



November 5, 2019

To whom it may concern:

Company: Brother Industries, Ltd.
Representative: Ichiro Sasaki, 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.
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**Revision of Consolidated Results Forecast for Fiscal Year Ending March 31, 2020,
Payment of Dividends from Surplus (Interim Dividends) and Revision of Year-End Dividend
Forecast**

Brother Industries, Ltd. (the “Company”) announced today that at a meeting of its Board of Directors held on November 5, 2019, based on the recent trend in results, it decided to revise the results forecast for the fiscal year ending March 31, 2020 (April 1, 2019 to March 31, 2020) disclosed at the time of the May 8, 2019 announcement of the Consolidated Results for the Fiscal Year ended March 31, 2019. In addition, the Company resolved to pay dividends from surplus earnings (interim dividends) to the shareholders for the date of record on September 30, 2019 and has revised the year-end dividend forecast for the fiscal year ending March 31, 201

1. Revision of results forecast

(1) Revision of consolidated results forecast values for the current fiscal year (April 1, 2019 to March 31, 2020)

(Billions of yen/ %/ JPY)

	Sales revenue	Operating profit	Profit before income taxes	Profit for the year	Profit for the period attributable to owners of the parent company	Basic earnings per share for the period (JPY)
Previous forecast (A)	690.0	65.0	65.0	48.9	48.5	186.71
Revised forecast (B)	642.0	60.5	59.8	44.6	44.5	171.30
Change (B-A)	-48.0	-4.5	-5.2	-4.3	-4.0	—
Change (%)	-7.0%	-6.9%	-8.0%	-8.8%	-8.2%	—
(Reference) Results for fiscal year ended March 31, 2019	684.0	71.9	72.3	54.2	53.9	207.54

(2) Reason for revisions

Due to the impact of factors such as the escalating trade friction between the United States and China and Britain's Brexit problems, there is increasing uncertainty about the future of the global economy. As a result, there has been a prolonged downturn in customers' equipment investment demand and a substantial decrease from the original forecast in the outlook for the Machinery business results. In addition, there have been negative effects from the revision of foreign exchange assumptions to a higher yen. Based on these factors, the forecast results for the fiscal year ending March 31, 2020 have been revised as set forth above.

2. Payment of dividends from surplus (interim dividends) and revision of the year-end dividend forecast

(1) Details of payment of dividends from surplus (interim dividends)

	Amount resolved to be paid	Most recent dividends forecast (announced on May 8, 2019)	Dividends paid in previous fiscal year (midterm fiscal year ended March 31, 2019)
Record date	September 30, 2019	September 30, 2019	September 30, 2018
Dividend per share	30 yen	33 yen	30 yen
Total dividends	7,803 million yen		7,802 million yen
Effective date	November 29, 2019		November 30, 2018
Dividends resource	Retained earnings		Retained earnings

(2) Details of revision of the year-end dividend forecast

	Dividend per share (JPY)		
	Interim	Year-end	Annual
Previous forecast announced on May 8, 2019	33	33	66
Revised forecast		30	60
Dividened for FY2019	30		
Dividened for FY2018 (Actual)	30	30	60

(3) Details of revision of the year-end dividend forecast

The Company sets a basic policy on providing stable return to shareholders, taking into consideration maintaining adequate levels of internal reserves for investment for future growth, cash flow, and other factors. In FY 2021, which is the final year of our new medium-term business strategy, CS B2021, we are implementing stable return of profits with the aim of a consolidated dividend payout ratio of 35% to promote return of profits while carrying out investment to establish a firm foothold for future growth “Towards the Next Level.” We have also decided to pay yearly dividends at a minimum level of 60 yen per share, except in times of a marked downturn in business results due to rapidly worsening business conditions.

With regard to the dividends for the current fiscal year, based on the reduction in the forecast consolidated results for the fiscal year ending March 31, 2020 and the policy on return of profits referred to above, we have recalculated the dividends and the Company will pay dividends for the second quarter of the current fiscal year at the same level of 30 yen per share as in the second quarter of the previous fiscal year, and the year-end dividend forecast will also become the same amount as in the previous fiscal year of 30 yen per share. As a result, the annual dividend for the fiscal year ending March 31, 2020 will become 60 yen per share and the consolidated dividend payout ratio is expected to be 35%.