



May 9<sup>th</sup>, 2017

To whom it may concern:

Company: Brother Industries, Ltd.  
Representative: Toshikazu Koike, Representative Director & President  
(Code No. 6448 [First Section, Tokyo Stock Exchange and Nagoya Stock Exchange])  
Inquiry: Toshihiro Ito, Executive Officer in Charge of Finance & Accounting Dept.  
(Tel: 052.824.2075)

### Notice of Cancellation of Treasury Shares

[Cancellation of Treasury Shares Pursuant to Article 178 of the Company Act of Japan]

At the Board of Directors meeting held on May 9<sup>th</sup>, 2017, Brother Industries, Ltd. (the “Company”) resolved to cancel treasury shares pursuant to Article 178 of the Companies Act of Japan as outlined below:

1. Reason for the Cancellation

The Company will cancel most of its treasury shares with the intent of eliminating concerns about future shares dilution.

2. Details of Matters regarding the Cancellation

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|--|---|
| (1) The Type of Shares to be Cancelled   | Common stock  |
| (2) The Number of Shares to be Cancelled | 15,315,336 shares<br>(5.52% of the total number of shares<br>outstanding prior to cancellation) |
| (3) Scheduled Date of Cancellation       | May 31 <sup>st</sup> , 2017   |

[Reference]

Total number of issued shares after cancellation                      262,220,530 shares