

Note: The following is an English translation of the original Japanese version, prepared only for the convenience of shareholders. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Information referred to herein may not have an English translation. The pages referred to are those in the original Japanese version.

(Securities code: 6448)

June 1, 2017

15-1, Naeshiro-cho, Mizuho-ku, Nagoya

**BROTHER INDUSTRIES, LTD.**

Toshikazu Koike

Representative Director & President

**NOTICE OF THE 125TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

You are cordially invited to attend the 125th Ordinary General Meeting of Shareholders to be held as stated below.

**If you are unable to attend the meeting, please review the attached "Reference Material for General Meeting of Shareholders" and exercise your voting right by 6:00 pm, Thursday, June 22, 2017 (Japan Standard Time) by one of the methods described in "Exercising Your Voting Rights" on the following page.**

**Meeting Details**

**1. Date and time:** June 23, 2017 (Friday) at 10:00 am (Japan Standard Time)

**2. Place:** 3rd Floor Baroque Room  
Nagoya Tokyu Hotel  
4-6-8, Sakae, Naka-ku, Nagoya

The venue of the meeting is different from that of the last meeting. Please refer to the "access map" at the end of this notice (omitted from this translation) and make sure to attend at the correct location.

**3. Agendas:**

- Matters to be reported:**
1. Report on the Business Report, Consolidated Financial Statements for the 125th fiscal term (from April 1, 2016 to March 31, 2017) and the result of the audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  2. Report on the Financial Statements for the 125th fiscal term (from April 1, 2016 to March 31, 2017)

**Matters to be resolved:**

**Proposal 1:** Election of 11 Directors

**Proposal 2:** Payment of performance-based remuneration to 5 Directors

If you plan to attend the meeting, please present the voting rights exercise form enclosed herewith to the receptionist at the meeting.

## Exercising Your Voting Rights

If you are unable to attend the meeting, please vote by using one of the following methods.

### [Voting by proxy]

You can appoint another shareholder who has a voting right as your proxy to attend the meeting. Please note that your proxy will be requested to present written proof of the appointment.

### [Voting by postal mail]

Please indicate your approval or disapproval of the proposals in the voting rights exercise form enclosed herewith and return it to us.

Due Date for Exercising your Voting Rights:

To be received no later than 6:00 pm on Thursday, June 22, 2017

### [Voting by the internet]

Please access the designated website for exercising voting rights (<http://www.evot.jp/>) on your personal computer, smartphone, or mobile phone (i-mode, EZweb or Yahoo! Keitai) with the “login ID” and the “temporary password” provided in the voting rights exercise form enclosed herewith. Please follow the instructions to enter your approval or disapproval of the proposals. For details, please refer to the next page.

Due Date for Exercising your Voting Rights:

To be entered no later than 6:00 pm on Thursday, June 22, 2017

## Handling of Voting Rights Exercised More Than Once

If you exercise your voting right more than once by postal mail and by the internet, only the vote by the internet shall be valid and the vote by postal mail shall be void.

You can vote more than once (revote) through the internet. In this case, however, only the last vote shall be valid. Similarly, if a voting right is exercised more than once by personal computer, smartphone, and/or mobile phone, only the last vote shall be valid. All prior votes shall be void.

## Documents Disclosed on the Internet

- Of the documents that are required to be provided with this Notice of Ordinary General Meeting of Shareholders, the “Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements” and “Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements” are posted on our website in accordance with laws and regulations and Article 16 of our Articles of Incorporation, and are not included in this Notice of Ordinary General Meeting of Shareholders. In addition, the documents listed in the accompanying materials to this Notice of Ordinary General Meeting of Shareholders and the Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements and Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements on Brother’s website have been audited by the Corporate Auditors and Accounting Auditor.
- Any revisions to the reference materials for the General Meeting of Shareholders, the Business Report, or the Unconsolidated or Consolidated Financial Statements will be published on Brother’s website.
- Notice of Resolutions of the 125th Ordinary General Meeting of Shareholders will be published on Brother’s website and will not be sent in paper form by mail.

Brother’s Website (<http://www.brother.co.jp/investor/meeting/index.htm>)

## **Guide to Exercising Your Voting Rights**

### **Guide to Exercising Voting Rights by the Internet**

Voting rights can be exercised by the internet by accessing the Website for Exercising Voting Rights (<http://www.evotep.jp/>) (the “Website”) by using a personal computer, smartphone, or mobile phone, and following the instructions on the screen.

Due Date for Exercising your Voting Right by the internet:

To be entered no later than 6:00 p.m. on Thursday, June 22, 2017

Website address: <http://www.evotep.jp/>

### **Attention**

- You may be unable to use the Website depending on your internet environment, or the type of internet service or device you have.
- The Website will be closed between 2 am and 5 am [Japan Standard Time] every day.
- We will be asking you to change your “temporary password” on the Website, to prevent improper access (identity theft) and manipulation of voting data by third parties.
- The “login ID” and “temporary password” provided are only valid for this General Meeting of Shareholders.
- You shall be responsible for the internet connection fees payable to the providers and communication expenses payable to telecommunication carriers (including telephone and packet communication fees) to access the Website.

### **Inquiries about the system**

If you have any questions about the operation of your personal computer, smartphone, or mobile phone in relation to the exercise of your voting rights via the Website, please contact the number below.

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Department, Help Desk Telephone: 0120-173-027 (toll free, Japan only) Reception hours: 9:00–21:00 [Japan Standard Time]
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### **About the Electronic Voting Rights Exercise Platform**

Nominal shareholder such as trust banks acting as administrators (including standing proxies) can use the Electronic Voting Rights Exercise Platform to exercise their voting rights for this General Meeting of Shareholders, if they apply in advance for the use of the Electronic Voting Rights Exercise Platform operated by ICJ, Inc.

## Reference Material for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal 1: Election of 11 Directors

The term of office of all eleven current Directors will expire at the end of this General Meeting of Shareholders. Therefore, it is proposed to elect or reelect eleven Directors. The candidates for Directors are as follows:

Candidate Number	Candidate Name	Responsibilities in Brother Industries, Ltd. (the “Company”)	Attendance Record for the Board of Directors’ Meeting (fiscal year 2016)
1	<b>Toshikazu Koike</b> (61 years old)  Candidate for Reelection	Representative Director & President of the Company	12 out of 12 times (100%)
2	<b>Ichiro Sasaki</b> (60 years old)  Candidate for Reelection	Representative Director & Senior Managing Executive Officer of the Company  Head of Domino Business Division and Industrial Printing Business Division  Responsible for: Industrial Printing Business Division Industrial System Sales & Marketing Dept. and Industrial Printing Business Division New Technology Development Dept.	12 out of 12 times (100%)
3	<b>Tadashi Ishiguro</b> (57 years old)  Candidate for Reelection	Director & Senior Managing Executive Officer of the Company  Head of P&S Business Division  Responsible for: P&S Business Division Business Planning Dept., P&S Business Division SOHO and Emerging Country Business Development Dept., and P&S Business Division SMB and S&S Business Development Dept.	12 out of 12 times (100%)
4	<b>Jun Kamiya</b> (58 years old)  Candidate for Reelection	Director & Managing Executive Officer of the Company  Head of N&C Business Division  Responsible for: N&C Business Division Network System Development Dept.	12 out of 12 times (100%)

Candidate Number	Candidate Name	Responsibilities in Brother Industries, Ltd. (the “Company”)	Attendance Record for the Board of Directors’ Meeting (fiscal year 2016)
5	<b>Tasuku Kawanabe</b> (61 years old)  New Candidate	Managing Executive Officer of the Company  Head of Machinery Business Division  Responsible for: Machinery Business Division Business Planning Dept., Machinery Business Division Strategical Technology Dept., Machinery Business Division Production Dept., Machinery Business Division Development Dept., Machinery Business Division Quality Management Dept., Machinery Business Division Industrial Sewing Machine Sales Dept., Machinery Business Division Machine Tools Sales Dept., Machinery Business Division Machine Tools CS Planning Dept.	-
6	<b>Yuichi Tada</b> (57 years old)  New Candidate	Managing Executive Officer of the Company  Head of L&M Business Division  Responsible for: L&M Business Division Development Dept., L&M Business Division Production Dept., Marketing Strategy Center Sales & Marketing Strategy Development Dept., Marketing Strategy Center Design Dept.	-
7	<b>Atsushi Nishijo</b> (74 years old)  Candidate for Reelection Outside Director Candidate Independent Director stipulated by Tokyo Stock Exchange, Inc.	Outside Director	12 out of 12 times (100%)
8	<b>Shigehiko Hattori</b> (75 years old)  Candidate for Reelection Outside Director Candidate Independent Director stipulated by Tokyo Stock Exchange, Inc.	Outside Director	12 out of 12 times (100%)
9	<b>Koichi Fukaya</b> (73 years old)  Candidate for Reelection Outside Director Candidate Independent Director stipulated by Tokyo Stock Exchange, Inc.	Outside Director	12 out of 12 times (100%)

Candidate Number	Candidate Name	Responsibilities in Brother Industries, Ltd. (the “Company”)	Attendance Record for the Board of Directors’ Meeting (fiscal year 2016)
10	<b>Soichi Matsuno</b> (73 years old)  Candidate for Reelection Outside Director Candidate Independent Director stipulated by Tokyo Stock Exchange, Inc.	Outside Director	12 out of 12 times (100%)
11	<b>Keisuke Takeuchi</b> (69 years old)  New Candidate Outside Director Candidate Independent Director stipulated by Tokyo Stock Exchange, Inc.	-	-

(Note) Each candidate’s age indicates the age as of the date of this General Meeting of Shareholders.

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
1	<b>Toshikazu Koike</b> (October 14, 1955)  61 years old  Candidate for Reelection	April 1979: Joined the Company August 1982: Brother International Corporation (U.S.A.) October 1992: Director of Brother International Corporation (U.S.A.) January 2000: Director & President of Brother International Corporation (U.S.A.) June 2004: Director of the Company January 2005: Director & Chairman of Brother International Corporation (U.S.A.) April 2005: Director & Managing Executive Officer of the Company April 2006: Director & Senior Managing Executive Officer of the Company June 2006: Representative Director & Senior Managing Executive Officer of the Company June 2007: <b>Representative Director &amp; President of the Company (current position)</b>	26,500
	Reason for nomination as a director candidate: Toshikazu Koike has an excellent track record and demonstrated outstanding qualities as a senior executive. After having years of experience in the U.S. business as the head of our U.S. sales headquarters, he drove the growth of our primary printing business as the President of Information & Document Company. Since he was appointed as our Representative Director & President in 2007, he has led the Company Group to steady growth towards achieving our long-term business vision. Therefore, it is considered most appropriate for him to continue to lead our management as the Representative Director & President. For these reasons, the Company proposes the reelection of Toshikazu Koike.		
	Important Concurrent Offices: None		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
2	<b>Ichiro Sasaki</b> (April 30, 1957)  60 years old  Candidate for Reelection	April 1983: Joined the Company January 2005: Managing Director of Brother U.K. Ltd. April 2008: General Manager of NID Research & Development Dept. of the Company April 2009: Executive Officer of the Company April 2013: Managing Executive Officer of the Company June 2014: Director & Managing Executive Officer of the Company June 2016: Representative Director & Managing Executive Officer of the Company April 2017: <b>Representative Director &amp; Senior Managing            Executive Officer of the Company (current            position)</b>  [Responsibilities in the Company] Head of Domino Business Division and Industrial Printing Business Division  Responsible for: Industrial Printing Business Division, Industrial System Sales & Marketing Dept. and Industrial Printing Business Division New Technology Development Dept.	37,180
	Reason for nomination as a director candidate: As an engineer for product development, Ichiro Sasaki was one of the people who established the foundation of our laser printer technology. He possesses a broad range of knowledge based on his experience, which includes operations in the manufacturing field (such as product planning and quality assurance) and management of our U.K. sales company. Furthermore, he has demonstrated excellent leadership in relation to the acquisition of the Domino business and its subsequent integration. We believe his extensive knowledge, leadership and other qualities will help contribute to the growth of the Company Group's corporate value. For these reasons, the Company proposes the reelection of Ichiro Sasaki.		
	Important Concurrent Offices: None		



Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
3	<b>Tadashi Ishiguro</b> (June 21, 1960)  57 years old  Candidate for Reelection	April 1984: Joined the Company May 1987: Brother International Corporation (U.S.A.) January 2005: Director & President of Brother International Corporation (U.S.A.) April 2011: Group Executive Officer of the Company April 2013: Group Managing Executive Officer of the Company April 2014: Director and Chairman of Brother International Corporation (U.S.A.) June 2014: Director & Group Managing Executive Officer of the Company January 2015: Director & Managing Executive Officer of the Company April 2017: <b>Director &amp; Senior Managing Executive Officer of the Company (current position)</b>  [Responsibilities in the Company] Head of P&S Business Division  Responsible for: P&S Business Division Business Planning Dept., P&S Business Division SOHO and Emerging Country Business Development Dept., and P&S Business Division SMB and S&S Business Development Dept.	15,500
	Reason for nomination as a director candidate: With years of experience as the head of the Americas sales headquarters, Tadashi Ishiguro drove the growth of our business in the Americas. After returning to Japan, as an executive responsible for corporate planning, he formulated the Mid-Term Business Strategy CS B2018. Since fiscal year 2017, he has been appointed as the chief operating officer of P&S business and demonstrated his leadership in driving the business. We believe his knowledge and experience will help contribute to the growth of the Company Group's corporate value. For these reasons, the Company proposes the reelection of Tadashi Ishiguro.		
	Important Concurrent Offices: None		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
4	<p><b>Jun Kamiya</b> (February 11, 1959)  58 years old</p> <p>Candidate for Reelection</p>	<p>April 1981: Joined the Company October 1995: Director &amp; President of Brother International Corporation (Canada) Ltd. April 1999: General Manager of Business Machines Div. of Brother Sales, Ltd. April 2000: Executive Officer of Brother Sales, Ltd. June 2001: Director of Brother Sales, Ltd. June 2003: Director &amp; Managing Executive Officer of Brother Sales, Ltd. June 2005: Representative Director &amp; President of Brother Sales, Ltd. April 2008: Executive Officer of the Company December 2009: <b>Representative Director &amp; Chairman of XING Inc. (current position)</b> April 2010: Group Managing Executive Officer of the Company April 2013: Managing Executive Officer of the Company June 2014: <b>Director &amp; Managing Executive Officer of the Company (current position)</b></p> <p>[Responsibilities in the Company] Head of N&amp;C Business Division</p> <p>Responsible for: N&amp;C Business Division Network System Development Dept.</p>	17,900
	<p>Reason for nomination as a director candidate: Jun Kamiya served as the president of our Canadian sales company and president of Brother Sales Ltd., and achieved success in improving the business performance of both companies. Since he was appointed as the chief operating officer of N&amp;C business, he has driven the growth of such business through M&amp;A and other measures. He has also facilitated stabilization of the business through recent business structural reforms. We believe his knowledge and business experience in these fields including the management of the domestic and international sales companies will help contribute to the growth of the Company Group's corporate value. For these reasons, the Company proposes the reelection of Jun Kamiya.</p>		
	<p>Important Concurrent Offices: Representative Director &amp; Chairman of XING Inc.</p>		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
5	<b>Tasuku Kawanabe</b> (April 28, 1956) 61 years old  New Candidate	April 1979: Joined the Company October 2000: General Manager of Machinery & Solution Company Machine Tools Division Development Dept. of the Company April 2007: Executive Officer of the Company and President of Machinery & Solution Company April 2014: Managing Executive Officer of the Company and President of Machinery & Solution Company April 2016: <b>Managing Executive Officer of the Company (current position)</b>  [Responsibilities in the Company] Head of Machinery Business Division  Responsible for: Machinery Business Division Business Planning Dept., Machinery Business Division Strategic Technology Dept., Machinery Business Division Production Dept., Machinery Business Division Development Dept., Machinery Business Division Quality Management Dept., Machinery Business Division Industrial Sewing Machine Sales Dept., Machinery Business Division Machine Tools Sales Dept., Machinery Business Division Machine Tools CS Planning Dept.	15,600
	Reason for nomination as a director candidate: After taking several key roles in production engineering, development design, domestic sales and other divisions, Tasuku Kawanabe was appointed in 2007 as the president of the Machinery & Solution Company. Since then, he has served as a chief operating officer of such business and has a track record of growing it to become one of the pillars of the Company Group in terms of both sales and profits. We believe the above-mentioned capabilities as well as his experience and knowledge in a broad range of industrial areas (including machine tools, industrial sewing machines and industrial parts) will help contribute to the growth of the Company Group's corporate value. For these reasons, the Company proposes the election of Tasuku Kawanabe.		
	Important Concurrent Offices: None		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
6	<b>Yuichi Tada</b> (August 15, 1959)  57 years old  New Candidate	<div>April 1982: Joined the Company</div> <div>August 1994: Brother International Corporation (U.S.A.)</div> <div>April 2006: General Manager of Printing &amp; Solutions Company Corporate Planning Dept. of the Company</div> <div>April 2007: Executive Vice President of Printing &amp; Solutions Company of the Company</div> <div>April 2012: Group Executive Officer of the Company, Managing Director of Brother Holding (Europe) Ltd., and Chairman &amp; Managing Director of Brother International Europe Ltd.</div> <div>April 2017: <b>Managing Executive Officer of the Company (current position)</b></div> <div>[Responsibilities in the Company] Head of L&amp;M Business Division</div> <div>Responsible for: L&amp;M Business Division Development Dept., L&amp;M Business Division Production Dept., Marketing Strategy Center Sales &amp; Marketing Strategy Development Dept., Marketing Strategy Center Design Dept.</div>	8,800
	Reason for nomination as a director candidate Through years of experience in our Americas sales headquarters and the Company's headquarters, Yuichi Tada possesses superior knowledge in the fields of corporate planning and management, product planning and other business areas. Most recently, as the head of our European sales headquarters, he contributed to the growth of the Company Group by various measures such as expanding the SMB (Small and Medium Business) market in Europe. We believe his knowledge and experience will help contribute to the growth of Brother group's corporate value. For these reasons, the Company proposes the election of Yuichi Tada.		
	Important Concurrent Offices: None		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
7	<b>Atsushi Nishijo</b> (July 24, 1942)  74 years old  Candidate for Reelection  Outside Director Candidate  Independent Director stipulated by Tokyo Stock Exchange, Inc.	April 1965: Joined Sumitomo Corporation June 1993: Director of Sumitomo Corporation Executive Vice President of Sumitomo Corporation of America April 1997: Managing Director of Sumitomo Corporation April 2001: Senior Managing Director and General Manager for the Americas of Sumitomo Corporation and President and Chief Executive Officer of Sumitomo Corporation of America April 2002: Executive Vice President of Sumitomo Corporation April 2003: Director, Executive Vice President of Sumitomo Corporation June 2003: Executive Vice President of Sumitomo Corporation April 2005: Advisor of Sumisho Computer Systems Corporation (now SCSK Corporation) June 2005: Chairman of the Board of Sumisho Computer System Corporation June 2009: Special Advisor of Sumisho Computer System Corporation June 2010: <b>Advisor of Sumitomo Corporation (current position)</b> <b>Outside Director of the Company (current position)</b>	12,600
		Reason for nomination as a director candidate:  Atsushi Nishijo has been involved in the management of Sumitomo Corporation and Sumisho Computer Systems Corporation (now SCSK Corporation). Through his extensive experience, insight, and achievements as both an executive of a global group of companies and of an information technology company, he can provide advice regarding the Company Group's management, make important decisions and supervise the execution of business, independent of the managing executives. For these reasons, the Company proposes the reelection of Atsushi Nishijo.	
		Important Concurrent Offices: Chairman of Japan Cable and Telecommunications Association Advisor of Sumitomo Corporation Outside Director of Skylark Co., Ltd.	

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
8	<b>Shigehiko Hattori</b> (August 21, 1941)  75 years old  Candidate for Reelection  Outside Director Candidate  Independent Director stipulated by Tokyo Stock Exchange, Inc.	April 1964: Joined Shimadzu Corporation June 1989: President of Shimadzu Scientific Instruments Inc., U.S.A. June 1993: Director, Member of the Board of Shimadzu Corporation June 1997: Managing Director of Shimadzu Corporation June 2003: President and CEO of Shimadzu Corporation June 2009: Chairman of the Board of Shimadzu Corporation June 2012: <b>Outside Director of the Company (current position)</b> June 2015: <b>Senior Advisor of Shimadzu Corporation (current position)</b>	8,300
	Reason for nomination as a director candidate: Shigehiko Hattori has been involved in the management of a global group of companies through his experience as president and CEO of Shimadzu Corporation, and in the overseas sales offices of Shimadzu Corporation. Through his extensive experience, insight, and achievements, he can provide advice regarding the Company Group's management, make important decisions and supervise the execution of business, independent of the managing executives. For these reasons, the Company proposes the reelection of Shigehiko Hattori.		
	Important Concurrent Offices: Senior Advisor of Shimadzu Corporation Outside Director of Mitsubishi Tanabe Pharma Corporation Outside Director of Sapporo Holdings Limited Outside Director of Meiji Yasuda Life Insurance Company Outside Auditor of Nikkei Inc.		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
9	<b>Koichi Fukaya</b> (December 3, 1943)  73 years old  Candidate for Reelection  Outside Director Candidate  Independent Director stipulated by Tokyo Stock Exchange, Inc.	April 1966: Joined Nippondenso Co. Ltd. (now DENSO Corporation) March 1995: Executive Director, Member of the Board of Nippondenso Co., Ltd. April 1995: President of Nippondenso Manufacturing U.S.A., Inc. (now DENSO Manufacturing Michigan, Inc.) June 1998: Managing Director of DENSO Corporation June 2002: Senior Executive Director, Member of the Board of DENSO Corporation June 2003: President and CEO of DENSO Corporation June 2008: Vice Chairman of DENSO Corporation June 2009: Chairman of DENSO Corporation June 2012: <b>Outside Director of the Company (current position)</b> June 2013: <b>Advisor of DENSO Corporation (current position)</b>	8,300
	Reason for nomination as a director candidate:  Koichi Fukaya has been involved in the management of a global group of companies through his experience as president and CEO of DENSO Corporation, and in the overseas manufacturing facilities of DENSO Corporation. Through his extensive experience, insight, and achievements, he can provide advice regarding the Company Group's management, make important decisions and supervise the execution of business, independent of the managing executives. For these reasons, the Company proposes the reelection of Koichi Fukaya.		
	Important Concurrent Offices: Advisor of DENSO Corporation Corporate Auditor (Outside auditor) of JTEKT Corporation		

Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
10	<b>Soichi Matsuno</b> (June 20, 1944)  73 years old  Candidate for Reelection  Outside Director Candidate  Independent Director stipulated by Tokyo Stock Exchange, Inc.	April 1967: Joined Eisai Co., Ltd. April 1992: President of Eisai Corporation of North America, Inc. June 1993: Director of Eisai Co., Ltd. February 1997: Managing Director of Eisai Co., Ltd. June 2000: Director and Senior Managing Executive Officer of Eisai Co., Ltd. June 2001: Chairman of Eisai Inc., U.S.A. June 2004: Representative Executive Officer Deputy President of Eisai Co., Ltd. June 2010: Advisor of Eisai Co., Ltd. June 2014: <b>Outside Director of the Company (current position)</b>	4,200
	Reason for nomination as a director candidate: Soichi Matsuno has been involved in the management of a global group of companies through his experience as Deputy President of Eisai Co., Ltd., and in the overseas offices of Eisai Co., Ltd. Through his extensive experience, insight, and achievements, he can provide advice regarding the Company Group's management, make important decisions and supervise the execution of business, independent of management executives. For these reasons, the Company proposes the reelection of Soichi Matsuno.		
	Important Concurrent Offices: None		



Candidate number	Name (Date of birth)	Personal history, position, duties and important concurrent offices	Ownership of number of the Company's common shares
11	<b>Keisuke Takeuchi</b> (November 18, 1947)  69 years old  New Candidate  Outside Director Candidate  Independent Director stipulated by Tokyo Stock Exchange, Inc.	April 1970: Joined Japan Gasoline Co., Ltd. (now JGC Corporation) June 2000: Director of JGC Corporation June 2001: Managing Director of JGC Corporation June 2002: Senior Managing Director of JGC Corporation June 2006: Director and Vice President of JGC Corporation March 2007: President and Representative Director of JGC Corporation June 2009: Chairman and Representative Director of JGC Corporation June 2014: <b>Principal Corporate Advisor of JGC Corporation (current position)</b>	0
	Reason for nomination as a director candidate: Keisuke Takeuchi has been involved in the management of a global group of companies through his experience as Representative Director and President and Representative Director and Chairman of JGC Corporation. Through his extensive experience, insight, and achievements, he can provide advice regarding the Company Group's management, make important decisions and supervise the execution of business, independent of management executives. For these reasons, the Company proposes the election of Keisuke Takeuchi.		
	Important Concurrent Offices: Principal Corporate Advisor of JGC Corporation Outside Director of Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development		

Notes:

- There is no special conflict of interest between each of these candidates and the Company.
- Atsushi Nishijo, Shigehiko Hattori, Koichi Fukaya, Soichi Matsuno, and Keisuke Takeuchi are candidates for outside directors, and satisfy the requirements under the Independence Standards for Outside Officers adopted by the Company (refer to page 14 [page numbers are not consistent with this translation]). The Company has notified the Tokyo Stock Exchange, Inc. of designation of Atsushi Nishijo, Shigehiko Hattori, Koichi Fukaya, and Soichi Matsuno as independent directors as defined in the Security Listing Regulations Article 436-2 of Tokyo Stock Exchange, Inc. Keisuke Takeuchi will be filed as an independent director defined in the Security Listing Regulations Article 436-2 of Tokyo Stock Exchange, Inc.
- On January 25, 2013, while Shigehiko Hattori was serving as representative director of Shimadzu Corporation, Shimadzu Corporation received a suspension of its designated contractor status from the Japanese Ministry of Defense because it overcharged the Japanese Ministry of Defense for aircraft equipment. On March 25, 2014, Shimadzu Corporation has refunded the overcharged amount, and the suspension of its designated contractor status was lifted.
- Atsushi Nishijo, Shigehiko Hattori, Koichi Fukaya, and Soichi Matsuno are currently outside directors of the Company, and at the end of this General Meeting of Shareholders, will have served seven years, five years, five years, and three years respectively as an outside director.
- Atsushi Nishijo, Shigehiko Hattori, Koichi Fukaya, and Soichi Matsuno are currently outside directors of the Company. The Company has entered into agreements with each of them respectively for limiting their liability to 10 million yen each or the statutory limit for limiting their liability, whichever is higher. The Company plans to enter into the same agreements with Atsushi Nishijo, Shigehiko Hattori, Koichi Fukaya, and Soichi Matsuno if they are reappointed. If Keisuke Takeuchi is appointed, the Company plans to enter into an agreement with him to limit his liability to 10 million yen or the statutory limit for limiting his liability, whichever is higher.
- Tasuku Kawanabe is expected to be appointed as a director of Nissei Corporation at the 109<sup>th</sup> Ordinary General Meeting of Shareholders of Nissei Corporation which is scheduled to be held on June 14, 2017.
- Atsushi Nishijo is expected to retire from the position of Chairman of Japan Cable and Telecommunications Association and Advisor of Sumitomo Corporation in mid June 2017.
- Koichi Fukaya is expected to retire from the position of Advisor of DENSO Corporation in late June 2017.

(Reference) Independence Standards for Outside Officers

Brother Industries, Ltd. determines that an individual who falls into one of the followings does not hold independence from the Company.

- (1) An incumbent or past director, executive officer, manager or employee (including an executive officer) of Brother Industries, Ltd. and its subsidiaries (hereafter collectively referred to as Brother Industries, Ltd. etc.).
- (2) An individual who is currently serving or served within the past five years as a business executor<sup>\*1</sup> of a corporation or any other organization (hereafter referred to as a corporation, etc.) that applies to one of the followings.
  - A corporation, etc. which is the major shareholder<sup>\*2</sup> of Brother Industries, Ltd.
  - A corporation, etc. of which Brother Industries, Ltd. etc. is the major shareholder
  - A corporation, etc., which paid Brother Industries, Ltd., etc. the amount of money that is more than two percent of the consolidated net sales of Brother Industries, Ltd. during the business year concerned
  - A corporation, etc. which received either ten million yen of annual payment or a payment equals to two percent of the consolidated net sales of the said corporation, etc., whichever is larger, from Brother Industries, Ltd. etc. during the relevant business year
  - A corporation/organization, etc. which obtained more than ten million yen of annual payment, or a payment more than two percent of the gross income or recurring revenue of the said corporation/organization, etc., whichever is larger, from Brother Industries, Ltd. as a donation or grant during the relevant business year
- (3) An individual who currently serves or served within the past five years as a business executor of a company, at which an individual from Brother Industries, Ltd., etc. serves as its director.
- (4) A certified public accountant who currently serves or served within the past five years as an accounting auditor of Brother Industries, Ltd., etc., or currently belongs or belonged within the past five years to an auditing firm, which serves as the accounting auditor of Brother Industries, Ltd., etc.
- (5) A consultant, accounting specialist, or a legal expert who currently receives or received within the past five years either a payment of more than two percent of the net sales of the business year or ten million yen, whichever is higher, from Brother Industries, Ltd., etc. (excluding the remuneration of officers).  
(In the case of which the recipient of the said compensation is an organization, such as a corporation or guild, this applies to a consultant, accounting specialist or legal expert who belongs to the organization concerned.)
- (6) An individual who is currently a close relative<sup>\*3</sup> or was a close relative within the past five years of the individuals mentioned in (1) through (5) above respectively (excluding individuals who are not considered as important individuals<sup>\*4</sup>).

\*1: A business executor is a director in charge of executing a business operation or executive officer of a corporation or any other organization, an officer or employee in charge of executing a business operation of any other corporation, etc., those who fulfill the duty stipulated in the Article 598 (1) of the Japanese Companies Act or any other individual that has a similar responsibility, employee, director (excluding an outside director), a manager who has a similar responsibility, or those who execute tasks of employees, etc.

\*2: Refers to a shareholder who holds more than ten percent of voting rights.

\*3: Refers to relatives within the second degree of kinship.

\*4: As to (1) through (3) above, an important individual means a director, executive officer, or an employee who is a department manager or at a higher position (including an executive officer). As to (4) above, it refers to certified public accountants belonging to respective auditing firms. As for (5) above, it means a director, executive officer, an employee who is a department manager or at a higher position (including an executive officer), certified public accountants belonging to respective auditing firms, or attorneys belonging to respective law firms.

## **Proposal 2: Payment of Performance-Based Remuneration to 5 Directors**

The Company proposes that performance-based remuneration according to the business results in this term (125th) be paid to five directors: Toshikazu Koike, Ichiro Sasaki, Shigeki Ishikawa, Tadashi Ishiguro, and Jun Kamiya. It is also proposed that the total amount of the performance-based remuneration to be paid be 82.91 million yen in accordance with the prescribed standard of the Company, and that the specific amount for each director, and the time and manner of payment, be left to the discretion of the Board of Directors.