

C Consolidated Statement of Income

Brother Industries, Ltd. and Consolidated Subsidiaries
Year ended March 31, 2013

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2013	2012	2013
NET SALES	¥ 516,067	¥ 497,390	\$ 5,490,074
COST OF SALES (Note 15)	300,007	280,689	3,191,563
Gross profit	216,060	216,701	2,298,511
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 15)	186,284	182,518	1,981,745
Operating income	29,776	34,183	316,766
OTHER INCOME (EXPENSES):			
Interest and dividend income	1,452	1,175	15,447
Interest expense	(451)	(615)	(4,798)
Sales discount	(2,086)	(2,060)	(22,191)
Loss on sales and disposals of property, plant and equipment, net	(170)	(546)	(1,809)
Foreign exchange (loss) gain	(1,614)	828	(17,170)
Loss on impairment of long-lived assets (Notes 2(10) and 7)	(269)	(609)	(2,862)
(Loss) gain on valuation of derivatives	(4,625)	137	(49,202)
Gain on sales of investment securities	1,724	24	18,340
Gain on negative goodwill (Note 4)	7,194	—	76,532
Loss on step acquisitions	(3,843)	—	(40,883)
Other - net	858	1,591	9,128
Other expenses, net	(1,830)	(75)	(19,468)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	27,946	34,108	297,298
INCOME TAXES (Note 14):			
Current	8,763	8,858	93,224
Deferred	1,326	5,725	14,106
Total income taxes	10,089	14,583	107,330
NET INCOME BEFORE MINORITY INTERESTS	17,857	19,525	189,968
MINORITY INTERESTS IN NET INCOME	31	0	330
NET INCOME	¥ 17,826	¥ 19,525	\$ 189,638
PER SHARE OF COMMON STOCK (Note 21):			
	Yen	U.S. Dollars	
Basic net income	¥ 66.65	¥ 72.95	\$ 0.71
Diluted net income	66.54	72.85	0.71
Cash dividends applicable to the year	24.00	24.00	0.26

See notes to consolidated financial statements.