



August 4, 2020

Company Name: Brother Industries, Ltd.
Representative: Ichiro Sakaki, Representative Director & President
(Code No. 6448; First Section of the Tokyo Stock Exchange and Nagoya Stock Exchange)
Contact: Toshihiro Ito, Executive Officer in Charge of Finance & Accounting Dept.
(Tel: 052.824.2075)

Consolidated Results Forecast and Dividend Forecast
for Fiscal Year Ending March 31, 2021

Brother Industries, Ltd. (the “Company”) announced today its consolidated results forecast and dividend forecast for the fiscal year ending March 31, 2021 (April 1, 2020 – March 31, 2021) as outlined below. These had been undetermined in the “Consolidated Results of Fiscal Year ended March 31, 2020,” which was released on May 11, 2020.

1. Consolidated results forecast

(1) Consolidated results forecast for fiscal year ending March 31, 2021 (April 1, 2020 – March 31, 2021)

(Billions of yen)

| | Revenue | Operating profit | Profit before income taxes | Profit for the period | Profit for the period attributable to owners of the parent company | Basic earnings per share for the period (JPY) |
|---|---------|------------------|----------------------------|-----------------------|--|---|
| Previous forecast (A) | - | - | - | - | - | - |
| Revised forecast (B) | 560.0 | 31.0 | 31.0 | 25.0 | 25.0 | 96.21 |
| Change (B-A) | - | - | - | - | - | - |
| Change (%) | - | - | - | - | - | - |
| (Reference) Results for fiscal year ended March 31, 2020 | 637.3 | 67.3 | 67.0 | 49.7 | 49.6 | 190.80 |

(2) Reason for announcing the consolidated results forecast

The consolidated results forecast for the fiscal year ending March 31, 2021 was undetermined because

calculating the effects of the spread of COVID-19 reasonably had been difficult. The Company announced today that it has calculated the consolidated results forecast based on information and forecasts that are available at this time.

The above outlook may fluctuate greatly due to various external factors. Any necessary revision to the Company's consolidated results forecast will be released promptly.

2. Dividend forecast

(1) Details of dividend forecast

Dividend forecast for fiscal year ending March 31, 2021

(JPY)

| | Dividend per share | | |
|---|--------------------|----------|--------|
| | Interim | Year-end | Annual |
| Previous forecast (announced on May 11, 2020) | - | - | - |
| Revised forecast | 17.00 | 17.00 | 34.00 |
| Dividend for fiscal year ended March 31, 2020 | 30.00 | 30.00 | 60.00 |

(2) Reason for announcing the dividend forecast

The dividend forecast for the fiscal year ending March 31, 2021 was undetermined because calculating the consolidated results forecast reasonably had been difficult due to the effects of the spread of COVID-19. The Company announced today the dividend forecast in line with its announcement of consolidated results forecast as outlined above.

The Company's basic policy is to provide stable shareholder returns while taking into consideration maintaining internal reserves needed for investment in future growth, the status of cash flows, and other factors.

Under CS B2021, the Company's medium-term business strategy which ends in FY2021, the Company aims to make investments to build the foundations for future growth while providing stable shareholder returns with a target consolidated payout ratio of 35%. In addition, the Company has also set a minimum annual dividend of 60 yen per share, except during periods when financial results decline substantially as a result of rapid deterioration in the business environment.

The current business environment is deteriorating rapidly due to the effects of the spread of COVID-19, and it is difficult to say when it will be brought under control. The outlook for the Company's results for this fiscal year is that revenue and profit will decrease significantly. Given this business environment, the Company has set the forecast annual dividend per share for the fiscal year ending March 31, 2021 at 34 yen (consolidated payout ratio: 35%).