

# **Fiscal Year 2025 (ending March 31, 2026) Third Quarter Financial Results**

**February 6, 2026**

**BROTHER INDUSTRIES, LTD.**

**Akira Nakashima**

**Executive Officer, Responsible for Finance & Accounting Dept.**

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 FY2025 Q3(Oct.-Dec.)

**Sales revenue** **237.3 billion yen/ +5.6%** (YoY)

- Sales revenue increased due to positive FX effects and higher sales of machine tools

**Business segment profit** **23.3 billion yen/ -9.1%** (YoY)

- Despite positive FX effects, business segment profit decreased due to changes in the sales composition and higher SG&A and sales promotion expenses mainly in the P&S business

**Operating profit** **24.6 billion yen/ -1.8%** (YoY)

- Although a gain on transfer of the Karaoke Club business was recorded, operating profit was flat year-on-year due to effects of FX losses

**Net income\*** **23.7 billion yen/ +6.3%** (YoY)

- Net income increased with addition of adjustments to tax effects in discontinued operations

\* Net income attributable to owners of the parent company

As of the current third quarter, the N&C (Network & Contents) business has been classified as discontinued operations. The figures from sales revenue to income before tax are the amounts excluding discontinued operations, and the figure for net income attributable to owners of the parent company is the total amount of continuing operations and discontinued operations. Figures for the same period of the previous fiscal year have been reclassified on the same basis for comparison.

## Forecast for FY2025

- Sales revenue and business segment profit incorporate positive FX effects, and operating profit takes into account FX losses. The forecast for each business has been revised according to their progress.
- With the addition of adjustments to tax effects in discontinued operations, net income\* has been revised upward.

## Progress of Business Portfolio Transformation

- November 2025: Transfer of the Karaoke Club business was completed
- January 2026: Acquisition of the automotive division of Konrad Busche in Germany was completed
- February 2026: **Commencement of Tender Offer for Shares of MUTOH HOLDINGS CO., LTD.**
- April 2026: 70% of XING shares will be transferred

## Results for FY2025 Q3 (Oct.-Dec.)

# Consolidated Results for FY2025 Q3

Although sales revenue increased due to positive FX effects and higher sales in the Machinery business, business segment profit decreased due in part to changes in the sales composition in the P&S business. Operating profit was flat year-on-year as a result of the recording of a gain on transfer of the Karaoke Club business and other factors.

|   | (A)  | (B)                  | (C)           | (C-B)              | (C/B-1)                    | (100 Millions of yen)   |
|---|--|----------------------|---------------|--------------------|----------------------------|---|
|   | 24Q3<br>Pre-Reclass<br>(disclosed last year) | 24Q3<br>Post-Reclass | 25Q3          | Change<br>(w/o FX) | Rate of Change<br>(w/o FX) |   |
| <b>Sales revenue</b>  | 2,315  | 2,248                | <b>2,373</b>  | 125<br>(37)        | 5.6%<br>(1.7%)             |   |
| <b>Business segment profit</b>                                    | 262  | 257                  | <b>233</b>    | -23<br>(-54)       | -9.1%<br>(-21.1%)          |   |
| Business segment profit ratio                                     | 11.3%  | 11.4%                | <b>9.8%</b>   |                    |                            | <ul style="list-style-type: none"> <li>• Gain on transfer of the Karaoke Club business : +45</li> <li>• FX losses : -23</li> </ul>        |
| Other income/expense  | -6   | -7                   | <b>12</b>     | 19                 | -                          |   |
| <b>Operating profit</b>   | 255  | 250                  | <b>246</b>    | -5                 | -1.8%                      |   |
| Operating profit ratio  | 11.0%  | 11.1%                | <b>10.3%</b>  |                    |                            |   |
| Income before tax   | 266  | 261                  | <b>256</b>    | -5                 | -2.0%                      |   |
| Net income from continuing operations                             | 223  | 220                  | <b>192</b>    | -28                | -12.9%                     |   |
| Net income from discontinued operations                           | -  | 2                    | <b>45</b>     | 42                 | 1819.6%                    |   |
| <b>Net income</b><br>attributable to owners of the parent company | 223  | 223                  | <b>237</b>    | 14                 | 6.3%                       | <ul style="list-style-type: none"> <li>• Adjustments to tax effects related to a partial transfer of XING shares in FY26 : +41</li> </ul> |
| USD   | 151.32                                       | 151.32               | <b>154.04</b> | 2.72               | -                          |   |
| EUR   | 162.57                                       | 162.57               | <b>179.68</b> | 17.11              | -                          |   |

As of the current third quarter, the N&C (Network & Contents) business has been classified as discontinued operations. Regarding the actual results of the current quarter shown in Column C, the figures from sales revenue to income before tax are the amounts excluding discontinued operations, and the figure for net income attributable to owners of the parent company is the total amount of continuing operations and discontinued operations. Figures in Column B for the same period of the previous fiscal year have been reclassified on the same basis.

# Results for FY2025 Q3 by Business Segment

(100 Millions of yen)

|                                       | Sales revenue        |              |            | Business segment profit |            |            | Operating profit     |            |           |
|---------------------------------------|----------------------|--------------|------------|-------------------------|------------|------------|----------------------|------------|-----------|
|                                       | 24Q3<br>Post-Reclass | 25Q3         | Change     | 24Q3<br>Post-Reclass    | 25Q3       | Change     | 24Q3<br>Post-Reclass | 25Q3       | Change    |
| <b>P&amp;S</b> (Printing & Solutions) | 1,462                | 1,513        | 51         | 216                     | 171        | -45        | 214                  | 145        | -70       |
| <b>IP</b> (Industrial Printing)       | 338                  | 353          | 16         | 4                       | 13         | 9          | 6                    | 8          | 2         |
| <b>Machinery</b>                      | 160                  | 219          | 59         | 3                       | 18         | 15         | 5                    | 19         | 14        |
| <b>Nissei</b>                         | 50                   | 54           | 4          | 2                       | 2          | 1          | 2                    | 2          | 1         |
| <b>P&amp;H</b> (Personal & Home)      | 175                  | 188          | 13         | 28                      | 31         | 3          | 29                   | 29         | 0         |
| <b>Others</b>                         | 64                   | 47           | -18        | 4                       | -2         | -6         | -6                   | 43         | 48        |
| <b>Total</b>                          | <b>2,248</b>         | <b>2,373</b> | <b>125</b> | <b>257</b>              | <b>233</b> | <b>-23</b> | <b>250</b>           | <b>246</b> | <b>-5</b> |

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

• Gain on transfer of the Karaoke Club business : +45

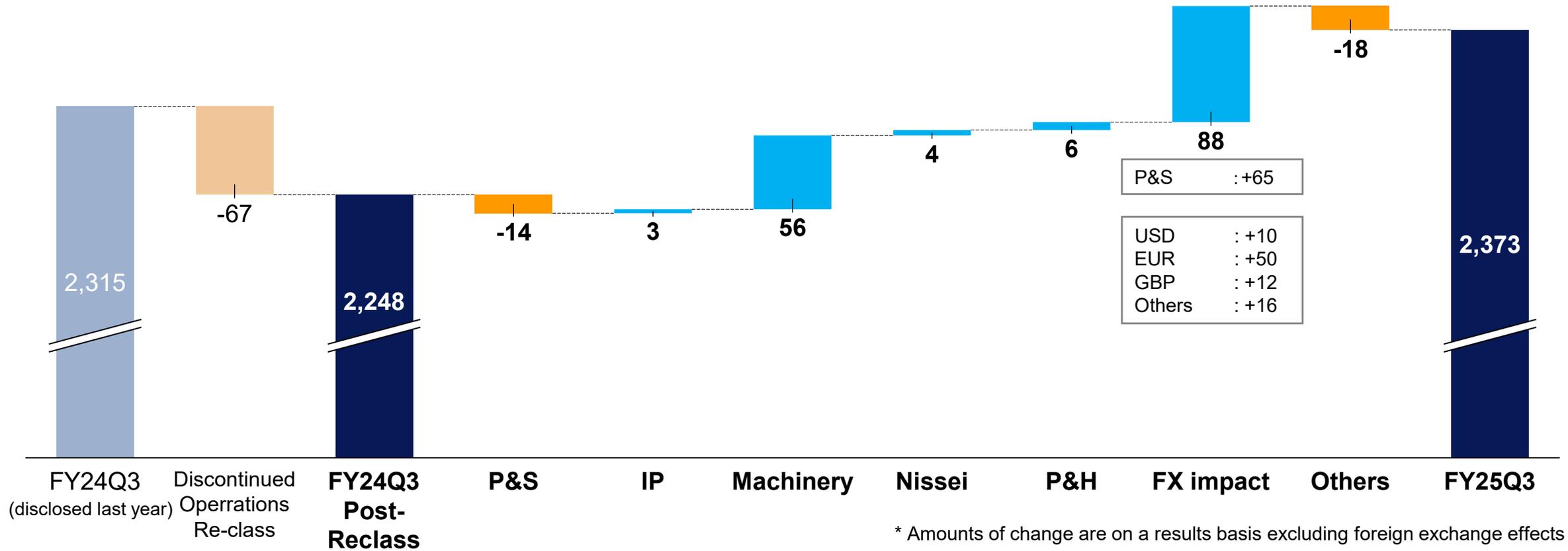
As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures. Figures for the same period of the previous fiscal year have been reclassified on the same basis.

# FY2025 Q3

## Main Factors for Changes in Sales Revenue

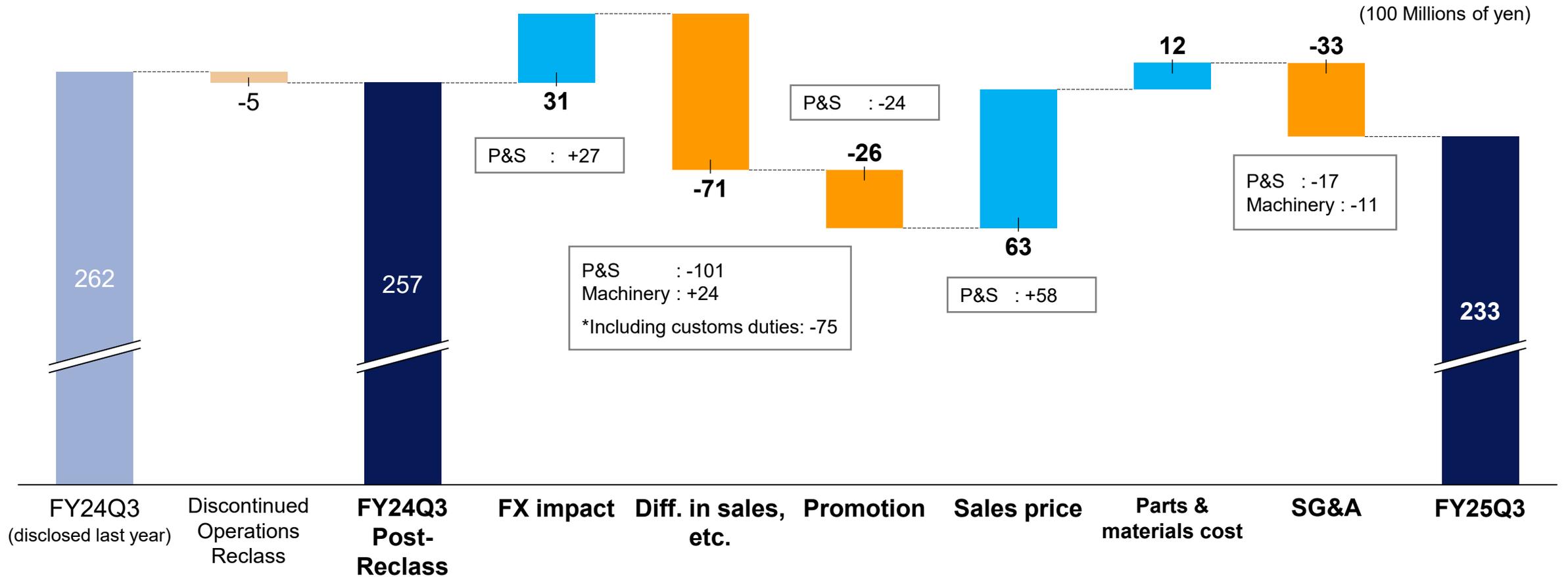
Sales revenue increased due to positive FX effects and strong sales of machine tools in the Machinery business.

(100 Millions of yen)



As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures. Figures for the same period of the previous fiscal year have been reclassified on the same basis for comparison.

Despite positive FX effects, business segment profit decreased due to changes in the sales composition and higher SG&A and sales promotion expenses mainly in the P&S business.



As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures. Figures for the same period of the previous fiscal year have been reclassified on the same basis for comparison.

# Results for FY2025 Q3 YTD (Apr.-Dec.)

# Consolidated Results for FY2025 Q3 YTD

Although sales revenue increased due to higher sales mainly in the Machinery and P&S businesses, business segment profit decreased due to higher sales promotion and SG&A expenses. As a result of the recording of temporary proceeds such as a gain on transfer of the Karaoke Club business, operating profit was flat year-on-year.

|   | (A)   | (B)                         | (C)            | (C-B)              | (C/B-1)                    | (100 Millions of yen)   |
|---|---|-----------------------------|----------------|--------------------|----------------------------|---|
|   | FY24 Q3 YTD<br>Pre-Reclass<br>(disclosed last year) | FY24 Q3 YTD<br>Post-Reclass | FY25<br>Q3 YTD | Change<br>(w/o FX) | Rate of Change<br>(w/o FX) |   |
| <b>Sales revenue</b>  | 6,588   | 6,382                       | <b>6,610</b>   | 228<br>(256)       | 3.6%<br>(4.0%)             |   |
| <b>Business segment profit</b>                                    | 691   | 675                         | <b>636</b>     | -39<br>(-60)       | -5.8%<br>(-8.9%)           | <ul style="list-style-type: none"> <li>• Gains on sales of fixed assets (Q2) : +23</li> <li>• Gain on transfer the Karaoke Club business (Q3) : +45</li> <li>• FX losses : -67</li> </ul> |
| Business segment profit ratio                                     | 10.5%   | 10.6%                       | <b>9.6%</b>    |                    |                            |   |
| Other income/expense  | -51   | -51                         | <b>-9</b>      | 42                 | -                          |   |
| <b>Operating profit</b>   | 641   | 624                         | <b>627</b>     | 3                  | 0.5%                       |   |
| Operating profit ratio  | 9.7%  | 9.8%                        | <b>9.5%</b>    |                    |                            |   |
| Income before tax   | 681   | 665                         | <b>655</b>     | -9                 | -1.4%                      |   |
| Net income from continuing operations                             | 504   | 494                         | <b>471</b>     | -23                | -4.7%                      |   |
| Net income from discontinued operations                           | -   | 10                          | <b>49</b>      | 38                 | 369.4%                     |   |
| <b>Net income</b><br>attributable to owners of the parent company | 504   | 504                         | <b>519</b>     | 15                 | 3.0%                       | <ul style="list-style-type: none"> <li>• Adjustments to tax effects related to a partial transfer of XING shares in FY26 : +41</li> </ul>   |
| USD   | 152.87  | 152.87                      | <b>149.33</b>  | -3.54              | -                          |   |
| EUR   | 164.91  | 164.91                      | <b>171.84</b>  | 6.93               | -                          |   |

Regarding the actual results for the first three quarters of the current fiscal year shown in Column C, as the N&C (Network & Contents) business is a discontinued operation, the figures from sales revenue to income before tax are the amounts excluding discontinued operations retroactively from the beginning of the fiscal year and the figure for net income attributable to owners of the parent company is the total amount of continuing operations and discontinued operations. Figures in Column B for the same period of the previous fiscal year have been reclassified on the same basis.

# Results for FY2025 Q3 YTD by Business Segment

(100 Millions of yen)

|                                       | Sales revenue                  |                |            | Business segment profit        |                |            | Operating profit               |                |          |
|---------------------------------------|--------------------------------|----------------|------------|--------------------------------|----------------|------------|--------------------------------|----------------|----------|
|                                       | FY24<br>Q3 YTD<br>Post-Reclass | FY25<br>Q3 YTD | Change     | FY24<br>Q3 YTD<br>Post-Reclass | FY25<br>Q3 YTD | Change     | FY24<br>Q3 YTD<br>Post-Reclass | FY25<br>Q3 YTD | Change   |
| <b>P&amp;S</b> (Printing & Solutions) | 4,125                          | 4,221          | 96         | 566                            | 501            | -65        | 547                            | 441            | -106     |
| <b>IP</b> (Industrial Printing)       | 1,028                          | 1,019          | -9         | 47                             | 26             | -21        | 40                             | 13             | -27      |
| <b>Machinery</b>                      | 480                            | 603            | 124        | 7                              | 49             | 42         | 8                              | 49             | 42       |
| <b>Nissei</b>                         | 149                            | 159            | 9          | 3                              | 9              | 5          | 4                              | 9              | 5        |
| <b>P&amp;H</b> (Personal & Home)      | 430                            | 461            | 30         | 45                             | 53             | 8          | 45                             | 48             | 3        |
| <b>Others</b>                         | 170                            | 147            | -23        | 6                              | -2             | -8         | -19                            | 66             | 85       |
| <b>Total</b>                          | <b>6,382</b>                   | <b>6,610</b>   | <b>228</b> | <b>675</b>                     | <b>636</b>     | <b>-39</b> | <b>624</b>                     | <b>627</b>     | <b>3</b> |

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

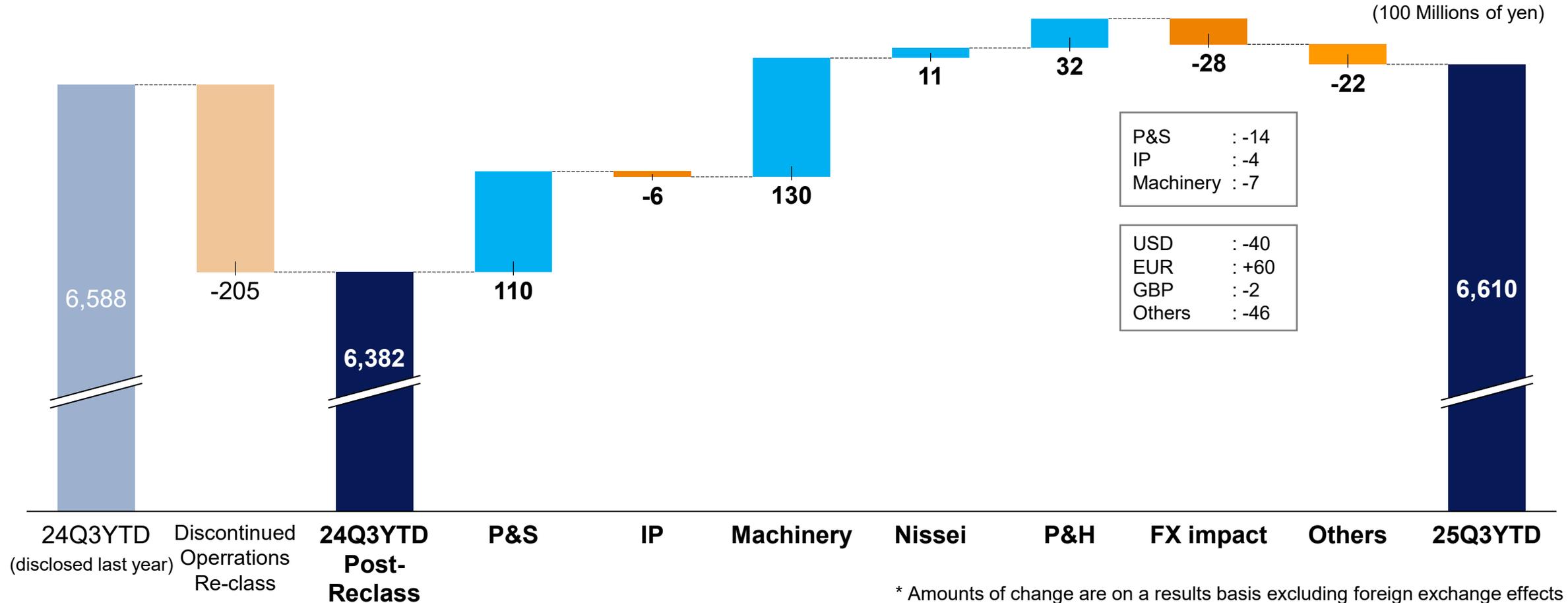
• Gains on sales of fixed assets (Q2) : +23  
• Gain on transfer of the Karaoke Club business (Q3) : +45

As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures retroactively from the beginning of the fiscal year. Figures for the same period of the previous fiscal year have been reclassified on the same basis.

# FY2025 Q3 YTD

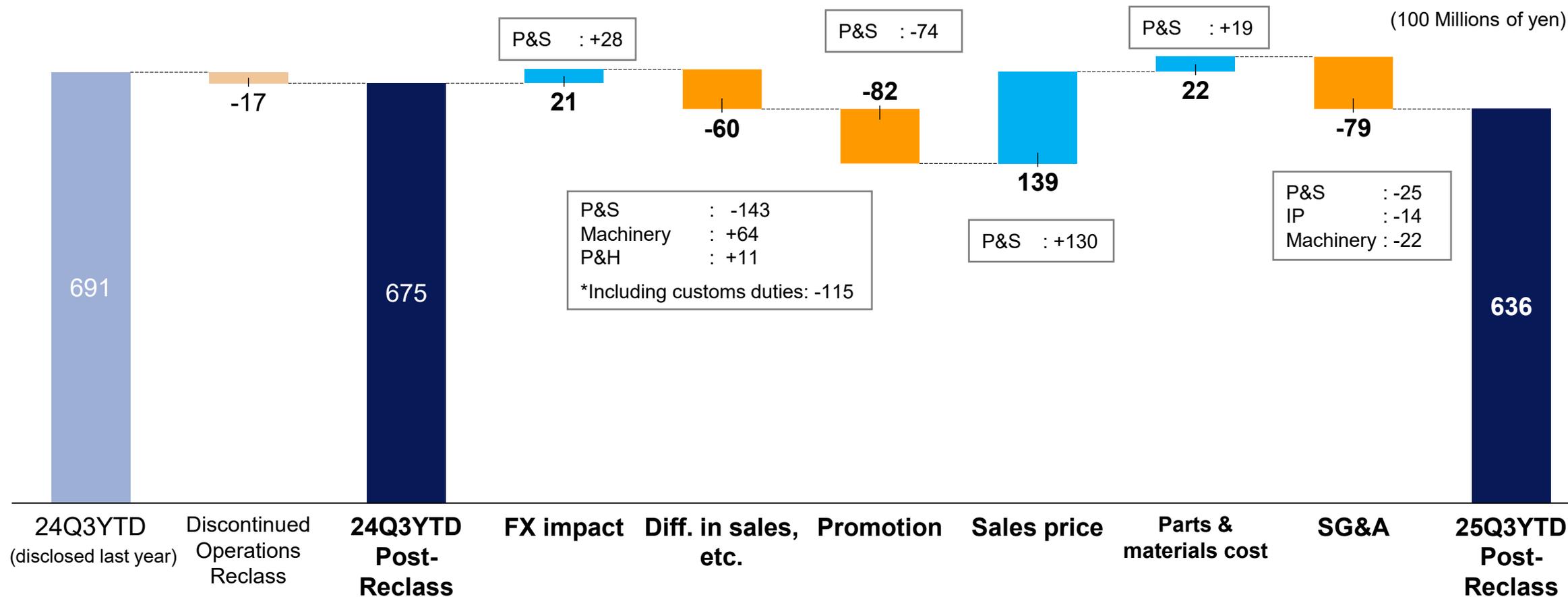
## Main Factors for Changes in Sales Revenue

Sales revenue increased due to strong sales of machine tools in the Machinery business, effects from price adjustments in the P&S business, and other factors.



As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures retroactively from the beginning of the fiscal year. Figures for the same period of the previous fiscal year have been reclassified on the same basis for comparison.

Despite effects from higher sales mainly in the Machinery business, business segment profit decreased due to higher sales promotion and SG&A expenses and changes in the sales composition in the P&S business.



As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures retroactively from the beginning of the fiscal year. Figures for the same period of the previous fiscal year have been reclassified on the same basis for comparison.

# Forecast for FY2025

Exchange rates for the forecast period were changed.

The impact from tariff policies by the U.S. is expected to be entirely absorbed by price adjustments and other countermeasures.

|                           |  |
|---------------------------|--|
| <b>Exchange rate</b>      | <b>1 USD = 150 yen, 1 EUR = 175 yen</b> (Change from 1 USD=140 yen, 1 EUR = 165 yen)   |
| <b>U.S. tariff policy</b> | ✓ It is expected that the impact of tariffs on profit will be entirely absorbed by implementing countermeasures against the additional tariff burden and risk of a decrease in sales, such as price increases in the U.S., control of expenses, cost-cutting measures, and production adjustments. |

| <b>The effects of M&amp;A and other factors</b> | <b>Event</b>   | <b>Major business</b>   | <b>Changes affecting forecasts</b>            |   |
|---|--|---|---|---|
|   |  |   | <b>Previous time</b><br>(Nov 10, 2025)        | <b>This time</b>  |
|   | <b>Transfer of the Karaoke Club business</b><br>(Completed on Nov 1, 2025) | Operation of karaoke clubs, etc.                                      | Incorporated in forecast for the N&C business | The following are reclassified under “Others” <ul style="list-style-type: none"> <li>• Gain on transfer of 4.5 billion yen (operating profit for Q3)</li> <li>• Sales and profits for Apr to Oct</li> </ul> |
|   | <b>Acquisition of Konrad Busche business</b><br>(Completed on Jan 1, 2026) | Provision of industrial sewing machine solutions for automotive parts | Not incorporated in forecast                  | The following is incorporated in the Machinery business <ul style="list-style-type: none"> <li>• Positive effects on sales and profits for the Q4 period (minor)</li> </ul>                                 |
|   | <b>Partial transfer of XING shares</b><br>(Planned for Apr 1, 2026)        | Manufacture and sale of karaoke systems                               | Not incorporated in forecast                  | Incorporated as “Net income from discontinued operations”   |

\*Regarding the Tender Offer for Shares of MUTOH HOLDINGS CO., LTD. announced on February 4, 2026, there will not affect the FY2025 PL.

# Forecast for FY2025

Sales revenue and business segment profit incorporate positive FX effects, and operating profit takes into account FX losses. The forecast for each business has been revised according to their progress. With the addition of adjustments to tax effects in discontinued operations, net income has been revised upward.

(100 Millions of yen)

|   | (A)   | (B)                               | (C)                      | (C-B)              | (C/B-1)                    | (D)   | (E)                         | (C-E)              | (C/E-1)                    |
|---|---|-----------------------------------|--------------------------|--------------------|----------------------------|---|-----------------------------|--------------------|----------------------------|
|   | Previous Forecast<br>Pre-Reclass<br>(disclosed last year) | Previous Forecast<br>Post-Reclass | <b>FY25<br/>Forecast</b> | Change<br>(w/o FX) | Rate of Change<br>(w/o FX) | FY24 Actual<br>Pre-Reclass<br>(disclosed last year) | FY24 Actual<br>Post-Reclass | Change<br>(w/o FX) | Rate of Change<br>(w/o FX) |
| <b>Sales revenue</b>  | 9,000   | 8,702                             | <b>8,850</b>             | 148<br>(-141)      | 1.7%<br>(-1.6%)            | 8,766   | 8,489                       | 361<br>(310)       | 4.3%<br>(3.7%)             |
| <b>Business segment profit</b>                                    | 800   | 786                               | <b>800</b>               | 15<br>(-29)        | 1.9%<br>(-3.7%)            | 777   | 755                         | 45<br>(-18)        | 6.0%<br>(-2.4%)            |
| Business segment profit ratio                                     | 8.9%  | 9.0%                              | <b>9.0%</b>              |                    |                            | 8.9%  | 8.9%                        |                    |                            |
| Other income/expense  | 20  | 20                                | <b>0</b>                 | -20                | -                          | -78   | -78                         | 78                 | -                          |
| <b>Operating profit</b>   | 820   | 806                               | <b>800</b>               | -5                 | -0.7%                      | 699   | 677                         | 123                | 18.2%                      |
| Operating profit ratio  | 9.1%  | 9.3%                              | <b>9.0%</b>              |                    |                            | 8.0%  | 8.0%                        |                    |                            |
| Income before tax   | 840   | 826                               | <b>830</b>               | 4                  | 0.4%                       | 747   | 725                         | 105                | 14.4%                      |
| Net income from continuing operations                             | 630   | 621                               | <b>625</b>               | 4                  | 0.7%                       | 548   | 534                         | 91                 | 17.1%                      |
| Net income from discontinued operations                           | -   | 9                                 | <b>45</b>                | 36                 | 405.0%                     | -   | 14                          | 31                 | 227.6%                     |
| <b>Net income</b><br>attributable to owners of the parent company | 630   | 630                               | <b>670</b>               | 40                 | 6.4%                       | 548   | 548                         | 123                | 22.3%                      |
| USD   | 144.22  | 144.22                            | <b>149.99</b>            | 5.77               | -                          | 152.48  | 152.48                      | -2.49              | -                          |
| EUR   | 167.20  | 167.20                            | <b>173.29</b>            | 6.09               | -                          | 163.62  | 163.62                      | 9.67               | -                          |

- The exchange rates for the forecast period : 1 USD = 150 yen, 1 EUR = 175 yen

• Adjustments to tax effects related to a partial transfer of XING shares in FY26 : +41

As the N&C (Network & Contents) business is a discontinued operation, it is excluded from the figures retroactively from the beginning of the fiscal year. The previous forecast and the actual results for the previous fiscal year have been reclassified on the same basis for comparison.

# Forecast for FY2025 by Business Segment

(100 Millions of yen)

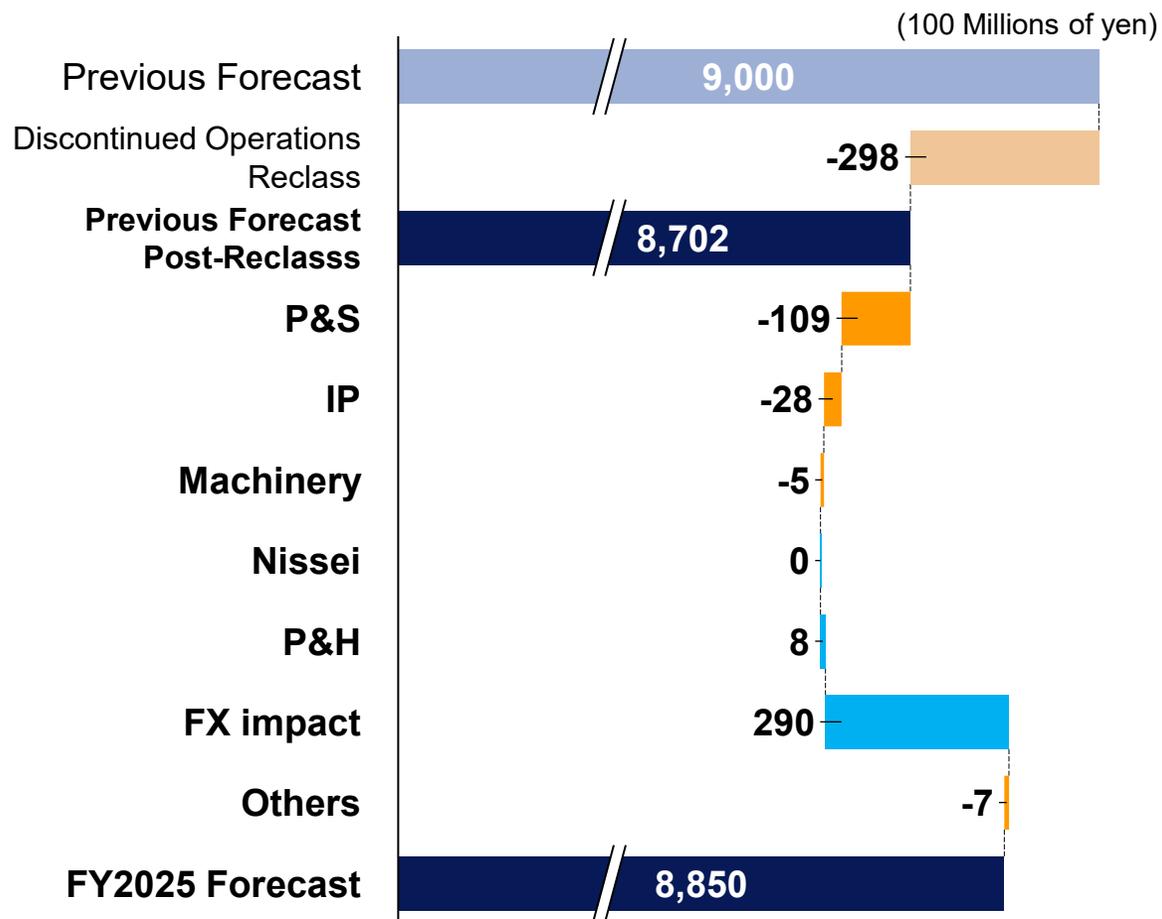
|                                       | Sales revenue                  |               |            | Business segment profit        |               |           | Operating profit               |               |           |
|---------------------------------------|--------------------------------|---------------|------------|--------------------------------|---------------|-----------|--------------------------------|---------------|-----------|
|                                       | Previous Forecast Post-Reclass | FY25 Forecast | Change     | Previous Forecast Post-Reclass | FY25 Forecast | Change    | Previous Forecast Post-Reclass | FY25 Forecast | Change    |
| <b>P&amp;S</b> (Printing & Solutions) | 5,568                          | 5,661         | 93         | 644                            | 644           | 0         | 626                            | 600           | -26       |
| <b>IP</b> (Industrial Printing)       | 1,363                          | 1,379         | 16         | 24                             | 16            | -8        | 15                             | 1             | -14       |
| <b>Machinery</b>                      | 812                            | 824           | 12         | 50                             | 60            | 10        | 50                             | 60            | 10        |
| <b>Nissei</b>                         | 210                            | 211           | 2          | 8                              | 9             | 1         | 8                              | 9             | 1         |
| <b>P&amp;H</b> (Personal & Home)      | 569                            | 601           | 32         | 54                             | 61            | 7         | 49                             | 55            | 6         |
| <b>Other</b>                          | 180                            | 174           | -7         | 7                              | 11            | 4         | 57                             | 74            | 17        |
| <b>Total</b>                          | <b>8,702</b>                   | <b>8,850</b>  | <b>148</b> | <b>786</b>                     | <b>800</b>    | <b>15</b> | <b>806</b>                     | <b>800</b>    | <b>-5</b> |

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

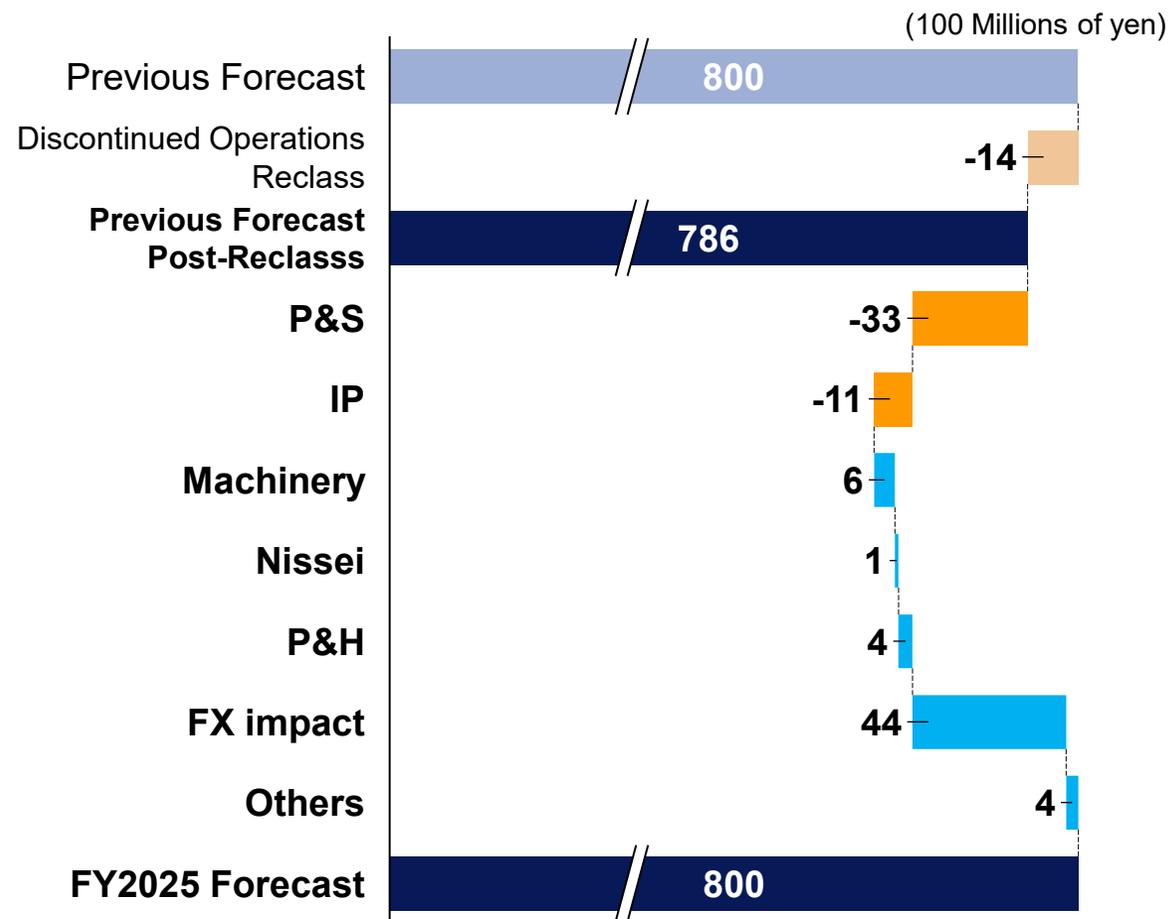
• Gains on sales of fixed assets (Q2) : +23  
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Changes in Sales Revenue



Changes in Business Segment Profit



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

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# **Financial Position/ Capital Expenditure, Depreciation & Amortization / R&D Expenses**

## Statements of Financial Position: Main Items

(100 Millions of yen)

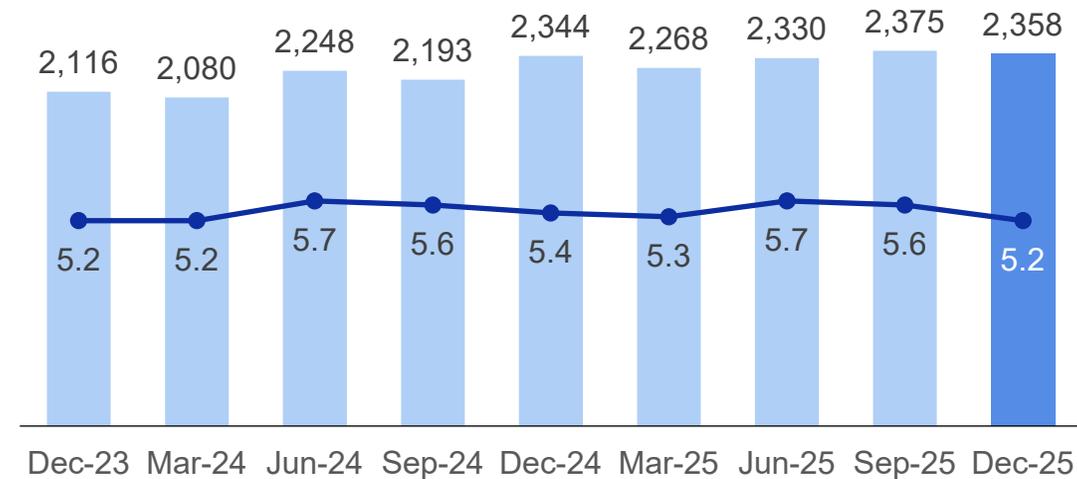
|                       | End of Mar 25 | End of Dec 25 | Change |
|-----------------------|---------------|---------------|--------|
| Current assets        | 5,741         | <b>6,280</b>  | 540    |
| Cash&Cash equivalents | 1,728         | <b>1,773</b>  | 45     |
| Inventories           | 2,268         | <b>2,358</b>  | 90     |
| Non-current assets    | 3,586         | <b>3,551</b>  | -35    |
| Total liabilities     | 2,412         | <b>2,393</b>  | -18    |
| Interest-bearing debt | 6             | <b>8</b>      | 2      |
| Shareholders' equity* | 6,914         | <b>7,437</b>  | 523    |
| Total assets          | 9,327         | <b>9,831</b>  | 505    |

|                            | End of Mar 25 | End of Dec 25 | Change |
|----------------------------|---------------|---------------|--------|
| Net cash                   | 1,722         | <b>1,766</b>  | 44     |
| Shareholders' equity ratio | 74.1%         | <b>75.6%</b>  | 1.5%   |
| ROE                        | 8.1%          | -             | -      |

\*Equity attributable to owners of the parent company

## Inventory

■ Inventories (100 Millions of yen)  
● Inventories / Cash of sales (Number of months)

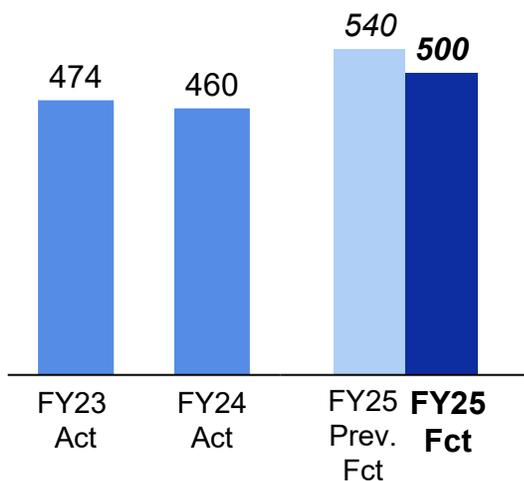


The inventory figure at the end of December 2025 excludes discontinued operations.

The outlook for capital expenditure and R&D expenses has been revised in light of their progress.

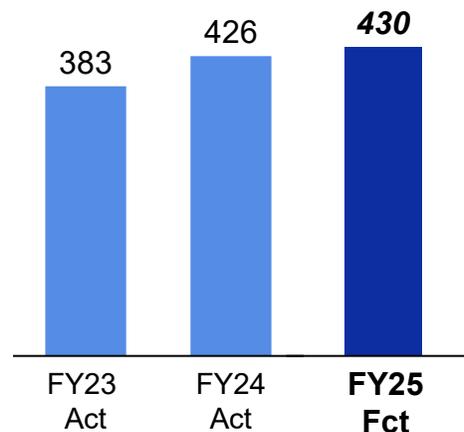
## Capital Expenditure

(100 Millions of yen)



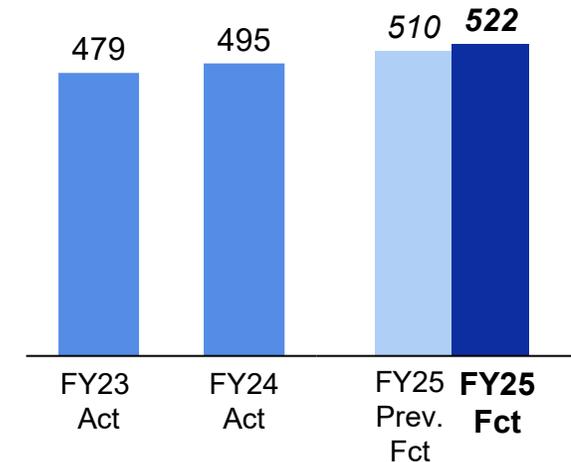
## Depreciation & Amortization

(100 Millions of yen)



## R&D Expenses

(100 Millions of yen)



### Breakdown by business (CapEx)

(100 Millions of yen)

|                        | FY23       | FY24       | FY25 Prev. Fct | FY25 Fct   |
|------------------------|------------|------------|----------------|------------|
| Industrial area        | 100        | 83         | 103            | 87         |
| Consumer area & Others | 375        | 376        | 437            | 413        |
| <b>Total</b>           | <b>474</b> | <b>460</b> | <b>540</b>     | <b>500</b> |

\* The industrial area combines the IP (Domino for FY23-24), Machinery and Nissei businesses

### Breakdown by business (R&D)

(100 Millions of yen)

|                        | FY23       | FY24       | FY25 Prev. Fct | FY25 Fct   |
|------------------------|------------|------------|----------------|------------|
| Industrial area        | 134        | 148        | 179            | 182        |
| Consumer area & Others | 346        | 347        | 331            | 340        |
| <b>Total</b>           | <b>479</b> | <b>495</b> | <b>510</b>     | <b>522</b> |

Capital expenditure, depreciation & amortization, and R&D expenses include discontinued operations.

# Business Segment Information

# Printing & Solutions Sales Revenue & Profit

(100 Millions of yen)

|  | 24Q3         | 25Q3         | Change<br>(w/o FX) | Change<br>(w FX) | FY24<br>Actual | FY25<br>Prev. Fct. | FY25<br>Forecast | Change<br>(w/o FX) | Change<br>(w FX) |
|--|--------------|--------------|--------------------|------------------|----------------|--------------------|------------------|--------------------|------------------|
| <b>Sales revenue</b>                           | <b>1,462</b> | <b>1,513</b> | <b>-0.9%</b>       | <b>3.5%</b>      | <b>5,448</b>   | <b>5,568</b>       | <b>5,661</b>     | <b>3.1%</b>        | <b>3.9%</b>      |
| <b>Communications &amp; printing equipment</b> | <b>1,283</b> | <b>1,327</b> | <b>-1.0%</b>       | <b>3.4%</b>      | <b>4,755</b>   | <b>4,858</b>       | <b>4,940</b>     | <b>3.0%</b>        | <b>3.9%</b>      |
| Americas                                       | 463          | 501          | 5.7%               | 8.2%             | 1,850          | 1,839              | 1,907            | 5.1%               | 3.1%             |
| Europe   | 437          | 427          | -11.5%             | -2.4%            | 1,501          | 1,622              | 1,616            | 1.4%               | 7.7%             |
| Asia & others                                  | 254          | 268          | 3.4%               | 5.2%             | 952            | 961                | 984              | 4.8%               | 3.3%             |
| Japan (incl. OEM)                              | 128          | 131          | 1.8%               | 2.5%             | 452            | 436                | 433              | -3.4%              | -4.1%            |
| <b>Labeling</b>                                | <b>179</b>   | <b>186</b>   | <b>-0.3%</b>       | <b>4.0%</b>      | <b>693</b>     | <b>710</b>         | <b>721</b>       | <b>3.3%</b>        | <b>4.0%</b>      |
| Americas                                       | 78           | 79           | -0.2%              | 1.7%             | 318            | 322                | 329              | 5.4%               | 3.4%             |
| Europe   | 58           | 61           | -3.6%              | 6.1%             | 217            | 228                | 226              | -1.6%              | 4.4%             |
| Asia & others                                  | 30           | 30           | -1.1%              | 0.6%             | 109            | 109                | 112              | 4.1%               | 2.7%             |
| Japan  | 13           | 15           | -                  | 16.2%            | 49             | 51                 | 54               | -                  | 8.6%             |
| <b>Business segment profit</b>                 | <b>216</b>   | <b>171</b>   | <b>-</b>           | <b>-20.8%</b>    | <b>610</b>     | <b>644</b>         | <b>644</b>       | <b>-</b>           | <b>5.6%</b>      |
| <b>Operating profit</b>                        | <b>214</b>   | <b>145</b>   | <b>-</b>           | <b>-32.6%</b>    | <b>589</b>     | <b>626</b>         | <b>600</b>       | <b>-</b>           | <b>2.0%</b>      |

**Industrial/Consumer**

Communications & Printing Equipment, Home & Office labeling **Consumer**

Commercial & Industrial Labeling **Industrial**

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**Positioning in CS B2027**

Communications & Printing Equipment, Home & Office labeling **Core business**

Commercial & Industrial Labeling **Growth business**

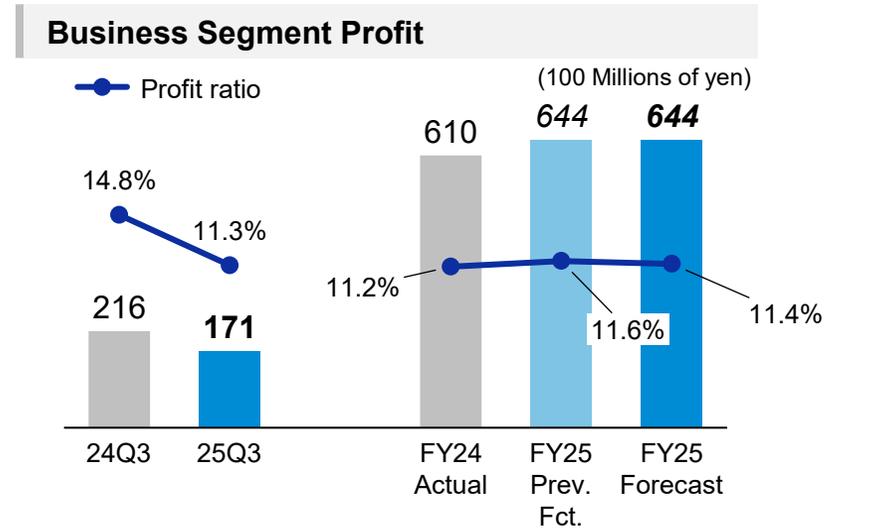
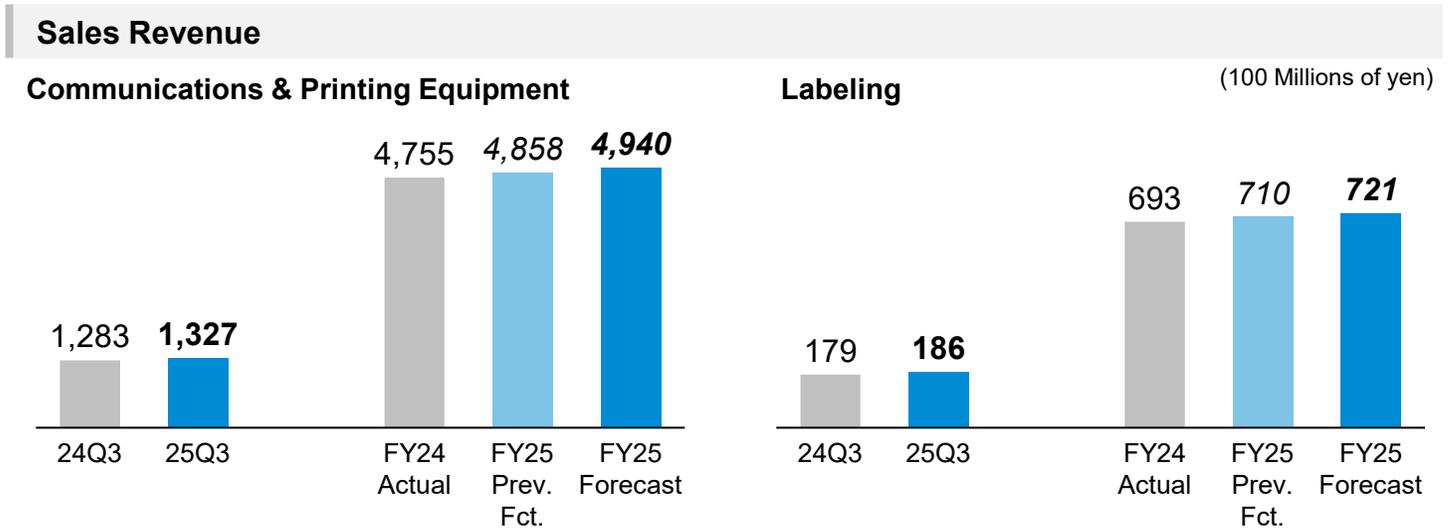
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**Main Products and Services**





Laser All-in-One
Inkjet All-in-One
Label printer



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

|  |            | 23Q1 | 23Q2 | 23Q3 | 23Q4 | 24Q1 | 24Q2 | 24Q3 | 24Q4 | 25Q1 | 25Q2 | 25Q3 | 25Q4 | FY23 | FY24 |
|--|------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Sales revenue growth rate (YoY)</b>     |            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>Laser</b>                               |            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| JPY  | Hardware   | 4%   | -17% | -13% | -1%  | -5%  | 2%   | -1%  | 1%   | 1%   | 5%   | 6%   | -    | -8%  | -1%  |
|  | Consumable | 3%   | 15%  | 11%  | 18%  | 11%  | 14%  | 14%  | -2%  | -3%  | 3%   | 0%   | -    | 11%  | 9%   |
| LC   | Hardware   | -1%  | -21% | -16% | -9%  | -12% | 2%   | 0%   | 1%   | 9%   | 5%   | 1%   | -    | -13% | -2%  |
|  | Consumable | -3%  | 7%   | 5%   | 7%   | 0%   | 12%  | 12%  | -2%  | 3%   | 2%   | -4%  | -    | 4%   | 5%   |
| <b>Inkjet</b>                              |            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| JPY  | Hardware   | 5%   | 3%   | -5%  | -1%  | 18%  | 12%  | 17%  | 14%  | 4%   | 13%  | 13%  | -    | 0%   | 15%  |
|  | Consumable | 15%  | 16%  | 0%   | 5%   | -1%  | 6%   | 11%  | -2%  | -4%  | 9%   | 5%   | -    | 8%   | 3%   |
| LC   | Hardware   | 2%   | -2%  | -8%  | -7%  | 10%  | 14%  | 18%  | 16%  | 12%  | 13%  | 9%   | -    | -4%  | 15%  |
|  | Consumable | 9%   | 9%   | -4%  | -3%  | -9%  | 4%   | 10%  | -2%  | 1%   | 8%   | 1%   | -    | 2%   | 1%   |
| <b>Cosumable ratio</b>                     |            | 54%  | 53%  | 54%  | 56%  | 55%  | 55%  | 56%  | 55%  | 54%  | 54%  | 55%  | -    | 54%  | 55%  |
| <b>Growth rate of hardware (Units/YoY)</b> |            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Laser                                      |            | -1%  | -21% | -8%  | -6%  | -13% | -2%  | -6%  | 1%   | 5%   | 5%   | 1%   | -    | -10% | -5%  |
| Inkjet                                     |            | 4%   | 0%   | -3%  | -9%  | 13%  | 14%  | 17%  | 11%  | 9%   | 10%  | 6%   | -    | -2%  | 14%  |

# Industrial Printing Sales Revenue & Profit

(100 Millions of yen)

|                                  | 24Q3       | 25Q3       | Change<br>(w/o FX) | Change<br>(w FX) | FY24<br>Actual | FY25<br>Prev. Fct. | FY25<br>Forecast | Change<br>(w/o FX) | Change<br>(w FX) |
|----------------------------------|------------|------------|--------------------|------------------|----------------|--------------------|------------------|--------------------|------------------|
| <b>Sales revenue</b>             | <b>338</b> | <b>353</b> | <b>1.0%</b>        | <b>4.7%</b>      | <b>1,373</b>   | <b>1,363</b>       | <b>1,379</b>     | <b>-0.1%</b>       | <b>0.4%</b>      |
| <b>Domino</b>                    | <b>291</b> | <b>316</b> | <b>4.7%</b>        | <b>8.5%</b>      | <b>1,194</b>   | <b>1,198</b>       | <b>1,238</b>     | <b>3.0%</b>        | <b>3.6%</b>      |
| Americas                         | 78         | 87         | 9.6%               | 12.2%            | 313            | 324                | 335              | 4.4%               | 6.9%             |
| Europe                           | 122        | 128        | 1.2%               | 5.2%             | 516            | 508                | 524              | 1.3%               | 1.6%             |
| Asia & others                    | 81         | 88         | 3.1%               | 8.3%             | 322            | 318                | 328              | 2.4%               | 2.0%             |
| Japan                            | 10         | 12         | -                  | 20.6%            | 42             | 48                 | 50               | -                  | 17.5%            |
| <b>Printing &amp; automation</b> | <b>46</b>  | <b>37</b>  | <b>-22.2%</b>      | <b>-19.4%</b>    | <b>179</b>     | <b>165</b>         | <b>141</b>       | <b>-21.0%</b>      | <b>-20.9%</b>    |
| Americas                         | 27         | 19         | -30.4%             | -29.1%           | 98             | 86                 | 65               | -32.8%             | -34.0%           |
| Europe                           | 9          | 8          | -14.0%             | -5.0%            | 38             | 39                 | 35               | -14.0%             | -9.2%            |
| Asia & others                    | 8          | 7          | -16.8%             | -14.5%           | 28             | 26                 | 26               | -5.6%              | -6.9%            |
| Japan                            | 3          | 3          | -                  | 14.2%            | 14             | 15                 | 16               | -                  | 10.4%            |
| <b>Business segment profit</b>   | <b>4</b>   | <b>13</b>  | <b>-</b>           | <b>212.2%</b>    | <b>52</b>      | <b>24</b>          | <b>16</b>        | <b>-</b>           | <b>-69.9%</b>    |
| <b>Operating profit</b>          | <b>6</b>   | <b>8</b>   | <b>-</b>           | <b>39.3%</b>     | <b>32</b>      | <b>15</b>          | <b>1</b>         | <b>-</b>           | <b>-97.2%</b>    |

**Industrial/Consumer**

**Industrial**

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**Positioning in CS B2027**

**Growth business**

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**Main Products and Services**



Coding and marking equipment



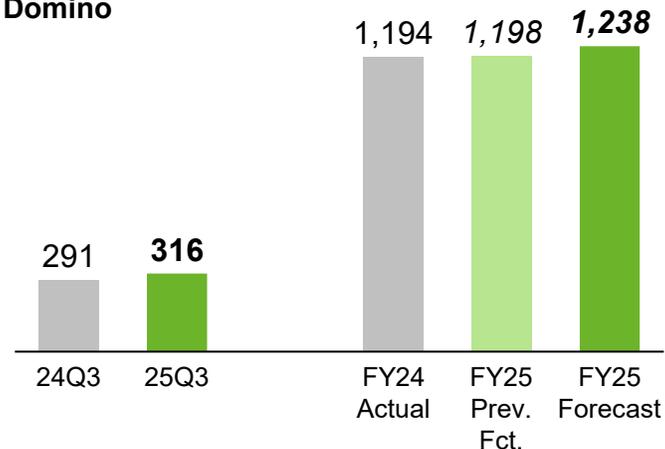
Garment printer



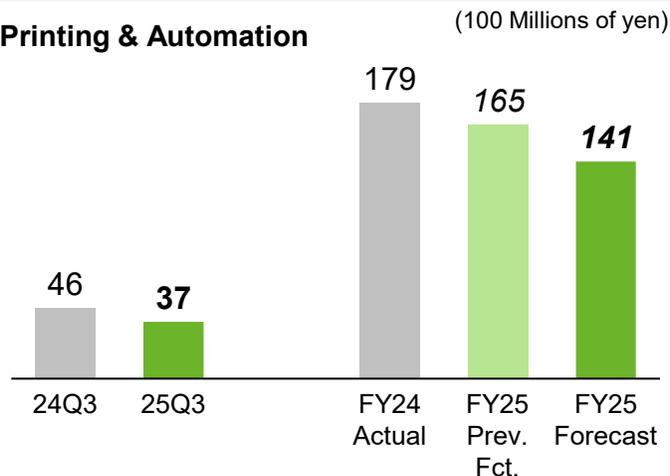
Digital printing equipment

## Sales Revenue

### Domino

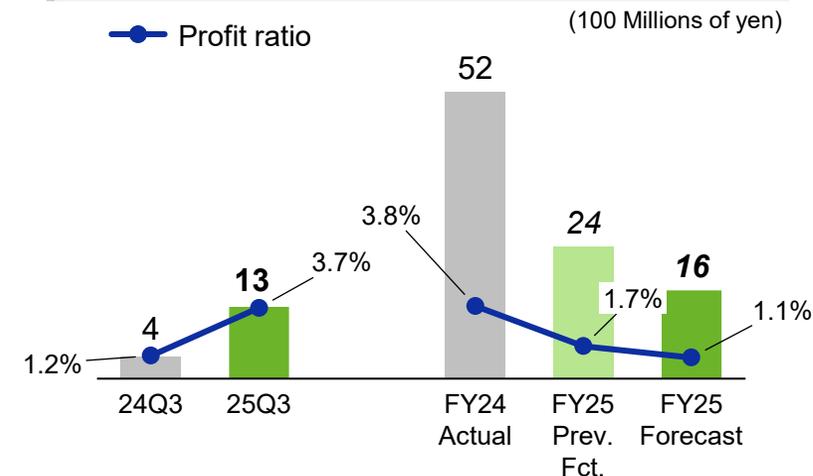


### Printing & Automation



## Business Segment Profit

### Profit ratio



# Machinery Sales Revenue & Profit

(100 Millions of yen)

|                                   | 24Q3       | 25Q3       | Change<br>(w/o FX) | Change<br>(w FX) | FY24<br>Actual | FY25<br>Prev. Fct. | FY25<br>Forecast | Change<br>(w/o FX) | Change<br>(w FX) |
|-----------------------------------|------------|------------|--------------------|------------------|----------------|--------------------|------------------|--------------------|------------------|
| <b>Sales revenue</b>              | <b>160</b> | <b>219</b> | <b>35.0%</b>       | <b>36.9%</b>     | <b>673</b>     | <b>812</b>         | <b>824</b>       | <b>22.9%</b>       | <b>22.4%</b>     |
| <b>Machine tools</b>              | <b>114</b> | <b>175</b> | <b>52.2%</b>       | <b>53.8%</b>     | <b>473</b>     | <b>620</b>         | <b>640</b>       | <b>35.8%</b>       | <b>35.2%</b>     |
| Americas                          | 7          | 12         | -                  | 63.4%            | 33             | 42                 | 37               | -                  | 11.2%            |
| Europe                            | 7          | 5          | -                  | -29.3%           | 26             | 26                 | 30               | -                  | 18.1%            |
| Asia & others                     | 79         | 130        | -                  | 65.2%            | 319            | 442                | 469              | -                  | 47.3%            |
| Japan                             | 21         | 29         | -                  | 35.7%            | 96             | 110                | 103              | -                  | 7.9%             |
| <b>Industrial sewing machines</b> | <b>46</b>  | <b>44</b>  | <b>-7.7%</b>       | <b>-4.9%</b>     | <b>200</b>     | <b>192</b>         | <b>184</b>       | <b>-7.4%</b>       | <b>-8.0%</b>     |
| Americas                          | 2          | 3          | 26.2%              | 28.1%            | 11             | 14                 | 14               | 35.2%              | 32.3%            |
| Europe                            | 6          | 7          | -3.7%              | 6.3%             | 27             | 24                 | 23               | -20.6%             | -13.3%           |
| Asia & others                     | 37         | 33         | -10.9%             | -9.2%            | 159            | 151                | 144              | -7.7%              | -9.5%            |
| Japan                             | 1          | 1          | -                  | 15.6%            | 4              | 3                  | 3                | -                  | -21.9%           |
| <b>Business segment profit</b>    | <b>3</b>   | <b>18</b>  | <b>-</b>           | <b>484.9%</b>    | <b>11</b>      | <b>50</b>          | <b>60</b>        | <b>-</b>           | <b>463.6%</b>    |
| <b>Operating profit</b>           | <b>5</b>   | <b>19</b>  | <b>-</b>           | <b>257.6%</b>    | <b>12</b>      | <b>50</b>          | <b>60</b>        | <b>-</b>           | <b>411.7%</b>    |

**Industrial/Consumer**

**Industrial**

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**Positioning in CS B2027**

Machine tool **Growth business**

Industrial Sewing Machines **Profitability transformation business**

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**Main Products and Services**



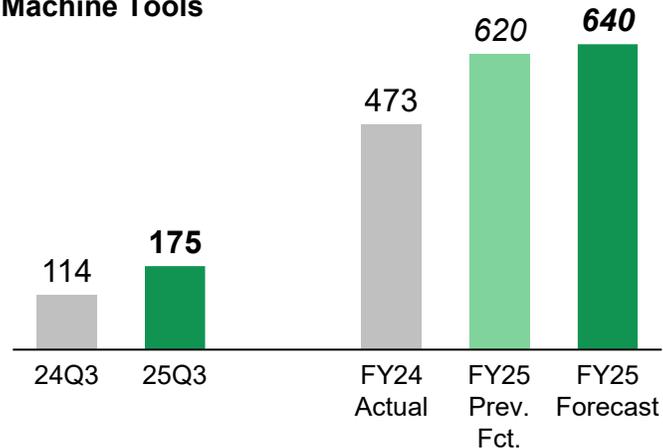
Machine tool



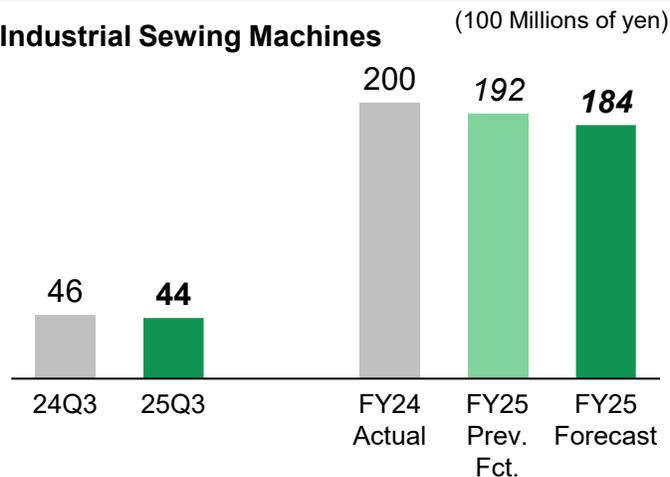
Industrial Sewing Machines

## Sales Revenue

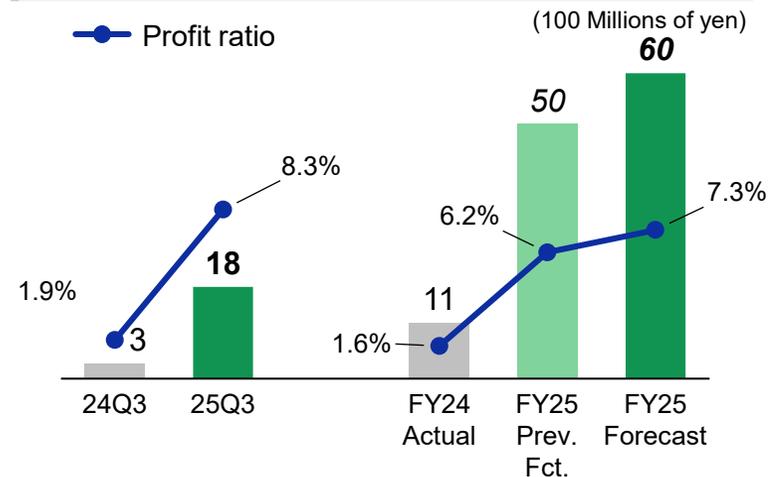
### Machine Tools



### Industrial Sewing Machines

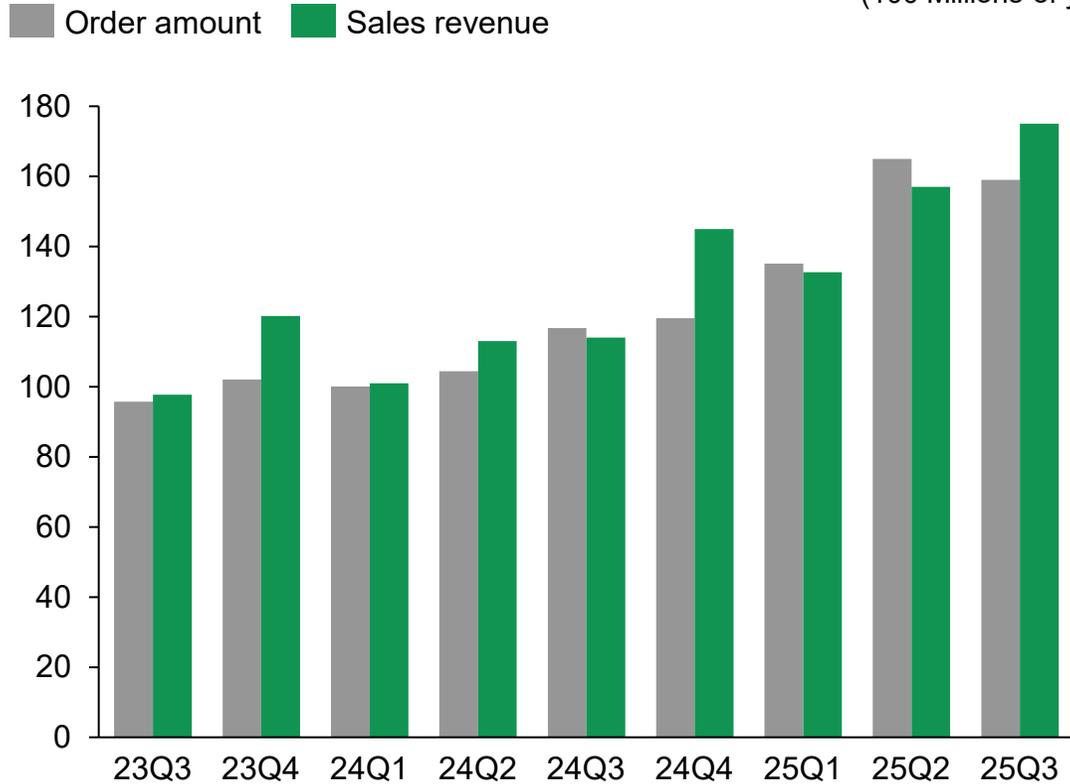


## Business Segment Profit



## Trends in order amount and sales revenue

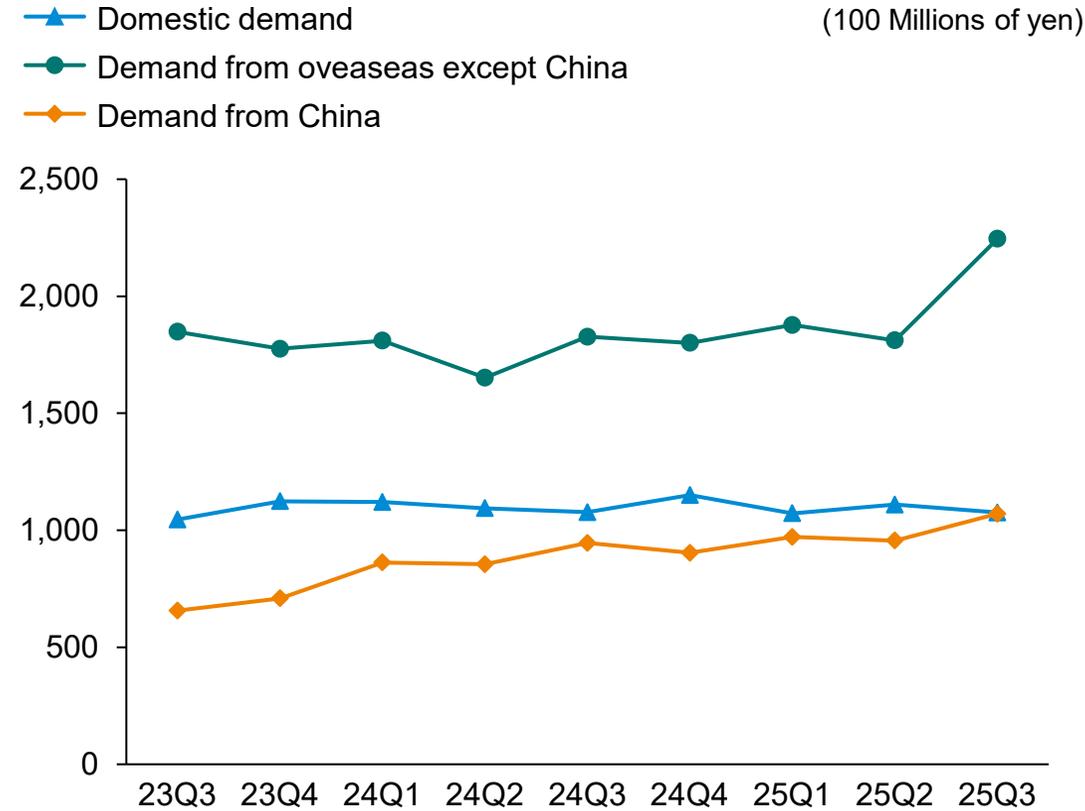
(100 Millions of yen)



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

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

(100 Millions of yen)



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

# Nissei Sales Revenue & Profit

(100 Millions of yen)

|                                | 24Q3      | 25Q3      | Change<br>(w/o FX) | Change<br>(w FX) | FY24<br>Actual | FY25<br>Prev. Fct. | FY25<br>Forecast | Change<br>(w/o FX) | Change<br>(w FX) |
|--------------------------------|-----------|-----------|--------------------|------------------|----------------|--------------------|------------------|--------------------|------------------|
| <b>Sales revenue</b>           | <b>50</b> | <b>54</b> | <b>7.1%</b>        | <b>7.6%</b>      | <b>200</b>     | <b>210</b>         | <b>211</b>       | <b>6.2%</b>        | <b>5.5%</b>      |
| Americas                       | 7         | 9         | 26.8%              | 29.3%            | 31             | 37                 | 38               | 24.9%              | 22.5%            |
| Europe                         | -         | -         | -                  | -                | -              | -                  | -                | -                  | -                |
| Asia & others                  | 7         | 6         | -5.8%              | -5.2%            | 29             | 27                 | 27               | -6.9%              | -8.8%            |
| Japan                          | 37        | 39        | -                  | 5.8%             | 140            | 146                | 146              | -                  | 4.8%             |
| <b>Business segment profit</b> | <b>2</b>  | <b>2</b>  | <b>-</b>           | <b>50.3%</b>     | <b>5</b>       | <b>8</b>           | <b>9</b>         | <b>-</b>           | <b>90.5%</b>     |
| <b>Operating profit</b>        | <b>2</b>  | <b>2</b>  | <b>-</b>           | <b>43.6%</b>     | <b>0</b>       | <b>8</b>           | <b>9</b>         | <b>-</b>           | <b>-</b>         |

**Industrial/Consumer**

**Industrial**

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**Positioning in CS B2027**

**Profit-driven business**

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**Main Products and Services**



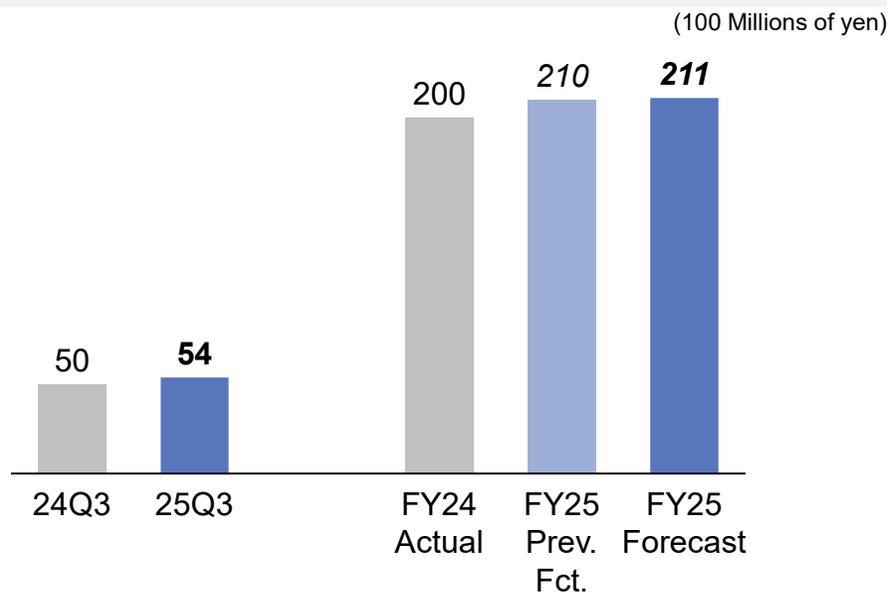


Gearmotor

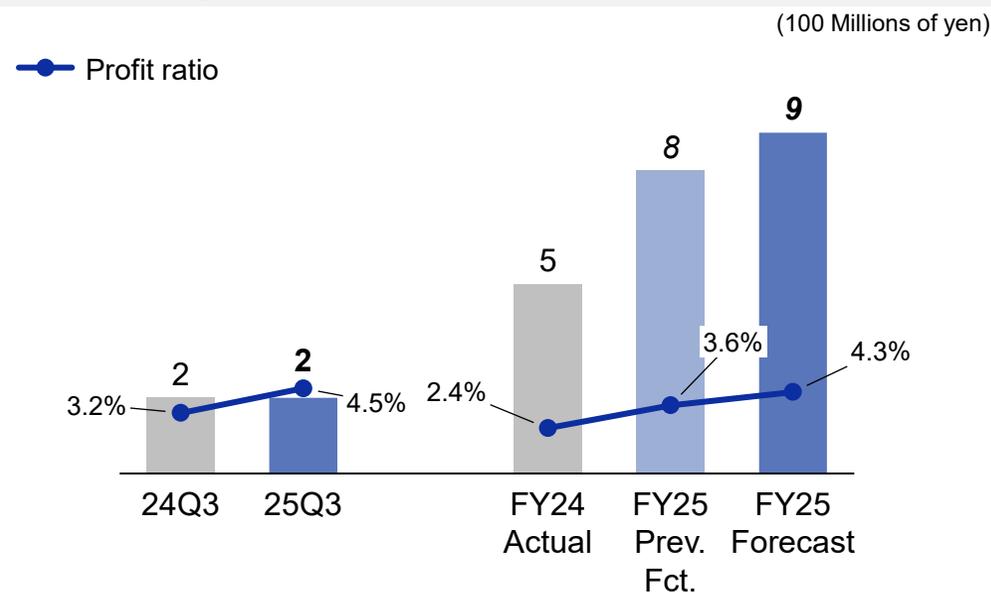
High stiffness reducer

Gear

## Sales Revenue



## Business Segment Profit



# Personal & Home Sales Revenue & Profit

(100 Millions of yen)

|                                | 24Q3       | 25Q3       | Change (w/o FX) | Change (w FX) | FY24 Actual | FY25 Prev. Fct. | FY25 Forecast | Change (w/o FX) | Change (w FX) |
|--------------------------------|------------|------------|-----------------|---------------|-------------|-----------------|---------------|-----------------|---------------|
| <b>Sales revenue</b>           | <b>175</b> | <b>188</b> | <b>3.2%</b>     | <b>7.3%</b>   | <b>572</b>  | <b>569</b>      | <b>601</b>    | <b>4.6%</b>     | <b>5.2%</b>   |
| Americas                       | 106        | 108        | -0.3%           | 1.6%          | 346         | 327             | 345           | 1.2%            | -0.5%         |
| Europe                         | 46         | 51         | 0.3%            | 10.7%         | 139         | 147             | 155           | 4.5%            | 11.4%         |
| Asia & others                  | 16         | 20         | 22.2%           | 24.6%         | 57          | 62              | 68            | 19.4%           | 18.3%         |
| Japan                          | 7          | 9          | -               | 32.8%         | 28          | 33              | 33            | -               | 17.0%         |
| <b>Business segment profit</b> | <b>28</b>  | <b>31</b>  | <b>-</b>        | <b>10.9%</b>  | <b>73</b>   | <b>54</b>       | <b>61</b>     | <b>-</b>        | <b>-16.8%</b> |
| <b>Operating profit</b>        | <b>29</b>  | <b>29</b>  | <b>-</b>        | <b>0.6%</b>   | <b>67</b>   | <b>49</b>       | <b>55</b>     | <b>-</b>        | <b>-16.8%</b> |

**Industrial/Consumer**

Consumer

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**Positioning in CS B2027**

Profit-driven business

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**Main Products and Services**

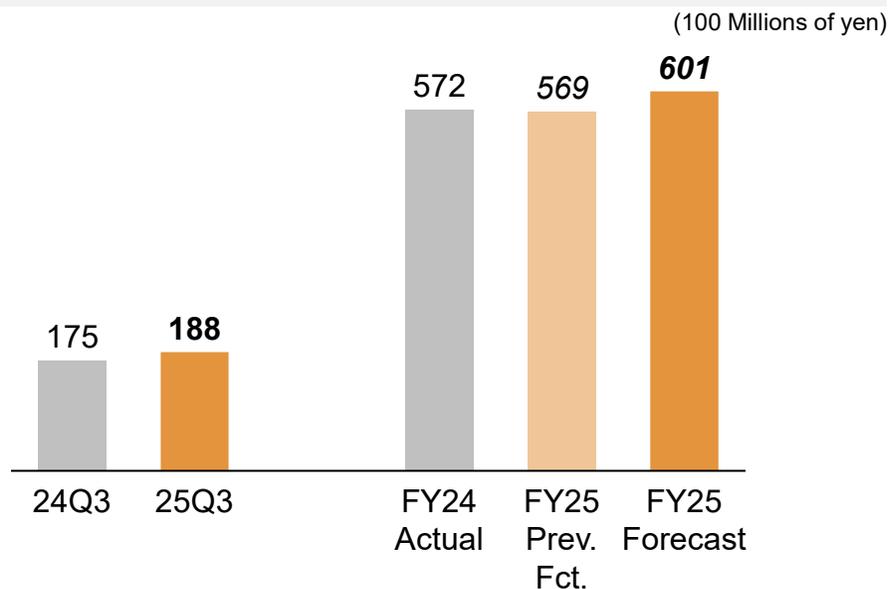


©Disney  
Home sewing machine

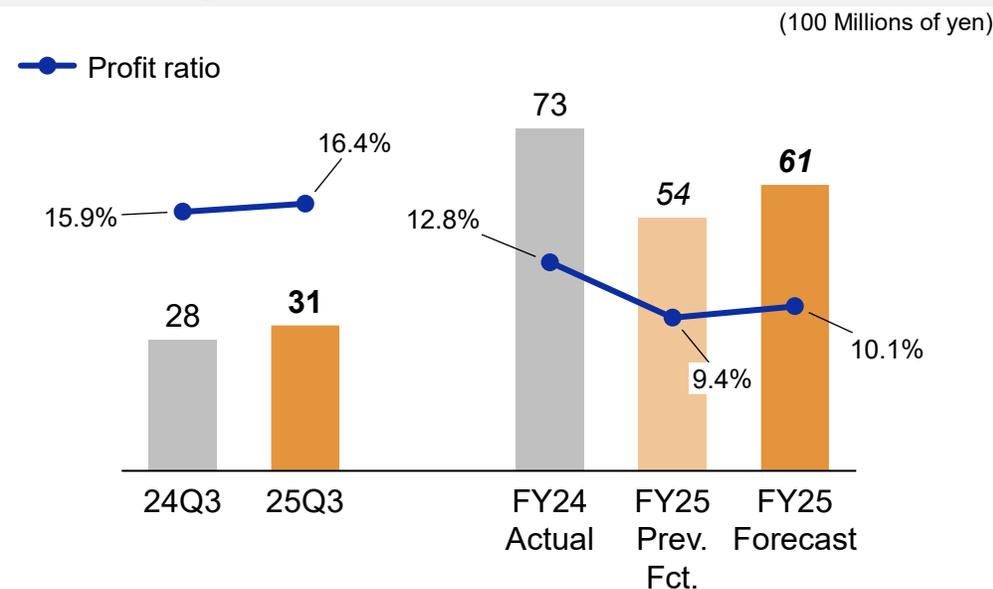


Home cutting machine

## Sales Revenue



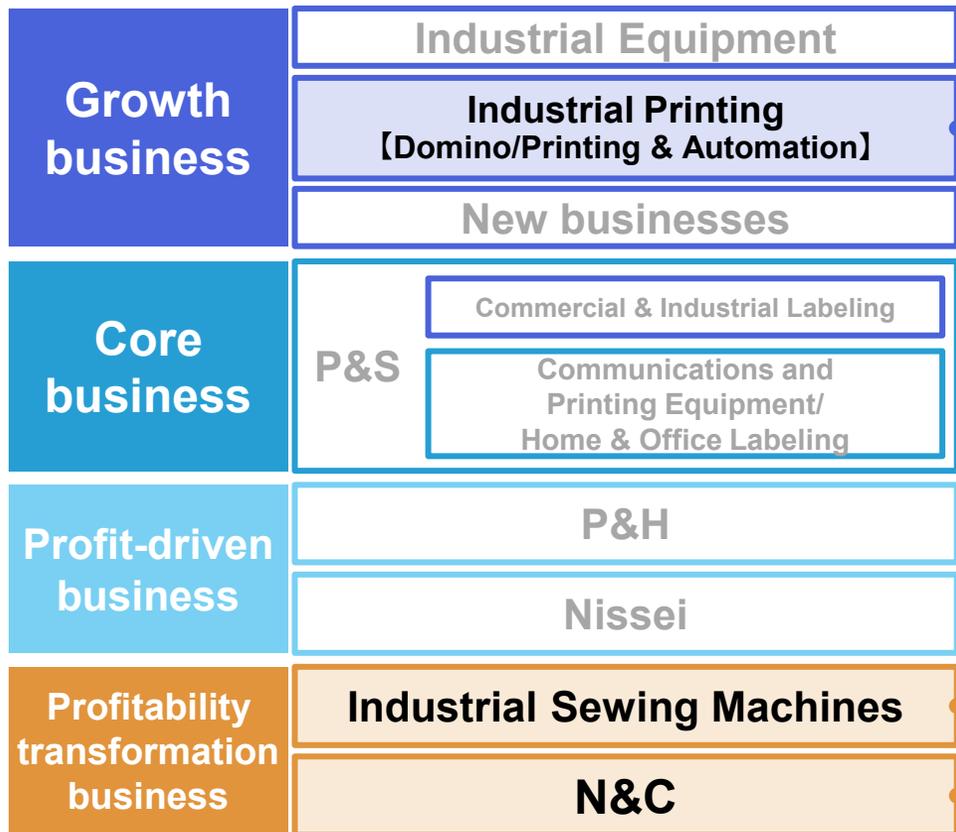
## Business Segment Profit



# Updates in business portfolio transformation

Based on the policy of our Medium-Term Business Strategy “CS B2027,” we have decided to transfer the online karaoke business while undertaking M&As that contribute to profitability improvement and business growth. We will continue to accelerate business portfolio transformation, including M&As.

## Role of business in the Medium-Term Business Strategy “CS B2027”



## Progress of business portfolio transformation in FY2025



### Toward Further Development of the Karaoke Business

Nov 1, 2025 Karaoke club business: Transfer of STANDARD business completed  
 Apr 1, 2026 Karaoke system business: Transfer of 70% of XING shares planned  
 \*30% of XING shares will continue to be held by Brother Industries



### Strengthening solutions for non-apparel applications, such as airbags

Jan 1, 2026 Acquisition of the automotive division of Konrad Busche in Germany completed



### Expanding the product lineup and strengthening the business foundations of Printing & Automation

Feb 5, 2026 Commencement of Tender Offer for Shares of MUTOH HOLDINGS CO., LTD.



Through the Tender Offer, we aim not only to secure a product lineup and market position in Printing & Automation area where we seek growth, but also to enhance corporate value by strengthening the business foundations of both companies.

## Expanding the business by complementing product lineups

- ✓ MUTOH has an extensive lineup and brand recognition in large format printers and inks. Although the product lineups of the two companies are in closely related domains, they do not overlap and are complementary

### ■ Main Products of both Companies

|                        |                                      | Background Color : Brother products |                                   | Background Color : MUTOH products |                    | Ink Type    |        |
|------------------------|--------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|--------------------|-------------|--------|
| Usage                  | Size/Type                            | Textiles/Soft Signs                 | Goods/Multi-Purpose Printing      |                                   | Sign & Graphics    |             |        |
| Roll to Roll Printers* |                                      | Dye-Sublimation<br>                 | Multi-Purpose Ink<br>             | Solvent<br>                       | Water-based UV<br> | Solvent<br> |        |
|                        | *Printers for printing on roll media |                                     | Multi-Purpose Ink<br>             |                                   | Latex<br>          | UV<br>      | UV<br> |
| Flatbed Printers       | Large                                | Pigment<br>Garment printer<br>      |                                   |                                   | UV<br>             |             |        |
|                        | Desktop                              | Pigment<br>Garment printer<br>      | Pigment<br>Button badge maker<br> | UV<br>                            |                    |             |        |

## Synergy

- ✓ Utilizing two companies' resources can strengthen our business foundation.

Strengthen competitiveness of products/services through technical cooperation

Utilize sales/service channels, customer base

Reduce cost of manufacture, procurement, and logistics

Increase corporate value by utilizing human/financial resources

# Reference

Many of the production sites are located in Southeast Asia. The U.S. accounts for just over 20% of the company's total sales. The P&S business accounts for the largest share of sales.

| Business (FY2025Q3-)                   |                                     | Main Products  | Main Production Sites  | U.S. Sales Ratio (FY2024 Result) |
|--|-------------------------------------|--|--|----------------------------------|
| <b>P&amp;S</b><br>Printing & Solutions | Communications & Printing Equipment | Laser products   | Vietnam, China (certain products only)                         | Slightly less than 30%           |
|  |                                     | Inkjet products  | Philippines  |                                  |
|  | Labeling                            | Labeling products  | China, Philippines   |                                  |
| <b>IP</b><br>Industrial Printing       | Domino                              | Coding & marking equipment<br>Digital printing equipment | U.K. China   | Slightly less than 20%           |
|  | Printing & Automation               | Garment printer  | Japan  | Approx. 50%                      |
| <b>Machinery</b>                       | Industrial Equipment                | Industrial equipment                                     | Japan, China (for Chinese market)<br>India (for Indian market) | Mid-single digits %              |
|  | Industrial Sewing Machine           | Industrial Sewing Machine                                | China  |                                  |
| <b>Nissei</b>                          |                                     | Gearmotor & gear   | Japan  | Approx. 15%                      |
| <b>P&amp;H</b> Personal & Home         |                                     | Home sewing machine                                      | Taiwan, Vietnam  | Approx. 50%                      |
| <b>Company total</b>                   |                                     | -  | -  | <b>Slightly more than 20%</b>    |

# Reference: Brother Group's business areas

## -FY25Q2

|                                  | Business Name              | Sub-segments                        |
|----------------------------------|----------------------------|-------------------------------------|
| Industrial area                  | Machinery                  | Industrial Equipment                |
|                                  |                            | Industrial Sewing Machines          |
|                                  | Nissei                     |                                     |
|                                  | IP (Industrial Printing)   | Domino                              |
|                                  |                            | Printing & Automation               |
| Commercial & Industrial Labeling |                            |                                     |
| Consumer area                    | P&S (Printing & Solutions) | Home & Office Labeling              |
|                                  |                            | Communications & Printing Equipment |
|                                  | P&H (Personal & Home)      |                                     |
|                                  | N&C (Network & Contents)   |                                     |
| New businesses                   |                            |                                     |

## FY25Q3-

|  | Business Name              | Sub-segments                        |
|--|----------------------------|-------------------------------------|
| Industrial area                                    | Machinery                  | Industrial Equipment                |
|  |                            | Industrial Sewing Machines          |
|  | Nissei                     |                                     |
|  | IP (Industrial Printing)   | Domino                              |
|  |                            | Printing & Automation               |
| Commercial & Industrial Labeling                   |                            |                                     |
| Consumer area                                      | P&S (Printing & Solutions) | Home & Office Labeling              |
|  |                            | Communications & Printing Equipment |
|  | P&H (Personal & Home)      |                                     |
| New businesses                                     |                            |                                     |
| Discontinued Operations : N&C (Network & Contents) |                            |                                     |

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