

# Mid-term Business Strategy “CS B2015” Enters Fourth Year

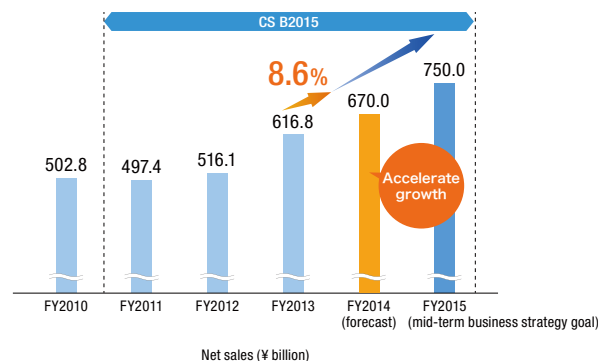
The Brother Group has formulated a mid- to long-term corporate vision — Global Vision 21 — in which we define three objectives for the Group.

Global  
Vision 21

- 1 To become a leading global company with high profitability
- 2 To become a world-class manufacturer by developing outstanding proprietary technologies
- 3 To embody Brother’s motto, “At your side,” throughout our corporate culture

The Brother Group has been formulating mid-term business strategies as a roadmap for achieving Global Vision 21, and the mid-term business strategy “CS B2015” launched in April 2011 focuses on key growth strategies under the theme “Back to Growth.”

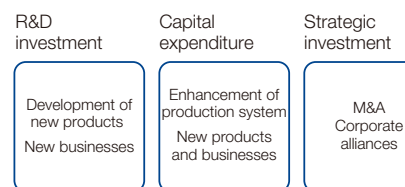
The business environment has undergone a host of changes since the formulation of our mid-term business strategy. Nevertheless, as we stand here today, devising a growth strategy and having built a globally optimized production framework, we are set to take a number of assertive actions to promote sales expansion in each business and operational region, including capital investment, R&D investment, and M&A activity, to spur expansion in new and existing businesses alike. Consequently, we are targeting net sales of ¥670.0 billion for fiscal 2014, and net sales of ¥750.0 billion for fiscal 2015.



## CS B2015 — Mid-Term Business Strategy “Back to Growth”

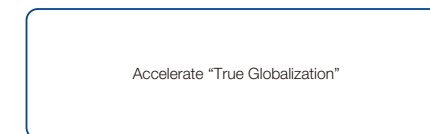
The Brother Group formulated the Mid-Term Business Strategy “CS B2015” for the period from fiscal 2011 to fiscal 2015 as a road map for achieving Global Vision 21. We have been striving to implement growth strategies under the new theme of CS B2015, “Back to Growth.”

### Investment strategy



### Strategic priorities of management infrastructure

Development / Production / Sales & Marketing / Human resources / CSR & Branding strategy



### Objective of each business

P&S business (Printer/ All-in-One/Electronic stationery)	Establish a strong position in SOHO*1/SMB*2 market by promoting a global growth strategy
P&H business (Home sewing machine)	Aim for steady growth and securing profitability
M&S business (Industrial sewing machine/Machine tool)	Establish growth and profit with products that are market leaders
N&C business (Online karaoke/ Contents service)	Establish Online karaoke business as a core and expand new business in the Network and Contents business
New businesses	Launch and expand businesses in new fields that will underpin the next generation, in the business categories that offer services and solutions, etc.

\*1 SOHO: Small Office, Home Office

\*2 SMB: Small and Medium Business. Refers to small offices, small and medium-sized companies, and company offices that have operations at different locations.

Priorities to achieve  
CS B2015

# P&S Printing & Solutions

Make aggressive investments for sales growth in all regions and expand sales

## Communications and printing equipment

Regarding printers and All-in-Ones, we will grow sales through aggressive sales investment in all operational regions.

### Developed nations

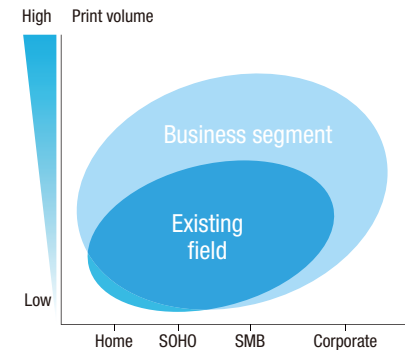
Along with maintaining a presence in existing sales channels, we will strengthen sales investment targeting small and medium business (SMB), the customer base that typically has great printing volume.

### Emerging nations

To encourage sale expansion of black-and-white laser models tailored to these nations, we will support promotion activities and augment our sales force, among other measures, to reinforce sales channels.

### Japan

In order to increase our share of inkjet products, we will continue to take measures that include an aggressive mass media strategy and highlighting the added-value appeal of our New Year's card application.



## Electronic stationery

In electronic stationery, our focus is on achieving stable growth in the office sector, accelerating growth in the solutions sector, expansion in emerging markets, and the rollout of new category products.



MFC-9340CDW  
Color laser All-in-One



HL-1110  
Black-and-white laser printer



DCP-J4215N  
Inkjet printer



TD-2130NSA  
Label printer



PT-2730  
Labeling system



PJ-673  
Mobile printer

Priorities to achieve  
CS B2015

# P&H Personal & Home

Strengthen development in emerging markets and craft business

In home sewing machines, along with sales expansion in middle class and high class models, we will increase sales in emerging markets.

Where commercial embroidery machines are concerned, our emphasis will be on winning new customers through sales force enhancement, proposing ways for using the products, and other actions.

For cutting machines, a product first launched for sale last year, we plan to promote sales expansion in the crafts market mainly through sales channel development, and continuously providing customers with information on new capabilities and ways to enjoy our products.



Priorities to achieve  
CS B2015

# M&S Machinery & Solution

## Industrial sewing machines

Expand market share by competitive products

In industrial sewing machines, our aim is to grow market share by launching lock-stitch sewing machines with high-rated usability. We will also establish a new company in Hong Kong, coupled with reorganizing and fortifying our sales bases in Asia, in a bid to boost sales by increasing points of contact with customers. Additionally, we will strengthen our hand in bonding machines, garment printers, and our lineup of other high-value-added products to improve customer satisfaction.

## Machine tools

Strengthen sales force to expand sales to clients in the automobile & motorcycle industries

In industrial machinery and equipment, we will build up our sales capabilities in machine tools for automobile and motorcycle manufacturers. Specifically, in addition to the launch of new products, we will beef up our technical centers in China and Southeast Asia, conduct regular customer support, and offer better technology support.

Priorities to achieve  
CS B2015

## N&C Network & Contents

In online karaoke machines for business use, we will reinforce our products and marketing capabilities to boost market share. We will also expand our direct management of karaoke shops, both to stabilize earnings and achieve steady growth. Other goals are to develop karaoke contents overseas, as well as to foster and expand new businesses by utilizing contents like Primotone (music box), and JOYBEAT



Karaoke shop



Primotone

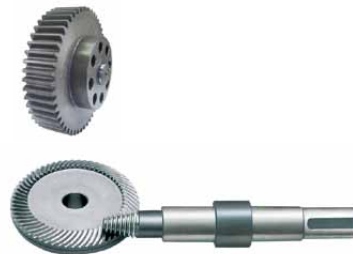
Priorities to achieve  
CS B2015

## Industrial Part

As part of efforts to rapidly realize synergies from the consolidation of Nissei Corporation in fiscal 2012, in tandem with bolstering our reducer business in North America, we will focus in the gear business on increasing our sales to the robotics industry. We are also putting a factory environment in place that will enable another dramatic leap forward.



Reducers



Gears

### New Businesses

Regarding scanners, in step with building up product competitiveness to grow our SOHO market share, we intend to have a full menu of software services on hand to enhance added value.

In web conferencing systems, along with conducting proactive marketing activities targeting small and medium business (SMB), we will promote solution proposals through a dedicated marketing team.



Document scanner  
ADS-2500W



Portable scanner  
ADS-1500W



Mobile scanner  
MDS-700D



Web conferencing systems  
OmniJoin