

**Fiscal Year 2021** (ended March 31, 2022)

## Financial Results

**Brother Industries, Ltd.**

**May 11, 2022**

Information on this report, other than historical facts, refers to future prospects and performance, and has been prepared by our Management on the basis of information available at the time of the announcement. This covers various risks, including, but not limited to, economic conditions, customer demand, foreign currency exchange rates, tax rules, regulation and other factors. As a result, actual future performance may differ from any forecasts contained on this report.

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# Highlights

## Results for FY2021

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### ◆ Sales revenue **710.9 billion yen/ +12.5% (year-on-year)**

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- ✓ Revenue increased, due mainly to firm performance of the Machinery and P&S businesses, in addition to positive FX effects.

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### ◆ Business segment profit **84.6 billion yen/ +8.3% (year-on-year)**

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- ✓ Despite a continued increase in logistics costs and parts and materials costs, profit increased, due to increased gross profit in the Machinery and P&S businesses and higher average unit prices in the P&S business, in addition to positive FX effects.

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### ◆ Operating profit **85.5 billion yen/ +100.1% (year-on-year)**

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- ✓ Operating profit increased significantly due to the absence of impairment losses on a part of goodwill in the Domino business, which were recorded in the previous fiscal year.

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### ◆ Net income\* **61.0 billion yen/ +148.9% (year-on-year)**

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\*: Net income attributable to owners of the parent

# Highlights

## (Forecast for FY2022/Shareholder returns)

### Forecast for FY2022

◆ **Sales revenue** **775.0 billion yen/ +9.0% (year-on-year)**

◆ **Business segment profit** **73.0 billion yen/ -13.7% (year-on-year)**

- ✓ While factoring in the impact of soaring logistics costs and parts and materials costs as well as difficulties in procurement of parts and materials as risk factors, the Company will implement prior investments for the future as stated in the Medium-Term Business Strategy CS B2024.
- ✓ Sales revenue is expected to increase due to positive FX effects, while business segment profit is expected to decrease due to various risks.

### Shareholder returns

- ✓ Annual dividend for FY2021 of 64 yen per share (planned) (4 yen increase)
- ✓ Share repurchases of up to 10 billion yen are underway (period: February 2-July 29, 2022)
- ✓ Annual dividend for FY2022 of 68 yen per share (planned) (4 yen increase)

# Results for FY2021

# Consolidated Results for FY2021

Both revenue and profit increased, due mainly to firm performance of the Machinery and P&S businesses, in addition to positive FX effects.  
Operating profit and all items below it increased significantly due to the absence of impairment losses and other losses recorded in the previous year.

(100 Millions of Yen)

	FY20 Actual	FY21 Actual	Change	Rate of Change (w/o FX)	Previous Forecast	Change	Rate of Change
Sales Revenue	6,318	<b>7,109</b>	791	12.5% (+6.4%)	7,000	109	1.6%
Business Segment Profit	781	<b>846</b>	65	8.3%	810	36	4.4%
Business Segment Profit Ratio	12.4%	<b>11.9%</b>			11.6%		
Other income/expense	-353	<b>9</b>	363		10	-1	
Operating Profit	427	<b>855</b>	428	100.1%	820	35	4.3%
Operating Profit Ratio	6.8%	<b>12.0%</b>			11.7%		
Income before Tax	429	<b>864</b>	435	101.3%	825	39	4.8%
Net Income	245	<b>610</b>	365	148.9%	580	30	5.2%
USD	106.17	<b>112.86</b>			111.14		
EUR	123.73	<b>131.01</b>			129.92		

<Ref.> FX sensitivity\* (FY21 Results)  
(billions of yen) Sales Business Segment Profit

USD	1.6	-0.1
EUR	1.1	1.0

\*Annual impact of JPY 1 change

# Results for FY2021 by Business Segment

(100 Millions of Yen)

		FY20 Act	FY21 Act	change	Previous Fct	FY21 Act	change
<b>Printing &amp; Solutions</b>	Sales Revenue	3,848	4,242	395	4,198	4,242	44
	Business Segment Profit	652	598	-54	580	598	18
	Operating Profit	610	594	-16	593	594	1
<b>Personal &amp; Home</b>	Sales Revenue	537	500	-37	495	500	5
	Business Segment Profit	98	81	-17	82	81	-1
	Operating Profit	96	82	-14	84	82	-2
<b>Machinery</b>	Sales Revenue	789	1,113	324	1,063	1,113	50
	Business Segment Profit	41	140	98	119	140	21
	Operating Profit	33	139	106	120	139	19
<b>Network &amp; Contents</b>	Sales Revenue	310	296	-15	301	296	-5
	Business Segment Profit	-52	-27	25	-28	-27	1
	Operating Profit	-73	-6	68	-7	-6	1
<b>Domino</b>	Sales Revenue	698	817	119	795	817	22
	Business Segment Profit	48	49	1	51	49	-2
	Operating Profit	-239	50	289	49	50	1
<b>Other</b>	Sales Revenue	136	141	5	148	141	-7
	Business Segment Profit	-5	7	11	6	7	1
	Operating Profit	2	-4	-5	-19	-4	15
<b>Total</b>	Sales Revenue	6,318	7,109	791	7,000	7,109	109
	Business Segment Profit	781	846	65	810	846	36
	Operating Profit	427	855	428	820	855	35

\*Not including elimination amount by inter-segment transaction.



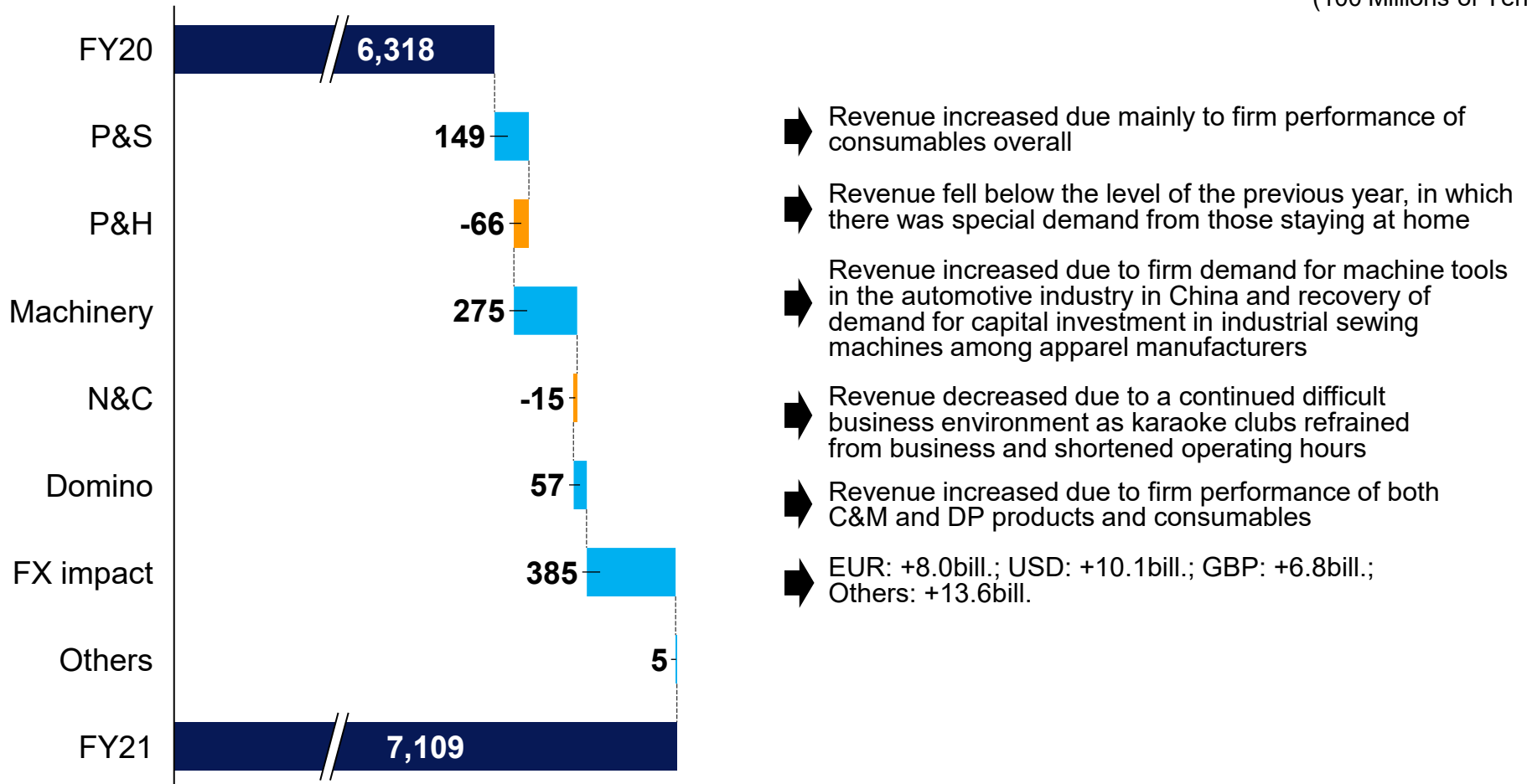
Both revenue and profit remained firm, despite difficulties in procuring parts and materials, as well as soaring costs of parts, materials, and logistics continued.

Business	Review
All Business	<ul style="list-style-type: none"> <li>• Soaring transportation costs</li> <li>• Difficulty in procurement of parts and materials, as well as soaring prices of parts and materials</li> <li>• Plant shutdowns and declines in operating rates due to the spread of COVID-19</li> </ul>
P&S	<ul style="list-style-type: none"> <li>• Increased demand for small-size All-in-Ones and printers due to the prevalence of working and studying from home</li> <li>• Delays in production and supply in the overall market, continuing inventory shortages</li> </ul>
P&H	<ul style="list-style-type: none"> <li>• Although stay-at-home demand seems to have run its course, demand for mid- to high-end equipment remained firm due to factors such as increased demand for equipment for second business purposes</li> </ul>
Machinery	<ul style="list-style-type: none"> <li>• Industrial Sewing Machines :                (Industrial Sewing Machines) Demand recovered for those for apparel markets, especially in Asia and China                (Garment Printers) Customization demand continues to grow, especially in the US and Europe</li> <li>• Machine Tools : Sales to the automotive-related markets in China were strong</li> <li>• Industrial Parts : Sales remained momentum due to recovery of demand for capital investment</li> </ul>
N&C	<ul style="list-style-type: none"> <li>• Severe business environment continued as karaoke clubs refrained from business and shortened operating hours</li> <li>• Reduced fixed costs by closing unprofitable karaoke clubs , etc.</li> </ul>
Domino	<ul style="list-style-type: none"> <li>• Customers' demand for capital investment is on a recovery trend. Both C&amp;M and DP maintained momentum</li> </ul>

## Main Factors for Changes in Sales Revenue

Revenue increased, due mainly to firm performance of the Machinery and P&S businesses, in addition to positive FX effects.

(100 Millions of Yen)

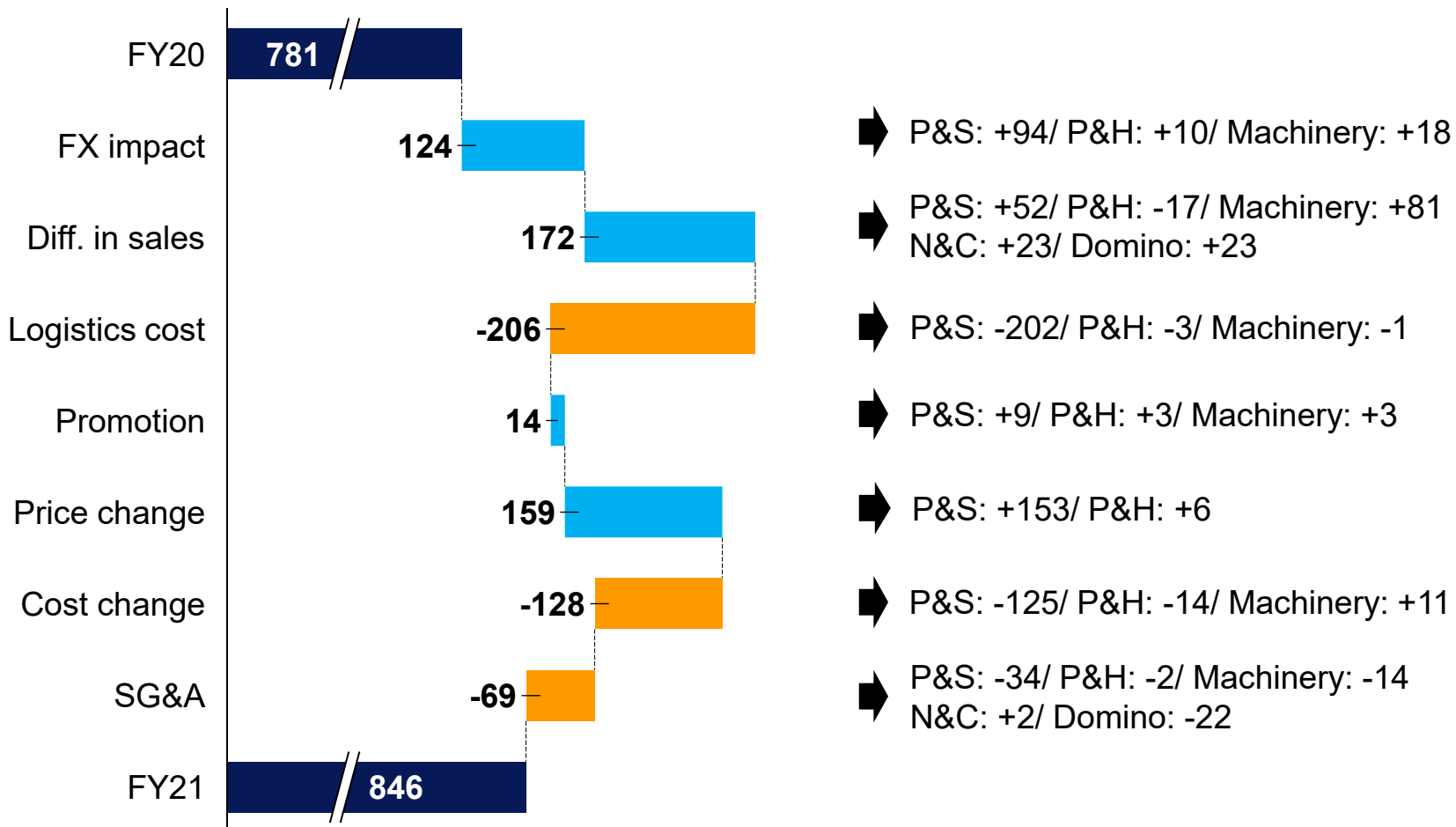


\* Amounts of change are on a results basis excluding foreign exchange effects

## Main Factors for Changes in Business Segment Profit

Despite continued increases in logistics costs and parts and materials costs, profit increased, mainly due to increased gross profit in the Machinery and P&S businesses and higher average unit prices in the P&S business, in addition to positive FX effects.

(100 Millions of Yen)

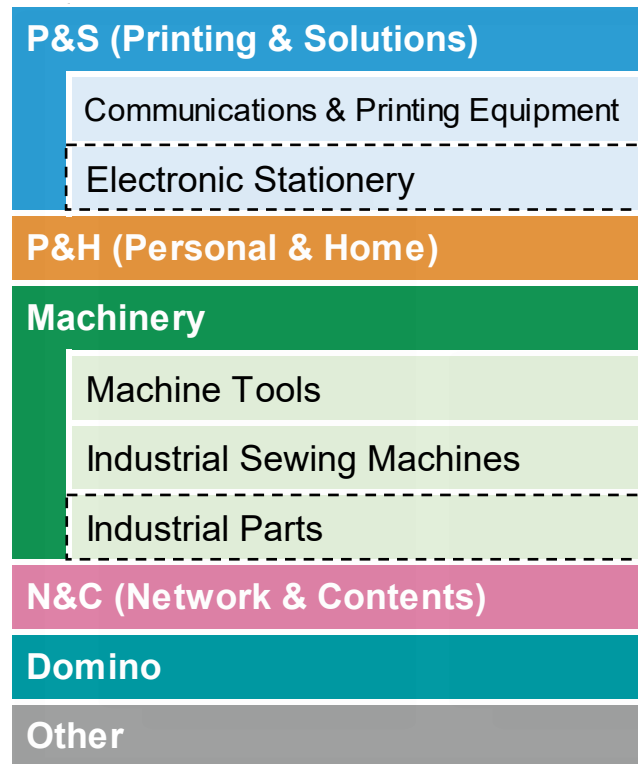


# Forecast for FY2022

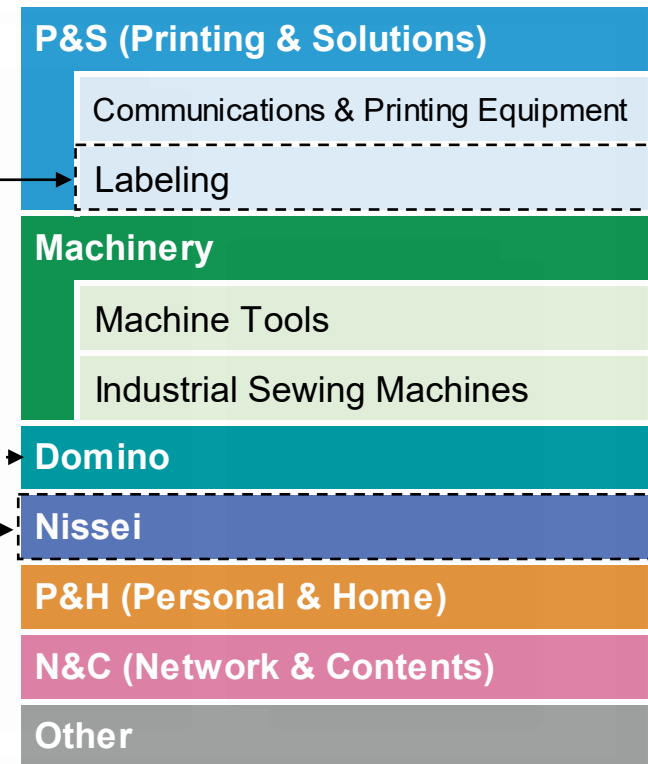
# Changes in Disclosed Segments

From FY2022 onward, the disclosed segments will be changed as follows.

Disclosed segments before the changes  
(to FY2021)



Disclosed segments after the changes  
(from FY2022)



Change of name

Independent as Nissei Business

Integration of Industrial Printing Business into Domino Business

Change the sorting order

\* Sub-businesses within P&S and Machinery businesses disclose sales only.

- Exchange rate precondition: USD 122.00 yen, EUR 133.00 yen
- The global economy is gradually normalizing from the impact of COVID-19, but the outlook remains uncertain due to heightened geopolitical risks
- Factoring in risks such as logistics disruption and difficulties in procurement of parts and materials
- Implementing prior investments for the future as stated in the Medium-Term Business Strategy CS B2024

While factoring in various risks, the Company will make prior investments for the future as stated in CS B2024. Sales revenue is expected to increase due to positive FX effects and profit to decrease.

(100 Millions of Yen)

	FY21 Actual	FY22 Forecast	Change	Rate of Change (w/o FX)
Sales Revenue	7,109	<b>7,750</b>	641	9.0% (+4.5%)
Business Segment Profit	846	<b>730</b>	-116	-13.7%
Business Segment Profit Ratio	11.9%	<b>9.4%</b>		
Other income/expense	9	<b>0</b>	-9	
Operating Profit	855	<b>730</b>	-125	-14.6%
Operating Profit Ratio	12.0%	<b>9.4%</b>		
Income before Tax	864	<b>730</b>	-134	-15.5%
Net Income	610	<b>510</b>	-100	-16.4%
USD	112.86	<b>122.00</b>		
EUR	131.01	<b>133.00</b>		

# Forecast for FY2022 by Business Segment

(100 Millions of Yen)

		FY21 Act	FY22 Fct	change
<b>Printing &amp; Solutions</b>	Sales Revenue	4,242	4,553	311
	Business Segment Profit	598	485	-113
	Operating Profit	594	485	-109
<b>Machinery</b>	Sales Revenue	905	1,070	165
	Business Segment Profit	126	135	9
	Operating Profit	126	136	10
<b>Domino</b>	Sales Revenue	847	900	53
	Business Segment Profit	52	43	-9
	Operating Profit	43	42	-1
<b>Nissei</b>	Sales Revenue	207	220	13
	Business Segment Profit	14	18	4
	Operating Profit	13	16	3
<b>Personal &amp; Home</b>	Sales Revenue	500	513	13
	Business Segment Profit	81	60	-21
	Operating Profit	82	60	-22
<b>Network &amp; Contents</b>	Sales Revenue	296	369	73
	Business Segment Profit	-27	4	31
	Operating Profit	-6	4	10
<b>Other</b>	Sales Revenue	111	125	14
	Business Segment Profit	4	-15	-19
	Operating Profit	3	-13	-16
<b>Total</b>	Sales Revenue	7,109	7,750	641
	Business Segment Profit	846	730	-116
	Operating Profit	855	730	-125

\*Not including elimination amount by inter-segment transaction.

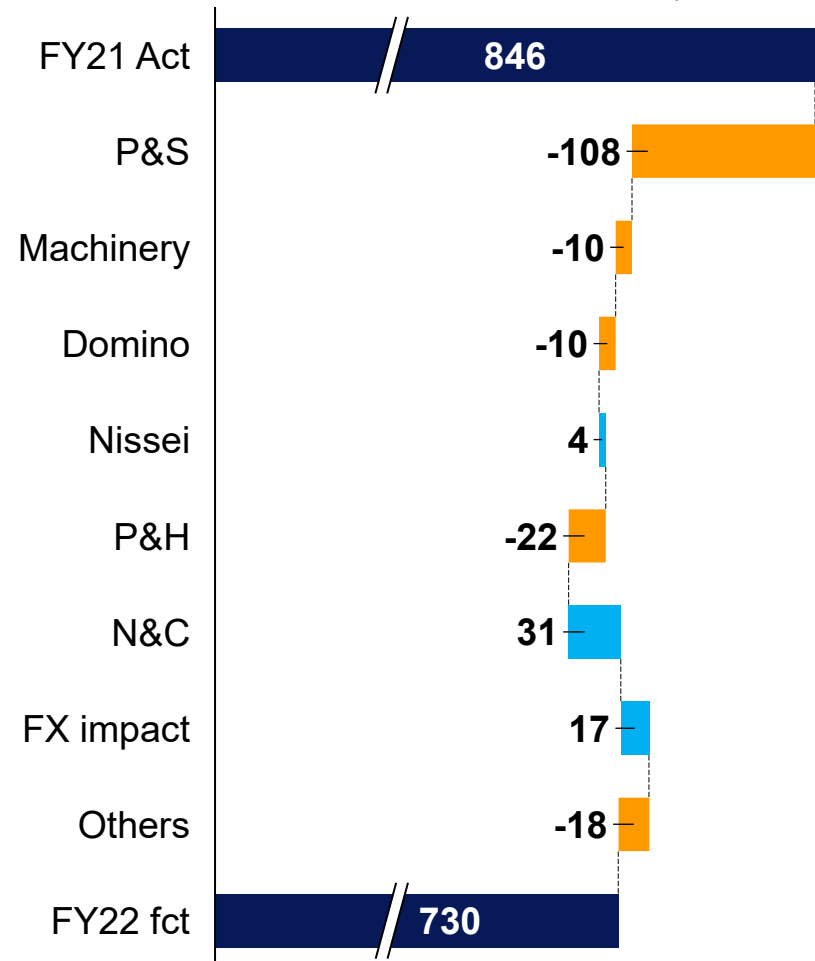
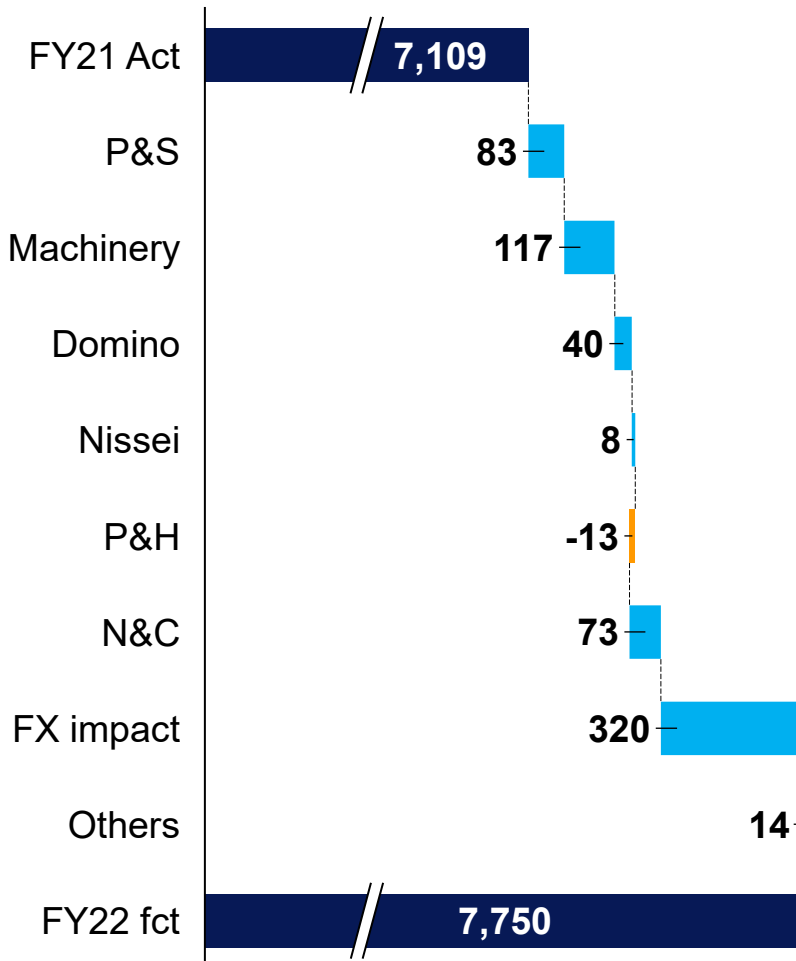


## Changes in Sales Revenue / Business Segment Profit

### Changes in Sales Revenue

### Changes in Business Segment Profit

(100 Millions of Yen)



\* Amounts of change are on a results basis excluding foreign exchange effects

# Shareholder Returns

## [Dividend forecast]

- Annual dividend for FY2021 of 64 yen per share (4 yen increase)
- Annual dividend for FY2022 of 68 yen per share (4 yen increase)

	Interim dividend	Year-end dividend	Annual dividend
FY2020	27 yen	33 yen	60 yen
FY2021	30 yen	34 yen (planned)	64 yen (planned)
FY2022	34 yen (planned)	34 yen (planned)	68 yen (planned)

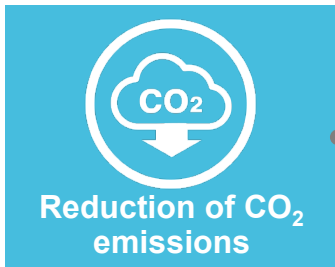
## [Share repurchase]

Share repurchases of up to 10 billion yen are underway.  
(Period of repurchase: Feb. 2–Jul. 29, 2022)

# Topics

Our CO<sub>2</sub> emissions reduction target was certified as achieving 1.5 °C target by Science Based Targets (SBT) initiative.  
Vision and targets for resource circulation have been revised.

## Three Key Issues in Brother Group Environmental Vision 2050



### Our CO<sub>2</sub> emissions reduction target was certified as achieving 1.5 °C target by the SBT Initiative.

#### ■ Medium-term targets for FY2030<sup>\*1</sup>

[Scopes 1 & 2] **65% reduction** from the FY2015 level  
[Scope 3<sup>\*2</sup>] **30% reduction** from the FY2015 level



\*1 : The target established in 2018 was revised in October 2021.

\*2 : Categories 1, 11 & 12

### Revised vision and targets for resource circulation<sup>\*1</sup>

#### ■ Medium-term targets for FY2030

Reduce **the ratio of virgin materials used in products**, including packaging materials to **65% or less<sup>\*2</sup> by FY2030** through the expansion of circular-economy-based businesses and materials recycling

#### ■ Environmental Vision 2050

Maximize resource circulation to ensure the sustainable use of **resources<sup>\*3</sup>** and to minimize the environmental impact due to wastes

\*1: Vision and targets established in 2018 were revised in February 2022

\*2: Applies to P&S, P&H, and Machinery businesses.

\*3: Changed from "natural resources" to "resources."



Expanding a factory for the P&S business in the Philippines to make it into a multi-functional facility.  
Revising the construction plan for a new building in the domestic head office area to be more environmentally friendly.

## BROTHER INDUSTRIES (PHILIPPINES), INC. Expansion (construction of No. 3 factory)



### ◆ Expanding production capacity

Respond to further increase in sales of P&S products

### ◆ Environmental functions

Contributing to the realization of carbon neutrality through energy creation using solar panels, etc.

### ◆ BCP function

Equipped with a warehouse function, enabling production to continue for a certain period of time when logistics risks occur.

Becoming a multi-functional facility

**Investment amount: Approx. 8 billion yen**  
**Scheduled completion: January 2024**

## Revising the construction plan of a new building in the head office area of Brother Industries, Ltd.



The following concepts were added to the existing objectives, [R&D facilities and office expansion] and [Measures against aging]

### ◆ Becoming a flagship facility of Brother's environmental response

Solar panels, state-of-the-art energy-saving equipment, and aggressive greening contribute to achieving carbon neutrality

### ◆ Responding to changes in work styles

Create spaces that encourage interaction within and outside the office

**Investment : Approx. 40 billion yen**  
**Scheduled completion : October 2026**

# Appendix

## Results for FY2021 Q4 (Jan.-Mar.)



# Consolidated Results for FY2021 Q4

Sales revenue increased, due mainly to firm performance of the Machinery business, in addition to positive FX effects. Business segment profit decreased due to an increase in parts and materials costs and logistics costs. Operating profit and all items below it increased significantly due to the absence of impairment losses and other losses recorded in the previous year.

(100 Millions of Yen)

	20Q4	21Q4	Change	Rate of Change (w/o FX)
Sales Revenue	1,643	<b>1,760</b>	116	7.1% (+1.6%)
Business Segment Profit	147	<b>116</b>	-31	-21.1%
Business Segment Profit Ratio	9.0%	<b>6.6%</b>		
Other income/expense	-348	<b>-22</b>	327	
Operating Profit	-201	<b>95</b>	296	-
Operating Profit Ratio	-12.2%	<b>5.4%</b>		
Income before Tax	-201	<b>97</b>	297	-
Net Income	-230	<b>68</b>	298	-
USD	106.24	<b>117.10</b>		
EUR	128.10	<b>131.30</b>		

# Results for FY2021 Q4 by Business Segment

(100 Millions of Yen)

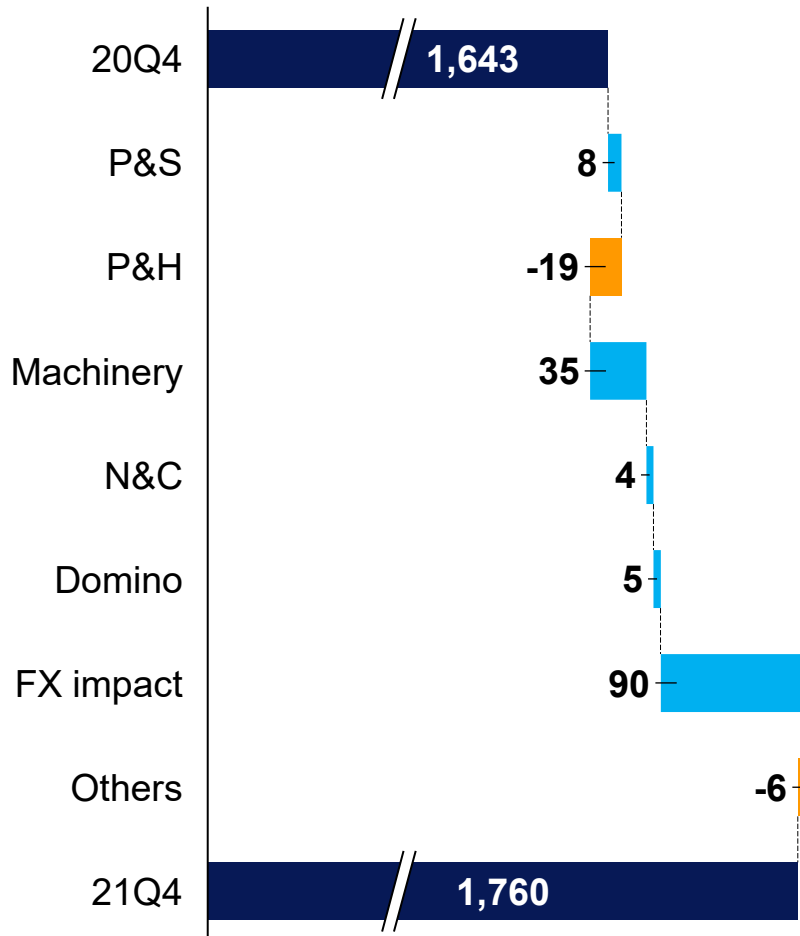
	20Q4	21Q4	change	
<b>Printing &amp; Solutions</b>	Sales Revenue	976	1,042	66
	Business Segment Profit	126	96	-29
	Operating Profit	80	88	7
<b>Personal &amp; Home</b>	Sales Revenue	123	111	-12
	Business Segment Profit	16	8	-8
	Operating Profit	16	8	-8
<b>Machinery</b>	Sales Revenue	229	276	47
	Business Segment Profit	12	20	7
	Operating Profit	15	19	5
<b>Network &amp; Contents</b>	Sales Revenue	73	77	4
	Business Segment Profit	-18	-8	11
	Operating Profit	-45	-9	36
<b>Domino</b>	Sales Revenue	196	214	18
	Business Segment Profit	15	-1	-16
	Operating Profit	-264	0	264
<b>Other</b>	Sales Revenue	46	40	-6
	Business Segment Profit	-4	1	5
	Operating Profit	-4	-11	-8
<b>Total</b>	Sales Revenue	1,643	1,760	116
	Business Segment Profit	147	116	-31
	Operating Profit	-201	95	296

\*Not including elimination amount by inter-segment transaction.

## Main Factors for Changes in Sales Revenue

Revenue increased, due mainly to firm performance of the Machinery business, in addition to positive FX effects.

(100 Millions of Yen)



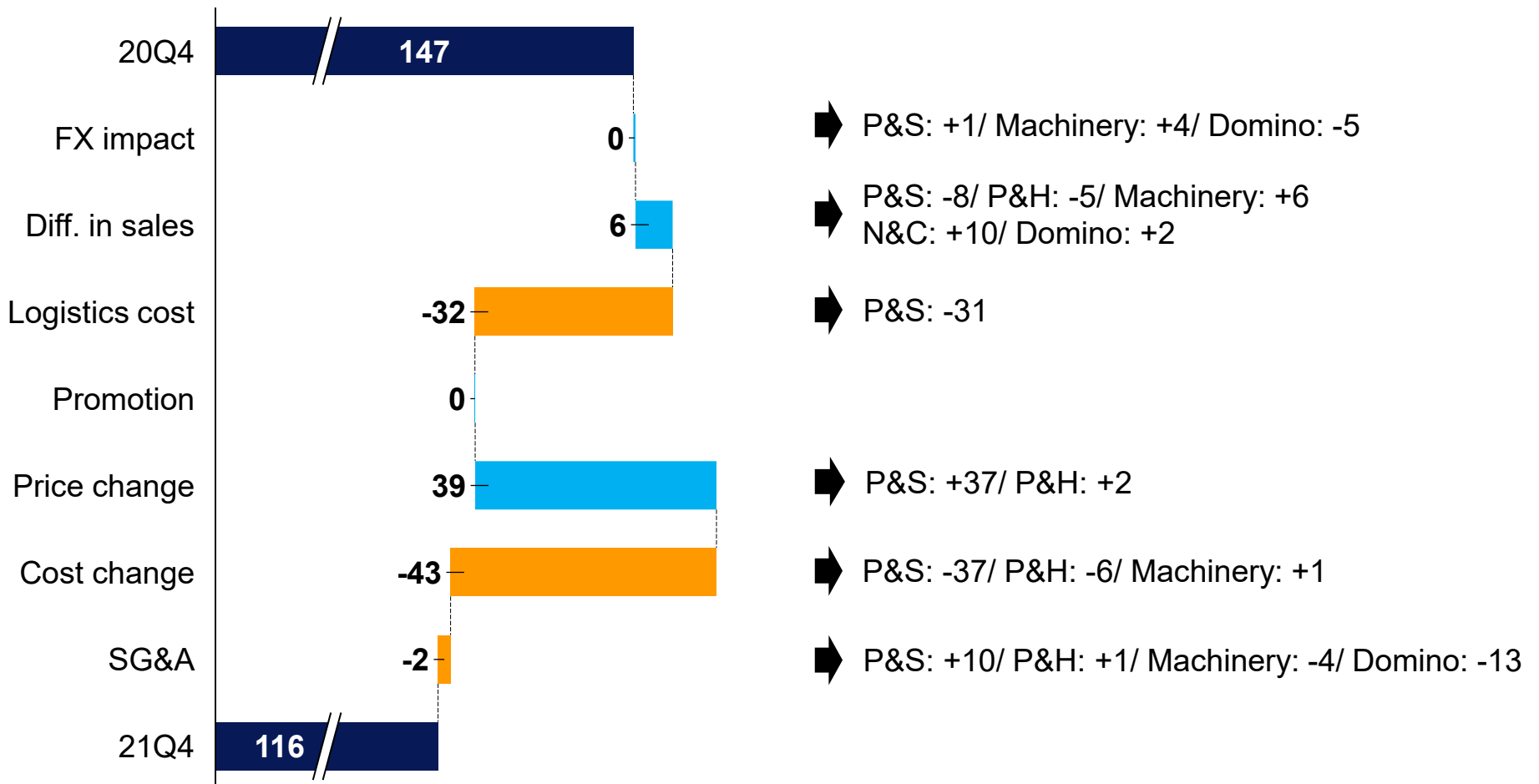
- ➡ Revenue increased due mainly to firm performance of consumables overall
- ➡ Revenue fell below the level of the previous year, in which there was special demand from those staying at home
- ➡ Revenue increased due to firm performance of machine tools for the automotive-related markets, as well as a recovery of demand for capital investment in industrial sewing machines among apparel manufacturers
- ➡ Revenue increased due partly to the early lifting of priority measures to prevent the spread of COVID-19
- ➡ For both C&M and DP, hardware and consumables maintained momentum and revenue increased
- ➡ EUR: +1.0 bill.; USD: +3.8bill.; GBP: +1.4bill.; Others: +2.9bill.

\* Amounts of change are on a results basis excluding foreign exchange effects

## Main Factors for Changes in Business Segment Profit

Despite factors such as higher average unit prices in the P&S business and positive FX effects, profit decreased due to a significant increase in logistics costs and parts and materials costs

(100 Millions of Yen)



# **Business Segment Information (Results for FY2021)**

# Printing & Solutions Sales Revenue & Profit

brother  
at your side

(100 Millions of Yen)

	20Q4	21Q4	Change	Change w/o FX
<b>Sales Revenue</b>	<b>976</b>	<b>1,042</b>	<b>6.7%</b>	<b>0.8%</b>
<b>Communications &amp; Printing Equipment</b>	<b>844</b>	<b>901</b>	<b>6.8%</b>	<b>1.0%</b>
Americas	305	328	7.7%	-2.3%
Europe	307	319	3.9%	1.1%
Asia & Others	140	151	7.5%	0.5%
Japan	92	104	12.6%	12.6%
<b>Electronic Stationery</b>	<b>132</b>	<b>140</b>	<b>6.1%</b>	<b>-0.3%</b>
Americas	61	61	1.0%	-8.6%
Europe	42	45	8.0%	5.0%
Asia & Others	15	20	29.7%	20.0%
Japan	14	14	-3.0%	-3.0%

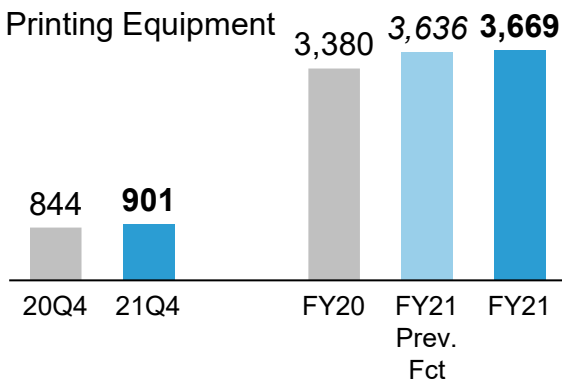
	FY20	Previous Forecast	FY21	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>3,848</b>	<b>4,198</b>	<b>4,242</b>	<b>10.3%</b>	<b>3.9%</b>
<b>Communications &amp; Printing Equipment</b>	<b>3,380</b>	<b>3,636</b>	<b>3,669</b>	<b>8.6%</b>	<b>2.3%</b>
Americas	1,214	1,307	1,307	7.7%	0.6%
Europe	1,133	1,165	1,210	6.7%	0.8%
Asia & Others	622	683	698	12.2%	3.1%
Japan	410	481	455	10.8%	10.8%
<b>Electronic Stationery</b>	<b>468</b>	<b>562</b>	<b>573</b>	<b>22.5%</b>	<b>15.1%</b>
Americas	204	253	260	27.0%	19.0%
Europe	142	171	173	22.1%	15.0%
Asia & Others	70	89	91	31.3%	19.8%
Japan	52	48	49	-5.8%	-5.8%

<b>Business Segment Profit</b>	<b>126</b>	<b>96</b>	<b>-23.4%</b>	<b>-</b>
<b>Operating Profit</b>	<b>80</b>	<b>88</b>	<b>9.2%</b>	<b>-</b>

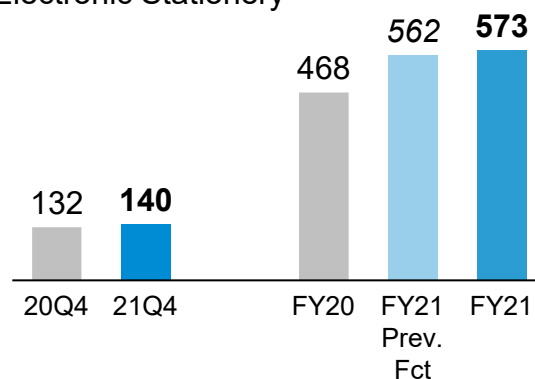
<b>Business Segment Profit</b>	<b>652</b>	<b>580</b>	<b>598</b>	<b>-8.3%</b>	<b>-</b>
<b>Operating Profit</b>	<b>610</b>	<b>593</b>	<b>594</b>	<b>-2.6%</b>	<b>-</b>

<Sales Revenue>

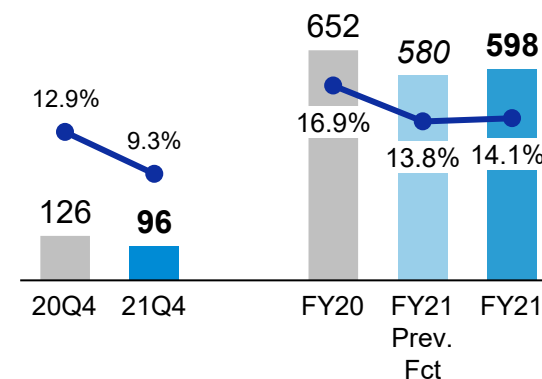
Communications & Printing Equipment



Electronic Stationery



<Business Segment Profit> ● Profit ratio



# Sales Revenue Growth Rate / Consumable Ratio / Growth Rate of Hardware

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at your side

	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	FY19	FY20	FY21
<b>LBP</b>															
<b>Sales revenue growth rate (JPY/YoY)</b>															
Hardware	-9%	-8%	-7%	-2%	6%	19%	18%	18%	-10%	-4%	-9%	-8%	-7%	15%	-8%
Consumable	2%	-6%	-2%	-3%	-18%	1%	0%	-1%	21%	15%	14%	16%	-2%	-5%	16%
<b>Sales revenue growth rate (LC/YoY)</b>															
Hardware	-6%	-4%	-3%	2%	11%	22%	21%	18%	-16%	-9%	-15%	-13%	-3%	18%	-13%
Consumable	4%	-1%	3%	0%	-15%	2%	2%	-3%	12%	9%	6%	9%	1%	-4%	9%
<b>IJP</b>															
<b>Sales revenue growth rate (JPY/YoY)</b>															
Hardware	-2%	8%	-7%	-3%	-37%	-49%	-12%	-3%	90%	95%	17%	15%	-1%	-25%	45%
Consumable	1%	-2%	-8%	4%	-23%	-1%	9%	-6%	11%	-6%	-3%	2%	-2%	-5%	0%
<b>Sales revenue growth rate (LC/YoY)</b>															
Hardware	1%	13%	-4%	0%	-33%	-48%	-9%	-3%	79%	87%	11%	10%	2%	-23%	38%
Consumable	3%	3%	-5%	7%	-20%	-1%	10%	-8%	5%	-10%	-7%	-2%	2%	-5%	-4%
<b>Cosumable Ratio</b>															
	60%	58%	57%	59%	55%	57%	55%	56%	56%	57%	58%	59%	58%	55%	57%
<b>Growth rate of Hardware (YoY)</b>															
LBP	-13%	-4%	-2%	3%	12%	10%	6%	0%	-28%	-16%	-20%	-16%	-5%	7%	-20%
IJP	0%	13%	1%	7%	-39%	-57%	-24%	-25%	65%	101%	1%	7%	5%	-36%	34%

# Personal & Home Sales Revenue & Profit

brother  
at your side

(100 Millions of Yen)

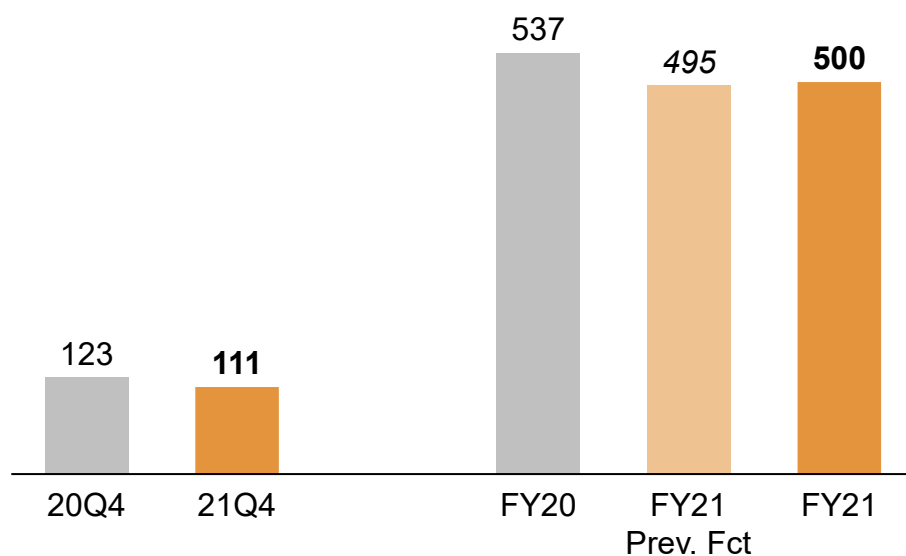
	20Q4	21Q4	Change	Change w/o FX
<b>Sales Revenue</b>	<b>123</b>	<b>111</b>	<b>-9.9%</b>	<b>-15.7%</b>
Americas	64	63	-1.1%	-10.2%
Europe	36	26	-27.3%	-29.1%
Asia & Others	12	12	-1.4%	-6.8%
Japan	12	10	-13.9%	-13.9%

	FY20	Previous Forecast	FY21	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>537</b>	<b>495</b>	<b>500</b>	<b>-6.8%</b>	<b>-12.3%</b>
Americas	273	270	277	1.5%	-4.6%
Europe	160	142	140	-12.3%	-17.8%
Asia & Others	56	51	52	-7.7%	-14.3%
Japan	48	32	31	-35.2%	-35.2%

<b>Business Segment Profit</b>	<b>16</b>	<b>8</b>	<b>-51.0%</b>	<b>-</b>
<b>Operating Profit</b>	<b>16</b>	<b>8</b>	<b>-49.5%</b>	<b>-</b>

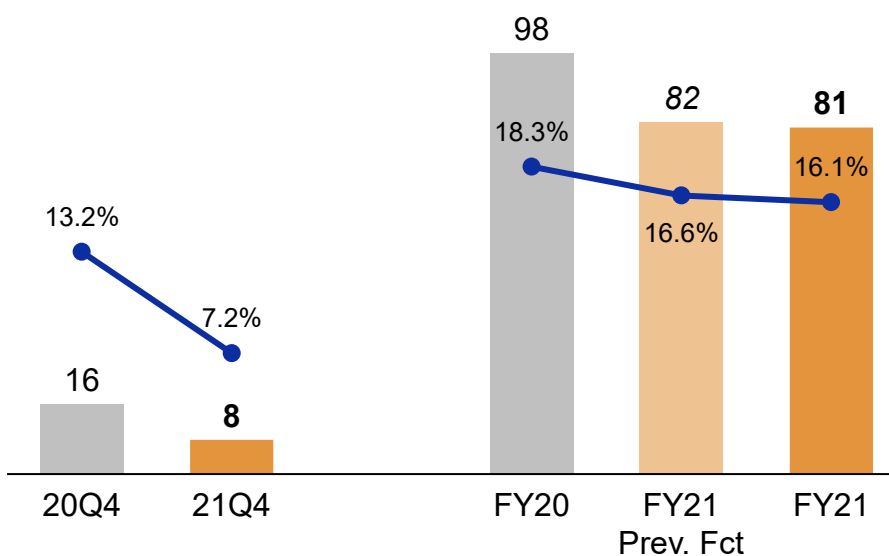
<b>Business Segment Profit</b>	<b>98</b>	<b>82</b>	<b>81</b>	<b>-17.7%</b>	<b>-</b>
<b>Operating Profit</b>	<b>96</b>	<b>84</b>	<b>82</b>	<b>-14.9%</b>	<b>-</b>

<Sales Revenue>



<Business Segment Profit>

● Profit Ratio





# Machinery Sales Revenue & Profit

(100 Millions of Yen)

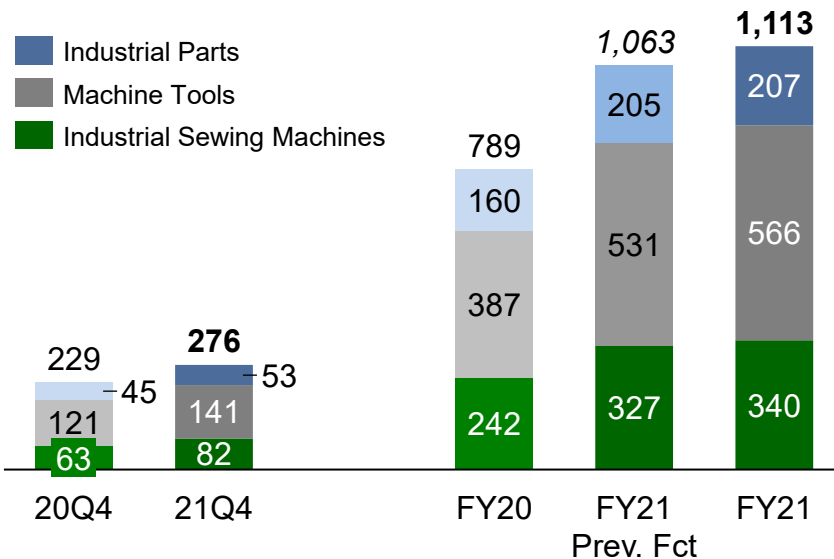
	20Q4	21Q4	Change	Change w/o FX
Sales Revenue	229	276	20.4%	15.1%
Industrial Sewing Machines	63	82	29.3%	19.5%
Machine Tools	121	141	16.8%	12.7%
Industrial Parts	45	53	17.8%	15.2%

	FY20	Previous Forecast	FY21	Change vs LY	Change w/o FX
Sales Revenue	789	1,063	1,113	41.0%	34.9%
Industrial Sewing Machines	242	327	340	40.7%	31.5%
Machine Tools	387	531	566	46.1%	40.4%
Industrial Parts	160	205	207	29.3%	26.8%

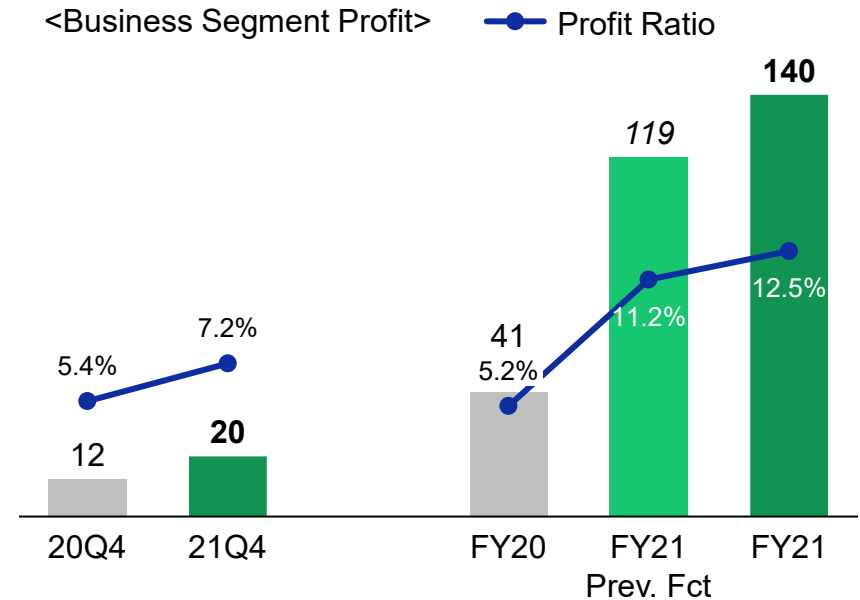
Business Segment Profit	12	20	60.1%	-
Operating Profit	15	19	31.0%	-

Business Segment Profit	41	119	140	238.7%	-
Operating Profit	33	120	139	321.6%	-

<Sales Revenue>



<Business Segment Profit>



# Machinery Sales Revenue by Region

**brother**  
at your side

(100 Millions of Yen)

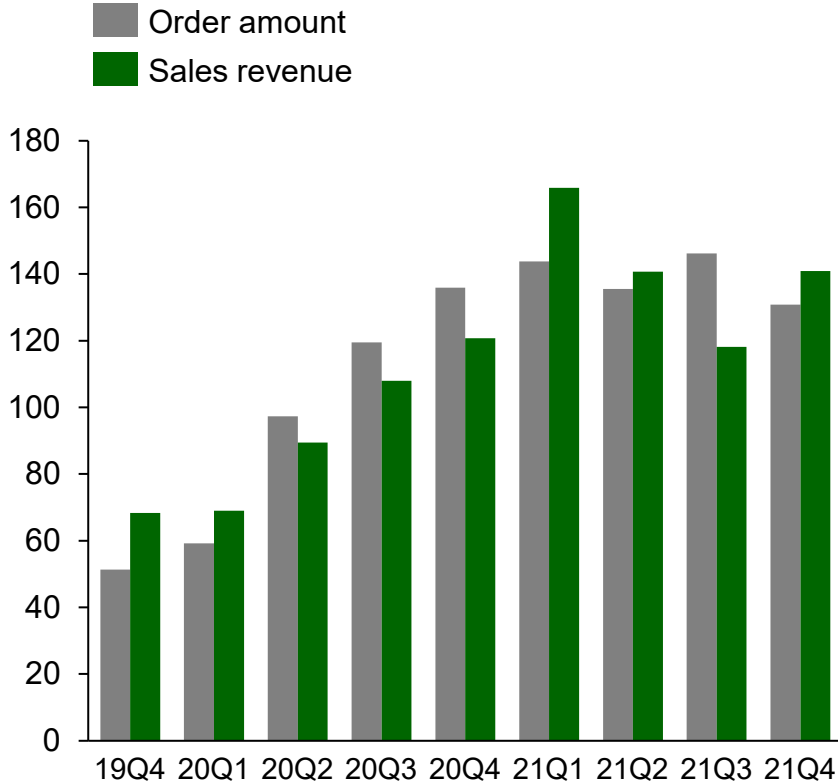
	20Q4	21Q4	Change	Change w/o FX
<b>Sales Revenue</b>	<b>229</b>	<b>276</b>	<b>20.4%</b>	<b>15.1%</b>
<b>Industrial Sewing Machines</b>	<b>63</b>	<b>82</b>	<b>29.3%</b>	<b>19.5%</b>
Americas	17	21	20.5%	9.6%
Europe	14	18	30.6%	27.6%
Asia & Others	29	40	37.9%	24.7%
Japan	3	3	-6.5%	-6.5%
<b>Machine Tools</b>	<b>121</b>	<b>141</b>	<b>16.8%</b>	<b>12.7%</b>
Americas	7	7	1.7%	-
Europe	6	9	52.3%	-
Asia & Others	88	100	14.3%	-
Japan	20	25	22.6%	-
<b>Industrial Parts</b>	<b>45</b>	<b>53</b>	<b>17.8%</b>	<b>15.2%</b>
Americas	5	8	61.4%	46.1%
Europe	-	-	-	-
Asia & Others	5	7	30.5%	22.8%
Japan	35	38	9.5%	9.5%

	FY20	Previous Forecast	FY21	Change vs LY	Change w/o FX
	<b>789</b>	<b>1,063</b>	<b>1,113</b>	<b>41.0%</b>	<b>34.9%</b>
	<b>242</b>	<b>327</b>	<b>340</b>	<b>40.7%</b>	<b>31.5%</b>
Americas	87	96	94	8.2%	1.7%
Europe	56	71	72	30.5%	23.3%
Asia & Others	88	146	159	81.7%	67.3%
Japan	12	14	15	24.0%	24.0%
	<b>387</b>	<b>531</b>	<b>566</b>	<b>46.1%</b>	<b>40.4%</b>
Americas	20	33	33	65.3%	-
Europe	19	34	34	82.2%	-
Asia & Others	289	375	408	41.2%	-
Japan	59	89	90	52.2%	-
	<b>160</b>	<b>205</b>	<b>207</b>	<b>29.3%</b>	<b>26.8%</b>
Americas	21	28	30	45.1%	36.3%
Europe	-	-	-	-	-
Asia & Others	20	27	28	45.4%	34.1%
Japan	120	150	149	23.9%	23.9%

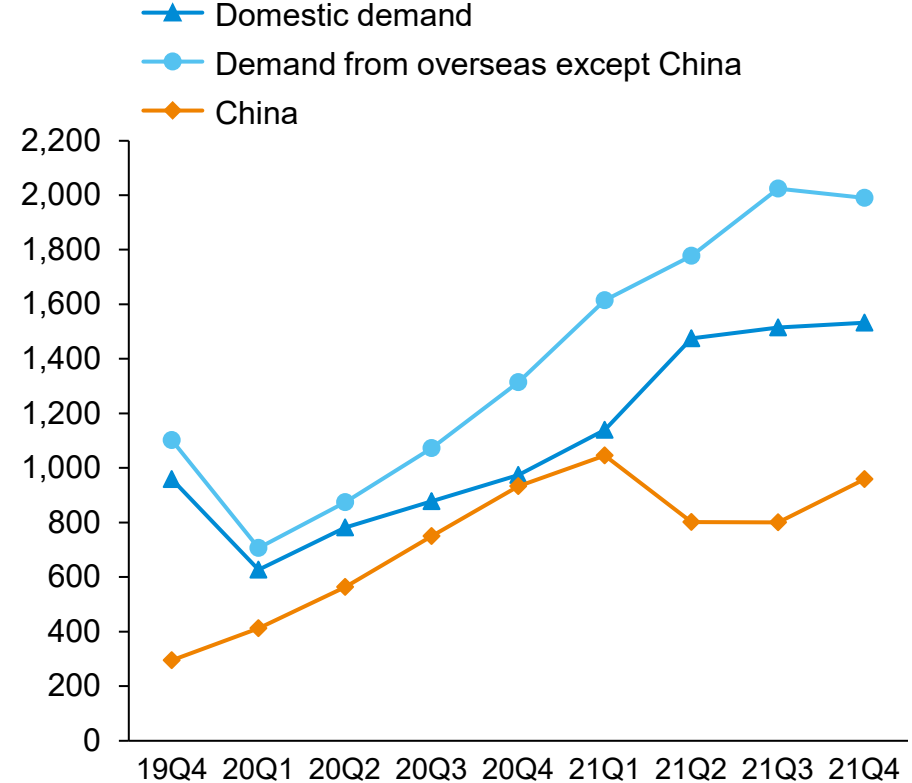
# Machinery (Machine Tools) Order Trends

(100 Millions of Yen)

### Trends in order amount and sales revenue



### (Reference) Machine tool statistics of the Japan Machine Tool Builders' Association



\* Total amount of domestic and overseas orders for hardware products  
Overseas orders are converted into yen using the exchange rate for each quarter

\* Source: Major machine tool statistics of the Japan Machine Tool Builders' Association

# Network & Contents

## Sales Revenue & Profit

(100 Millions of Yen)

	20Q4	21Q4	Change
<b>Sales Revenue</b>	<b>73</b>	<b>77</b>	<b>6.0%</b>

	FY20	Previous Forecast	FY21	Change vs LY
<b>Sales Revenue</b>	<b>310</b>	<b>301</b>	<b>296</b>	<b>-4.8%</b>

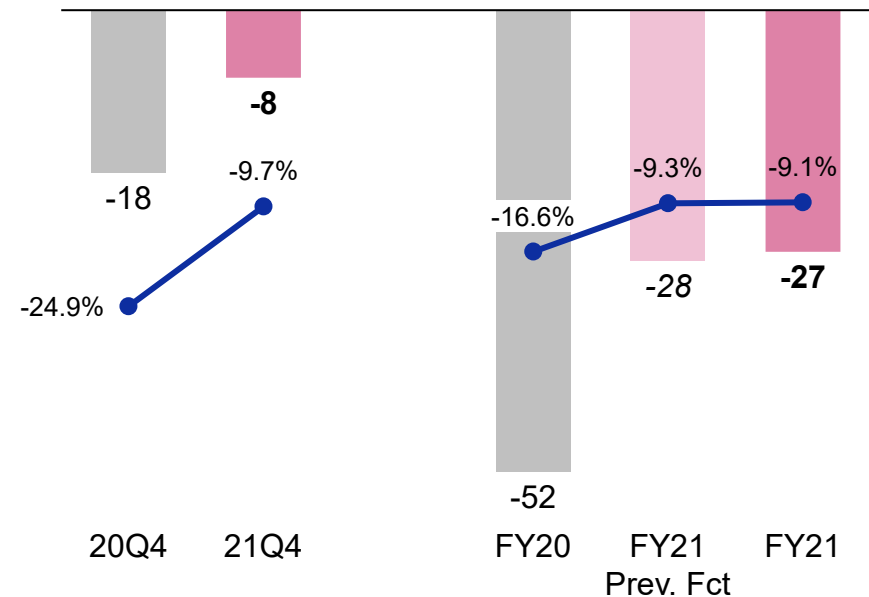
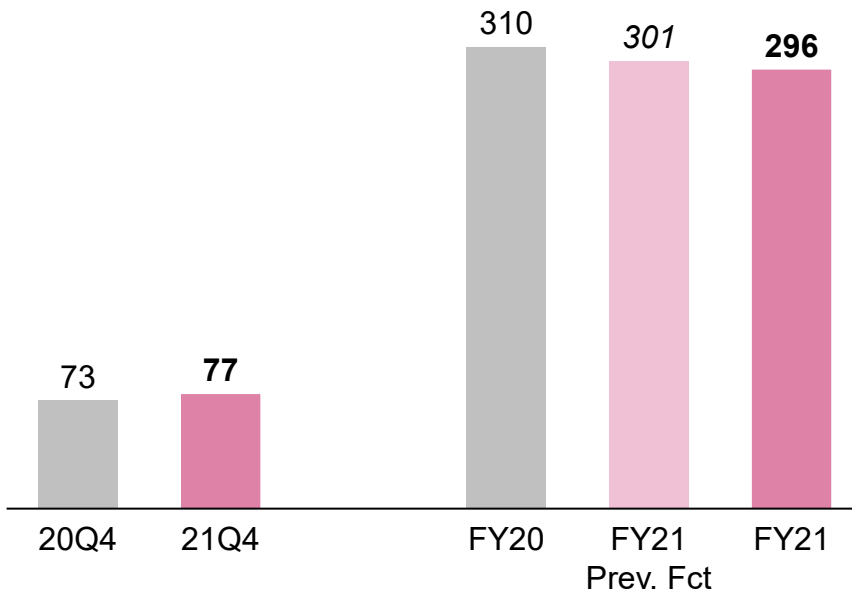
<b>Business Segment Profit</b>	<b>-18</b>	<b>-8</b>	<b>-</b>
<b>Operating Profit</b>	<b>-45</b>	<b>-9</b>	<b>-</b>

<b>Business Segment Profit</b>	<b>-52</b>	<b>-28</b>	<b>-27</b>	<b>-</b>
<b>Operating Profit</b>	<b>-73</b>	<b>-7</b>	<b>-6</b>	<b>-</b>

<Sales Revenue>

<Business Segment Profit>

● Profit Ratio



# Domino Sales Revenue & Profit

(100 Millions of Yen)

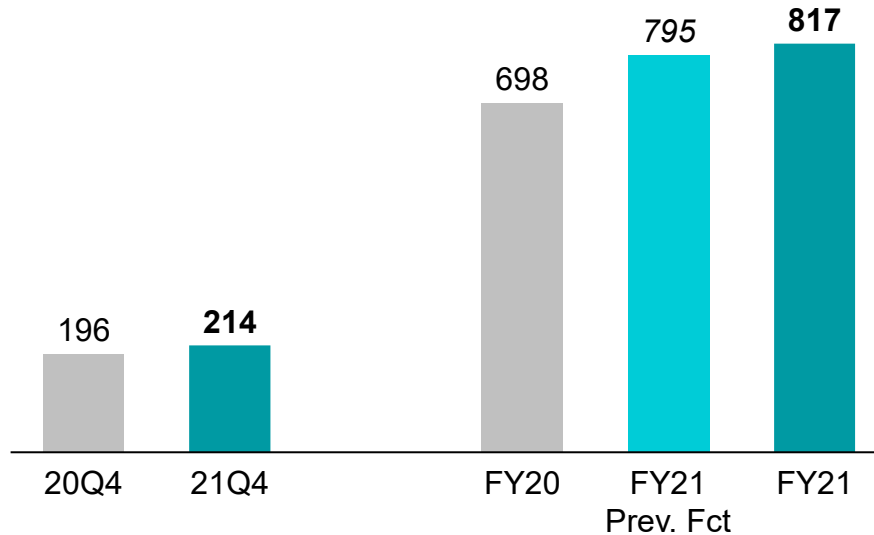
	20Q4	21Q4	Change	Change w/o FX
<b>Sales Revenue</b>	<b>196</b>	<b>214</b>	<b>9.2%</b>	<b>2.3%</b>
Americas	45	57	25.3%	13.9%
Europe	99	104	5.6%	2.7%
Asia & Others	52	53	1.7%	-1.5%

	FY20	Previous Forecast	FY21	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>698</b>	<b>795</b>	<b>817</b>	<b>17.0%</b>	<b>8.1%</b>
Americas	176	196	202	14.6%	4.8%
Europe	324	367	379	16.8%	7.8%
Asia & Others	198	231	237	19.6%	11.9%

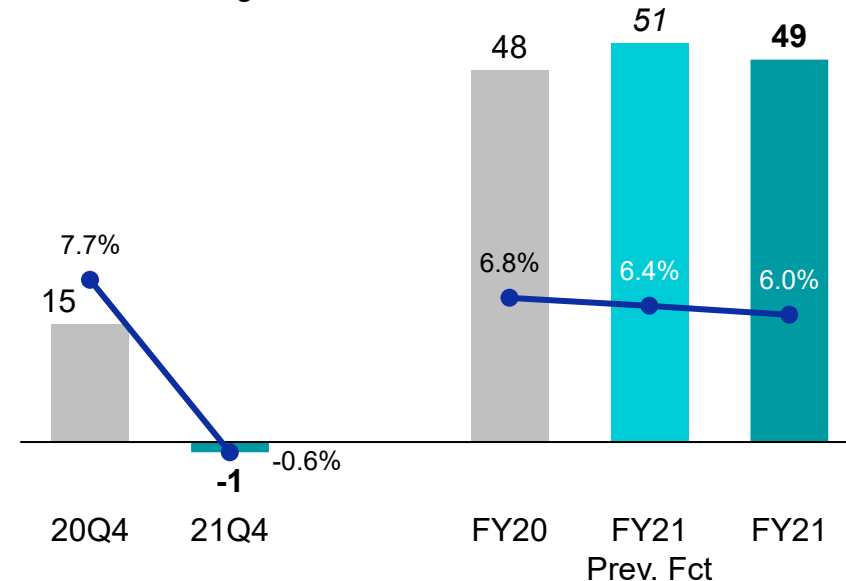
<b>Business Segment Profit</b>	<b>15</b>	<b>-1</b>	-	-
<b>Operating Profit</b>	<b>-264</b>	<b>0</b>	-	-

<b>Business Segment Profit</b>	<b>48</b>	<b>51</b>	<b>49</b>	<b>3.0%</b>	-
<b>Operating Profit</b>	<b>-239</b>	<b>49</b>	<b>50</b>	-	-

<Sales Revenue>



<Business Segment Profit>



## **Business Segment Information (Forecast for FY2022)**

\*The disclosed segments change from FY2022.

\* Figures for FY2021 have been reclassified to the new business segments.

# Printing & Solutions Sales Revenue & Profit

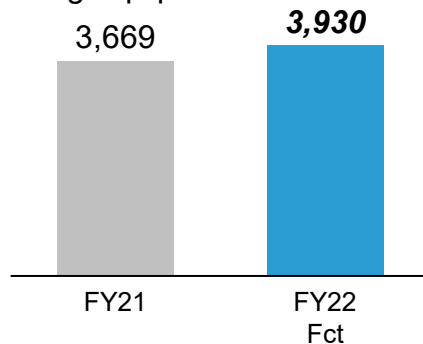
(100 Millions of Yen)

	FY21	FY22 Forecast	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>4,242</b>	<b>4,553</b>	<b>7.3%</b>	<b>2.0%</b>
<b>Communications &amp; Printing Equipment</b>	<b>3,669</b>	<b>3,930</b>	<b>7.1%</b>	<b>1.8%</b>
Americas	1,307	1,518	16.1%	16.0%
Europe	1,210	1,151	-4.9%	5.6%
Asia & Others	698	732	4.9%	10.3%
Japan	455	529	16.5%	16.5%
<b>Labeling</b>	<b>573</b>	<b>624</b>	<b>8.7%</b>	<b>3.2%</b>
Americas	260	282	8.5%	1.8%
Europe	173	188	8.6%	7.6%
Asia & Others	91	101	9.9%	2.3%
Japan	49	53	8.1%	-3.1%

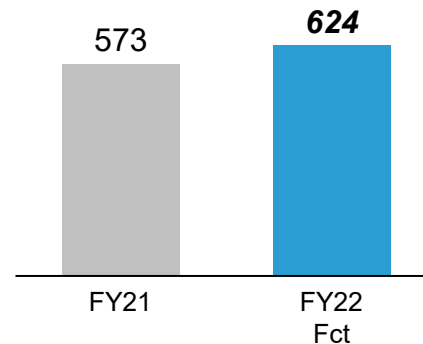
<b>Business Segment Profit</b>	<b>598</b>	<b>485</b>	<b>-18.8%</b>	<b>-</b>
<b>Operating Profit</b>	<b>594</b>	<b>485</b>	<b>-18.4%</b>	<b>-</b>

<Sales Revenue>

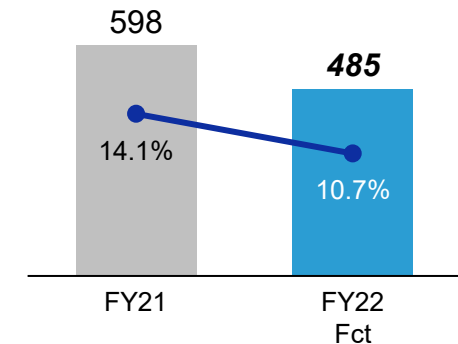
Communications  
& Printing Equipment



Labeling



<Business Segment Profit> ● Profit ratio



# Machinery

## Sales Revenue & Profit

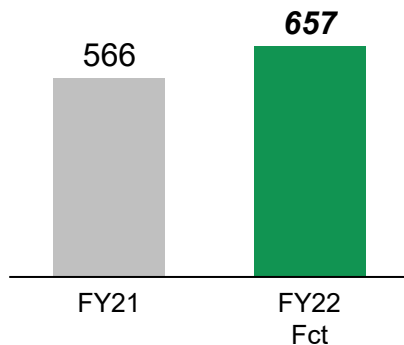
(100 Millions of Yen)

	FY21	FY22 Forecast	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>905</b>	<b>1,070</b>	<b>18.1%</b>	<b>12.9%</b>
<b>Machine Tools</b>	<b>566</b>	<b>657</b>	<b>16.1%</b>	<b>12.1%</b>
Americas	33	36	9.6%	-
Europe	34	36	4.5%	-
Asia & Others	408	468	14.5%	-
Japan	90	117	30.3%	-
<b>Industrial Sewing Machines</b>	<b>340</b>	<b>413</b>	<b>21.5%</b>	<b>14.2%</b>
Americas	94	116	23.4%	14.0%
Europe	72	84	15.4%	13.5%
Asia & Others	159	191	20.4%	11.1%
Japan	15	22	52.3%	52.3%

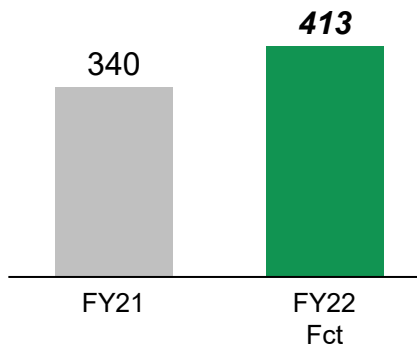
<b>Business Segment Profit</b>	<b>126</b>	<b>135</b>	<b>7.3%</b>	<b>-</b>
<b>Operating Profit</b>	<b>126</b>	<b>136</b>	<b>8.1%</b>	<b>-</b>

<Sales Revenue>

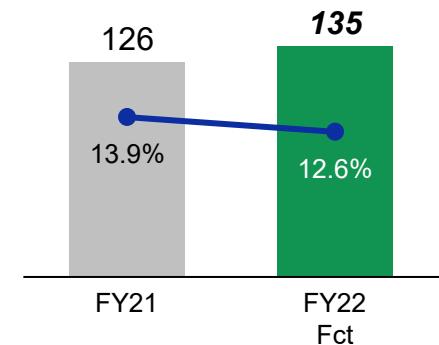
Machine Tools



Industrial Sewing Machines



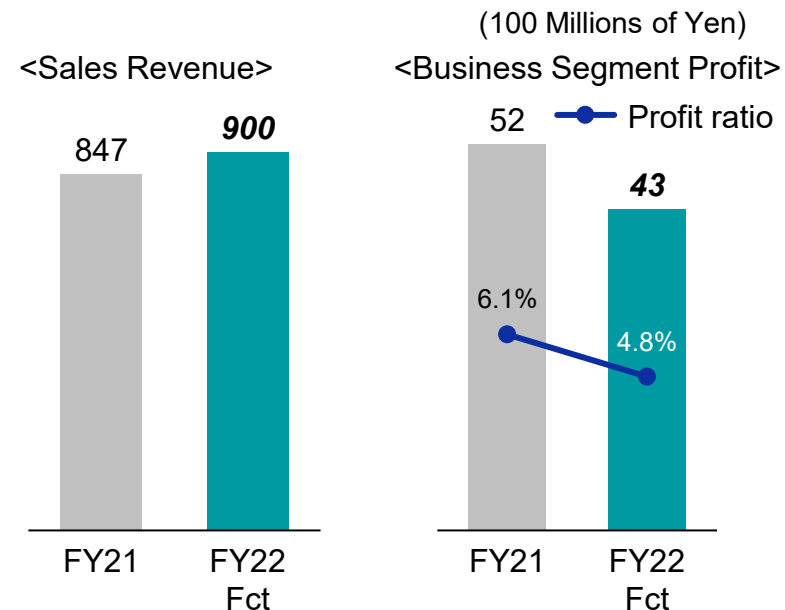
<Business Segment Profit> ● Profit ratio



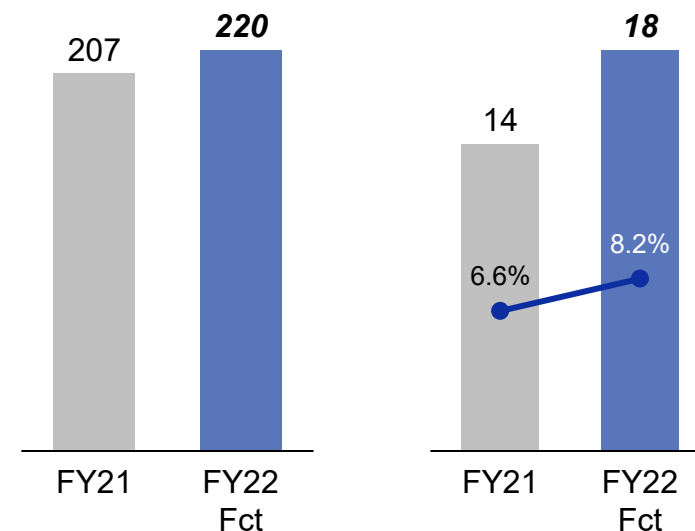


# Domino / Nissei Sales Revenue & Profit

Domino	FY21	FY22 Forecast	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>847</b>	<b>900</b>	<b>6.2%</b>	<b>4.7%</b>
Americas	202	215	6.7%	5.9%
Europe	379	388	2.5%	3.1%
Asia & Others	237	253	6.7%	3.8%
Japan	30	44	45.5%	45.5%
<b>Business Segment Profit</b>	<b>52</b>	<b>43</b>	<b>-16.7%</b>	<b>-</b>
<b>Operating Profit</b>	<b>43</b>	<b>42</b>	<b>-2.5%</b>	<b>-</b>



Nissei	FY21	FY22 Forecast	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>207</b>	<b>220</b>	<b>6.1%</b>	<b>3.8%</b>
Americas	30	32	4.2%	-3.7%
Europe	-	-	-	-
Asia & Others	28	31	7.9%	-0.3%
Japan	149	158	6.2%	6.2%
<b>Business Segment Profit</b>	<b>14</b>	<b>18</b>	<b>30.8%</b>	<b>-</b>
<b>Operating Profit</b>	<b>13</b>	<b>16</b>	<b>18.6%</b>	<b>-</b>



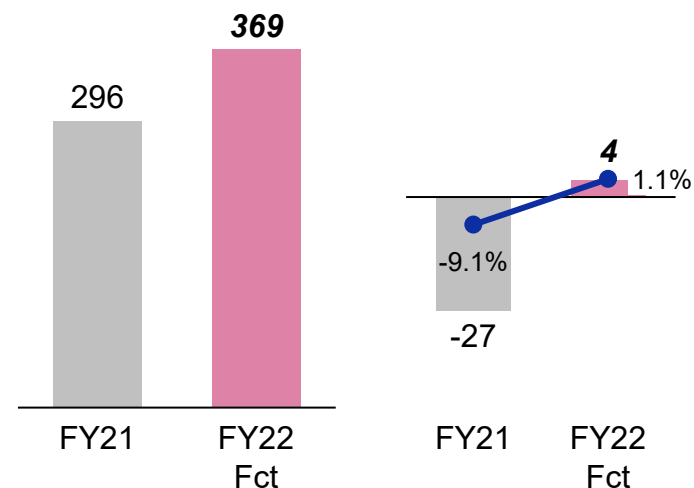
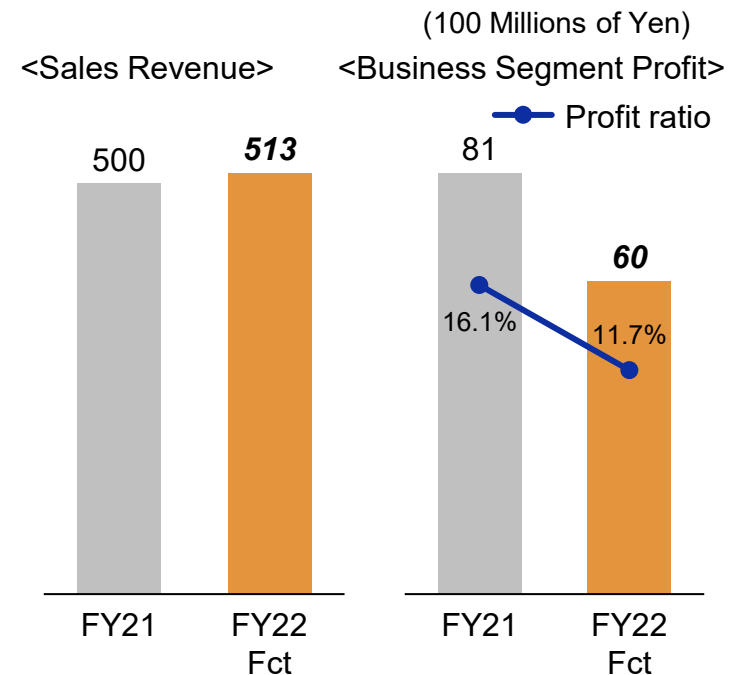
# Personal & Home / Network & Contents Sales Revenue & Profit

Personal & Home	FY21	FY22 Forecast	Change vs LY	Change w/o FX
<b>Sales Revenue</b>	<b>500</b>	<b>513</b>	<b>2.6%</b>	<b>-2.6%</b>
Americas	277	295	6.4%	-0.8%
Europe	140	140	0.0%	-1.6%
Asia & Others	52	60	16.5%	8.8%
Japan	31	18	-42.6%	-42.6%

<b>Business Segment Profit</b>	<b>81</b>	<b>60</b>	<b>-25.7%</b>	<b>-</b>
<b>Operating Profit</b>	<b>82</b>	<b>60</b>	<b>-26.9%</b>	<b>-</b>

Network & Contents	FY21	FY22 Forecast	Change vs LY
<b>Sales Revenue</b>	<b>296</b>	<b>369</b>	<b>24.8%</b>

<b>Business Segment Profit</b>	<b>-27</b>	<b>4</b>	<b>-</b>
<b>Operating Profit</b>	<b>-6</b>	<b>4</b>	<b>-</b>



**Financial Position/ Cash Flows/  
Capital Expenditure/ Depreciation & Amortization/  
R&D Expense**

# Financial Position

(100 Millions of Yen)

	End of FY20	End of FY21	Change
Current assets	4,288	<b>4,767</b>	480
Cash&Cash equivalents	1,910	<b>1,679</b>	-231
Inventories	1,202	<b>1,696</b>	494
Non-current assets	3,151	<b>3,344</b>	193
Total liabilities	2,442	<b>2,499</b>	57
Interest-bearing debt	575	<b>408</b>	-166
Equity attributable to owners of the parent company	4,831	<b>5,611</b>	781
Total assets	7,439	<b>8,111</b>	673

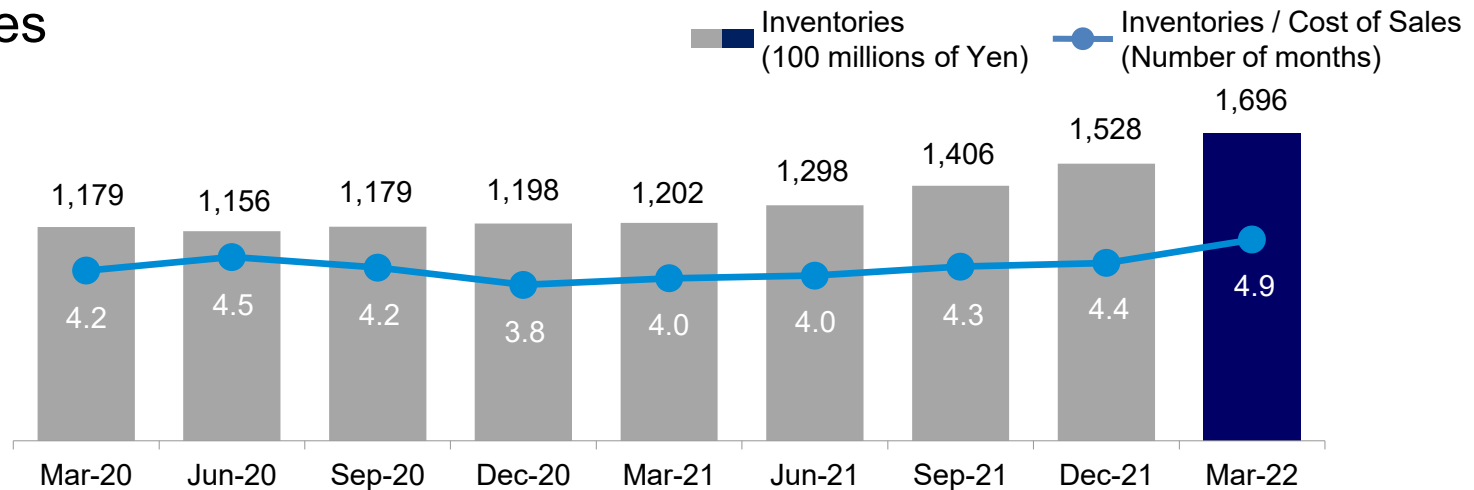
## Net Cash

End of FY20 : +133.5 billion yen  
End of FY21 : +127.1 billion yen

## Shareholders' Equity Ratio

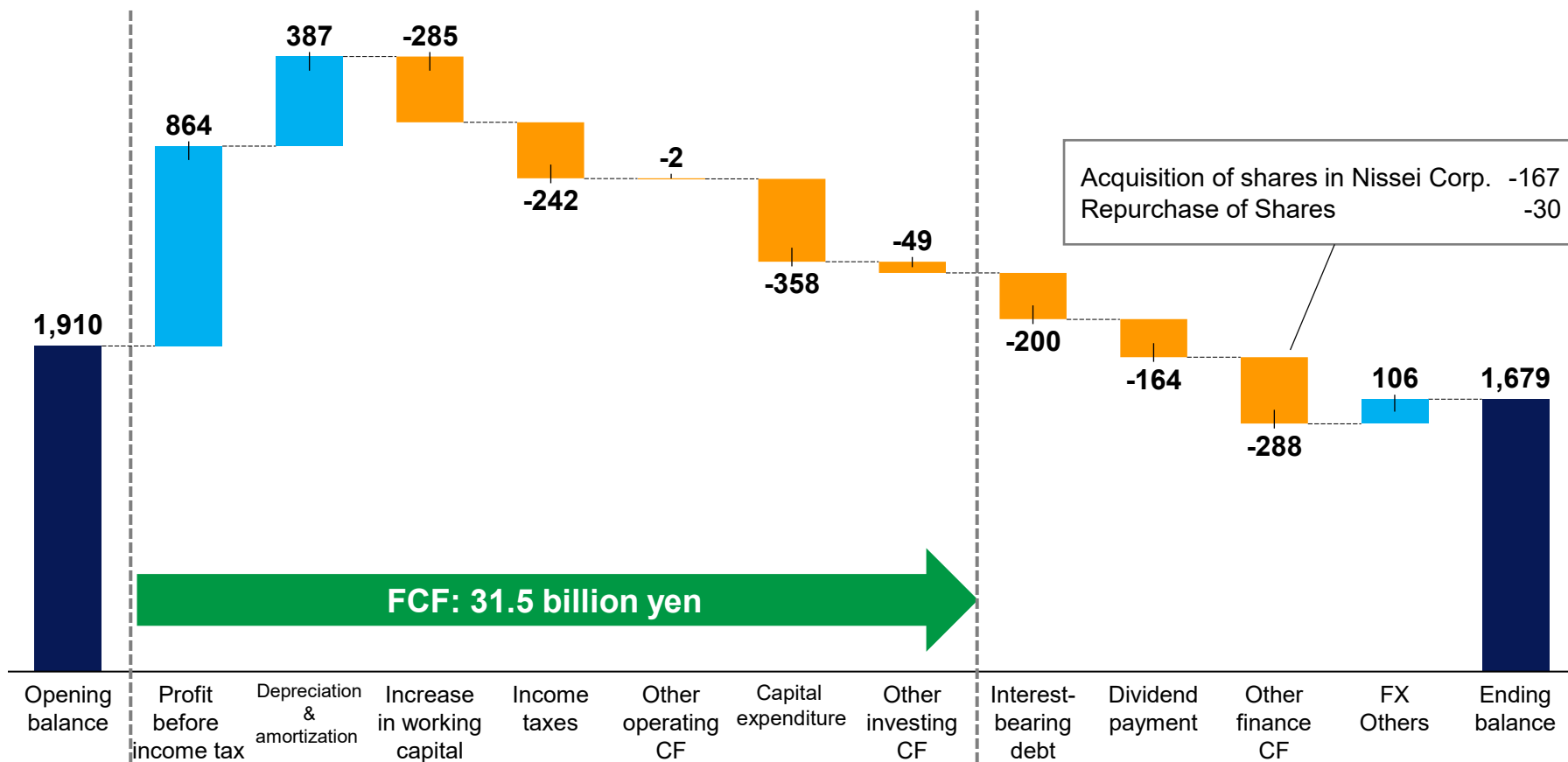
End of FY20 : 64.9%  
End of FY21 : 69.2%

## Inventories



# FY2021 Cash Flow Analysis

(100 Millions of Yen)

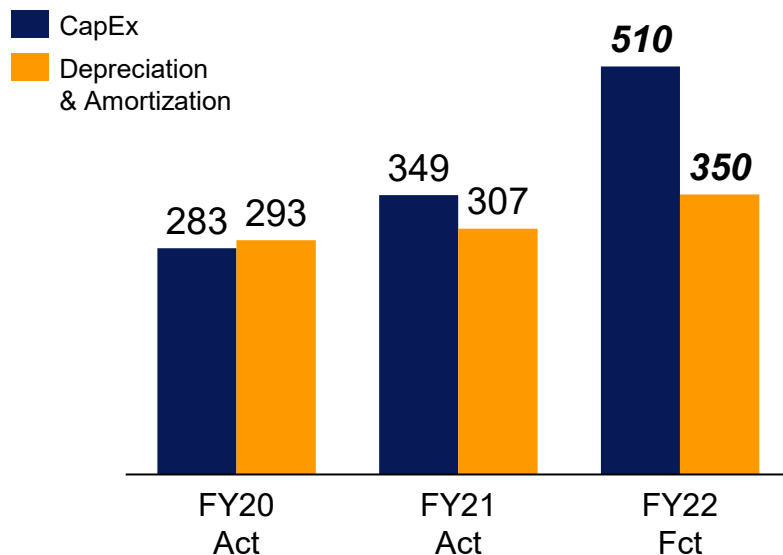


- Depreciation & amortization This includes depreciation for right-of-use assets pursuant to the application of IFRS16 (Leases)
- Change in working capital Change in operating receivables and other receivables + Change in inventory assets + Change in operating liabilities and other liabilities
- Other financial CF This includes 8.8 billion yen in repayments of lease obligations stated on balance sheet pursuant to the application of IFRS 16 (Leases)

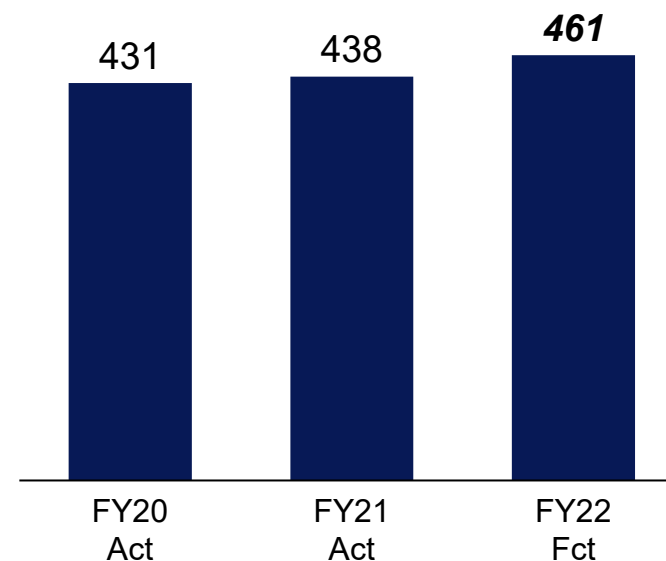
# Capital Expenditure/ Depreciation and Amortization/ R&D Expenses

(100 Millions of Yen)

## Capital Expenditure/ Depreciation & Amortization



## R&D Expenses



### Breakdown by business (CapEx)

	FY20	FY21	FY22
P&S	135	154	264
Machinery	30	47	30
Domino	21	21	52
Nissei*	-	-	31
P&H	10	10	18
N&C	19	21	43
Others	67	96	72
計	283	349	510

### Breakdown by business (R&D)

	FY20	FY21	FY22
P&S	283	280	276
Machinery	51	48	64
Domino	40	55	56
Nissei*	-	-	9
P&H	20	20	25
N&C	9	7	10
Others	28	29	21
計	431	438	461

\*Nissei business has been disclosed from FY2022. Figures before FY2022 are included into Machinery business.

**brother**  
at your side