

Highlights of Consolidated Results for Fiscal Year ended March 31, 2021

	Millions of yen (except for per share amounts)			Change	
	Year ended Mar 31, 2020		Year ended Mar 31, 2021		
Revenue	Y	637,259	Y	631,812	-0.9 %
Business segment profit		66,942		78,076	16.6 %
Operating profit		67,329		42,731	-36.5 %
Profit before income taxes		67,046		42,944	-36.0 %
Profit for the period		49,699		24,659	-50.4 %
Profit for the period attributable to owners of the parent company		49,566		24,520	-50.5 %
Comprehensive income for the period		19,826		69,474	250.4 %
Basic earnings per share for the period (yen)		190.80		94.36	
Diluted earnings per share for the period (yen)		190.21		94.07	
Dividends per common share (yen)		60.00		60.00	

(Note) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

	As of Mar. 31, 2020		As of Mar. 31, 2021	
	Y		Y	
Total assets		731,472		743,896
Total equity		445,171		499,707
Equity attributable to owners of the parent company		428,520		483,050
Equity attributable to owners of the parent company ratio		58.6 %		64.9 %
Equity attributable to owners of the parent company per share (yen)		1,649.22		1,858.28

	Year ended Mar 31, 2020		Year ended Mar 31, 2021	
	Y		Y	
Net cash provided by operating activities		87,748		109,265
Net cash provided by (used in) investing activities		(27,955)		(25,080)
Net cash provided by (used in) financing activities		(14,916)		(74,038)
Cash and cash equivalents at end of period		168,422		191,002

Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2022

	Millions of yen (except for per share amounts)				
	Year ended Mar. 31, 2021	[Forecast]		Change	
		Year ended Mar. 31, 2021	Year ended Mar. 31, 2022		
Revenue	Y	631,812	Y	626,000	-0.9 %
Business segment profit		78,076		60,000	-23.2 %
Operating profit		42,731		60,000	40.4 %
Profit before income taxes		42,944		59,500	38.6 %
Profit for the period		24,659		42,500	72.3 %
Profit for the period attributable to owners of the parent company		24,520		42,500	73.3 %
Basic earnings per share for the period (yen)		94.36		163.54	
Dividends per common share (yen)		60.00		60.00	

(Note) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

Notes:

- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
- Amounts less than 1 million yen have been rounded down.
- Yen amounts for the year ended Mar 31, 2021 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=110.00 yen, in the accompanying consolidated financial statements.
- Operating results for the year ended Mar 31, 2021 are based on the following currency exchange rates:
Actual average rates for the year ended Mar 31, 2021: US\$=106.17 yen, EURO=123.73 yen
Forecasts for the year ending Mar. 31, 2022 are based on the following currency exchange rates:
Assumed average rates for the year ending Mar. 31, 2022: US\$=103.00 yen, EURO=125.00 yen
- Number of shares outstanding (including treasury stock): 262,220 thousands as of Mar. 31, 2020, 262,220 thousands as of Mar 31, 2021
Number of treasury stock outstanding: 2,388 thousands as of Mar. 31, 2020, 2,276 thousands as of Mar. 31, 2021
Number of weighted average shares:
259,781 thousands during the year ended March 31, 2020, 259,868 thousands during the year ended March 31, 2021
- Changes in Accounting Policies: Amendment to IFRS 16 Leases
The Brother Group early applied the practical expedient in paragraph 46A from the first quarter of the year ending March 31, 2021.
- Impact of COVID-19
Regarding the impact of COVID-19, it is impossible to predict when it will end and how it will affect future cash-flow. Although the global GDP forecast is on a recovery trend, the degree of recovery will vary depending on the country/region. Due to these differences and other reasons, the uncertainty over the Group's future business activities continues.
The Group has made estimates and judgements involving estimations that the current situation will affect its consolidated financial performance for the year ending Mar. 31, 2022. The Group's consolidated financial statements for the year ending Mar. 31, 2022 and onwards (particularly, impairment losses of property, plant and equipment, right-of-use assets, intangible assets, including goodwill, and investment property) may be significantly affected depending on the actual outcome.

Consolidated Statement of Financial Position

	Millions of yen		Thousands of U.S. dollars
	As of Mar. 31, 2020	As of Mar 31, 2021	As of Mar 31, 2021
Assets			
Current assets			
Cash and cash equivalents	Y 168,422	Y 191,002	\$ 1,736,382
Trade and other receivables	95,067	93,055	845,955
Other financial assets	11,277	8,391	76,282
Inventories	117,858	120,186	1,092,600
Other current assets	15,554	16,070	146,091
Subtotal	408,179	428,705	3,897,318
Non-current assets classified as held for sale	601	45	409
Total current assets	408,780	428,751	3,897,736
Non-current assets			
Property, plant and equipment	104,204	107,742	979,473
Right-of-use assets	25,727	20,835	189,409
Investment property	8,122	8,248	74,982
Goodwill and intangible assets	134,409	118,196	1,074,509
Investments accounted for using the equity method	1,594	1,772	16,109
Other financial assets	27,871	36,042	327,655
Deferred tax assets	14,533	14,842	134,927
Other non-current assets	6,229	7,464	67,855
Total non-current assets	322,692	315,145	2,864,955
Total assets	Y 731,472	Y 743,896	\$ 6,762,691
Equity and liabilities			
Liabilities			
Current liabilities			
Trade and other payables	Y 51,041	Y 54,589	\$ 496,264
Bonds and borrowings	50,361	19,167	174,245
Other financial liabilities	8,482	9,887	89,882
Income taxes payable	3,455	6,779	61,627
Provisions	3,349	4,015	36,500
Contract liabilities	4,413	5,636	51,236
Other current liabilities	48,813	51,412	467,382
Total current liabilities	169,918	151,489	1,377,173
Non-current liabilities			
Bonds and borrowings	56,650	38,290	348,091
Other financial liabilities	28,540	23,295	211,773
Retirement benefits liabilities	20,261	19,316	175,600
Provisions	2,986	2,848	25,891
Deferred tax liabilities	5,564	6,394	58,127
Contract liabilities	1,189	1,506	13,691
Other non-current liabilities	1,188	1,047	9,518
Total non-current liabilities	116,382	92,700	842,727
Total liabilities	286,300	244,189	2,219,900
Equity			
Capital stock	19,209	19,209	174,627
Capital surplus	17,632	17,652	160,473
Retained earnings	491,803	509,662	4,633,291
Treasury stock	(2,597)	(2,477)	(22,518)
Other components of equity	(97,526)	(60,998)	(554,527)
Equity attributable to owners of the parent company	428,520	483,050	4,391,364
Non-controlling interests	16,650	16,657	151,427
Total equity	445,171	499,707	4,542,791
Total equity and liabilities	Y 731,472	Y 743,896	\$ 6,762,691

Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	Year ended Mar 31, 2020	Year ended Mar 31, 2021	Year ended Mar 31, 2021
Revenue	Y 637,259	Y 631,812	\$ 5,743,745
Cost of sales	(354,987)	(345,209)	(3,138,264)
Gross profit	282,272	286,602	2,605,473
Selling, general and administrative expenses	(215,330)	(208,526)	(1,895,691)
Other income	3,264	6,107	55,518
Other expenses	(2,876)	(41,451)	(376,827)
Operating profit	67,329	42,731	388,464
Finance income	2,289	2,209	20,082
Finance expenses	(2,700)	(2,231)	(20,282)
Share of profit/(loss) of investments accounted for using the equity method	128	235	2,136
Profit before income taxes	67,046	42,944	390,400
Income tax expenses	(17,347)	(18,285)	(166,227)
Profit for the period	49,699	24,659	224,173
Profit for the period attributable to:			
Owners of the parent company	49,566	24,520	222,909
Non-controlling interests	132	138	1,255
Profit for the period	Y 49,699	Y 24,659	\$ 224,173
Earnings per share:	Yen	Yen	U.S. dollars
Basic earnings per share	Y 190.80	Y 94.36	\$ 0.86
Diluted earnings per share	190.21	94.07	0.86

Consolidated Statement of Comprehensive Income

	Millions of yen		Thousands of U.S. dollars
	Year ended Mar 31, 2020	Year ended Mar 31, 2021	Year ended Mar 31, 2021
Profit for the period	Y 49,699	Y 24,659	\$ 224,173
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Gains/(Losses) on investments in equity instruments designated as FVTOCI	(1,948)	6,128	55,709
Remeasurement of net defined benefit liability (asset)	(1,933)	2,128	19,345
Share of other comprehensive income of investments accounted for using the equity method	(17)	(7)	(64)
Total of items that will not be reclassified subsequently to profit or loss	(3,899)	8,248	74,982
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	(25,973)	36,565	332,409
Total of items that may be reclassified subsequently to profit or loss	(25,973)	36,565	332,409
Other comprehensive income for the period, net of income tax	(29,873)	44,814	407,400
Comprehensive income for the period	19,826	69,474	631,582
Comprehensive income for the period attributable to:			
Owners of the parent company	19,729	69,219	629,264
Non-controlling interests	96	255	2,318
Comprehensive income for the period	Y 19,826	Y 69,474	\$ 631,582

Consolidated Statement of Changes in Equity

Year ended Mar 31, 2020

	Millions of yen										
	Equity attributable to owners of the parent company				Other components of equity						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Remeasurement of net defined benefit liability (asset)	Total	Total	Non-controlling interests	Total equity
Balance as of Mar. 31, 2019	19,209	17,577	462,244	(2,694)	(71,577)	-	-	(71,577)	424,759	16,833	441,593
Cumulative effect of adoption of the new accounting standards	-	-	(494)	-	-	-	-	-	(494)	(8)	(503)
Balance as of Apr. 1, 2019	19,209	17,577	461,749	(2,694)	(71,577)	-	-	(71,577)	424,264	16,825	441,090
Profit for the period	-	-	49,566	-	-	-	-	-	49,566	132	49,699
Other comprehensive income	-	-	-	-	(25,949)	(1,927)	(1,959)	(29,836)	(29,836)	(36)	(29,873)
Total comprehensive income for the period	-	-	49,566	-	(25,949)	(1,927)	(1,959)	(29,836)	19,729	96	19,826
Acquisition of treasury stock	-	-	-	(10)	-	-	-	-	(10)	-	(10)
Disposal of treasury stock	-	(76)	(18)	107	-	-	-	-	12	-	12
Dividends paid	-	-	(15,607)	-	-	-	-	-	(15,607)	(270)	(15,877)
Share-based payment transaction	-	131	-	-	-	-	-	-	131	-	131
Reclassification to retained earnings	-	-	(3,887)	-	-	1,927	1,959	3,887	-	-	-
Total transactions with owners	-	54	(19,513)	97	-	1,927	1,959	3,887	(15,474)	(270)	(15,744)
Balance as of Mar 31, 2020	19,209	17,632	491,803	(2,597)	(97,526)	-	-	(97,526)	428,520	16,650	445,171

Year ended Mar 31, 2021

	Millions of yen										
	Equity attributable to owners of the parent company				Other components of equity						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Remeasurement of net defined benefit liability (asset)	Total	Total	Non-controlling interests	Total equity
Balance as of Apr. 1, 2020	19,209	17,632	491,803	(2,597)	(97,526)	-	-	(97,526)	428,520	16,650	445,171
Profit for the period	-	-	24,520	-	-	-	-	-	24,520	138	24,659
Other comprehensive income	-	-	-	-	36,528	6,057	2,112	44,698	44,698	116	44,814
Total comprehensive income for the period	-	-	24,520	-	36,528	6,057	2,112	44,698	69,219	255	69,474
Acquisition of treasury stock	-	-	-	(17)	-	-	-	-	(17)	-	(17)
Disposal of treasury stock	-	(100)	-	137	-	-	-	-	37	-	37
Dividends paid	-	-	(14,830)	-	-	-	-	-	(14,830)	(248)	(15,079)
Share-based payment transaction	-	120	-	-	-	-	-	-	120	-	120
Reclassification to retained earnings	-	-	8,170	-	-	(6,057)	(2,112)	(8,170)	-	-	-
Total transactions with owners	-	20	(6,660)	120	-	(6,057)	(2,112)	(8,170)	(14,689)	(248)	(14,938)
Balance as of Mar 31, 2021	19,209	17,652	509,662	(2,477)	(60,998)	-	-	(60,998)	483,050	16,657	499,707

Year ended Mar 31, 2021

	Thousands of U.S. dollars									
	Equity attributable to owners of the parent company				Other components of equity					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(Losses) on investments in equity instruments designated as FVTOCI	Remeasurement of net defined benefit liability (asset)	Total	Total	Non-controlling interests
Balance as of Apr. 1, 2020	174,627	160,291	4,470,936	(23,609)	(886,600)	-	-	3,895,636	151,364	4,047,009
Profit for the period	-	-	222,909	-	-	-	-	222,909	1,255	224,173
Other comprehensive income	-	-	-	-	332,073	55,064	19,200	406,345	1,055	407,400
Total comprehensive income for the period	-	-	222,909	-	332,073	55,064	19,200	629,264	2,318	631,582
Acquisition of treasury stock	-	-	-	(155)	-	-	-	(155)	-	(155)
Disposal of treasury stock	-	(909)	-	1,245	-	-	-	336	-	336
Dividends paid	-	-	(134,818)	-	-	-	-	(134,818)	(2,255)	(137,082)
Share-based payment transaction	-	1,091	-	-	-	-	-	1,091	-	1,091
Reclassification to retained earnings	-	-	74,273	-	-	(55,064)	(19,200)	-	-	-
Total transactions with owners	-	182	(60,545)	1,091	-	(55,064)	(19,200)	(133,536)	(2,255)	(135,800)
Balance as of Mar 31, 2021	174,627	160,473	4,633,291	(22,518)	(554,527)	-	-	4,391,364	151,427	4,542,791

Consolidated Statement of Cash Flows

	Millions of yen		Thousands of U.S. dollars
	Year ended Mar 31, 2020	Year ended Mar 31, 2021	Year ended Mar 31, 2021
Cash flows from operating activities			
Profit before income taxes	Y 67,046	Y 42,944	\$ 390,400
Depreciation and amortization	40,197	38,252	347,745
Impairment loss	429	30,787	279,882
Finance expenses/(income)	411	22	200
Share of loss/(profit) of investments accounted for using the equity method	(128)	(235)	(2,136)
Losses/(gains) on sale and disposal of fixed assets	289	859	7,809
Decrease/(increase) in trade and other receivables	1,658	7,484	68,036
Decrease/(increase) in inventories	6,053	3,953	35,936
Increase/(decrease) in trade and other payables	(9,366)	1,232	11,200
Decrease/(increase) in retirement benefit assets	66	(831)	(7,555)
Increase/(decrease) in retirement benefit liabilities	3,161	(1,863)	(16,936)
Other	(1,323)	3,643	33,118
Subtotal	108,496	126,250	1,147,727
Interest received	1,028	877	7,973
Dividends received	360	312	2,836
Interest paid	(1,365)	(1,229)	(11,173)
Income taxes paid	(20,772)	(16,945)	(154,045)
Net cash provided by operating activities	Y 87,748	Y 109,265	\$ 993,318
Cash flows from investing activities			
Purchases of property, plant and equipment	(16,872)	(20,655)	(187,773)
Proceeds from sales of property, plant and equipment	1,172	1,674	15,218
Purchases of intangible assets	(9,212)	(6,859)	(62,355)
Purchases of investments in equity instruments	(834)	(238)	(2,164)
Proceeds from sales of investments in equity instruments	859	706	6,418
Purchase of investments in debt instruments	(7,537)	(7,299)	(66,355)
Proceeds from sales or redemption of investments in debt instruments	7,666	8,541	77,645
Payments for acquisition of business	(2,030)	-	-
Other	(1,166)	(950)	(8,636)
Net cash provided by (used in) investing activities	Y (27,955)	Y (25,080)	\$ (228,000)
Cash flows from financing activities			
Proceeds from short-term borrowings	29,873	-	-
Repayment of short-term borrowings	-	(30,012)	(272,836)
Proceeds from long-term borrowings	200	200	1,818
Repayment of long-term borrowings	(20,197)	(200)	(1,818)
Redemption of bonds	(92)	(20,140)	(183,091)
Repayment of lease obligations	(8,813)	(8,798)	(79,982)
Dividends paid	(15,607)	(14,830)	(134,818)
Dividends paid to non-controlling interests	(270)	(248)	(2,255)
Other	(8)	(6)	(55)
Net cash provided by (used in) financing activities	Y (14,916)	Y (74,038)	\$ (673,073)
Effect of exchange rate changes on cash and cash equivalents	(7,606)	12,434	113,036
Net increase/(decrease) in cash and cash equivalents	37,270	22,580	205,273
Cash and cash equivalents at the beginning of the period	131,152	168,422	1,531,109
Cash and cash equivalents at the end of the period	Y 168,422	Y 191,002	\$ 1,736,382

Segment Information

Year ended Mar 31, 2020

	Millions of yen								
	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Revenue									
Customers	390,687	40,864	74,814	49,108	67,537	14,247	637,259	-	637,259
Intersegment	-	-	-	-	656	11,223	11,880	(11,880)	-
Total	390,687	40,864	74,814	49,108	68,193	25,471	649,139	(11,880)	637,259
Business segment profit	57,105	3,129	694	2,087	3,786	397	67,199	(257)	66,942
Other income and expenses	(24)	45	(81)	(222)	131	539	387	-	387
Operating profit	57,080	3,174	612	1,864	3,918	936	67,587	(257)	67,329
Finance income and expenses									(411)
Share of profit/(loss) of investments accounted for using the equity method									128
Profit before income taxes									67,046

Year ended Mar 31, 2021

	Millions of yen								
	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Revenue									
Customers	384,766	53,668	78,917	31,044	69,824	13,591	631,812	-	631,812
Intersegment	-	-	-	-	557	11,697	12,254	(12,254)	-
Total	384,766	53,668	78,917	31,044	70,381	25,289	644,067	(12,254)	631,812
Business segment profit/(loss)	65,151	9,803	4,120	(5,159)	4,753	(484)	78,184	(108)	78,076
Other income and expenses	(4,162)	(161)	(816)	(2,188)	(28,694)	678	(35,344)	-	(35,344)
Operating profit/(loss)	60,989	9,641	3,303	(7,348)	(23,940)	194	42,840	(108)	42,731
Finance income and expenses									(22)
Share of profit/(loss) of investments accounted for using the equity method									235
Profit before income taxes									42,944

Year ended Mar 31, 2021

	Thousand of U.S. dollars								
	Reportable segments						Total	Reconciliations	Consolidated
	Printing & Solutions	Personal & Home	Machinery	Network & Contents	Domino	Others			
Revenue									
Customers	3,497,873	487,891	717,427	282,218	634,764	123,555	5,743,745	-	5,743,745
Intersegment	-	-	-	-	5,064	106,336	111,400	(111,400)	-
Total	3,497,873	487,891	717,427	282,218	639,827	229,900	5,855,155	(111,400)	5,743,745
Business segment profit/(loss)	592,282	89,118	37,455	(46,900)	43,209	(4,400)	710,764	(982)	709,782
Other income and expenses	(37,836)	(1,464)	(7,418)	(19,891)	(260,855)	6,164	(321,309)	-	(321,309)
Operating profit/(loss)	554,445	87,645	30,027	(66,800)	(217,636)	1,764	389,455	(982)	388,464
Finance income and expenses									(200)
Share of profit/(loss) of investments accounted for using the equity method									2,136
Profit before income taxes									390,400

Notes:

1) Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Machinery	Industrial Sewing Machines, Garment Printers, Machine Tools, Reducers, Gears, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.
Domino	Coding & Marking Equipment, Digital Printing Equipment, etc.
Others	Real Estate, etc.

2) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.