



Consolidated Statements of Income

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

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
NET SALES	¥ 446,269	¥ 482,205	\$ 4,798,591
COST OF SALES (Note 12)	247,185	280,224	2,657,903
Gross profit	199,084	201,981	2,140,688
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 12)	172,447	182,080	1,854,269
Operating income	26,637	19,901	286,419
OTHER INCOME (EXPENSES):			
Interest and dividend income	1,122	2,357	12,065
Interest expense	(791)	(868)	(8,505)
Sales discount	(2,281)	(2,590)	(24,527)
Gain on sales and disposals of property, plant and equipment, net	654	2,356	7,032
Write-down of investment securities	—	(2,971)	—
Foreign exchange gain	3,981	7,981	42,806
Loss on impairment of long-lived assets (Notes 2(8) and 5)	(315)	(2,535)	(3,387)
Reversal of bad debt allowance	88	530	946
Loss on transfer to defined contribution pension plan (Note 2(15))	(2,985)	—	(32,097)
Other, net	124	(548)	1,334
Other (expenses) income, net	(403)	3,712	(4,333)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	26,234	23,613	282,086
INCOME TAXES (Note 11):			
Current	7,463	6,382	80,247
Deferred	(785)	2,519	(8,441)
Total income taxes	6,678	8,901	71,806
MINORITY INTERESTS IN NET INCOME	(73)	(550)	(785)
NET INCOME	¥ 19,629	¥ 15,262	\$ 211,065
PER SHARE OF COMMON STOCK (Note 16):			
	Yen		U.S. Dollars
Basic net income	¥ 73.34	¥ 56.79	\$ 0.789
Diluted net income	73.28	56.76	0.788
Cash dividends applicable to the year	18.00	26.00	0.194

See notes to consolidated financial statements.