4.8%	146	148	148	1.0%	1.9%
Asia & Others	19	20	3.2%	5.4%	38	41	9.2%	9.7%	76	75	78	2.9%	5.9%
Japan	9	10	10.5%	10.5%	18	19	9.5%	9.5%	39	41	47	21.7%	21.7%
Business Segment Profit	135	119	-12.2%	-	269	268	-0.5%	-	529	498	485	-8.3%	-
Operating Profit	112	102	-8.6%	-	203	262	29.0%	-	474	489	493	4.1%	-

<Sales Revenue>
Communications & Printing equipment



<Sales Revenue>
Electronic stationery



<Operating Profit>



Sales Revenue Growth Rate / Consumable Ratio / Growth Rate of hardware



	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	FY2017	Previous Forecast	FY18 Forecast
LBP									
Sales revenue growth rate (JPY)									
Hardware	13%	24%	23%	11%	1%	-3%	17%	-8%	-7%
Consumable	-1%	2%	9%	1%	1%	1%	3%	-3%	-2%
Sales revenue growth rate (LC)									
Hardware	12%	15%	15%	10%	0%	-1%	13%	-6%	-4%
Consumable	-2%	-8%	2%	-1%	0%	2%	-2%	0%	0%
IJP									
Sales revenue growth rate (JPY)									
Hardware	3%	15%	3%	-1%	-6%	-6%	4%	-1%	-2%
Consumable	4%	3%	13%	3%	1%	-1%	6%	-6%	-5%
Sales revenue growth rate (LC)									
Hardware	3%	6%	-3%	-2%	-6%	-4%	1%	1%	1%
Consumable	4%	-5%	6%	1%	1%	0%	1%	-5%	-4%
Cosumable Ratio	57%	57%	56%	58%	57%	56%	57%	58%	57%
Growth rate of Hardware									
LBP	13%	9%	10%	3%	-1%	-8%	9%	—	—
IJP	-7%	-5%	-9%	3%	-1%	-2%	-5%	—	—

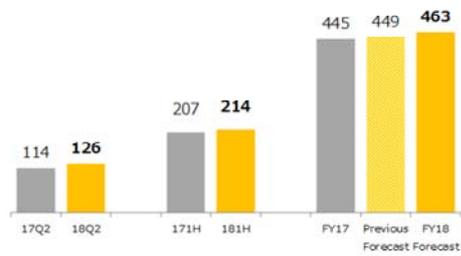
Personal & Home Sales Revenue & Profit



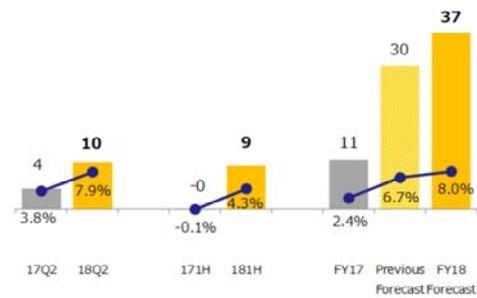
(100 Millions of Yen)

	17Q2	18Q2	Change	Change x FX	171H	181H	Change	Change x FX	FY17	Previous Forecast	FY18 Forecast	Change v LY	Change x FX
Sales Revenue	114	126	10.8%	12.2%	207	214	3.3%	4.3%	445	449	463	4.1%	7.2%
Americas	67	81	20.8%	22.4%	117	124	6.6%	9.1%	240	240	264	9.6%	14.1%
Europe	26	25	-3.2%	-2.5%	50	50	-0.3%	-2.5%	113	115	111	-1.5%	-0.8%
Asia & Others	12	12	-4.9%	-2.3%	25	24	-3.8%	-2.7%	55	58	51	-7.2%	-3.7%
Japan	8	8	-3.1%	-3.1%	15	16	1.0%	1.9%	36	36	37	2.3%	2.3%
Business Segment Profit	6	12	95.2%	-	4	10	135.1%	-	20	30	37	86.8%	-
Operating Profit	4	10	127.8%	-	- 0	9	-	-	11	30	37	252.0%	-

<Sales Revenue>



<Operating Profit>



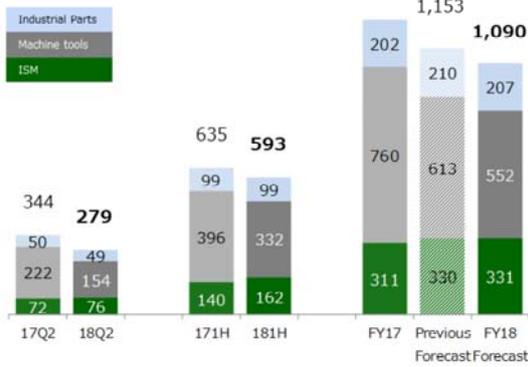
Machinery Business Sales Revenue & Profit



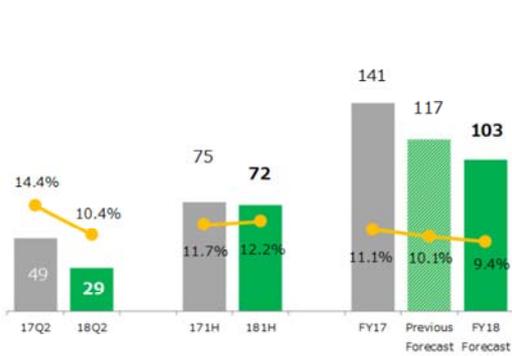
(100 Millions of Yen)

	17Q2	18Q2	Change	Change x FX	171H	181H	Change	Change x FX	FY17	Previous Forecast	FY18 Forecast	Change v LY	Change x FX
Sales Revenue	344	279	-18.9%	-18.7%	635	593	-6.6%	-6.9%	1,273	1,153	1,090	-14.4%	-14.0%
Industrial sewing machines	72	76	4.9%	5.3%	140	162	16.0%	15.7%	311	330	331	6.5%	8.0%
Machine tools	222	154	-30.5%	-30.3%	396	332	-16.1%	-16.6%	760	613	552	-27.4%	-27.4%
Industrial Parts	50	49	-1.8%	-1.9%	99	99	-0.3%	-0.3%	202	210	207	2.5%	2.9%
Business Segment Profit	51	29	-42.4%	-	76	71	-6.9%	-	144	116	100	-30.7%	-
Operating Profit	49	29	-41.4%	-	75	72	-2.8%	-	141	117	103	-27.1%	-

<Sales Revenue>



<Operating Profit>



Machinery Business Sales Revenue by Region



(100 Millions of Yen)

	17Q2	18Q2	Change	Change x FX	171H	181H	Change	Change x FX	FY17	Previous Forecast	FY18 Forecast	Change v LY	Change x FX
Sales Revenue	344	279	-18.9%	-18.7%	635	593	-6.6%	-6.9%	1,273	1,153	1,090	-14.4%	-14.0%
Industrial sewing machines	72	76	4.9%	5.3%	140	162	16.0%	15.7%	311	330	331	6.5%	8.0%
Americas	15	16	6.3%	6.3%	29	33	14.7%	16.3%	64	68	67	5.4%	8.1%
Europe	14	16	17.8%	18.3%	28	38	35.2%	31.7%	63	64	71	12.9%	13.0%
Asia & Others	42	41	-1.7%	-1.2%	81	88	8.9%	9.1%	178	191	188	5.4%	7.2%
Japan	2	2	52.5%	52.5%	3	4	39.0%	39.0%	7	7	6	-16.4%	-16.4%
Machine tools	222	154	-30.5%	-30.3%	396	332	-16.1%	-16.6%	760	613	552	-27.4%	-27.4%
Americas	6	11	75.5%	-	14	20	47.8%	-	33	38	34	5.7%	-
Europe	6	9	38.4%	-	15	20	33.4%	-	30	33	30	1.5%	-
Asia & Others	189	102	-45.9%	-	331	234	-29.3%	-	608	442	361	-40.6%	-
Japan	20	32	60.2%	-	36	58	59.8%	-	89	100	126	41.2%	-
Industrial Parts	50	49	-1.8%	-1.9%	99	99	-0.3%	-0.3%	202	210	207	2.5%	2.9%
Americas	6	6	2.7%	2.2%	13	12	-5.0%	-4.1%	25	26	26	3.8%	5.6%
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Asia & Others	5	5	7.4%	6.9%	10	12	15.8%	14.0%	20	23	23	11.2%	12.8%
Japan	39	38	-3.7%	-3.7%	76	75	-1.6%	-1.6%	157	160	159	1.2%	1.2%

Network & Contents Sales Revenue & Profit



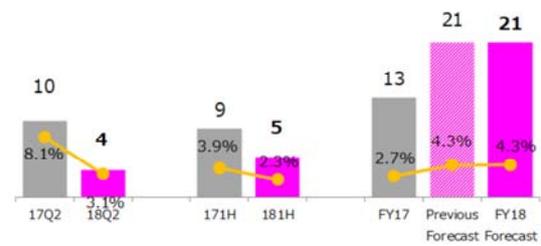
(100 Millions of Yen)

	17Q2	18Q2	Change	171H	181H	Change	FY17	Previous Forecast	FY18 Forecast	Change v LY
Sales Revenue	128	118	-7.9%	240	233	-2.9%	491	490	487	-0.7%
Business Segment Profit	11	4	-65.9%	11	6	-43.1%	27	24	24	-9.9%
Operating Profit	10	4	-65.3%	9	5	-42.6%	13	21	21	56.4%

<Sales Revenue>



<Operating Profit>



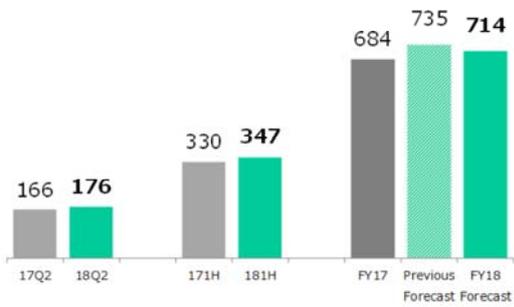
Domino Business Sales Revenue & Profit



(100 Millions of Yen)

	17Q2	18Q2	Change	Change x FX	171H	181H	Change	Change x FX	FY17	Previous Forecast	FY18 Forecast	Change v LY	Change x FX
Sales Revenue	166	176	6.4%	7.8%	330	347	5.2%	5.0%	684	735	714	4.4%	5.4%
Americas	42	41	-2.2%	-1.7%	82	76	-7.6%	-8.9%	159	176	165	3.9%	5.0%
Europe	77	84	9.9%	10.2%	155	171	10.6%	9.0%	337	351	345	2.3%	3.7%
Asia & Others	47	51	8.2%	8.4%	93	100	7.5%	5.9%	187	207	204	8.6%	10.0%
Business Segment Profit	9	12	31.8%	-	25	24	-3.0%	-	46	40	40	-13.8%	-
Operating Profit	7	9	33.6%	-	19	25	28.4%	-	40	40	40	0.0%	-

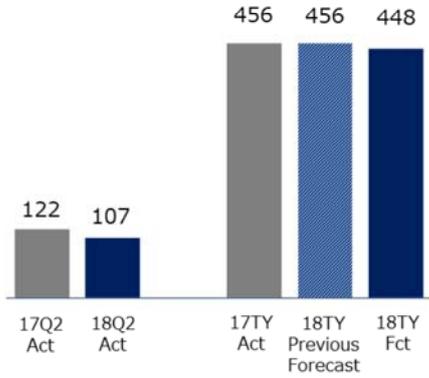
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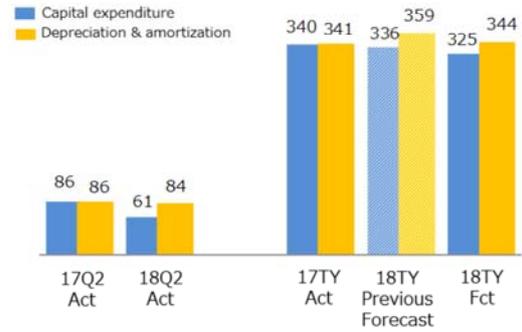
<Operating Profit>



R&D expenses
(100 Millions of Yen)



**Capital expenditure /
Depreciation & amortization**
(100 Millions of Yen)



Inventories
(100 Millions of yen)



brother
at your side