



Consolidated Statements of Income

Brother Industries, Ltd. and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
NET SALES	¥ 502,830	¥ 446,269	\$ 6,058,193
COST OF SALES (Note 14)	286,796	247,185	3,455,373
Gross profit	216,034	199,084	2,602,820
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 14)	179,942	172,447	2,167,976
Operating income	36,092	26,637	434,844
OTHER INCOME (EXPENSES):			
Interest and dividend income	1,332	1,122	16,048
Interest expense	(854)	(791)	(10,289)
Sales discount	(2,005)	(2,281)	(24,157)
(Loss) gain on sales and disposals of property, plant and equipment, net	(661)	654	(7,964)
Foreign exchange gain	4,139	3,981	49,867
Loss on impairment of long-lived assets (Notes 2(10) and 6)	(1,473)	(315)	(17,747)
Reversal of allowance for doubtful accounts	—	88	—
Loss on transfer to defined contribution pension plan (Note 2(14))	—	(2,985)	—
Other, net	(2,508)	124	(30,216)
Other expenses net	(2,030)	(403)	(24,458)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	34,062	26,234	410,386
INCOME TAXES (Note 13):			
Current	13,087	7,463	157,675
Deferred	(4,689)	(785)	(56,494)
Total income taxes	8,398	6,678	101,181
NET INCOME BEFORE MINORITY INTERESTS	25,664	0	309,205
MINORITY INTERESTS IN NET INCOME	(574)	(73)	(6,915)
NET INCOME	¥ 26,238	¥ 19,629	\$ 316,120
PER SHARE OF COMMON STOCK (Note 20):			
Basic net income	¥ 98.03	¥ 73.34	\$ 1.18
Diluted net income	97.91	73.28	1.18
Cash dividends applicable to the year	24.00	18.00	0.29

See notes to consolidated financial statements.