



Consolidated Statements of Changes in Equity

Brother Industries, Ltd. and Consolidated Subsidiaries
Years ended March 31, 2010 and 2009

	Thousands	Millions of Yen										
	Number of Shares of Common Stock Outstanding	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) Under Hedge Accounting	Foreign Currency Translation Adjustments	Treasury Stock	Total	Minority Interests	Total Equity
BALANCE, APRIL 1, 2008	275,338	¥ 19,210	¥ 16,134	¥ 122	¥ 188,294	¥ 949	¥ 911	¥ (7,749)	¥ (1,574)	¥ 216,297	¥ 2,926	¥ 219,223
Adjustment of retained earnings due to the adoption of PITF No. 18 (Note 2(3))	—	—	—	—	327	—	—	—	—	327	—	327
Net income	—	—	—	—	15,262	—	—	—	—	15,262	—	15,262
Cash dividends, ¥ 25.00 per share	—	—	—	—	(6,800)	—	—	—	—	(6,800)	—	(6,800)
Acquisition of treasury stock	(7,696)	—	—	—	—	—	—	—	(10,104)	(10,104)	—	(10,104)
Sale of treasury stock	7	—	(0)	—	—	—	—	—	6	6	—	6
Net increase in stock acquisition rights	—	—	—	73	—	—	—	—	—	73	—	73
Net decrease in unrealized gain on available-for-sale securities	—	—	—	—	—	(979)	—	—	—	(979)	—	(979)
Net increase in deferred gain under hedge accounting	—	—	—	—	—	—	2,203	—	—	2,203	—	2,203
Net change in foreign currency translation adjustments	—	—	—	—	—	—	—	(19,299)	—	(19,299)	—	(19,299)
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	—	(541)	(541)
BALANCE, MARCH 31, 2009	267,649	19,210	16,134	195	197,083	(30)	3,114	(27,048)	(11,672)	196,986	2,385	199,371
Adjustment of retained earnings due to change in scope of consolidation	—	—	—	—	310	—	—	—	—	310	—	310
Net income	—	—	—	—	19,629	—	—	—	—	19,629	—	19,629
Cash dividends, ¥ 20.00 per share	—	—	—	—	(5,375)	—	—	—	—	(5,375)	—	(5,375)
Acquisition of treasury stock	(39)	—	—	—	—	—	—	—	(40)	(40)	—	(40)
Sale of treasury stock	24	—	15	—	—	—	—	—	10	25	—	25
Net increase in stock acquisition rights	—	—	—	92	—	—	—	—	—	92	—	92
Net increase in unrealized gain on available-for-sale securities	—	—	—	—	—	3,128	—	—	—	3,128	—	3,128
Net decrease in deferred gain under hedge accounting	—	—	—	—	—	—	(2,013)	—	—	(2,013)	—	(2,013)
Net change in foreign currency translation adjustments	—	—	—	—	—	—	—	(232)	—	(232)	—	(232)
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	—	(1,363)	(1,363)
BALANCE, MARCH 31, 2010	267,634	¥ 19,210	¥ 16,149	¥ 287	¥ 211,647	¥ 3,098	¥ 1,101	¥ (27,280)	¥ (11,702)	¥ 212,510	¥ 1,022	¥ 213,532

	Thousands of U.S. Dollars (Note 1)											
	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) Under Hedge Accounting	Foreign Currency Translation Adjustments	Treasury Stock	Total	Minority Interests	Total Equity	
BALANCE, MARCH 31, 2009	\$ 206,559	\$ 173,484	\$ 2,097	\$ 2,119,172	\$ (322)	\$ 33,484	\$ (290,838)	\$ (125,506)	\$ 2,118,130	\$ 25,645	\$ 2,143,775	
Adjustment of retained earnings due to change in scope of consolidation	—	—	—	3,333	—	—	—	—	3,333	—	3,333	
Net income	—	—	—	211,065	—	—	—	—	211,065	—	211,065	
Cash dividends, \$ 0.2151 per share	—	—	—	(57,796)	—	—	—	—	(57,796)	—	(57,796)	
Acquisition of treasury stock	—	—	—	—	—	—	—	(430)	(430)	—	(430)	
Sale of treasury stock	—	161	—	—	—	—	—	108	269	—	269	
Net increase in stock acquisition rights	—	—	989	—	—	—	—	—	989	—	989	
Net increase in unrealized gain on available-for-sale securities	—	—	—	—	33,634	—	—	—	33,634	—	33,634	
Net decrease in deferred gain under hedge accounting	—	—	—	—	—	(21,645)	—	—	(21,645)	—	(21,645)	
Net change in foreign currency translation adjustments	—	—	—	—	—	—	(2,495)	—	(2,495)	—	(2,495)	
Net decrease in minority interests	—	—	—	—	—	—	—	—	—	(14,656)	(14,656)	
BALANCE, MARCH 31, 2010	\$ 206,559	\$ 173,645	\$ 3,086	\$ 2,275,774	\$ 33,312	\$ 11,839	\$ (293,333)	\$ (125,828)	\$ 2,285,054	\$ 10,989	\$ 2,296,043	

See notes to consolidated financial statements.