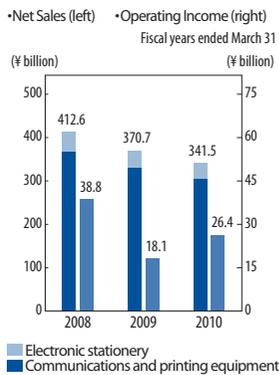


R eview of Operations

Printing and Solutions (P&S) Business



Net sales: ¥341,470 million (down 7.9% YoY)

Communications and printing equipment

The negative effect of exchange rates, severe market conditions in the first half of fiscal 2009 and lower sales primarily in Europe resulted in a 7.7% overall decrease in net sales, to ¥304,022 million.

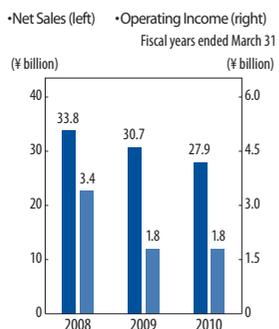
Electronic stationery

Lower sales, primarily in Europe and the United States, and the negative effect of exchange rates resulted in a 9.3% decrease in net sales, to ¥37,448 million.

Operating income: ¥26,428 million

Despite the negative effect of exchange rates, we improved profitability by revising the sales composition and reducing costs. These efforts contributed to a significant increase in operating income, which was ¥26,428 million, 45.6% higher than the previous year.

Personal and Home (P&H) Business



Net sales: ¥27,948 million

The negative effect of exchange rates and lower sales, primarily in Europe, resulted in an 8.9% decline in net sales, to ¥27,948 million.

Operating income: ¥1,797 million

Despite lower sales and the negative effect of exchange rates, the effect of improved profitability through decreased selling, general and administrative expenses and cost reductions contributed to a 1.8% overall increase in operating income, to ¥1,797 million.

Product Line-up

Printing and Solutions



MFC-6490CW Color Inkjet All-in-One

The MFC-6490CW is the first Brother color inkjet all-in-one device to integrate copy, scanning and facsimile functions and handle up to ledger-size paper (11x17 inches). This efficient, high-end color inkjet Multi-Function Center®, which can be used with a wireless network, adds significant value to small and home offices.



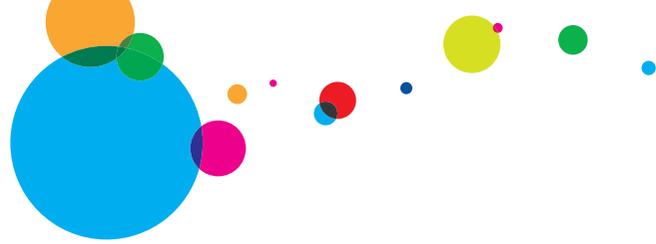
MFC-9840CDW Color Laser All-in-One

The MFC-9840CDW is the first digital Multi-Function Center® to come equipped with Brother's proprietary color laser engine. The device features print speeds of up to 21 pages per minute of either color or black-and-white. This model delivers brilliant color laser printing, and its all-in-one capabilities make it perfect for desktop and small-office use.

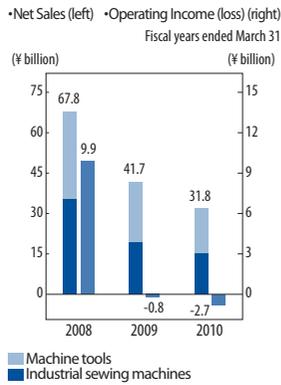


PT-1290 Labeling System

The PT-1290 allows users to get more creative with their labeling. A "Deco Mode" key gives users easy access to 15 unique pre-designed formats for creating decorative labels. With its great-looking design and array of features, the PT-1290 is a perfect handheld solution for virtually any home office.



Machinery and Solution (M&S) Business



Net sales: ¥31,791 million (down 23.7% YoY)

Industrial sewing machines

Although the demand for capital investment in the sewing industry showed signs of recovery starting in the second half of fiscal 2009, net sales were ¥16,599 million, down 13.1% compared to the previous year.

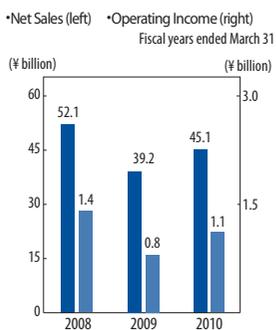
Machine tools

Although the demand for capital investment recovered rapidly in the second half of fiscal 2009, net sales declined 32.7% from the previous year, to ¥15,192 million.

Operating loss: ¥2,673 million

Despite improved profitability through cost reductions and other measures, sales in fiscal 2009 were significantly lower than the previous year, resulting in an operating loss. (The operating loss was ¥845 million in the previous year.)

Others



Net sales: ¥45,060 million

Boosted by increased sales in the online karaoke business through the acquisition of the BMB Corp., net sales were ¥45,060 million, an increase of 15.0% compared to last year.

Operating income: ¥1,085 million

As a result of decreased selling, general and administrative expenses, operating income was ¥1,085 million, an increase of 30.4% compared to the previous fiscal year.

Personal and Home



PR-650 Embroidery Machine

The PR-650, a six-needle, single-head embroidery machine, incorporates the user-friendly functions of a home-use Brother machine with the versatility, speed and professional finish of a commercial model. The PR-650 is a perfect choice for people who are starting out or expanding their home-based embroidery businesses.

Machinery and Solution



KE-430F Electronic Direct-Drive Lockstitch Bar Tacker

From foundation garments to denim wear, the industrial-grade KE-430F provides attractive stitches with consistent finishing and thread trimming. The direct-drive mechanism greatly reduces power transmission loss, resulting in energy efficiency and improved productivity.



TC-S2D CNC Tapping Center

This numerically controlled machine tool is used for machining parts for automobiles, two-wheeled vehicles and IT-related products and parts. Its remodeled revolving mechanism for magazine tool installation makes it possible to exchange tools in far less time than with previous models, thus improving productivity.