

# Fiscal Year 2023 (ending March 31, 2024) Second Quarter Financial Results

## **Brother Industries, Ltd.** **November 7, 2023**

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.

## Results for FY2023 Q2 (Jul.-Sep.)

**Sales revenue was flat year-on-year due to positive FX effects. Business segment profit increased substantially, mainly due to higher consumables sales and effects of price adjustments in the P&S business.**

### ◆ Sales revenue **199.2 billion yen/+1.2% (year-on-year)**

- ✓ Sales revenue was flat year-on-year due to positive FX effects from the weaker yen.
- ✓ Excluding FX effects, sales revenue was down, mainly due to effects on the Machinery business from sluggish market conditions in China and lower hardware sales in the P&S business.

### ◆ Business segment profit **17.6 billion yen/+57.7% (year-on-year)**

- ✓ Despite higher sales promotion and SG&A costs and effects from lower sales in the Machinery business, business segment profit was up substantially due to higher consumables sales and effects of price adjustments in the P&S business, lower logistics costs, as well as positive FX effects.

## Forecast for FY2023

**Although positive FX effects were reflected, the forecast for sales revenue was revised downward due to effects from sluggish market conditions in China mainly on the Machinery business.**

**The forecast for profit remains unchanged as a whole, while the breakdown among the business segments was adjusted.**

## Results for FY2023 Q2 (Jul.-Sep.)

# Consolidated Results for FY2023 Q2

Sales revenue was flat year-on-year due to positive FX effects.  
Business segment profit was up substantially, mainly due to higher consumables sales and effects of price adjustments in the P&S business.

(100 Millions of Yen)

	22Q2	23Q2	Change (w/o FX)	Rate of change (w/o FX)
Sales revenue	1,969	<b>1,992</b>	23 (-76)	1.2% (-3.8%)
Business segment profit	111	<b>176</b>	64 (36)	57.7% (32.4%)
Business segment profit ratio	5.7%	<b>8.8%</b>		
Other income/expense	13	<b>1</b>	-12	
Operating profit	124	<b>177</b>	53	42.2%
Operating profit ratio	6.3%	<b>8.9%</b>		
Income before tax	129	<b>183</b>	54	42.1%
Net income				
attribute to parent company	129	<b>127</b>	-2	-1.6%
USD	138.68	<b>145.44</b>	6.76	
EUR	140.32	<b>157.70</b>	17.38	

# Results for FY2023 Q2 by Business Segment

(100 Millions of Yen)

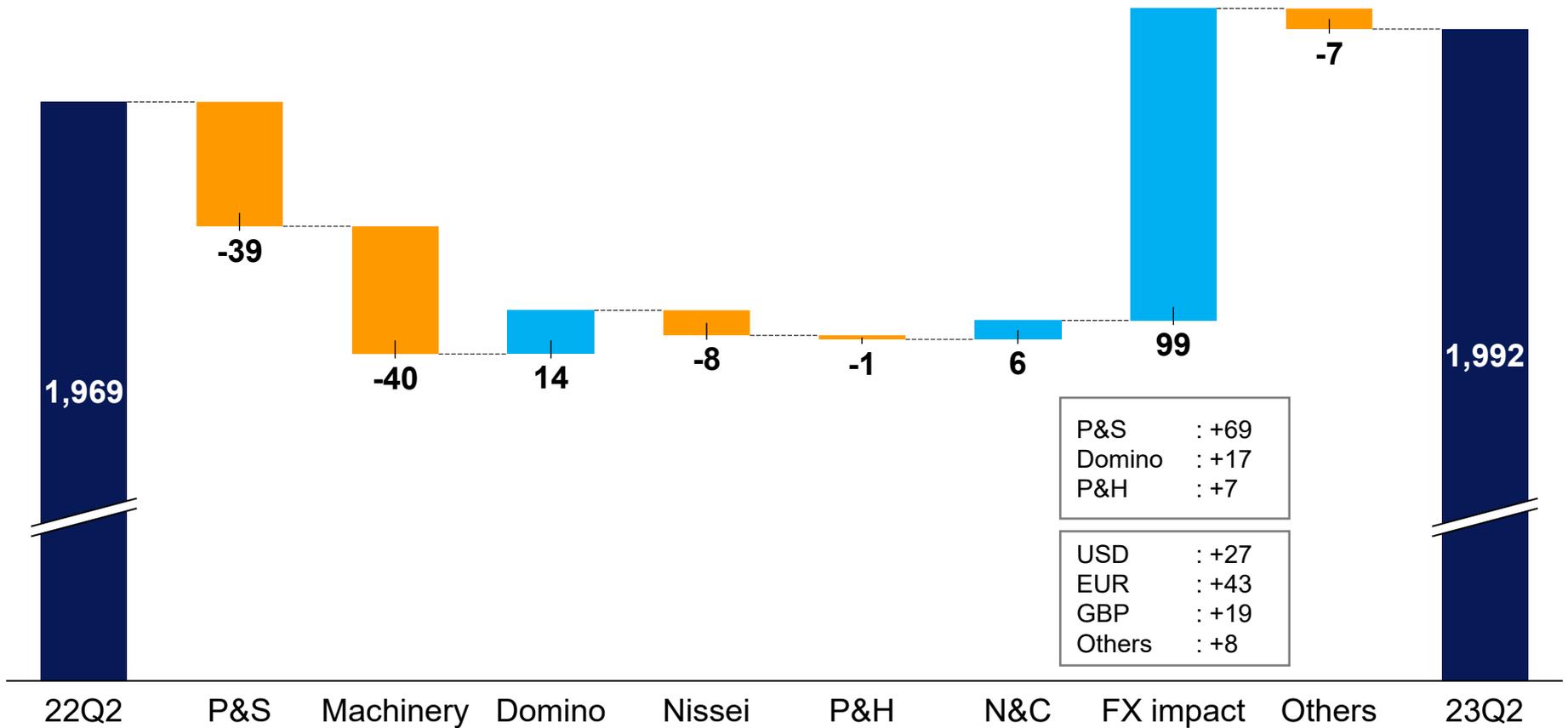
	Sales revenue			Business segment profit			Operating profit		
	22Q2	23Q2	Change	22Q2	23Q2	Change	22Q2	23Q2	Change
<b>P&amp;S</b>	1,187	1,216	30	51	143	92	54	140	86
<b>Machinery</b>	240	204	-36	32	9	-23	34	9	-25
<b>Domino</b>	251	283	31	13	17	4	18	18	0
<b>Nissei</b>	59	52	-7	6	1	-5	6	0	-6
<b>P&amp;H</b>	116	122	6	7	2	-5	8	2	-6
<b>N&amp;C</b>	85	91	6	1	4	4	2	5	3
<b>Other</b>	31	24	-7	2	0	-2	2	3	0
<b>Total</b>	<b>1,969</b>	<b>1,992</b>	<b>23</b>	<b>111</b>	<b>176</b>	<b>64</b>	<b>124</b>	<b>177</b>	<b>53</b>

\* "Other" includes elimination amounts from inter-segment transactions.

# Main Factors for Changes in Sales Revenue

Despite lower sales revenue due to effects on the Machinery business from sluggish market conditions in China and lower hardware sales in the P&S business, sales revenue was flat year-on-year as a result of positive FX effects.

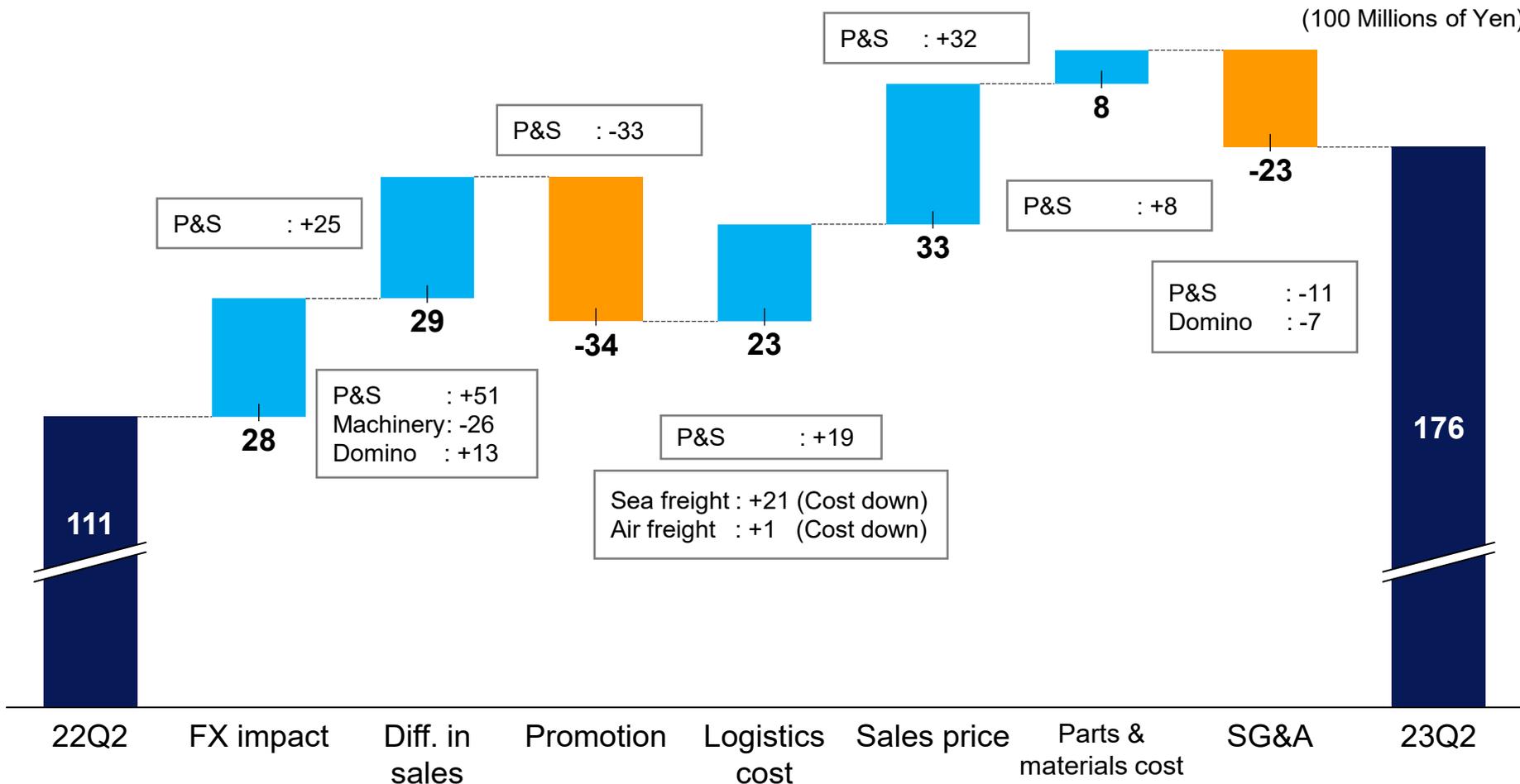
(100 Millions of Yen)



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

## Main Factors for Changes in Business Segment Profit

Despite higher sales promotion and SG&A costs and effects from lower sales in the Machinery business, business segment profit was up substantially due to higher consumables sales and effects of price adjustments in the P&S business, lower logistics costs, as well as positive FX effects.



## **Results for FY2023 First Half (Apr.-Sep.)**

# Consolidated Results for FY2023 1H

Due to positive FX effects, sales revenue was flat year-on-year and business segment profit increased.

(100 Millions of Yen)

	FY22 1H	FY23 1H	Change (w/o FX)	Rate of change (w/o FX)
Sales revenue	3,967	<b>3,996</b>	30 (-155)	0.7% (-3.9%)
Business segment profit	359	<b>407</b>	48 (5)	13.3% (1.5%)
Business segment profit ratio	9.1%	<b>10.2%</b>		
Other income/expense	15	<b>-10</b>	-25	
Operating profit	375	<b>397</b>	23	6.0%
Operating profit ratio	9.4%	<b>9.9%</b>		
Income before tax	382	<b>410</b>	28	7.3%
Net income attribute to parent company	303	<b>289</b>	-14	-4.5%
USD	133.46	<b>141.31</b>	7.85	
EUR	138.79	<b>153.51</b>	14.72	

# Results for FY2023 1H by Business Segment

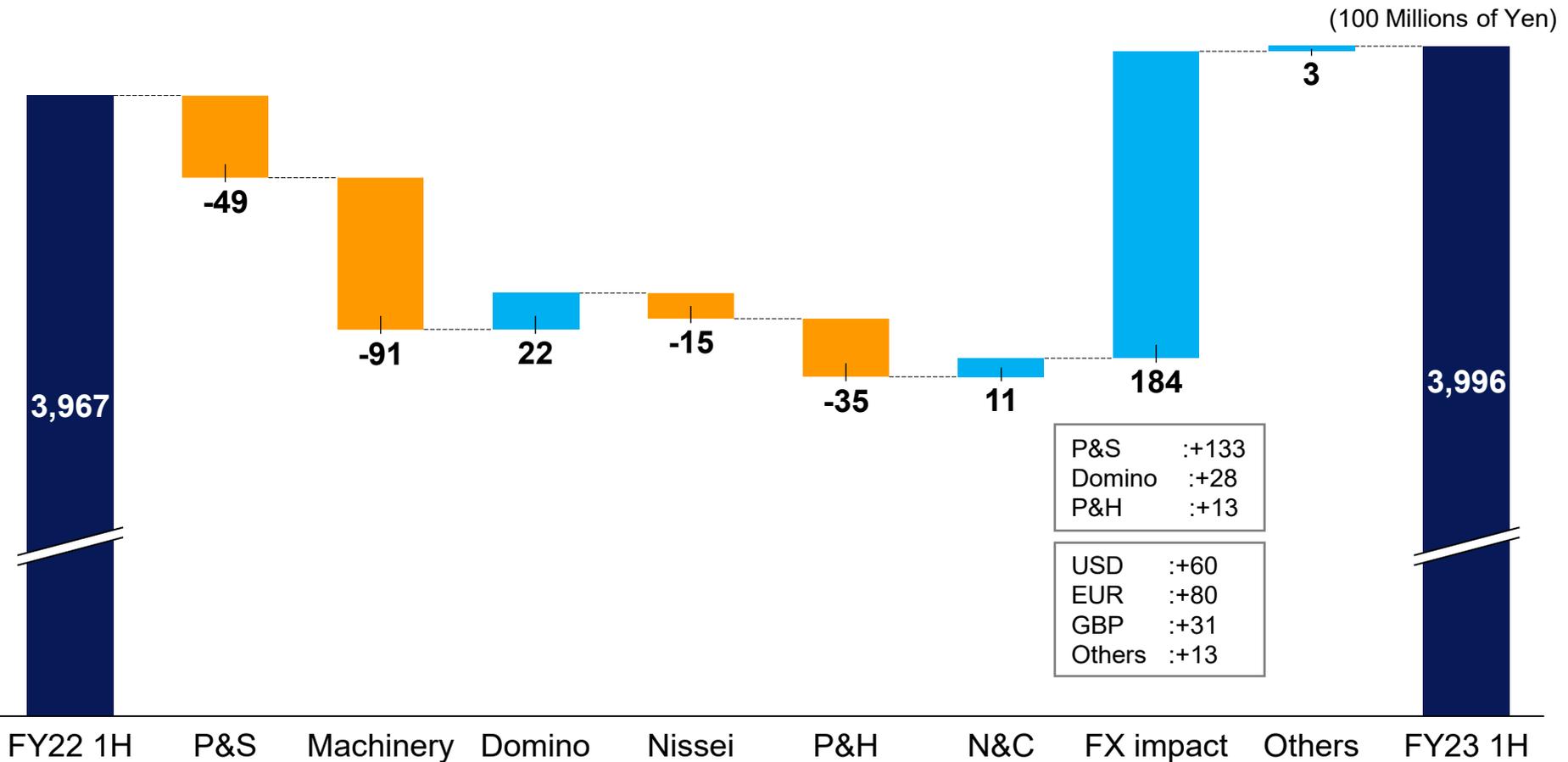
(100 Millions of Yen)

	Sales revenue			Business segment profit			Operating profit		
	FY22 1H	FY23 1H	Change	FY22 1H	FY23 1H	Change	FY22 1H	FY23 1H	Change
<b>P&amp;S</b>	2,405	2,488	83	230	336	106	224	320	96
<b>Machinery</b>	474	392	-82	53	19	-34	58	21	-38
<b>Domino</b>	489	539	50	30	38	8	37	36	-2
<b>Nissei</b>	119	105	-14	12	6	-6	13	5	-7
<b>P&amp;H</b>	258	237	-22	27	-4	-31	28	-4	-32
<b>N&amp;C</b>	169	181	11	4	10	6	9	11	2
<b>Other</b>	52	55	3	5	3	-1	5	9	3
<b>Total</b>	<b>3,967</b>	<b>3,996</b>	<b>30</b>	<b>359</b>	<b>407</b>	<b>48</b>	<b>375</b>	<b>397</b>	<b>23</b>

\* "Other" includes elimination amounts from inter-segment transactions.

## Main Factors for Changes in Sales Revenue

Despite effects on the Machinery business from sluggish market conditions in China, lower hardware sales in the P&S business, and effects of aggravating market conditions on the P&H business, sales revenue was flat year-on-year due to positive FX effects.

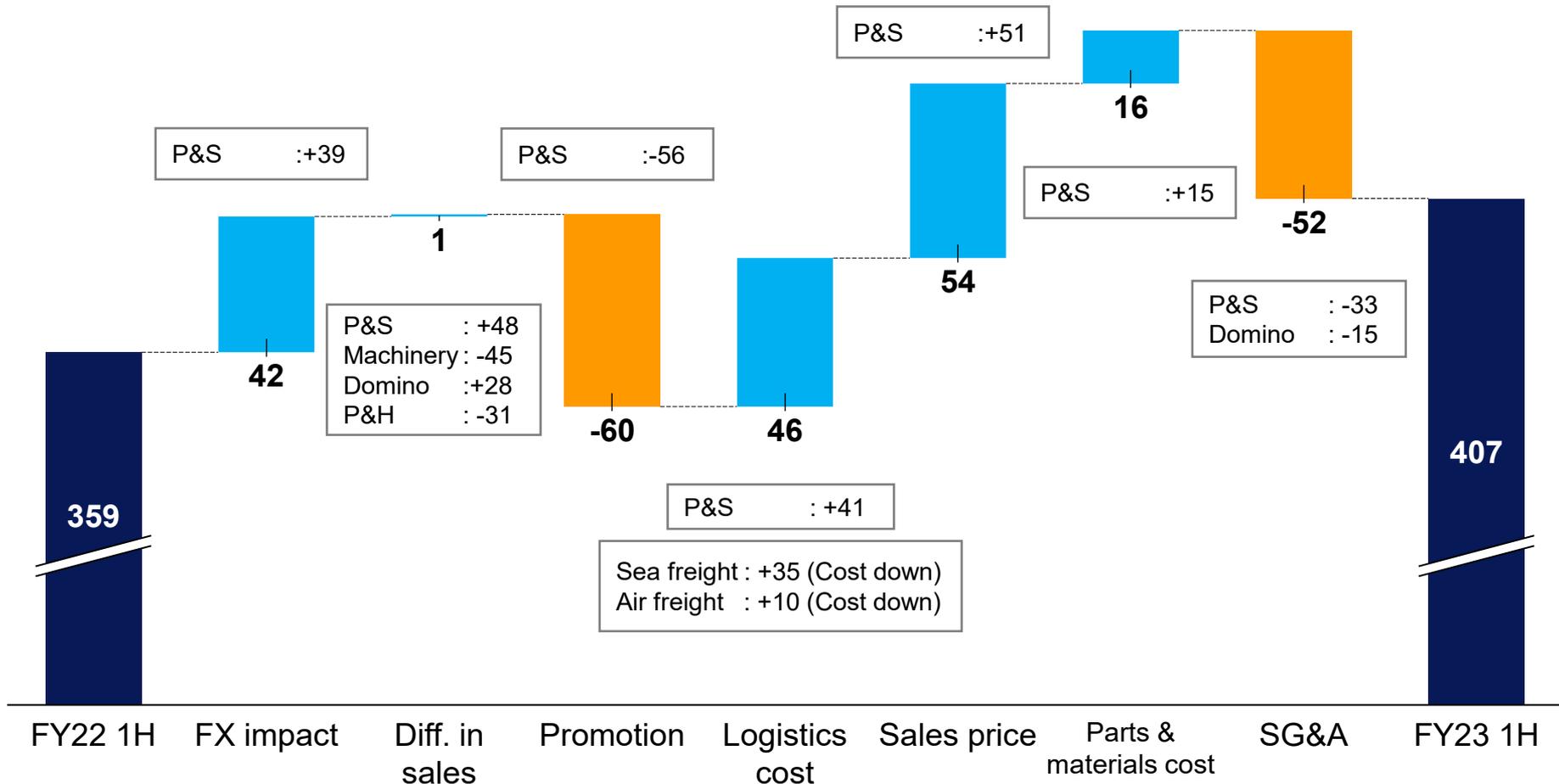


\* Amounts of change are on a results basis excluding foreign exchange effects

## Main Factors for Changes in Business Segment Profit

Although sales promotion and SG&A costs increased, business segment profit was higher, mainly due to the effects of price adjustments and lower logistics costs in the P&S business, as well as the positive FX effects.

(100 Millions of Yen)



# Forecast for FY2023

# Forecast for FY2023

Although positive FX effects were reflected, the forecast for sales revenue was revised downward due to effects from the prolongation of sluggish market conditions in China mainly on the Machinery business. The forecast for profit remains unchanged as a whole, while the breakdown among business segments was adjusted.

(100 Millions of Yen)

	Previous Forecast	FY23 Forecast	Change (w/o FX)	Rate of Change (w/o FX)	FY22 Actual	Change (w/o FX)	Rate of Change (w/o FX)
Sales revenue	8,400	<b>8,200</b>	-200 (-526)	-2.4% (-6.3%)	8,153	47 (-290)	0.6% (-3.6%)
Business Segment Profit	700	<b>700</b>	0 (-65)	0.0% (-9.3%)	604	96 (33)	15.9% (5.5%)
Business Segment Profit Ratio	8.3%	<b>8.5%</b>			7.4%		
Other income/expense	0	<b>0</b>	0		-50	50	
Operating Profit	700	<b>700</b>	0	0.0%	554	146	26.4%
Operating Profit Ratio	8.3%	<b>8.5%</b>			6.8%		
Income before Tax	700	<b>700</b>	0	0.0%	570	130	22.9%
Net Income attribute to parent company	500	<b>500</b>	0	0.0%	391	109	27.9%
USD	135.00	<b>143.37</b>	8.37		134.95	8.42	
EUR	140.00	<b>152.51</b>	12.51		141.24	11.27	

- The exchange rates for the forecast period have been changed to 145 yen to the USD, 150 yen to the EUR

# Forecast for FY2023 by Business Segment

(100 Millions of Yen)

	Sales revenue		
	Previous Forecast	FY23 Forecast	Change
<b>P&amp;S</b>	4,970	5,025	55
<b>Machinery</b>	1,156	828	-328
<b>Domino</b>	1,058	1,091	33
<b>Nissei</b>	242	222	-20
<b>P&amp;H</b>	511	540	29
<b>N&amp;C</b>	375	386	11
<b>Other</b>	88	108	21
<b>Total</b>	<b>8,400</b>	<b>8,200</b>	<b>-200</b>

	Business segment profit		
	Previous Forecast	FY23 Forecast	Change
	415	547	132
	148	35	-113
	45	56	11
	21	12	-9
	44	30	-14
	9	16	7
	18	4	-14
<b>Total</b>	<b>700</b>	<b>700</b>	<b>0</b>

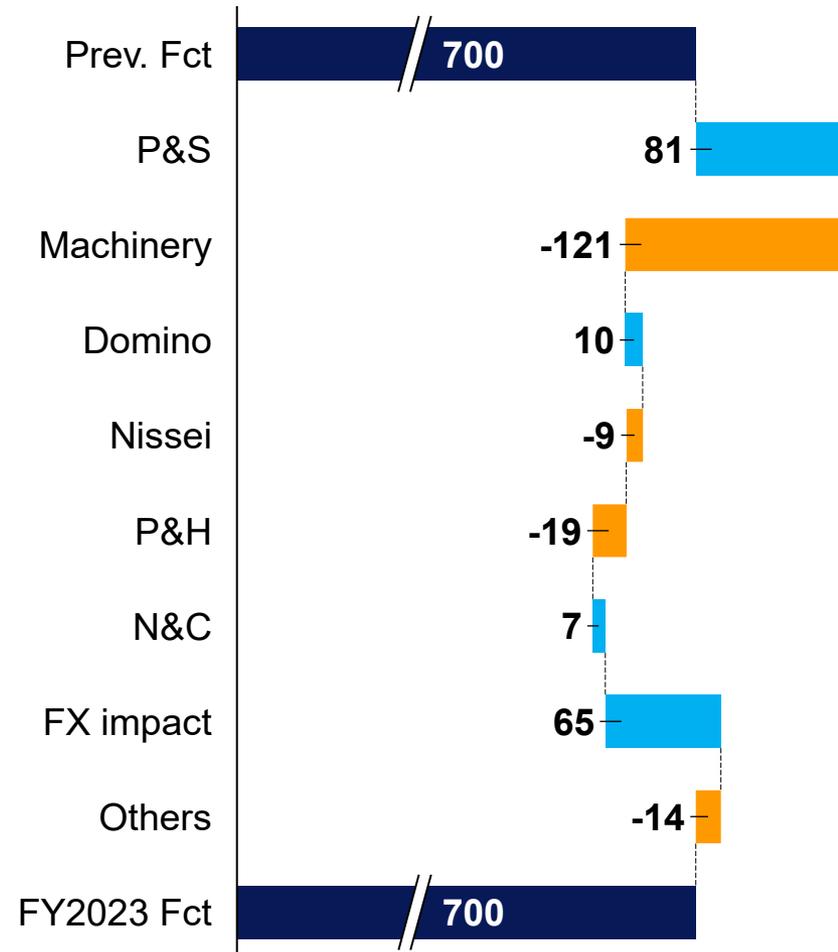
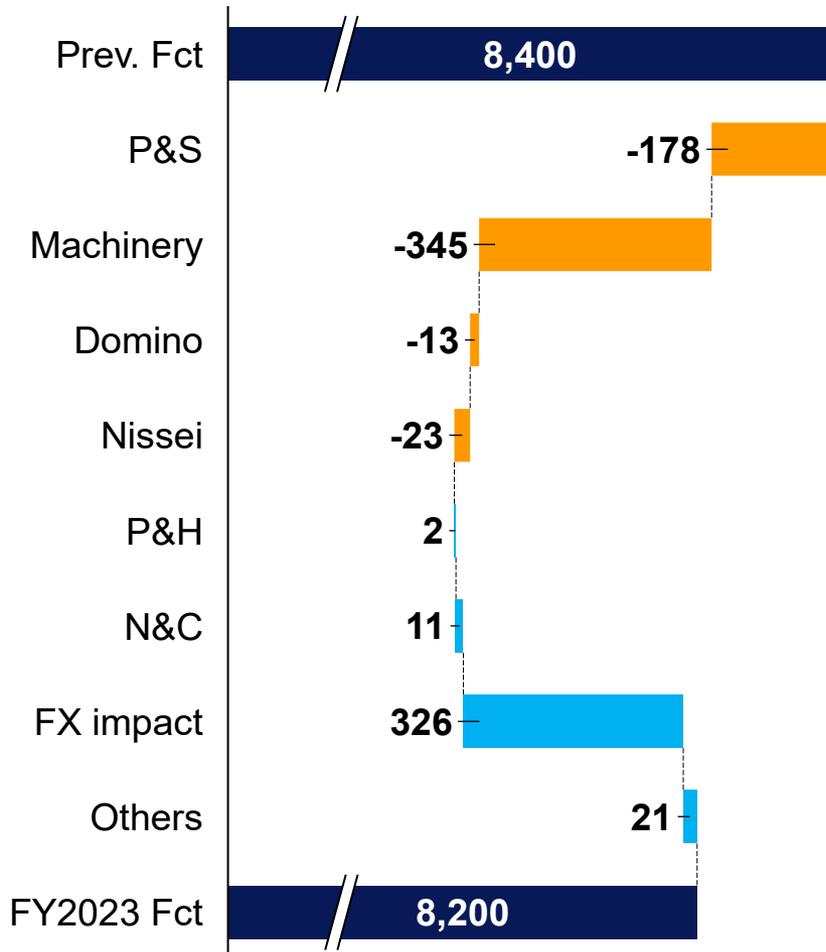
	Operating profit		
	Previous Forecast	FY23 Forecast	Change
	415	531	116
	148	37	-111
	45	55	10
	21	13	-8
	44	30	-14
	9	16	7
	18	18	0
<b>Total</b>	<b>700</b>	<b>700</b>	<b>0</b>

\* "Other" includes elimination amounts from inter-segment transactions.

(100 Millions of Yen)

### Changes in Sales Revenue

### Changes in Business Segment Profit



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

# Financial Position

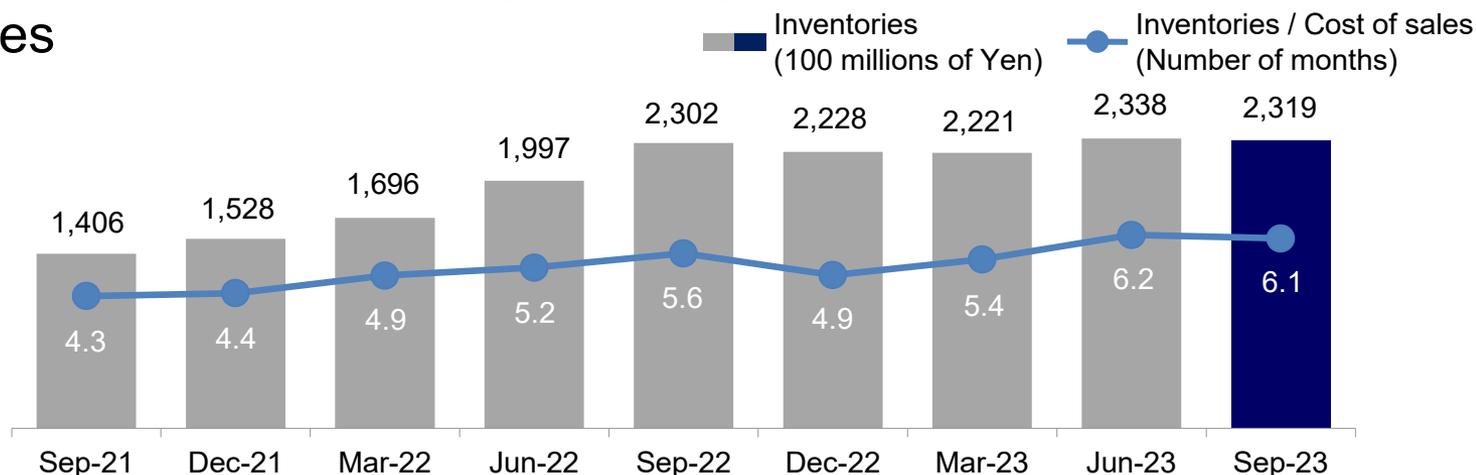
(100 Millions of Yen)

	End of Mar 23	End of Sep23	Change
Current assets	5,117	<b>5,118</b>	1
Cash&Cash equivalents	1,190	<b>1,154</b>	-37
Inventories	2,221	<b>2,319</b>	98
Non-current assets	3,387	<b>3,645</b>	258
Total liabilities	2,538	<b>2,147</b>	-391
Interest-bearing debt	374	<b>6</b>	-368
Shareholders' equity*	5,966	<b>6,615</b>	649
Total assets	8,505	<b>8,763</b>	258

\*Equity attributable to owners of the parent company

	End of Mar 23	End of Sep23	Change
Net cash	816	<b>1,148</b>	332
Shareholders' equity ratio	70.2%	<b>75.5%</b>	5.3
ROE	6.8%	-	-

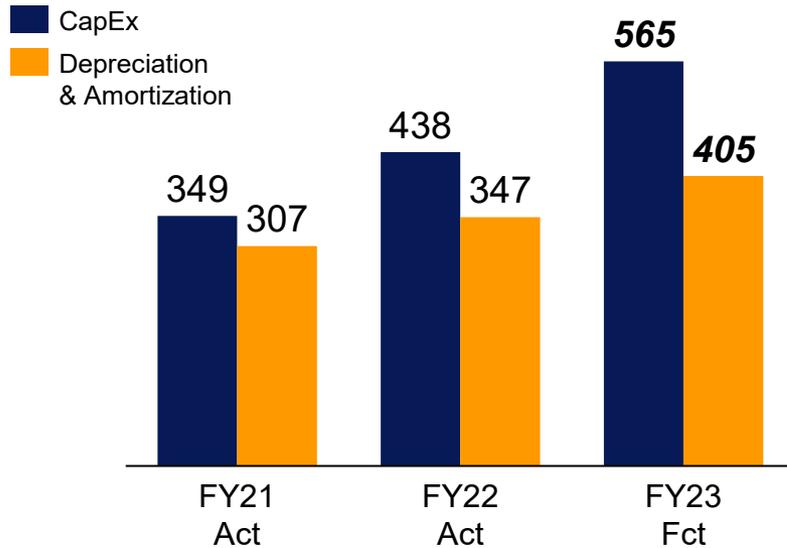
## Inventories



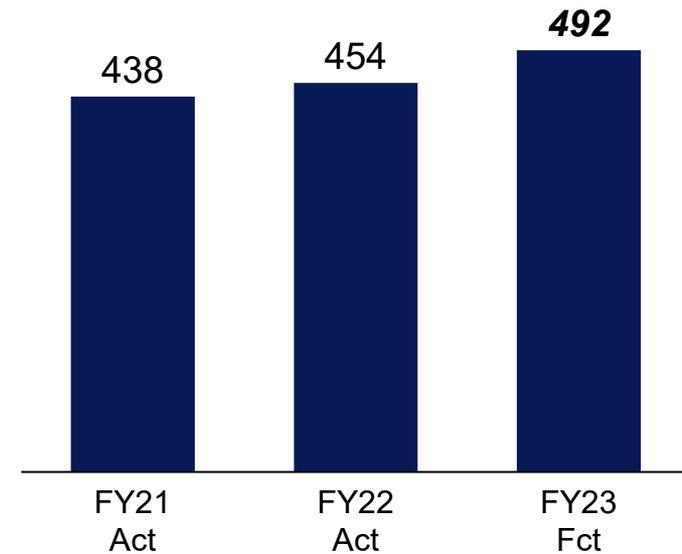
# Capital Expenditure, Depreciation and Amortization/ R&D Expenses

(100 Millions of Yen)

## Capital Expenditure/Depreciation & Amortization



## R&D Expenses



### Breakdown by business (CapEx)

	FY21	FY22	FY23
Industrial area	68	82	122
Consumer area & Others	281	356	443
<b>Total</b>	<b>349</b>	<b>438</b>	<b>565</b>

### Breakdown by business (R&D)

	FY21	FY22	FY23
Industrial area	103	123	134
Consumer area & Others	335	331	358
<b>Total</b>	<b>438</b>	<b>454</b>	<b>492</b>

\* The industrial area combines the Machinery, Domino, and Nissei businesses

# Shareholder Returns

The interim dividend for FY2023 is 34 yen per share.  
The forecast for the annual dividend remains unchanged.

## [Basic policy] Implement stable and continuous shareholder returns

- Minimum annual dividend of **68 yen** per share
- Consider additional shareholder returns, including an increase in the dividend level, depending on factors such as business performance. In addition, flexibly carry out repurchase of our own shares

	Interim dividend	Year-end dividend	Annual dividend
FY2021	30 yen	34 yen	64 yen
FY2022	34 yen	34 yen	68 yen
FY2023	34 yen	34 yen (planned)	68 yen (planned)

# Business Segment Information

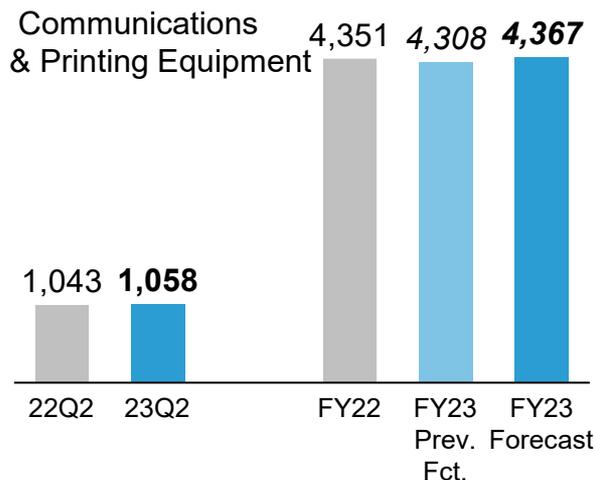
# Printing & Solutions Sales Revenue & Profit

(100 Millions of Yen)

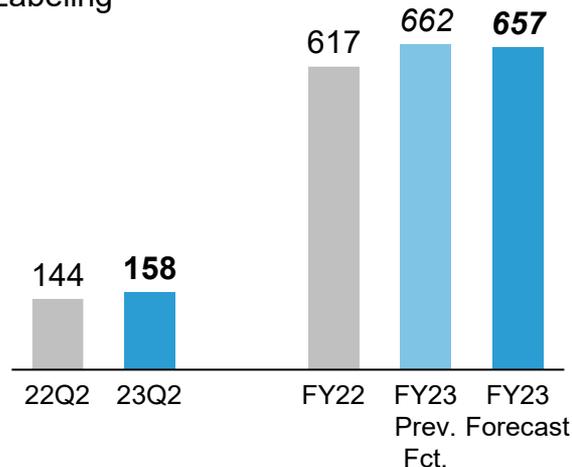
	22Q2	23Q2	Change	Change w/o FX
<b>Sales revenue</b>	<b>1,187</b>	<b>1,216</b>	<b>2.5%</b>	<b>-3.3%</b>
<b>Communications &amp; printing equipment</b>	<b>1,043</b>	<b>1,058</b>	<b>1.4%</b>	<b>-4.3%</b>
Americas	392	450	14.7%	10.3%
Europe	295	310	5.2%	-6.8%
Asia & others	240	207	-13.6%	-16.1%
Japan (incl. OEM)	116	90	-22.2%	-23.3%
<b>Labeling</b>	<b>144</b>	<b>158</b>	<b>10.2%</b>	<b>4.1%</b>
Americas	65	75	15.1%	10.9%
Europe	39	47	22.8%	8.8%
Asia & others	30	25	-16.5%	-18.4%
Japan	10	11	9.4%	9.4%
<b>Business segment profit</b>	<b>51</b>	<b>143</b>	<b>181.3%</b>	<b>-</b>
<b>Operating profit</b>	<b>54</b>	<b>140</b>	<b>157.5%</b>	<b>-</b>

	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY	Change w/o FX
<b>Sales revenue</b>	<b>4,967</b>	<b>4,970</b>	<b>5,025</b>	<b>1.2%</b>	<b>-3.6%</b>
<b>Communications &amp; printing equipment</b>	<b>4,351</b>	<b>4,308</b>	<b>4,367</b>	<b>0.4%</b>	<b>-4.4%</b>
Americas	1,688	1,695	1,726	2.3%	-2.2%
Europe	1,351	1,308	1,366	1.1%	-6.5%
Asia & others	847	856	848	0.1%	-2.6%
Japan (incl. OEM)	464	449	428	-7.9%	-9.3%
<b>Labeling</b>	<b>617</b>	<b>662</b>	<b>657</b>	<b>6.6%</b>	<b>1.7%</b>
Americas	286	309	296	3.7%	-0.8%
Europe	186	193	208	11.5%	3.4%
Asia & others	98	103	104	5.8%	3.5%
Japan	46	56	49	6.2%	6.2%
<b>Business segment profit</b>	<b>371</b>	<b>415</b>	<b>547</b>	<b>47.5%</b>	<b>-</b>
<b>Operating profit</b>	<b>365</b>	<b>415</b>	<b>531</b>	<b>45.7%</b>	<b>-</b>

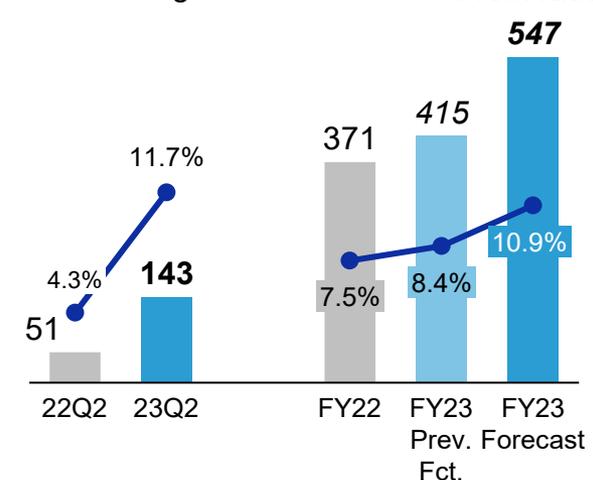
<Sales Revenue>



Labeling



<Business Segment Profit> ● Profit ratio



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

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at your side

	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2	22Q3	22Q4	23Q1	23Q2	23Q3	23Q4	FY21	FY22
<b>LBP</b>														
<b>Sales revenue growth rate (JPY/YoY)</b>														
Hardware	-10%	-4%	-9%	-8%	41%	45%	42%	36%	4%	-17%	-	-	-8%	41%
Consumable	21%	15%	14%	16%	18%	-8%	0%	4%	3%	15%	-	-	16%	3%
<b>Sales revenue growth rate (LC/YoY)</b>														
Hardware	-16%	-9%	-15%	-13%	25%	23%	21%	23%	-1%	-21%	-	-	-13%	23%
Consumable	12%	9%	6%	9%	7%	-20%	-13%	-6%	-3%	7%	-	-	9%	-8%
<b>IJP</b>														
<b>Sales revenue growth rate (JPY/YoY)</b>														
Hardware	90%	95%	17%	15%	18%	32%	46%	39%	5%	3%	-	-	45%	33%
Consumable	11%	-6%	-3%	2%	19%	-2%	8%	13%	15%	16%	-	-	0%	9%
<b>Sales revenue growth rate (LC/YoY)</b>														
Hardware	79%	87%	11%	10%	8%	16%	30%	27%	2%	-2%	-	-	38%	20%
Consumable	5%	-10%	-7%	-2%	11%	-12%	-2%	4%	9%	9%	-	-	-4%	0%
<b>Consumable ratio</b>														
	56%	57%	58%	59%	53%	47%	49%	53%	54%	53%	-	-	57%	51%
<b>Growth rate of hardware (Units/YoY)</b>														
LBP	-28%	-16%	-20%	-16%	14%	9%	3%	8%	-1%	-21%	-	-	-20%	8%
IJP	65%	101%	1%	7%	8%	16%	42%	43%	4%	0%	-	-	34%	26%

# Machinery

## Sales Revenue & Profit

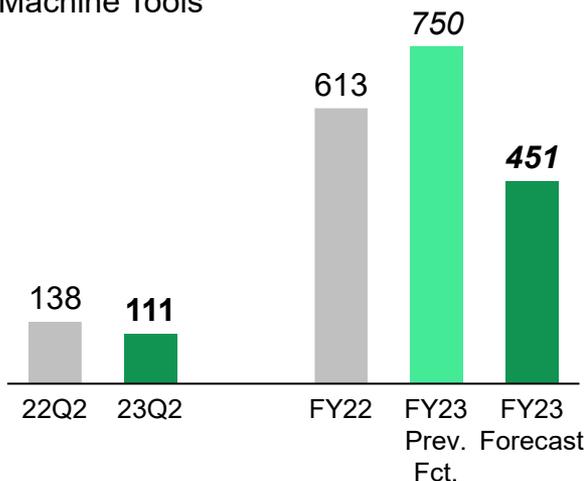
(100 Millions of Yen)

	22Q2	23Q2	Change	Change w/o FX
<b>Sales revenue</b>	<b>240</b>	<b>204</b>	<b>-15.0%</b>	<b>-16.8%</b>
<b>Machine tools</b>	<b>138</b>	<b>111</b>	<b>-20.0%</b>	<b>-20.0%</b>
Americas	5	9	66.5%	-
Europe	6	7	32.5%	-
Asia & others	107	55	-48.6%	-
Japan	21	39	91.5%	-
<b>Industrial sewing machines</b>	<b>102</b>	<b>93</b>	<b>-8.0%</b>	<b>-12.5%</b>
Americas	27	36	32.3%	26.7%
Europe	19	19	-2.6%	-13.8%
Asia & others	51	33	-34.5%	-36.2%
Japan	4	6	27.3%	27.3%
<b>Business segment profit</b>	<b>32</b>	<b>9</b>	<b>-71.0%</b>	<b>-</b>
<b>Operating profit</b>	<b>34</b>	<b>9</b>	<b>-73.5%</b>	<b>-</b>

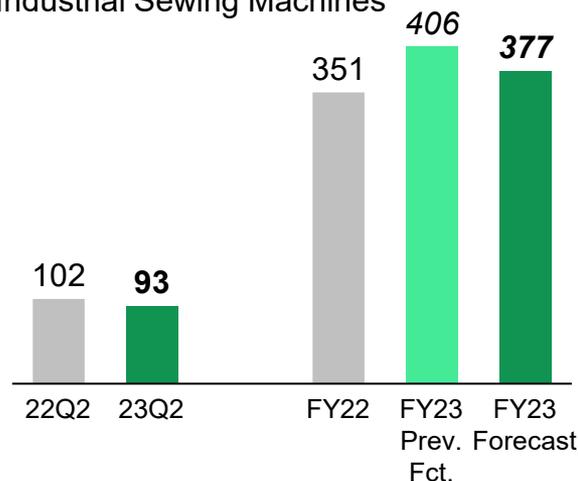
	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY	Change w/o FX
<b>Sales revenue</b>	<b>964</b>	<b>1,156</b>	<b>828</b>	<b>-14.1%</b>	<b>-16.2%</b>
<b>Machine tools</b>	<b>613</b>	<b>750</b>	<b>451</b>	<b>-26.4%</b>	<b>-26.8%</b>
Americas	41	38	35	-14.2%	-
Europe	38	42	36	-4.7%	-
Asia & others	432	534	254	-41.2%	-
Japan	103	137	126	23.2%	-
<b>Industrial sewing machines</b>	<b>351</b>	<b>406</b>	<b>377</b>	<b>7.4%</b>	<b>2.2%</b>
Americas	105	121	125	18.8%	13.1%
Europe	74	85	86	16.4%	7.9%
Asia & others	155	178	146	-5.6%	-9.3%
Japan	17	22	20	15.7%	15.7%
<b>Business segment profit</b>	<b>95</b>	<b>148</b>	<b>35</b>	<b>-63.3%</b>	<b>-</b>
<b>Operating profit</b>	<b>98</b>	<b>148</b>	<b>37</b>	<b>-62.4%</b>	<b>-</b>

<Sales Revenue>

Machine Tools

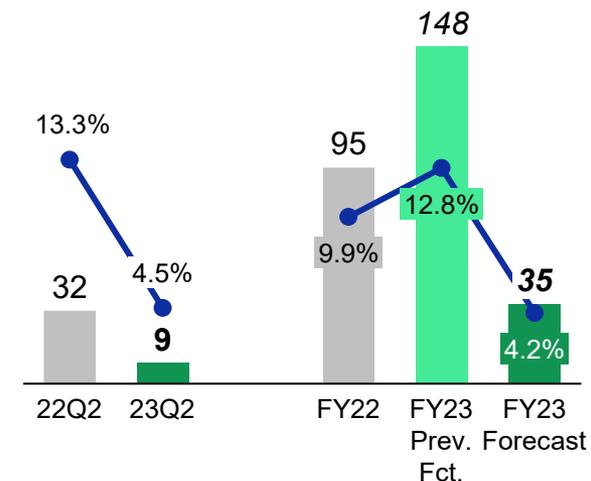


Industrial Sewing Machines



<Business Segment Profit>

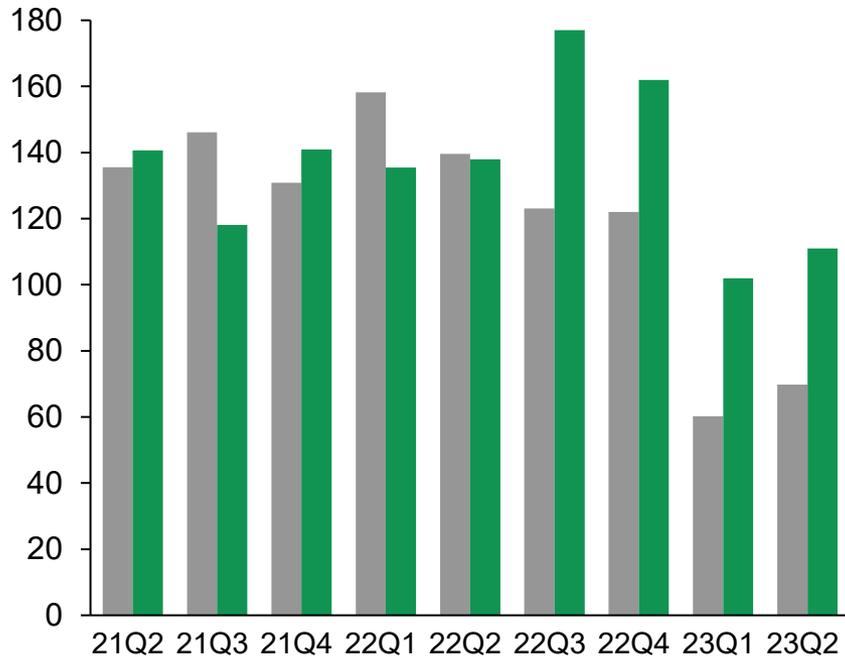
Profit ratio



# Machinery (Machine Tools) Order Trends

## Trends in order amount and sales revenue

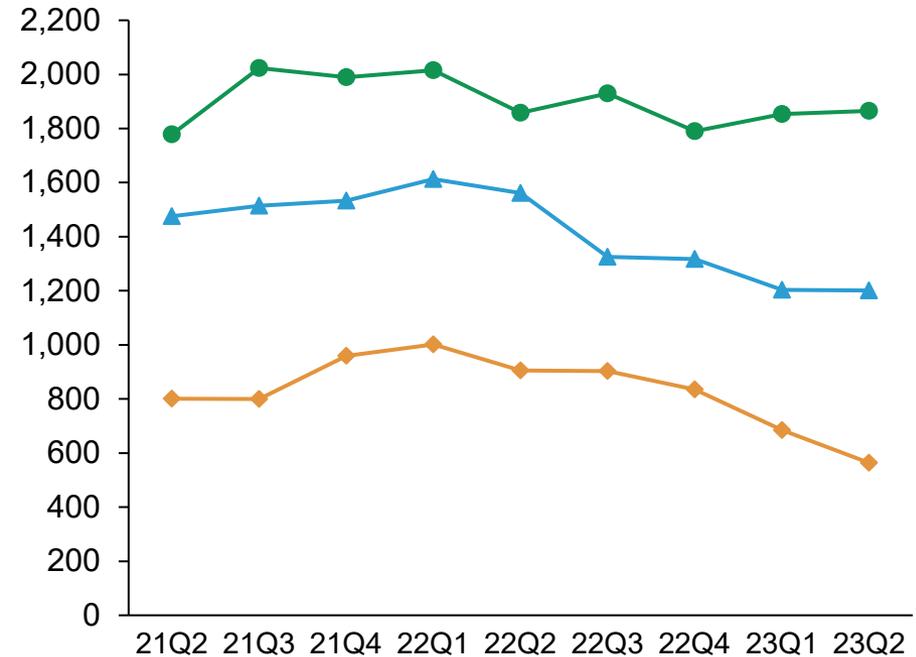
- Order amount
- Sales revenue



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

(100 Millions of Yen)  
(Reference) Machine tool statistics of the  
Japan Machine Tool Builders' Association

- Domestic demand
- Demand from overseas except China
- China



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

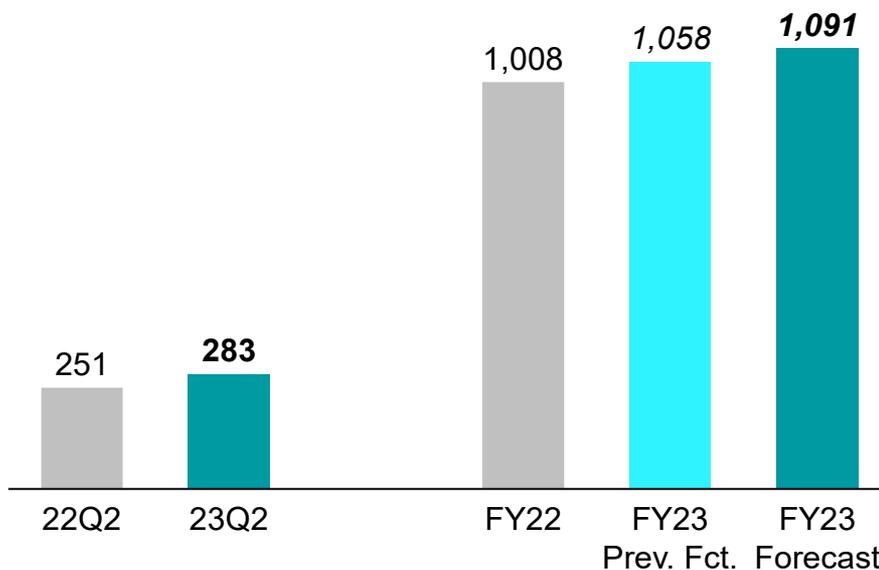
# Domino Sales Revenue & Profit

(100 Millions of Yen)

	22Q2	23Q2	Change	Change w/o FX
<b>Sales revenue</b>	<b>251</b>	<b>283</b>	<b>12.4%</b>	<b>5.5%</b>
Americas	57	70	22.5%	5.9%
Europe	111	122	10.0%	4.9%
Asia & others	72	81	12.6%	9.5%
Japan	11	10	-15.5%	-15.5%
<b>Business segment profit</b>	<b>13</b>	<b>17</b>	<b>27.4%</b>	-
<b>Operating profit</b>	<b>18</b>	<b>18</b>	<b>2.8%</b>	-

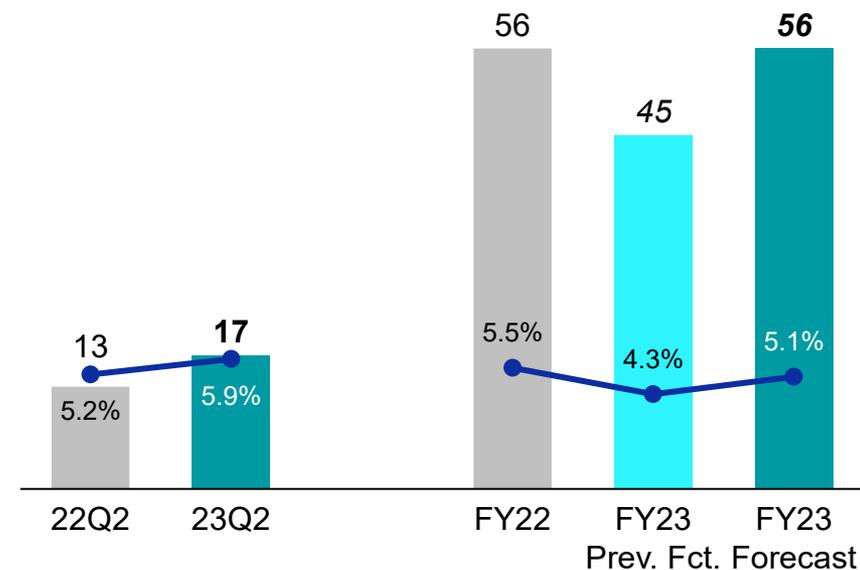
	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY	Change w/o FX
<b>Sales revenue</b>	<b>1,008</b>	<b>1,058</b>	<b>1,091</b>	<b>8.2%</b>	<b>3.1%</b>
Americas	243	271	275	13.3%	0.3%
Europe	437	437	471	7.9%	3.4%
Asia & others	288	306	306	6.5%	6.6%
Japan	41	43	39	-6.4%	-6.4%
<b>Business segment profit</b>	<b>56</b>	<b>45</b>	<b>56</b>	<b>0.5%</b>	-
<b>Operating profit</b>	<b>-58</b>	<b>45</b>	<b>55</b>	-	-

<Sales Revenue>



<Business Segment Profit>

● Profit ratio



# Nissei Sales Revenue & Profit

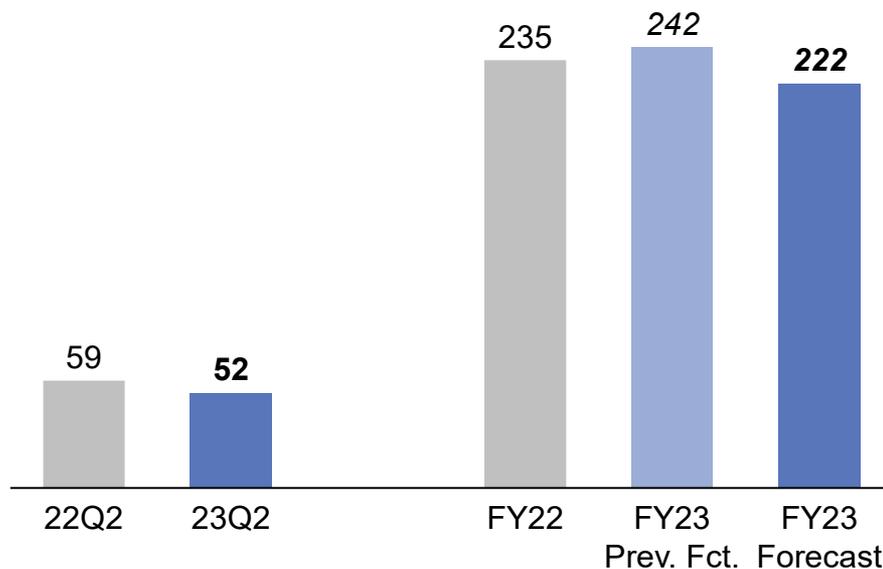
brother  
at your side

(100 Millions of Yen)

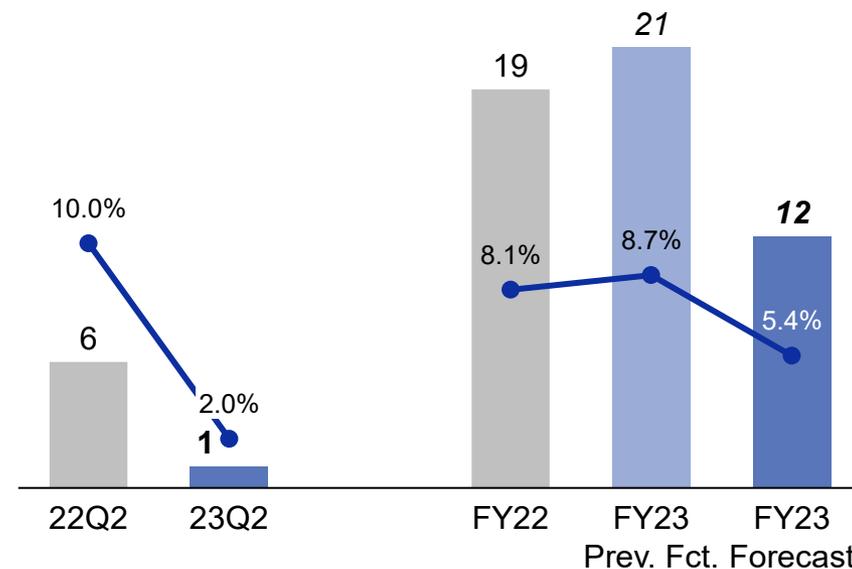
	22Q2	23Q2	Change	Change w/o FX
<b>Sales revenue</b>	<b>59</b>	<b>52</b>	<b>-12.1%</b>	<b>-13.4%</b>
Americas	8	8	0.1%	-5.4%
Europe	-	-	-	-
Asia & others	11	8	-24.2%	-27.2%
Japan	40	36	-11.3%	-11.3%
<b>Business segment profit</b>	<b>6</b>	<b>1</b>	<b>-82.0%</b>	<b>-</b>
<b>Operating profit</b>	<b>6</b>	<b>0</b>	<b>-92.0%</b>	<b>-</b>

	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY	Change w/o FX
<b>Sales revenue</b>	<b>235</b>	<b>242</b>	<b>222</b>	<b>-5.5%</b>	<b>-6.8%</b>
Americas	38	38	37	-3.4%	-9.1%
Europe	-	-	-	-	-
Asia & others	37	38	36	-2.4%	-5.0%
Japan	160	167	149	-6.7%	-6.7%
<b>Business segment profit</b>	<b>19</b>	<b>21</b>	<b>12</b>	<b>-36.9%</b>	<b>-</b>
<b>Operating profit</b>	<b>18</b>	<b>21</b>	<b>13</b>	<b>-28.5%</b>	<b>-</b>

<Sales Revenue>



<Business Segment Profit> Profit ratio



# Personal & Home Sales Revenue & Profit

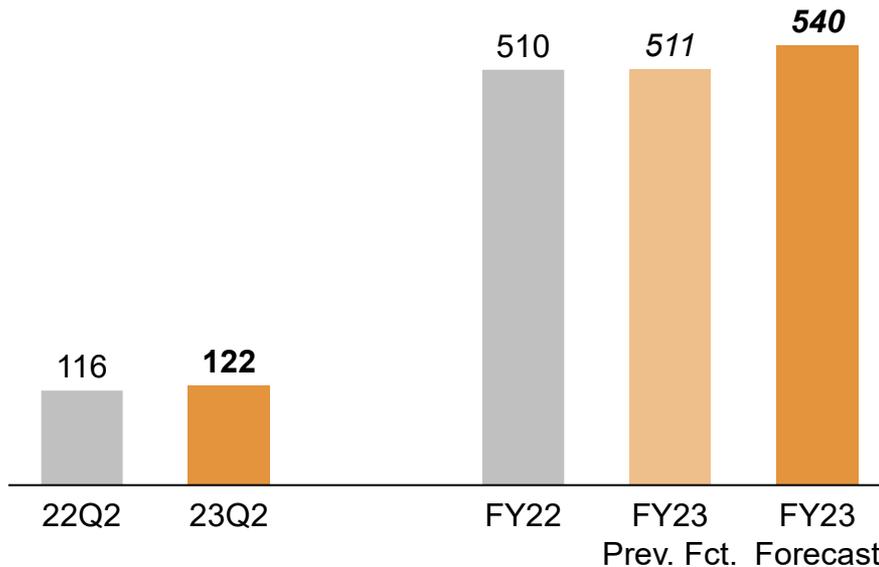
brother  
at your side

(100 Millions of Yen)

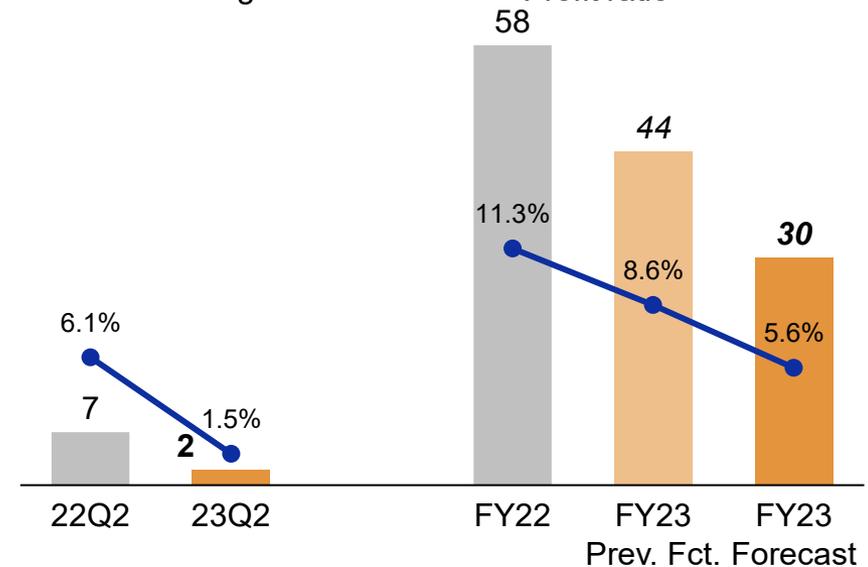
	22Q2	23Q2	Change	Change w/o FX
<b>Sales revenue</b>	<b>116</b>	<b>122</b>	<b>5.0%</b>	<b>-1.1%</b>
Americas	77	77	0.1%	-4.7%
Europe	20	27	38.6%	23.0%
Asia & others	14	12	-12.2%	-14.1%
Japan	6	6	-2.3%	-2.3%
<b>Business segment profit</b>	<b>7</b>	<b>2</b>	<b>-73.7%</b>	<b>-</b>
<b>Operating profit</b>	<b>8</b>	<b>2</b>	<b>-75.4%</b>	<b>-</b>

	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY	Change w/o FX
<b>Sales revenue</b>	<b>510</b>	<b>511</b>	<b>540</b>	<b>5.9%</b>	<b>0.7%</b>
Americas	316	311	335	6.0%	0.8%
Europe	112	113	122	8.9%	1.1%
Asia & others	52	56	54	2.6%	0.5%
Japan	29	31	29	-1.2%	-1.2%
<b>Business segment profit</b>	<b>58</b>	<b>44</b>	<b>30</b>	<b>-48.1%</b>	<b>-</b>
<b>Operating profit</b>	<b>59</b>	<b>44</b>	<b>30</b>	<b>-48.7%</b>	<b>-</b>

<Sales Revenue>



<Business Segment Profit> Profit ratio



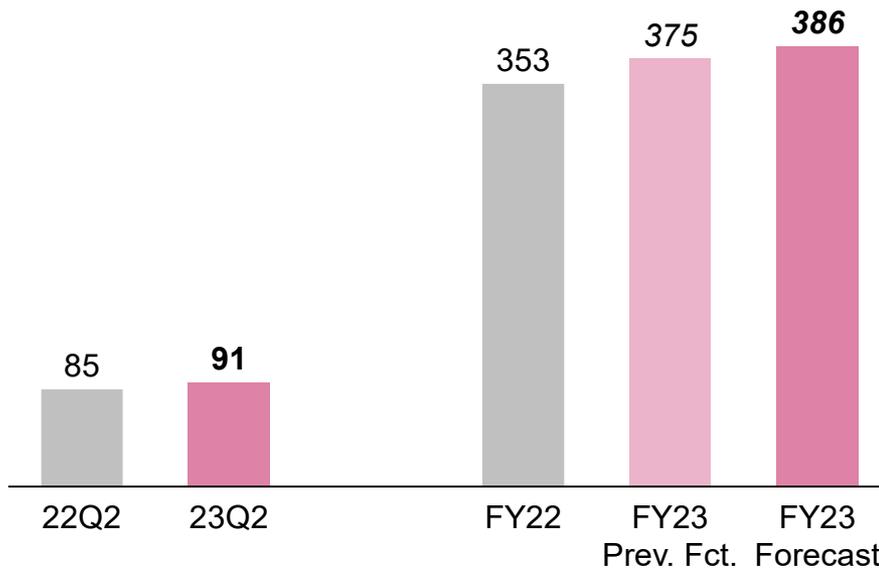
# Network & Contents Sales Revenue & Profit

(100 Millions of Yen)

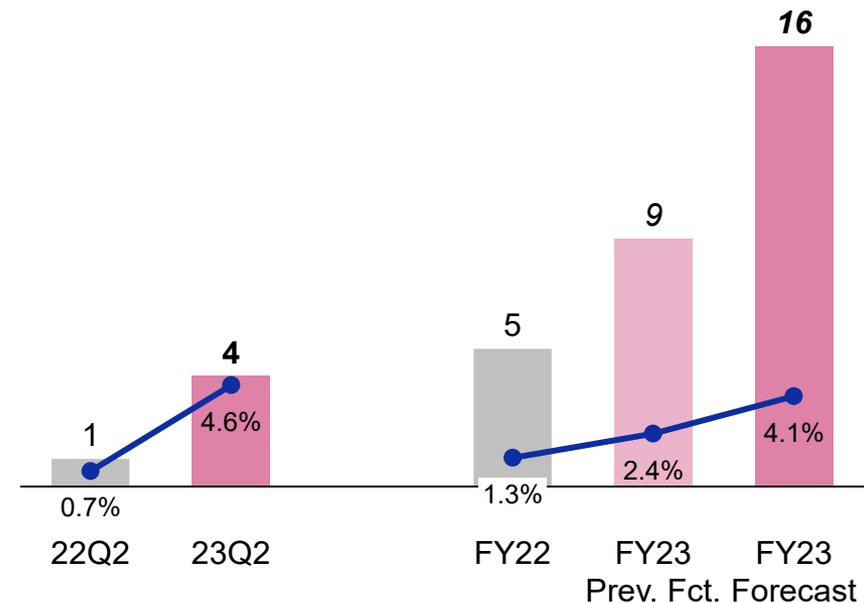
	22Q2	23Q2	Change
<b>Sales revenue</b>	<b>85</b>	<b>91</b>	<b>6.9%</b>
<b>Business segment profit</b>	<b>1</b>	<b>4</b>	<b>Approx. 7.4X</b>
<b>Operating profit</b>	<b>2</b>	<b>5</b>	<b>Approx. 2.5X</b>

	FY22	FY23 Prev. Fct.	FY23 Forecast	Change vs LY
<b>Sales revenue</b>	<b>353</b>	<b>375</b>	<b>386</b>	<b>9.5%</b>
<b>Business segment profit</b>	<b>5</b>	<b>9</b>	<b>16</b>	<b>Approx. 3.5X</b>
<b>Operating profit</b>	<b>8</b>	<b>9</b>	<b>16</b>	<b>Approx. 2.0X</b>

<Sales Revenue>



<Business Segment Profit> ● Profit ratio



# ESG Topics

# BROTHER TECHNOLOGY (SHENZHEN) Acquires RBA Platinum Certification

BROTHER TECHNOLOGY (SHENZHEN) LTD., which produces P&S products, acquired the Brother Group’s first RBA platinum certification. This is the Group’s second RBA certification, following the acquisition of gold certification by the BROTHER INDUSTRIES (VIETNAM) LTD.

## ■ BROTHER TECHNOLOGY (SHENZHEN) LTD. Acquires RBA Platinum Certification

- The Responsible Business Alliance (RBA) is a global organization that aims for member companies to fulfill their social responsibilities through the development of sustainable supply chains.
- BROTHER TECHNOLOGY (SHENZHEN) LTD. produces printers and All-in-Ones.
- The company was appreciated for its proper management of labor, safety, the environment, ethics, and supply chain, as well as its management systems for these items, and was awarded platinum certification **receiving 200 points, the highest possible score.**



BROTHER TECHNOLOGY (SHENZHEN)



RBA Platinum Certificate

## ■ Progress in achieving sustainability targets for “pursuing a responsible value chain” in the Materiality

FY2024 Target	Acquire RBA gold certification at three Group manufacturing sites	
Progress	<ul style="list-style-type: none"> <li>➤ 2022</li> <li>➤ 2023</li> </ul>	<p>BROTHER INDUSTRIES (VIETNAM) LTD. acquired RBA gold certification</p> <p><b>BROTHER TECHNOLOGY (SHENZHEN) LTD. acquired RBA platinum certification</b></p> <p>Measures are underway for acquisition of certification at one additional site</p>

The Japanese version of the Integrated Report 2023 was released on the Company's website on October 31.

The English version is scheduled to be released at the end of November.



Cover

## Featured Contents

- **Vision roundtable discussions by employees**
- **Roundtable discussion by an institutional investor and outside directors**
- **Enhanced disclosure about human capital including DX strategies and human resource development programs**
- **Reform of value creation process diagrams**
- **Presentation of case studies concerning expansion in Industrial areas and transformation of the Printing area for achieving business portfolio transformation**



Vision roundtable discussions by employees

URL: <https://global.brother/ja/sustainability/report-archive/bir>

**brother**  
at your side

# Reference: Brother's business areas

Business areas		Business segments		Area (Main products & service portfolio)						
Industrial area	Machinery/FA	Nissei		Machinery	Industrial Equipment		Reducer	Gear	Machine tool	Industrial Sewing Machine
		Industrial Sewing Machines	Industrial Sewing Machines							
	Industrial Printing		Domino		Garment printer	Coding and marking equipment	Digital printing equipment			
		Printing & Solutions	Labeling		Commercial & Industrial Labeling	Commercial & Industrial use label printer	Mobile printer	Labeling system	Printer	All-in-One
Home & Office Labeling										
Consumer area	Printing	Communications & Printing Equipment								
	Home & Culture	Personal & Home		Network & Contents		Home sewing machine	Home cutting machine	Online Karaoke system		