

During fiscal 2013, ended March 31, 2014, the Japanese economy remained on a recovery track, while the US economy continued to post modest growth and economic conditions improved slightly across Europe. This positive trend came despite lingering uncertainty in emerging nations.

In this climate, the Brother Group saw net sales increase year on year to a new record high. This growth reflected several factors from operations in the Americas, China and the rest of Asia, most notably strong performance from communications and printing equipment, a recovery in demand for industrial sewing machines, and effects from the consolidation of Nissei Corporation, as well as a favorable boost from exchange rates due to the yen's depreciation. Operating income also grew dramatically, surpassing ¥40 billion for the first time in six years as sales growth, exchange rates, and other positive factors overcame higher selling, general and administrative expenses and other expense items.

The entire Group stands ready in fiscal 2014 to push boldly forward to make it a year for accelerating growth ahead of completion of our mid-term business strategy "CS B2015". I kindly ask for the continued understanding and support of our shareholders and other stakeholders.

Representative Director & President
Toshikazu Koike

