NOTICE OF THE 68TH ORDINARY GENERAL MEETING

OF SHAREHOLDERS

TO BE HELD IN KYOTO, JAPAN ON JUNE 29, 2016

DATE

WEDNESDAY, JUNE 29, 2016 AT 10:00 A.M. (RECEPTION WILL OPEN AT 9 A.M.)

PLACE

THE HALL ON THE 10TH FLOOR OF THE HEAD OFFICE OF WACOAL HOLDINGS CORP., LOCATED AT 29, NAKAJIMA-CHO, KISSHOIN, MINAMI-KU, KYOTO, JAPAN (PLEASE REFER TO THE MAP ON THE BACK OF THIS NOTICE.)

MATTERS TO BE RESOLVED

AGENDA ITEM NO.1:	**ELECTION OF SEVEN DIRECTORS**
AGENDA ITEM NO.2:	**ELECTION OF ONE AUDIT & SUPERVISORY BOARD MEMBER**
AGENDA ITEM NO.3:	**PAYMENT OF OFFICERS' BONUSES**

(This is a translation from the original notice in the Japanese language dispatched to shareholders in Japan.)

WACOAL HOLDINGS CORP.
(CODE NUMBER: 3591)

KYOTO, JAPAN

Code Number: 3591

June 3, 2016

TO OUR SHAREHOLDERS

WACOAL HOLDINGS CORP.
29, Nakajima-cho
Kisshoin, Minami-ku
Kyoto, Japan

Yoshikata Tsukamoto
Representative Director

Notice of the 68th Ordinary General Meeting of Shareholders

This is to inform you that the Company's 68th ordinary general meeting of shareholders will be held as described below.

You are cordially invited to attend the meeting.

IF YOU ARE UNABLE TO ATTEND THE MEETING, WE WOULD LIKE TO REQUEST THAT YOU CAREFULLY EXAMINE THE REFERENCE MATERIALS SET FORTH BELOW AND MAIL OR CAST YOUR BALLOT ONLINE SHOWING YOUR CONSENT OR DISSENT SO THAT WE RECEIVE IT NO LATER THAN JUNE 28, 2016 (TUESDAY) at 5:30 p.m.

Particulars

1. Date: Wednesday, June 29, 2016 at 10:00 a.m.

2. Place: The hall on the 10th floor of the Head Office of Wacoal Holdings Corp., located at 29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto, Japan (on the west side of Nishi-Oji Station on the JR line)

   (Please refer to the map on the back of this notice.)

3. Purpose of Meeting:

   Matters to be reported:

   1. Presentation of the Business Report, Consolidated Financial Statements, and Audit Reports of the Independent Auditor and the Audit & Supervisory Board for the Consolidated Financial Statements for the 68th fiscal year from April 1, 2015 through March 31, 2016

   2. Presentation of the Non-Consolidated Financial Statements for the 68th fiscal year from April 1, 2015 through March 31, 2016

   Matters to be resolved:

   Agenda Item No. 1: Election of Seven Directors

   Agenda Item No. 2: Election of One Audit & Supervisory Board Member

   Agenda Item No. 3: Payment of Officers' Bonuses

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1. The "Notes to the Consolidated Financial Statements" and the "Notes to the Non-Consolidated Financial Statements" are not included in this Notice as attachments, but are provided and posted on the Company's website (*) pursuant to the provisions of the applicable laws and regulations and Article 15 of our Articles of Incorporation.

   The consolidated financial statements and the non-consolidated financial statements audited by the Audit & Supervisory Board Members and the Independent Auditor include the "Notes to the Consolidated Financial Statements" and the "Notes to the Non-Consolidated Financial Statements" that are posted on the Company's website, in addition to the matters stated in this Notice as attachments.

2. Any amendments to the reference materials, Business Report, Non-Consolidated Financial Statements and Consolidated Financial Statements will be posted and announced on the Company's website (*).

3. We will not send shareholders a notice concerning the results of resolutions at this General Meeting of Shareholders. Such results will be posted and announced on the Company's website (*) after the General Meeting of Shareholders.

   (*) Company's website: http://www.wacoalholdings.jp/ir/soukai.html

4. Please kindly note that light clothing is encouraged for this meeting as our officers and staff members will be wearing "Cool Biz" attire as a part of a power-saving campaign at this meeting.

5. Please be advised that a souvenir will be provided and distributed to all shareholders attending this meeting. Each shareholder will receive only one souvenir item despite the number of the voting rights exercise form that each shareholder will bring at this meeting.

REFERENCE MATERIALS

Agenda and Reference Matters

Agenda Item No. 1: Election of Seven Directors

The term of office of Directors Mr. Yoshikata Tsukamoto, Mr. Hironobu Yasuhara, Mr. Yuzo Ide, Mr. Masaya Wakabayashi, Mr. Masashi Yamaguchi, Mr. Mamoru Ozaki, Mr. Atsushi Horiba and Ms. Madoka Mayuzumi will expire at the conclusion of this Meeting.

It is therefore proposed that seven (7) Directors be elected.

All of the candidates for Directors, for the purpose of this agenda item, meet the eligibility requirements which the Company prescribes under "Criteria for Appointment of Officers (on the Company's website (http://www.wacoalholdings.jp/csr/pr_cg.html)).

The candidates for Director are as follows:

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="4">1.</td><td>Reelection

Yoshikata Tsukamoto
(January 29, 1948)</td><td>April 1972
November 1977
November 1981
September 1984
September 1984
June 1987
October 2005
April 2011</td><td>Joined the Company
Appointed Director of the Company
Appointed Managing Director of the Company
Appointed Executive Vice President of the Company
Appointed Representative Director (acting)
Appointed President and Director of the Company (acting)
Appointed Representative Director and President, Corporate Officer of Wacoal Corp.
Appointed Representative Director and Chairman of Wacoal Corp. (acting)</td><td>1,278,136</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
Representative Director and Chairman of Wacoal Corp.; Director and Chairman of Wacoal International Corp.</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Tsukamoto has been in charge of the management of the Company as President and Representative Director since 1987. We believe that we can continue to utilize his extensive experience and expertise for the management of the Company, and therefore request for his reelection as a Director.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Tsukamoto and the Company.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="4">2.</td><td>Reelection

Hironobu Yasuhara
(December 28, 1951)</td><td>March 1975
April 2005

June 2006

April 2010

April 2011

June 2011

June 2013</td><td>Joined the Company
Appointed Corporate Officer/General Manager of Wing Brand Business Department of the Company
Appointed Director and Managing Corporate Officer, General Manager of Wing Brand Business Department, of Wacoal Corp.
Appointed Director and Senior Managing Corporate Officer, and General Manager of Wacoal Brand Business Department, of Wacoal Corp.
Appointed Representative Director and President, Corporate Officer of Wacoal Corp. (acting)
Appointed Director of the Company
Appointed Senior Managing Director of the Company (acting)</td><td>13,000</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
President and Representative Director, Corporate Officer of Wacoal Corp.</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Yasuhara has extensive experience in the sales division of Wacoal Corp., our core operating entity, and since 2011 has been in charge of the management of Wacoal Corp. as President and Representative Director. We believe that he is qualified to serve as a Director of the Company, and therefore request for his reelection as a Director.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Yasuhara and the Company.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="4">3.</td><td>Reelection

Masaya Wakabayashi
(January 6, 1956)</td><td>April 1979
April 2008

April 2010

April 2011

April 2013

April 2014

June 2014</td><td>Joined the Company
Appointed General Manager of Corporate Planning of the Company
Appointed Corporate Officer, Chief of Corporate Planning of Wacoal Corp.
Appointed Director, Corporate Officer, Chief of Corporate Planning of Wacoal Corp.
Appointed Director, Managing Corporate Officer, Chief of Corporate Planning of Wacoal Corp.
Appointed Director, Managing Corporate Officer, Supervisor of Administration of Wacoal Corp.
Appointed Managing Director and Supervisor of Group Business Management (acting)</td><td>18,000</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
President and Director of Wacoal Investment Co., Ltd. (Taiwan)</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Wakabayashi has extensive experience and expertise in the administrative divisions (particularly in the accounting division and corporate planning division) of Wacoal Corp., our core operating entity. We believe that he is qualified to serve as a Director of the Company, and therefore request for his reelection as a Director.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Wakabayashi and the Company.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="4">4.</td><td>Reelection

Masashi Yamaguchi
(November 26, 1957)</td><td>April 1981
April 2006

April 2011

April 2013

April 2014

April 2015

June 2015</td><td>Joined the Company
Appointed Business Administration Manager of Wing Brand Operation Division of Wacoal Corp.
Appointed Corporate Officer and Manager of Personnel Division of Wacoal Corp.
Appointed Director and Corporate Officer, and General Manager of Personnel and Administration Division of Wacoal Corp.
Appointed Director and Managing Corporate Officer, and General Manager of Personnel and Administration Division of Wacoal Corp.
Appointed Director and Senior Managing Corporate Officer in charge of Administration, and General Manager of Personnel and Administration Division of Wacoal Corp. (acting)
Appointed Director in charge of Personnel and Administration of the Company (acting)</td><td>3,000</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
Director and Senior Managing Corporate Officer of Wacoal Corp.</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Yamaguchi has extensive experience and expertise in the administrative divisions (particularly in the accounting division and human resources divisions) of Wacoal Corp., our core operating entity. We believe that he is qualified to serve as a Director of the Company, and therefore request for his reelection as a Director.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Yamaguchi and the Company.</td></tr>
</table>

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility, and significant concurrent positions	Company Shares owned by Candidate
5.	Reelection Outside Director Independent Officer Mamoru Ozaki (May 20, 1935)	June 1991 Appointed Commissioner of the National Tax Agency June 1992 Appointed Administrative Vice Minister of Finance May 1994 Appointed President of People's Finance Corporation October 1999 Appointed President of National Life Finance Corporation February 2003 Appointed Advisor to Yazaki Corporation (acting) July 2003 Appointed Advisor of the Company June 2005 Appointed Director of the Company (acting)	0
	(Status of Significant Concurrent Positions) Advisor to Yazaki Corporation; Outside Director of Fuji Kyuko Co., Ltd.; Outside Director of Kikkoman Corporation		
	(Reasons for Nomination) Mr. Ozaki has an extensive career and specialized knowledge particularly regarding fiscal and monetary matters. This experience enables him to contribute to improving the transparency and objectivity of the management of the Company. We therefore request for his reelection as an Outside Director. Mr. Ozaki's tenure of office as Outside Director of the Company would be eleven (11) years following the conclusion of this Meeting.		
	(Conflicts of Interest with the Company) There are no conflicts of interest between Mr. Ozaki and the Company.		

(Notes) 1. Mr. Ozaki meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of Outside Officers (to ensure independence)" (on the Company's website (http://www.wacoalholdings.jp/csr/pr_cg.html)).
Mr. Ozaki has been notified to the Tokyo Stock Exchange as our independent officer, pursuant to the rules of the Tokyo Stock Exchange. If the reelection of Mr. Ozaki is approved according to the original proposal by this Meeting, we plan to continue to designate him as our independent officer.

2. Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and Article 28 of our Articles of Incorporation, the Company has executed an agreement with Mr. Ozaki to limit his liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act. The maximum amount of liability under such agreement is the minimum liability amount as provided by laws and regulations. If the reelection of Mr. Ozaki is approved according to the original proposal by this Meeting, we plan to continue the limitation of liability agreement with him.

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="4">6.</td><td>Reelection
Outside Director
Independent Officer
Atsushi Horiba
(February 5, 1948)</td><td>September 1972
June 1982
June 1988
January 1992
June 2005
June 2008</td><td>Joined HORIBA, Ltd.
Appointed Director and General Manager of Overseas Business
Appointed Senior Managing Director and General Manager of Sales Division
Appointed Representative Director and President
Appointed Representative Director and Chairman, and President (acting)
Appointed Director of the Company (acting)</td><td>3,000</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
Representative Director and Chairman, and President of HORIBA, Ltd.; Chairman and CEO of HORIBA STEC, Co., Ltd.; Outside Director of Rock Field Co., Ltd.</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Horiba has extensive experience and knowledge regarding domestic and overseas business deployment as a management. His strong leadership and knowledge enable him to contribute to strengthening the overseas operations of the Company. We therefore request for his reelection as an Outside Director.
Mr. Horiba's tenure of office as Outside Director of the Company would be eight (8) years following the conclusion of this Meeting.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Horiba and the Company.</td></tr>
</table>

(Notes) 1. Mr. Horiba meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of Outside Officers (to ensure independence)" (on the Company's website (http://www.wacoalholdings.jp/csr/pr_cg.html)).
Mr. Horiba has been notified to the Tokyo Stock Exchange as our independent officer, pursuant to the rules of the Tokyo Stock Exchange. If the reelection of Mr. Horiba is approved according to the original proposal by this Meeting, we plan to continue to designate him as our independent officer.

2. Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and Article 28 of our Articles of Incorporation, the Company has executed an agreement with Mr. Horiba to limit his liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act. The maximum amount of liability under such agreement is the minimum liability amount as provided by laws and regulations. If the reelection of Mr. Horiba is approved according to the original proposal by this Meeting, we plan to continue the limitation of liability agreement with him.

<table>
<tr><th>Candidate No.</th><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td rowspan="3">7.</td><td>Reelection
Outside Director
Independent Officer

Madoka Mayuzumi
(July 31, 1962)</td><td>August 1996
January 2001

December 2004

May 2013

April 2014

April 2014

June 2015</td><td>Launched and organized monthly haiku magazine Gekkan Hepburn
Member of “National Language Subdivision” of Council for Cultural Affairs, Ministry of Education, Culture, Sports, Science and Technology
Member of “Council for the Promotion of Cultural Diplomacy”, Cabinet Secretariat
Member of “Forum to Realize Culture and Arts-Oriented Nation” held by Minister of Education, Culture, Sports, Science and Technology
Member of “Cultural Policy Subdivision” of Council for Cultural Affairs, Ministry of Education, Culture, Sports, Science and Technology
Appointed Advisor of the Company
Appointed Director of the Company (acting)</td><td>0</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
Visiting Professor at Kitazato University; Visiting Professor at Showa Women’s University, Faculty of Humanities and Culture, Department of Japanese Language and Literature; Visiting Professor at Kyoto Tachibana University, Faculty of Humanities, Department of Japanese Language and Literature; Trustee of East Japan Railway Culture Foundation; Trustee of The National Art Center, Tokyo</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Although Ms. Mayuzumi has never been directly involved in the company management, she plays an active role as a haiku poet in the field of arts and culture in Japan and overseas. Her knowledge and experience enables her to contribute to the management of the Company which respects diversity. We therefore request for her reelection as an Outside Officer.
Ms. Mayuzumi’s tenure of office as Outside Director of the Company would be one (1) year following the conclusion of this Meeting.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
While serving as Advisor of the Company from April 2014 to June 2015, Ms. Mayuzumi has provided advice from the perspective of addressing social challenges and educational training for employees of the Company and Wacoal Corp. The amount of annual remuneration for such services is less than 10 million yen and there are no other conflicts of interest between Ms. Mayuzumi and the Company.</td></tr>
</table>

(Notes) 1. Ms. Mayuzumi meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of Outside Officers (to ensure independence)” (on the Company’s website (http://www.wacoalholdings.jp/csr/pr_cg.html)).
Ms. Mayuzumi has been notified to the Tokyo Stock Exchange as our independent officer, pursuant to the rules of the Tokyo Stock Exchange. If the reelection of Ms. Mayuzumi is approved according to the original proposal by this Meeting, we plan to continue to designate her as our independent officer.

2. Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and Article 28 of our Articles of Incorporation, the Company has executed an agreement with Ms. Mayuzumi to limit her liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act. The maximum amount of liability under such agreement is the minimum liability amount as provided by laws and regulations. If the reelection of Ms. Mayuzumi is approved according to the original proposal by this Meeting, we plan to continue the limitation of liability agreement with her.

Agenda Item No. 2: Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mr. Tomoki Nakamura will expire at the conclusion of this Meeting. Accordingly, the election of one (1) Audit & Supervisory Board Member has been proposed.

This agenda item has been approved by the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is as follows:

<table>
<tr><th>Name (Date of Birth)</th><th colspan="2">Career summary, position and areas of responsibility, and significant concurrent positions</th><th>Company Shares owned by Candidate</th></tr>
<tr><td>Reelection

Tomoki Nakamura
(January 22, 1958)</td><td>April 1980
October 2007

April 2008

April 2012

June 2012</td><td>Joined the Company
Appointed General Manager of Accounting Department of Wacoal Corp.
Appointed General Manager of Accounting Department of the Company
Appointed Secretary-General of the Audit & Supervisory Board of the Company
Appointed Audit & Supervisory Board Member of the Company (acting)</td><td>77,000</td></tr>
<tr><td colspan="4">(Status of Significant Concurrent Positions)
None</td></tr>
<tr><td colspan="4">(Reasons for Nomination)
Mr. Nakamura has extensive experience in the accounting department of Wacoal Corp., our core operating entity. We believe that he is qualified to serve as an Audit & Supervisory Board Member of the Company, and therefore request his reelection as an Audit & Supervisory Board Member.</td></tr>
<tr><td colspan="4">(Conflicts of Interest with the Company)
There are no conflicts of interest between Mr. Nakamura and the Company.</td></tr>
</table>

Agenda Item No. 3: Payment of Officers' Bonuses

We propose that officers' bonuses of ¥70 million in total be paid to our 5 current Directors (excluding the Outside Directors) as of the end of the current fiscal year in consideration of the business results of the fiscal year ended March 31, 2016.

We kindly ask that the amount to be paid to each Director be left to the discretion of the Board of Directors.

-End-

SUPPLEMENTARY SCHEDULES ON MATTERS TO BE REPORTED

BUSINESS REPORT

For the period from April 1, 2015 through March 31, 2016

1. STATUS OF GROUP BUSINESS

(1) Business Developments and Results

(a) Summary of Operations

Our group entered the last year of our three-year mid-term plan (from fiscal year 2014 to fiscal year 2016), and we (primarily Wacoal Corp., our core operating entity) continued to make efforts to expand our share of sales by responding to the diversifying domestic women's innerwear market, establish a system for our business other than the women's innerwear business and strengthen our growth and profitability by actively developing our overseas business.

As a result of the above, with respect to our consolidated business results for fiscal year ended March 31, 2016, sales from our domestic business exceeded the results for the previous fiscal year as a result of the inclusion of sales of Ai Co., Ltd. and the increase in shops of our retail business. Overall sales exceeded the results for the previous fiscal year due to such superior performance of our domestic business and our overseas business, which were inflated by the depreciation of the Japanese yen. In terms of profit, overall operating income largely exceeded the results for the previous fiscal year as a result of the impairment charges which we recognized in relation to our Peach John business during the previous fiscal year.

Net Sales:	202,917 million yen (an increase of 5.8% as compared to the previous fiscal year)
Operating income:	13,865 million yen (an increase of 95.8% as compared to the previous fiscal year)
Income before income taxes and equity in net income of affiliated companies:	14,957 million yen (an increase of 31.9% as compared to the previous fiscal year)
Net income attributable to Wacoal Holdings Corp.:	11,159 million yen (an increase of 32.2% as compared to the previous fiscal year)

The following is a summary of operations by operating segment.

(i) Wacoal Business (Domestic)

In our domestic business, we focused on establishing a system which can respond to changes in the external environment, and made efforts to expand customer contact, by taking measures to respond to growing inbound consumption and carrying out cross-channel initiatives in rural and unexploited areas. We also made efforts to develop and expand our products targeting a generation that only recently started wearing brassieres, and middle-aged and senior consumers.

With respect to our Wacoal brand business, our core brassieres products and products for seniors showed favorable performance. Despite the strong continued inbound demand at department stores in urban areas and our successful promotion of red underwear products, in connection with an old saying that wearing red underwear brings good luck, in the last six months of the current fiscal year, overall sales remained unchanged from the previous fiscal year.

With respect to our Wing brand business, overall sales remained unchanged from the previous fiscal year due to the expansion of shops handling our products for teens as well as the strong performance of our core brassieres products, mainly our regular items.

In our retail business, sales from our directly managed retail store, AMPHI, showed steady performance as a result of our successful initiatives of exclusive offers for members and various

monthly sales promotions, and a significant increase of sales through e-commerce websites of other companies. Sales were also largely driven by inbound demand with respect to our Wacoal Factory Store in outlet malls, particularly in areas around airports, and as a result, overall sales largely exceeded the results for the previous fiscal year.

In our wellness business, with respect to our sports conditioning wear "CW-X" brand products, while sales through existing channels, including sports specialty stores, showed weak performance since we were not successful in attracting new customers, overall sales remained unchanged from the previous fiscal year as a result of offering and expanding new products for daily use.

In our catalog sales business, sales from our catalog products were below the results from the previous fiscal year due to the impact of reducing the number of products in our catalogues and decreasing the number of issues of our main catalogues to improve profitability. Although our internet sales from our website performed strongly as a result of an increase in the number of visitors of our website because we were no longer affected by the shutdown of our website that occurred in the previous year and as a result of our strengthening of our efforts to attract visitors using smartphones, overall sales fell below the results for the previous fiscal year.

With respect to Ai Co., Ltd., our domestic subsidiary which handles the swimwear business and directly managed underwear business, which we acquired from San-Ai group during the current fiscal year, sales from the swimwear business were below the sales we anticipated in our plan due to unstable summer weather. In addition, sales from the underwear business also performed poorly, and were below the sales we anticipated in our plan.

In summary, overall sales attributable to our "Wacoal Business (Domestic)" segment exceeded the results for the previous fiscal year due to increased sales from Wacoal Corp., our core operating entity, and the inclusion of sales from Ai Co., Ltd. With respect to profitability, our operating income also exceeded the results for the previous fiscal year as a result of the increased sales from Wacoal Corp.

Net Sales:	120,570 million yen (an increase of 7.5% as compared to the previous fiscal year)
Operating income:	8,810 million yen (an increase of 4.3% as compared to the previous fiscal year)

(ii) Wacoal Business (Overseas)

In the United States, Wacoal America, Inc. made efforts to improve profits by expanding its share in the high-end market and through enhancing sales of our "b.tempt'd" brand products. Despite inventory control at department stores in the United States, overall sales exceeded the results for the previous fiscal year as a result of strong performance of our core Wacoal brand products and favorable results of our sales from e-commerce websites and of our exports to surrounding countries (Canada). In terms of profit, operating income on a local currency basis fell below the results for the previous fiscal year due to an increase in selling, general and administrative expenses which resulted from increased labor costs, while we controlled PR related costs. However, operating income on a yen converted basis exceeded the results for the previous fiscal year due to the depreciated yen.

With respect to Wacoal Europe, we made efforts to promote our Wacoal brands' recognition and to expand sales of the Wacoal brand across Europe and Australia. With regard to sales, sales in the United States and Australia were strong, while sales in the United Kingdom remained unchanged from the previous fiscal year. However, consumer spending in the Eurozone area did not show recovery due to an unstable political and economic atmosphere. Therefore, sales in the Eurozone area fell significantly below the results for the previous fiscal year, due to the impact of the weak performance of our Huit brand products, in addition to the poor performance overall, particularly in France. As a result, total sales on a local currency basis fell below the results for the previous fiscal year, but sales on a yen converted basis remained unchanged from the previous fiscal year. With regard to profit, operating income largely fell below the results for the previous fiscal year as a result of decreased sales and an increase in purchase costs due to the appreciation of the dollar.

With respect to our business in China, we made efforts to expand our brands targeting the middle-class market and to establish a profit system. Sales during the first six months of the current fiscal year from January to June showed favorable performance. Although sales growth slowed down during the second half of the current fiscal year from July to December during which there was increasing concern that the economic slowdown was going to intensify as a result of decreasing the number of shop openings of LA ROSABELLO, our brand targeting the middle-class market, and failing to achieve our sales target for our campaign on an external e-commerce websites in November 2015, overall sales exceeded the results for the previous fiscal year. In terms of profit, operating income largely exceeded the results for the previous fiscal year due to increased sales.

As a result of the above, with respect to the overall sales and operating income attributable to our "Wacoal Business (Overseas)" segment, overall sales exceeded the results for the previous fiscal year, while operating income fell below the results for the previous fiscal year.

Net Sales:	51,869 million yen (an increase of 7.8% as compared to the previous fiscal year)
Operating income:	4,433 million yen (a decrease of 7.2% as compared to the previous fiscal year)

(iii) Peach John Business

With respect to Peach John Co., Ltd., we made efforts to maintain existing customer contacts in our three-brand framework and to expand contact with new customers through shop openings. Sales from our core mail-order catalogues largely fell below the results for the previous fiscal year due to the decreased number of users visiting e-commerce websites. On the other hand, inbound demand contributed to sales from our domestic direct retail stores which largely exceeded the results for the previous fiscal year as a result of keeping a fresh merchandising approach by changing the products offered in our shops on a weekly basis. With respect to our overseas business, sales largely exceeded the results for the previous fiscal year due to a significant expansion of sales through e-commerce websites of other companies in China despite the weak performance of shop sales in Hong Kong, which offset a decrease in sales resulting from our initiatives to discontinue our underperforming shops for our business.

As a result of the above, overall sales from our Peach John business fell below the results for the previous fiscal year. In terms of profit, our operating income significantly improved from the previous fiscal year, during which we recorded an operating loss, as a result of our efforts to improve sales profit by reviewing our pricing method and by holding fewer discount salesas well as the impairment charges which we recognized during the previous fiscal year, in addition to a decrease in operating loss incurred from our business in China.

Net Sales:	11,190 million yen (a decrease of 3.8% as compared to the previous fiscal year)
Operating income:	258 million yen (6,296 million yen of operating loss recorded for the previous fiscal year)

(iv) Other

With respect to our business under the "Other" segment, we made efforts in establishing a stable profit structure and in strengthening management bases.

With respect to the business of Lecien Corporation ("Lecien"), we made efforts to cultivate new sales channels and to build up our production base. Overall sales from Lecien fell below the results for the previous fiscal year due to the weak sales from our apparel business division, although sales of our products to our major clients performed strongly in our core innerwear business division. In terms of profit, we recorded an operating loss, although there was a little sign of recovery as compared to the previous fiscal year as a result of the reduced cost of raw materials and reviewing purchasing prices.

As for Nanasai Co., Ltd. ("Nanasai"), we made efforts to maintain and expand our rental business, as well as increase sales by acquiring new construction businesses. Sales from the rental business fell below the results for the previous fiscal year. As for our construction business, although we received orders for the construction of new commercial facilities and orders from apparel brands, sales also fell below the results for the previous fiscal year as we did not receive large-scale orders as we did during the previous fiscal year. Sales from our sales business showed an increase in the delivery of fixtures in connection with the construction orders received and largely exceeded the results for the previous fiscal year. As a result, overall sales exceeded the results for the previous fiscal year. In terms of profit, operating income largely exceeded the results for the previous fiscal year due to increased sales.

As a result of the above, with respect to the overall sales and operating income attributable to our "Other" segment, overall sales fell below the results for the previous fiscal year, while operating income largely exceeded the results for the previous fiscal year.

Net Sales:	19,288 million yen (a decrease of 2.7% as compared to the previous fiscal year)
Operating income:	364 million yen (an increase of 130.4% as compared to the previous fiscal year)

Operating Segment Information

(Millions of yen)

	Wacoal Business (Domestic)	Wacoal Business (Overseas)	Peach John Business	Other	Total
Net sales	¥120,570	¥51,869	¥11,190	¥19,288	¥202,917
Percentage to the previous fiscal year	107.5%	107.8%	96.2%	97.3%	105.8%

(Notes) 1. U.S. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 280 "Segment Reporting" has been applied in our Segment Information.

2. Core products of respective businesses:

- Wacoal Business (Domestic): innerwear (foundation, lingerie, nightwear and children's innerwear), outerwear, sportswear, hosiery, etc.
- Wacoal Business (Overseas): innerwear (foundation, lingerie, nightwear and children's innerwear), outerwear, sportswear, hosiery, etc.
- Peach John Business: innerwear (foundation, lingerie, and nightwear), outerwear, and other textile-related products, etc.
- Other: innerwear (foundation, lingerie, nightwear and children's innerwear), outerwear, other textile-related products, mannequins, and interior design and construction work of stores, etc.

(b) Financing

Not applicable.

(c) Capital Expenditures

The total amount of capital expenditures during fiscal year 2016 was 8,978 million yen, including expenditures for our construction project of Wacoal Shin-Kyoto Building, renovation works related to restructuring of business offices in Tokyo, information system investments incurred by our domestic subsidiaries, and expenditures for the maintenance and repair of real estate.

(d) Business Transfers from Other Companies

On April 1, 2015, Ai Co., Ltd., our domestic subsidiary, acquired the swimwear business and underwear business from San-Ai Co., Ltd. and San-Ai Style Co., Ltd.

On February 1, 2016, A Tech Textile Co., Ltd. and G Tech Material Co., Ltd., our subsidiaries, acquired the material business from Textile Prestige Public Company Limited and Erawan Textile Company Limited.

(2) Changes in State of Assets and Profit and Loss

(i) Changes in Results of Operations and State of Assets of the Group

(Millions of yen, except per share amounts)

	Fiscal year ended/as of March 31,			
	2013	2014	2015	2016
Net sales	180,230	193,781	191,765	202,917
Operating income	8,499	13,860	7,082	13,865
Net income attributable to Wacoal Holdings Corp.	7,880	10,106	8,444	11,159
Net income attributable to Wacoal Holdings Corp per share. (yen)	55.95	71.75	59.95	79.23
Total assets	254,536	271,988	300,272	292,854
Total Wacoal Holdings Corp. shareholders' equity	186,646	205,106	228,857	224,374
Wacoal Holdings Corp. shareholders' equity per share (yen)	1,325.19	1,456.32	1,624.93	1,592.90

(Notes) 1. The above amounts are based on accounting principles generally accepted in the United States of America. Therefore, operating income is shown instead of ordinary income.
2. Net income per share attributable to Wacoal Holdings Corp. is calculated based on the average number of shares issued (excluding the number of shares held as treasury stock) during each fiscal year.
3. Wacoal Holdings Corp. shareholders' equity per share is calculated based on the number of shares issued (excluding the number of shares held as treasury stock) as of the end of each fiscal year.
4. In the fiscal year ended March 31, 2014, certain subsidiaries changed their fiscal year ends from their former fiscal year ends to March 31 to more closely conform with the fiscal year end of the parent company. Accordingly, figures for the fiscal year ended March 31, 2013 have been amended and restated.

(ii) Changes in Results of Operations and State of Assets of the Company

(Millions of yen, except per share amounts)

	Fiscal year ended/as of March 31,			
	2013	2014	2015	2016
Operating revenue	8,705	8,967	10,898	10,934
Ordinary income	4,571	5,301	7,350	7,044
Net income (loss)	4,837	4,955	(541)	6,739
Net income (loss) per share (yen)	34.34	35.18	(3.84)	47.85
Total assets	174,280	177,411	168,762	163,972
Net assets	144,513	145,605	140,578	143,135
Net assets per share (yen)	1,024.27	1,031.57	995.48	1,013.19

(Notes) 1. Net income (loss) per share is calculated based on the average number of shares issued (excluding the number of shares held as treasury stock) during each fiscal year.
2. Net assets per share is calculated based on the number of shares issued (excluding the number of shares held as treasury stock) as of the end of each fiscal year.

(3) Issues to Address

Maintaining and/or expanding sales and profits from our domestic business are essential factors for our group's sustainable growth. The low growth in real disposal income causes customers to be more budget-minded and consumer spending trends remain unpredictable. Also, as the closing of commercial facilities continues, the environment for domestic women's innerwear becomes very difficult. On the other hand, growth in inbound consumption due to an increase in the number of tourists visiting Japan, a change in the way we interact with our customers due to the expansion of e-commerce websites, women's participation and success in society, and the 2020 Tokyo Olympics are good opportunities for us to create new markets.

In this external environment, we will revitalize the entire market as a leader in the industry, and actively make investments to enhance customer contact and to review our business platform. With respect to our sales channel strategy, we will expand sales in the growing sales channels by reforming our sales entities in the existing channels and improve their productivity, by leveraging our strengths of having both e-commerce websites and a shops sales channel, and by building a system that will provide mutual supplement effects.

In terms of product strategy, we will develop high value-added products with new concept of beauty and comfort by using our own data and know-how which we gained from our longtime research and development. We will also strengthen our approach to the first-bra age group and senior customers. Besides our domestic women's innerwear market, we will promote a growth strategy for new markets so that they can potentially become our new business lines.

Our overseas business is and will always be our group's biggest growth engine. An accurate understanding of the social environment and consumers' needs in each country and region and the establishment of community-based product and marketing strategies will be essential for us. In addition to expanding sales in emerging markets, we will work to enhance our brand recognition in the United States, to enhance our management system for our business in Europe, and to further improve profitability for our business in China, and work to build a stable management structure in these three largest markets in the world.

We are also facing challenges in an increasingly difficult external environment for manufacturing due to increasing salaries in Asian countries and risks from the procurement of raw materials. We will strengthen the collaboration among group companies to extend our global supply chain and to enable the improvement of product competitiveness and a stable supply.

Your continued support and cooperation will be greatly appreciated.

(4) Main Businesses

Operating Segment	Description of business
Wacoal Business (Domestic)	Manufacture and wholesale of innerwear (particularly, foundation garments, lingerie, and nightwear for women and children's innerwear), outerwear, sportswear, hosiery and other textile-related products, and direct sale to consumers of a portion of the products
Wacoal Business (Overseas)	Manufacture and wholesale of innerwear (particularly, foundation garments, lingerie, and nightwear for women and children's innerwear), outerwear, sportswear, hosiery and other textile-related products, and direct sale to consumers of a portion of the products
Peach John Business	Manufacture and direct sale to consumers of innerwear (particularly, foundation garments, lingerie, and nightwear), outerwear and other textile-related products, and wholesale of a portion of the products
Other	Manufacture and wholesale of innerwear (particularly, foundation garments, lingerie, and nightwear for women and children's innerwear), outerwear and other textile-related products, manufacture and sale of mannequins, and interior design and construction work of stores

(5) Main Sales Offices and Factories

(a) Main Sales Offices and Factories of the Company

Head Office (Kyoto)

(b) Main Sales Offices and Factories of Subsidiaries

Wacoal Corp. (Kyoto), Peach John Co., Ltd. (Tokyo), Lecien Corp. (Kyoto), Kyushu Wacoal Manufacturing Corp. (Nagasaki), Nanasai Co., Ltd. (Kyoto), Torica Inc. (Osaka), Wacoal International Corp. (U.S.), Wacoal America, Inc., Wacoal Europe Ltd. (U.K.), Wacoal EMEA Ltd. (U.S.), Wacoal Europe SAS (France), Wacoal International Hong Kong Co., Ltd., Wacoal Hong Kong Co., Ltd., Wacoal Investment Co., Ltd. (Taiwan), Wacoal China Co., Ltd., A Tech Textile Co., Ltd. (Thailand)

(6) Employees

(i) Employees within the Group

Name of Operating Segment	Number of Employees	Increase (Decrease) from the End of Prior Fiscal Year
Wacoal Business (Domestic)	7,827	228
Wacoal Business (Overseas)	10,457	1,420
Peach John Business	410	30
Other	1,961	(9)
Total	20,655	1,669

(Notes) 1. The number of employees is the number of individuals working within our Group (excludes individuals seconded from our Group to third parties, but includes individuals seconded from third parties to our Group).
2. The number of employees does not include the number of temporary employees (the average number of temporary employees during the period, including temporary staff and part-time workers, is 1,237).
3. An increase of 1,420 in the number of employees for Wacoal Business (Overseas) segment from the end of prior fiscal year is due to the acquisition of business by our two subsidiaries in February 2016.

(ii) Employees of the Company

Number of Employees	Increase (Decrease) from the End of Prior Fiscal Year	Average Age	Average Years of Service
81	1	45.5	20.8

(Note) The number of employees is the number of individuals working within the Company.

(7) Principal Subsidiaries

Name of Company	Location	Stated Capital	Shareholding Ratio	Main Business	Remarks
		(Millions of yen)			
Wacoal Corp.	Minami-ku, Kyoto	¥5,000	100.0%	Manufacture and sale of garments	
Peach John Co., Ltd.	Shibuya-ku, Tokyo	90	100.0%	Sale of garments	
Lecien Corp.	Minami-ku, Kyoto	90	100.0%	Manufacture and sale of garments and other textile-related products	
Nanasai Co., Ltd.	Minami-ku, Kyoto	90	99.9%	Manufacture and sale of mannequins and display fixtures; interior design and construction work of stores	
		(Thousands of U.S. dollars)			
Wacoal International Corp.	NY, U.S.A.	$20,000	100.0%	Investment in US subsidiaries	*1
Wacoal America, Inc.	NY, U.S.A.	2,062	100.0%	Manufacture and sale of garments	*2
		(Thousands of pounds)			
Wacoal Europe Ltd.	Northamptonshire, U.K.	£175	100.0%	Investment in subsidiaries	
Wacoal EMEA Ltd.	Northamptonshire, U.K.	250	100.0%	Manufacture and sale of garments	*3
A Tech Textile Co., Ltd.	Bangkok, Thailand	(Millions of Thai baht) ฿1,000	54.2%	Manufacture and sale of raw materials	*4

(Notes) *1. Wacoal International Corp. is a wholly owned subsidiary of our subsidiary, Wacoal Corp.
*2. Wacoal America Inc. is a wholly owned subsidiary of Wacoal International Corp.
*3. Wacoal EMEA Ltd. is a wholly owned subsidiary of our subsidiary, Wacoal Europe Ltd.
*4. A Tech Textile Co., Ltd. is a 54.2% owned subsidiary of our subsidiary, Wacoal Corp.

(8) Matters concerning Specified Wholly Owned Subsidiaries

Name of Company	Address	Total Carrying Amount	Total Assets of the Company
Wacoal Corp.	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto	(Millions of yen) 72,336	(Millions of yen) 163,972

(9) Major Lenders (as of March 31, 2016)

Name of Lender	Loan Amount
	(Millions of yen)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,600
The Bank of Kyoto, Ltd.	1,800
The Shiga Bank, Ltd.	1,100
Nippon Life Insurance Company	100

2. STOCK INFORMATION (As of March 31, 2016)

(1) Total Number of Shares Authorized to be Issued: 500,000,000 shares

(2) Total Number of Issued and Outstanding Shares: 143,378,085 shares
(including 2,519,350 shares of treasury stock)

(3) Total Number of Shareholders: 14,078

(4) Major Shareholders (Top 10):

Name of Shareholder	Number of Shares Held by Shareholder	Shareholding Ratio
	(Thousands of shares)	(%)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	6,990	4.96
Meiji Yasuda Life Insurance Company	6,100	4.33
Japan Trustee Services Bank, Ltd. (Trust Account)	5,243	3.72
The Bank of Kyoto, Ltd.	4,705	3.34
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,510	3.20
Nippon Life Insurance Company	3,672	2.60
The Shiga Bank, Ltd.	3,646	2.58
Mitsubishi UFJ Trust and Banking Corporation	3,050	2.16
The Dai-ichi Life Insurance Company, Limited	2,732	1.93
Asahi Kasei Fibers Corporation	2,482	1.76

(Notes) 1. The number of shares held by shareholder is rounded down to the nearest thousand.
2. The Company is holding 2,519,350 shares of treasury stock, which are not listed in the above list of major shareholders.
3. The shareholding ratio is calculated excluding the number of shares of treasury stock.

3. MATTERS CONCERNING STOCK ACQUISITION RIGHTS

(1) Stock Acquisition Rights Held by the Directors as of the End of Fiscal Year Ended March 31, 2016

Date of Resolution:	First Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 30, 2008)	Third Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 30, 2009)
Number of stock acquisition rights:	30 (3 Directors)	25 (2 Directors)
Class of shares represented by stock acquisition rights:	common stock	common stock
Number of shares represented by stock acquisition rights:	30,000 shares (1,000 shares per one stock acquisition right)	25,000 shares (1,000 shares per one stock acquisition right)
Amount to be paid upon exercise of stock acquisition rights:	one (1) yen per share	one (1) yen per share
Exercise period:	From September 2, 2008 until September 1, 2028	From September 2, 2009 until September 1, 2029
Eligible recipients:	Directors of the Company (excluding Outside Directors)	Directors of the Company (excluding Outside Directors)

Date of Resolution:	Fifth Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 30, 2010)	Seventh Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 29, 2011)
Number of stock acquisition rights:	31 (3 Directors)	48 (5 Directors)
Class of shares represented by stock acquisition rights:	common stock	common stock
Number of shares represented by stock acquisition rights:	31,000 shares (1,000 shares per one stock acquisition right)	48,000 shares (1,000 shares per one stock acquisition right)
Amount to be paid upon exercise of stock acquisition rights:	one (1) yen per share	one (1) yen per share
Exercise period:	From September 2, 2010 until September 1, 2030	From September 2, 2011 until September 1, 2031
Eligible recipients:	Directors of the Company (excluding Outside Directors)	Directors of the Company (excluding Outside Directors)

Date of Resolution:	Ninth Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 31, 2012)	Eleventh Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 31, 2013)
Number of stock acquisition rights:	53 (5 Directors)	52 (5 Directors)
Class of shares represented by stock acquisition rights:	common stock	common stock
Number of shares represented by stock acquisition rights:	53,000 shares (1,000 shares per one stock acquisition right)	52,000 shares (1,000 shares per one stock acquisition right)
Amount to be paid upon exercise of stock acquisition rights:	one (1) yen per share	one (1) yen per share
Exercise period:	From September 4, 2012 until September 3, 2032	From September 3, 2013 until September 2, 2033
Eligible recipients:	Directors of the Company (excluding Outside Directors)	Directors of the Company (excluding Outside Directors)

Date of Resolution:	Thirteenth Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 31, 2014)	Fifteenth Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 31, 2015)
Number of stock acquisition rights:	46 (5 Directors)	37 (5 Directors)
Class of shares represented by stock acquisition rights:	common stock	common stock
Number of shares represented by stock acquisition rights:	46,000 shares (1,000 shares per one stock acquisition right)	37,000 shares (1,000 shares per one stock acquisition right)
Amount to be paid upon exercise of stock acquisition rights:	one (1) yen per share	one (1) yen per share
Exercise period:	From September 2, 2014 until September 1, 2034	From September 2, 2015 until September 1, 2035
Eligible recipients:	Directors of the Company (excluding Outside Directors)	Directors of the Company (excluding Outside Directors)

(2) Stock Acquisition Rights Granted to Officers of Subsidiaries During the Fiscal Year ended March 31, 2016

Date of Resolution:	Sixteenth Stock Acquisition Rights (resolved at the Board of Directors' Meeting held on July 31, 2015)
Number of stock acquisition rights:	12 (4 Directors)
Class of shares represented by stock acquisition rights:	common stock
Number of shares represented by stock acquisition rights:	12,000 shares (1,000 shares per one stock acquisition right)
Amount to be paid upon exercise of stock acquisition rights:	one (1) yen per share
Exercise period:	From September 2, 2015 until September 1, 2035
Eligible recipients:	Directors of Wacoal Corp.

4. OFFICERS

(1) Directors and Audit & Supervisory Board Members (as of March 31, 2016)

Position	Name	Responsibility and significant concurrent positions
Representative Director	Yoshikata Tsukamoto	Representative Director and Chairman of Wacoal Corp.; Director and Chairman of Wacoal International Corp.
Senior Managing Director	Hironobu Yasuhara	President and Representative Director , Corporate Officer of Wacoal Corp.
Managing Director	Yuzo Ide	Supervisor of International Operation; Director, Vice President and Corporate Officer, Supervisor and General Manager of International Operation of Wacoal Corp.; Director and Chairman of Wacoal Europe Ltd.; Director and Chairman of Wacoal International Hong Kong Co., Ltd.; Director and Chairman of Wacoal America, Inc. Director and Chairman of A Tech Textile Co., Ltd.
Managing Director	Masaya Wakabayashi	Supervisor of Group Business Management; President and Director of Wacoal Investment Co., Ltd. (Taiwan)
Director	Masashi Yamaguchi	Supervisor of Personnel and Administration; Director and Senior Managing Corporate Officer of Wacoal Corp.
Director	Mamoru Ozaki	Advisor to Yazaki Corporation; Outside Director of Fuji Kyuko Co. Ltd.; Outside Director of Kikkoman Corporation
Director	Atsushi Horiba	Representative Director, Chairman and President of HORIBA, Ltd.; Chairman and CEO of HORIBA STEC, Co., Ltd.; Outside Director of Rock Field Co., Ltd.
Director	Madoka Mayuzumi	Visiting Professor at Kitazato University; Visiting Professor at Kyoto Tachibana University, Faculty of Humanities, Department of Japanese Language and Literature; Trustee of East Japan Railway Culture Foundation; Trustee of The National Art Center, Tokyo
Standing Audit & Supervisory Board Member	Tomoki Nakamura	

Position	Name	Responsibility and significant concurrent positions
Standing Audit & Supervisory Board Member	Kiyotaka Hiroshima	Audit & Supervisory Board Member of Wacoal Corp.
Audit & Supervisory Board Member	Akira Katayanagi	Special Advisor to Mitsubishi UFJ NICOS Co., Ltd.; Outside Audit & Supervisory Board Member of TOTO Ltd.
Audit & Supervisory Board Member	Yoko Takemura	Attorney-at-Law Outside Audit & Supervisory Board Member of ADEKA CORPORATION
Audit & Supervisory Board Member	Hiroshi Shirai	Certified Public Accountant, Managing Partner of Shirai public accounting firm; Outside audit & supervisory board member of NORITZ Corporation; Outside audit & supervisory board member of ALTECO Inc.; Board Member of Osaka City University

(Notes) 1. Directors Messrs. Mamoru Ozaki and Atsushi Horiba and Ms. Madoka Mayuzumi are Outside Directors as prescribed in Item 15, Article 2 of the Companies Act.
2. Audit & Supervisory Board Members Mr. Akira Katayanagi, Ms. Yoko Takemura and Mr. Hiroshi Shirai are Outside Audit & Supervisory Board Members as prescribed in Item 16, Article 2 of the Companies Act.
3 There are no conflicts of interest between the companies at which these Outside Directors and Outside Audit & Supervisory Board Members hold significant concurrent positions and the Company.
4. Standing Audit & Supervisory Board Member Mr. Tomoki Nakamura has many years of accounting experience at our Accounting Department with a respectable degree of finance and accounting knowledge.
5. Audit & Supervisory Board Member Mr. Hiroshi Shirai is qualified as a certified public accountant with a considerable degree of finance and accounting knowledge.
6. Outside Directors Messrs. Mamoru Ozaki and Atsushi Horiba, and Ms. Madoka Mayuzumi and Outside Audit & Supervisory Board Members Mr. Akira Katayanagi, Ms. Yoko Takemura and Mr. Hiroshi Shirai have been designated as our independent officers and have been notified to the Tokyo Stock Exchange.

(2) Remuneration and Other Compensation Paid to Directors and Audit & Supervisory Board Members

341 million yen for 9 Directors (of which 23 million yen was for 3 Outside Directors)

55 million yen for 7 Audit & Supervisory Board Members (of which 21 million yen was for 4 Outside Audit & Supervisory Board Members)

(Notes) 1. As of March 31, 2016, the number of Directors and Audit & Supervisory Board Members was 8 (of which 3 were Outside Directors) and 5 (of which 3 were Outside Audit & Supervisory Board Members), respectively. These numbers were inconsistent with the numbers described above because the numbers described above include 1 Director who resigned as Director and 2 Audit & Supervisory Board Members who resigned as Audit & Supervisory Board Members upon the close of the 67th Ordinary General Meeting of Shareholders held on June 26, 2015.
2. The amount described above includes the following:
- 70 million yen of officers' bonuses (70 million yen to 5 Directors excluding Outside Directors) which is to be resolved at this Ordinary General Meeting of Shareholders
- 50 million yen of remuneration in the form of stock options (50 million yen to 6 Directors excluding Outside Directors)

(3) Main Activities of Outside Directors and Outside Audit & Supervisory Board Members

Category	Name	Main Activities
Director	Mamoru Ozaki	Mr. Ozaki has attended all 14 of the Board of Directors' meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience of financial matters and Chinese business and broad social insight.
Director	Atsushi Horiba	Mr. Horiba has attended 11 of the 14 Board of Directors' meetings held during the current fiscal year, and has expressed his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience of overseas business and overall management.
Director	Madoka Mayuzumi	Since her appointment as Director on June 26, 2015, Ms. Mayuzumi has attended all 10 of the Board of Directors' meetings held during the current fiscal year and has expressed her opinions on the proposals and/or discussions based on her comprehensive knowledge and experience in the field of arts and culture.
Audit & Supervisory Board Member	Akira Katayanagi	Mr. Katayanagi has attended 12 of the 14 Board of Directors' meetings and 11 of the 15 Audit & Supervisory Board's meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience of overall management.
Audit & Supervisory Board Member	Yoko Takemura	Ms. Takemura has attended all 14 of the Board of Directors' meetings and 13 of the 15 Audit & Supervisory Board's meetings held during the current fiscal year and has expressed her opinions on the proposals and/or discussions primarily from her professional perspective as an attorney-at-law.
Audit & Supervisory Board Member	Hiroshi Shirai	Since his appointment as Audit & Supervisory Board Member on June 26, 2015, Mr. Shirai has attended all 10 of the Board of Directors' meetings and all 10 of the Audit & Supervisory Board's meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions primarily from his processional perspective as a certified public accountant.

(Notes) In addition to the above-stated number of the Board of Directors' meetings held, a written resolution (in lieu of a resolution passed at a board of directors' meeting) was passed in accordance with the provisions of Article 370 of the Companies Act and Article 25 of our Articles of Incorporation on one occasion.

(4) Summary of Limitation of Liability Agreement

Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and our Articles of Incorporation, the Company has executed an agreement with its Outside Directors and Outside Audit & Supervisory Board Members to limit their liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act.

The maximum amount of liability under such agreement is the minimum amount as provided by laws and regulations.

5. MATTERS CONCERNING ACCOUNTING AUDITORS

(1) Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

(2) Remuneration, etc.

Amount of remuneration payable to the accounting auditor for this fiscal year:	133,800,000 yen
Total amount of money and other property benefits to be paid to the accounting auditor by the Company and its subsidiaries:	151,780,000 yen

(Notes) 1. The accounting audit agreement executed between the Company and its accounting auditor does not distinguish remuneration for accounting under the Companies Act from that for accounting under the Financial Instruments and Exchange Act, and they cannot be reliably distinguished. Therefore, the amount given above represents the total amount of remuneration for both types of accounting work.

2 Among our significant subsidiaries, Wacoal International Corp., Wacoal America, Inc., Wacoal Europe Ltd. and Wacoal EMEA Ltd. are subject to audits by other auditing firms and not by our accounting auditor.

(3) Description of Nonaudit Services

The Company pays fees to the accounting auditor in compensation for the advice and/or guidance regarding the investigation of the impact of the application of IFRS, which is out of the scope of the services that are set forth in Paragraph 1, Article 2 of the Certified Public Accountants Act.

(4) Consent on Amount of Remuneration, etc. Payable to Accounting Auditor

The Audit & Supervisory Board has obtained necessary documents and received explanations regarding the comparison of the estimated time under the audit plan from the previous fiscal year and the actual time used for audit performance and the trend in the amount of remuneration paid for the audit performance during the past fiscal years from the relevant departments and the accounting auditor, has reviewed the details of audit planning, basis for calculating remuneration and level of remuneration presented by the accounting auditor for the current fiscal year, and after deliberating whether the amount of remuneration for the audit performance is appropriate to maintain the independence of the accounting auditor and to carry out its accounting audit under appropriate audit system and audit plan for the assessment of risks related to the audit environment and internal control system of the business group (including the Company and its consolidated subsidiaries), the Audit & Supervisory Board has deemed the amount of remuneration for the current fiscal year is appropriate. Based on the above, the Audit & Supervisory Board has given its consent, pursuant to the provisions of Paragraph 1, Article 399 of the Companies Act, on the amount of remuneration payable to the accounting auditor.

(5) Policy on Determination of Dismissal and Non-Reappointment of Accounting Auditor

If the accounting auditor comes to fall under any of the items of Paragraph 1, Article 340 of the Companies Act and its dismissal is deemed appropriate, the Audit & Supervisory Board will dismiss the accounting auditor with the consent of all Audit & Supervisory Board Members.

In addition to the above, upon the occurrence of an event which may harm the eligibility or independence of the accounting auditor, or if it is deemed difficult for the accounting auditor to perform appropriate audit procedures, the Audit & Supervisory Board will prepare and determine an agenda concerning the dismissal or non-reappointment of the accounting auditor to be submitted as a proposal at the General Meeting of Shareholders.

6. SYSTEM AND POLICIES OF COMPANY

(1) System to Ensure Appropriate Business Conduct

(i) System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Articles of Incorporation

- To ensure that all Directors and employees of the business group comprised of the Company and its subsidiaries ("the Wacoal Group") comply with laws and regulations and the Articles of Incorporation and conduct business based on sound social norms, we have enacted the Wacoal Code of Ethics and the Corporate Ethics: Wacoal Standards of Conduct.

- In order to improve our system of compliance and consider any compliance issues which may have a material impact on the Wacoal Group, we have established a Corporate Ethics Committee, which seeks to increase enlightenment of and educate employees about corporate ethics. Our Representative Director and President acts as the chairperson, and our legal/compliance department is in charge of the committee.

- We have established a system under which our legal/compliance department is promptly notified if the Company becomes aware that a Director and/or employee of the Wacoal Group may have violated the Wacoal Code of Ethics or the Corporate Ethics: Wacoal Standards of Conduct, or of any other compliance issues. We have also established an internal alert system (a corporate ethics hotline). After being notified and/or alerted, the legal/compliance department conducts an investigation and formulates preventive measures after discussions with the related department. If the issue is critical, the legal/compliance department will refer the matter to the Corporate Ethics Committee and will report the results of its deliberation to the Board of Directors and/or Audit & Supervisory Board.

- The Corporate Ethics: Wacoal Standards of Conduct prescribes that Directors, officers and employees shall firmly refuse to comply with demands of antisocial forces. In order to handle unjust demands of antisocial forces, we cooperate with outside specialized institutions, collect and/or control information related to antisocial forces and are building an internal system.

(ii) System concerning the Storage and Management of Information related to Execution of Duties by Directors

- With the approval of the Board of Directors, we have enacted Document Management Rules pursuant to which we store the following documents (including electromagnetic records, hereafter the same) along with any related materials:
*Minutes of the general meeting of shareholders, minutes of the Board of Directors meetings, minutes of the Group Management Meeting, documents for which a Director is the final decision maker and any other documents prescribed in the Document Management Rules

- The retention period and the place for storage of the documents prescribed in the preceding paragraph shall be subject to the Document Management Rules, but such retention period shall be at least ten (10) years. The Directors and Audit & Supervisory Board Members shall have access to these documents at all times.

(iii) Rules and Other Systems Concerning Risk Management of Losses

- In order to understand the management risk within the Wacoal Group in general and to improve and/or strengthen our risk management system, we have established a Risk Management Committee, for which the Director in charge of risk management acts as chairperson. The Management Planning Department shall act as organizer.

- The Risk Management Committee prescribes Risk Management Rules, subject to the approval of the Board of Directors, which form the basis for our risk management system. The Risk Management Committee clarifies the responsibilities by risk category pursuant to these rules, and formulates a risk management system that thoroughly and/or comprehensively controls potential risk within the Wacoal Group.

- The Risk Management Committee regularly reports on the operations of the Wacoal Group's risk management system to the Board of Directors.

(iv) System to Ensure Effective Execution of Duties by Directors

- In order to enhance appropriate decision-making by our Directors, we will appoint several independent Outside Directors.

- We will formulate a medium-term management plan to be shared by the Directors and/or employees within the Wacoal Group and will direct and confirm courses of action and business targets in the medium to short-term that are consistent with such plan.

- We will follow the business results of each Wacoal Group company on a monthly basis and report back to the Board of Directors. In addition, by holding a quarterly meeting of the "Quarterly Business Results Review Committee" and "Group Strategy Committee", we will confirm the business results and the implementation of measures and policies, consider measures in the event targets are not achieved, and review such targets, as may be necessary.

(v) System to Ensure Appropriate Business Conduct within Group Companies

- We have enacted and manage our Group companies in accordance with our Group Management Rules, which prescribe basic policies regarding the management of Group companies and matters to be decided by our Board of Directors, as well as matters to be reported to the Company.

- We conduct any intercompany transaction fairly in compliance with laws and regulations, accounting principles and the tax system.

- Our audit office will conduct internal audits, including an audit of the establishment and/or operation of our compliance system and risk management system, within the Group companies and will report the results of its audits to the Board of Directors and appropriate departments and give guidance and/or advice on system formulation to Group companies to ensure the appropriate conduct of business.

- We adopt a corporate officer system, under which we seek to build an appropriate and efficient management system which clearly defines the delegation of authority and responsibilities with respect to major subsidiaries.

- Our foreign subsidiaries will comply with the laws and regulations of their respective home countries and will adopt a system that is in line with our policies to the extent reasonable.

(vi) Matters Concerning Assistants to Audit & Supervisory Board Members and Matters Concerning Independence of such Assistants from Directors

- Audit & Supervisory Board Members may appoint employees of the Company as their assistants who are to assist the duties of the Audit & Supervisory Board Members.

- Such assistants shall be full-time employees and the Audit & Supervisory Board Members will be consulted regarding the appointment, evaluation, relocation and discipline of such assistants as well as other related matters, and their opinions will be respected to ensure the effectiveness and independence of such assistants.

(vii) Reporting System of Directors and Employees to the Audit & Supervisory Board Members and Other Systems related to the report to Audit & Supervisory Board Members

- Directors of the Wacoal Group will promptly report to the Audit & Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or our Articles of Incorporation, misconduct or a fact that may cause significant damage to any company of the Wacoal Group.

- Employees of the Wacoal Group may directly report to the Audit & Supervisory Board Members if they become aware of a material fact that violates the applicable laws and

regulations and/or our Articles of Incorporation, misconduct or a fact that may cause significant damage to any company of the Wacoal Group. Any employee who makes such report will not be at a disadvantage for the reason of making such report.

- Through the reporting of the following matters in addition to statutory matters to the Audit & Supervisory Board Members by Directors and employees of the Wacoal Group, we strive to have the Audit & Supervisory Board Members audit conducted effectively.

  Matters referred to the Group Management Meeting

  Monthly and quarterly Group management conditions

  Results of internal audits

  The condition of our internal reporting/alerting system

  Other significant matters

(viii) Other Systems to Ensure Effective Audit by Audit & Supervisory Board Members

- The majority of the Audit & Supervisory Board Members will be independent Outside Audit & Supervisory Board Members to enhance the transparency and neutrality of management.

- The Audit & Supervisory Board Members may order employees who belong to the audit office to perform any tasks that are required to provide audit services. In addition, the Audit & Supervisory Board Members may request the Company for reimbursement of expenses incurred for performing their duties.

- Audit & Supervisory Board Members will attend meetings of the Board of Directors and may also attend other primary meetings of the Wacoal Group.

- The Audit & Supervisory Board Members will regularly meet with the audit office and the Accounting Auditor to receive reports and to exchange opinions.

- The Audit & Supervisory Board may consult legal counsel, certified public accountants, consultants or other outside advisors as it deems necessary.

(2) Outline of Operation of our "System to Ensure Appropriate Business Conduct"

(i) System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Articles of Incorporation

- We have a Compliance Division which specifically establishes and operates our compliance system. The Compliance Division held a meeting each quarter and discussed and reviewed awareness of compliance and matters reported to us through the internal alert system.

- Our legal/compliance department continued to provide level-specific group education and e-learning programs as part of our educational activities for our employees.

(ii) System concerning the Storage and Management of Information related to Execution of Duties by Directors

- Documents prescribed in the Document Management Rules have been properly stored in accordance with the Document Management Rules and the Directors and Audit & Supervisory Board Members have access to these documents on a timely basis.

(iii) Rules and Other Systems Concerning Risk Management of Losses

- The Risk Management Committee assessed risks, monitored the implementation of measures taken, and reported to the Board of Directors on a quarterly basis.

- We compiled activities that would minimize the impact of emergency situations on management and prescribed such activities as the Code of Conduct in Emergency Situations.

(iv) System to Ensure Effective Execution of Duties by Directors

- We engage in highly transparent decision-making by appointing three independent Outside Directors among our eight Directors. In addition, "Criteria for Appointment of Officers" and "Criteria for Appointment of Outside Officers (to ensure independence)" were newly stipulated in April 2015.

- We discussed and drafted Wacoal Group's mid-term plan which will start during fiscal year 2017.

- We held meetings of the "Quarterly Business Results Review Committee" and "Group Strategy Committee' on a quarterly basis and confirmed and reviewed the business results and implementation of measures.

(v) System to Ensure Appropriate Business in the Business Group Comprised of the Company and Its Subsidiaries

- Matters to be decided and reported by our subsidiaries are appropriately managed in accordance with the Group Management Rules.

- Our audit office develops an audit plan for each fiscal year and conducts audits on the operation and internal controls of the Company and our domestic and overseas subsidiaries.

(vi) Matters Concerning Assistants to Audit & Supervisory Board Members and Matters Concerning Independence of such Assistants from Directors

- Our audit office is currently assisting the duties of the Audit & Supervisory Board Members upon their request from time to time. Audit & Supervisory Board Members have not requested or appointed any assistant for their duties.

(vii) Reporting System of Directors and Employees to the Audit & Supervisory Board Members and Other Systems related to the report to Audit & Supervisory Board Members

- The Audit & Supervisory Board Members attended primary meetings and received reports on matters that were discussed and on the management condition, and also received reports, from time to time, on the results of internal audits and matters reported through the internal alert system.

(viii) Other Systems to Ensure Effective Audits by Audit & Supervisory Board Members

- We enhance the effectiveness of audit by appointing three independent Outside Audit & Supervisory Board Members among the five Audit & Supervisory Board Members.

- The Company reimburses any and all expenses incurred by the Audit & Supervisory Board Members for performing their duties.

- The Audit & Supervisory Board Members conducted hearings with the Directors and visited our domestic and overseas subsidiaries to conduct audits. In addition, the Audit & Supervisory Board Members presided at "Audit & Supervisory Board Group Meetings" and received periodic reports from the audit & supervisory board members of the domestic subsidiaries.

- The Audit & Supervisory Board Members have, regularly and whenever necessary, exchanged information and opinions with the Accounting Auditor and the audit office.

(3) Policy Regarding Determination of Distribution of Earnings

Our basic policy on profit distributions to shareholders is to make stable distributions based on our consolidated performance, while seeking to increase our enterprise value through active investments aimed at higher profitability and to increase net income per share. As for retained earnings, with the aim of improving our corporate value, we have actively invested and will continue to actively invest in expanding our customer bases for our domestic business and our overseas businesses. We also plan to use our retained earnings for

strategic investments for maintaining competitiveness and reinforcing growth. With these efforts, we seek to benefit our shareholders by improving future profitability. We also intend to acquire treasury stock in a flexible manner, and will try to improve capital efficiency and return profits to our shareholders.

Based on the above-described basic policy and pursuant to the provisions of our Articles of Incorporation, we have resolved at the Board of Directors' Meeting held on May 9, 2016 that the year-end dividend for the current fiscal year and the effective date are 33.00 yen per share and June 6, 2016, respectively.

(4) Basic Policies on the nature of Personnel who should control the determination of financial and business policies of Wacoal Holdings Corp.

(i) Details of Basic Policy

Since our establishment in 1949, we have strived to develop a domestic market for female innerwear (undergarments), penetrate the global market and establish our business with the aim of creating a global company through a 50-year long-term management plan based on our business objectives of making and helping women in becoming beautiful and facilitating the realization of women's desire to be beautiful. Moreover, as a leading female innerwear company, we have developed the Wacoal brand, which has become widely accepted by both domestic and international consumers.

Our corporate value is mainly generated from (i) our strong market position and brand value in the intimate apparel market, which has been cultivated over a long period of time; (ii) our ability to develop highly functional, high value-added, attractive products based on the results of human scientific research from a medium- to long-term perspective; (iii) our superb product quality and supporting technical staff, as well as our highly productive global manufacturing and supply systems employing excellent sewing technology; (iv) our close personal relationships with distributors in various sales channels, which link us with our customers; (v) the trust of our customers that has been gained through direct communication and sales by our beauty advisors, who have a sound knowledge of our products and a wealth of sales experience; and (vi) our good social standing established through the promotion of various social action programs such as the "Remmama" project and "Pink Ribbon" activities. Our corporate value and the common interests of our shareholders will suffer unless these "Wacoal strengths" are secured over the medium to longterm. We therefore believe that personnel who should control the determination of financial and business policies must fully understand these considerations and must be capable of securing and enhancing the corporate value and the common interests of our shareholders over the medium to long term.

We will not uniformly reject an acquisition of a substantial shareholding of the Company, if it contributes to the corporate value and the common interests of our shareholders. However, there are many acquisitions of substantial shareholdings of companies that do not contribute to the corporate value of the target company or the common interests of our shareholders, such as where it is clear from the purpose of the acquisition that it will cause damage to the corporate value of the target company or the common interests of our shareholders, where it is likely that the shareholders are in effect being forced to sell their shares, where insufficient time or information is given for the Board of Directors and the shareholders of the target company to consider the conditions of the acquisition or for the Board of Directors of the target company to make an alternative proposal, or where it is necessary for the target company to negotiate with the prospective purchaser to obtain conditions that are more favorable than those proposed by the prospective purchaser.

In light of these circumstances, we believe that it is essential that we be ready at all times to implement a system that will prevent any acquisition that is contrary to the corporate value or the common interests of our shareholders by enabling our shareholders to determine whether or not to accept such an acquisition and enabling our Board of Directors to secure any necessary information and time to make an alternative proposal or to negotiate with the prospective purchaser on behalf of our shareholders at the time of an acquisition of our shares.

(ii) Specific Details of Efforts

- Special efforts toward ensuring effective use of company assets, appropriate formation of Group companies, and implementation of other basic policies

(Efforts to improve corporate value)

We were restructured as a holding company in 2005 in order to realize our medium- and long-term strategies to further enhance our corporate value. Further, we are promoting expansion of domestic and overseas business (including through M&A deals), making efforts to improve profitability, and working to secure and enhance the corporate value and common interests of our shareholders under the medium-term and fiscal year management policies.

We will continue to improve Wacoal's strengths that form the basis of our corporate value as described in Section (i) above, and to build "Wacoal" as an enduring corporate brand while being mindful of our objectives in making and helping women in becoming beautiful, and facilitating the realization of women's desire to be beautiful. As a part of mid-term policies in our mid-term plan which will start during fiscal year 2017, we will conduct our business operations with the aim of enhancing our corporate value by (i) improving profitability of domestic business, (ii) achieving further growth of overseas business, (iii) achieving group synergy through collaboration and strengthening competitiveness, (iv) improving infrastructure for our group management base, and (v) taking on new business.

(Measures to Enhance Corporate Governance)

The purpose and basic policy of our Group's corporate governance is to continuously enhance our corporate value by increasing transparency and securing the fairness and independence of our corporate management from the perspective of all stakeholders, including our shareholders and customers.

The following bodies and systems have been established within the Company with the aim of enhancing our corporate governance, and the entire Company is also working towards this goal.

As of March 31, 2016, our Board of Directors comprises eight Directors and makes decisions on matters concerning important business, such as management policy and management strategy and matters stipulated by laws or ordinances or our Articles of Incorporation. Three of these eight Directors are independent outside directors who give our Board of Directors advice and guidance from an objective perspective based on their wealth of experience and knowledge of public administration, management and arts and culture. The term of office of each Director is one year, and we are further clarifying the responsibilities of our management to our shareholders. Further, with respect to the nomination, promotion, and remuneration of Directors, an "Executive Compensation Advisory Committee," whose members include Outside Directors, has been established and operates with a high degree of transparency and fairness.

We use an "Audit & Supervisory Board Member system", and our Audit & Supervisory Board comprises five Audit & Supervisory Board Members, of which three are Outside Audit & Supervisory Board Members, as of March 31, 2016. The function of our Audit & Supervisory Board is to monitor and supervise our management.

Further, all of the above-stated three Outside Directors and three Outside Audit & Supervisory Board Members have been designated as our independent officers and have been notified to the Tokyo Stock Exchange.

Wacoal Corp., one of our Group's core business companies, has adopted an executive officer system in order to separate management supervision and management execution. "Group Management Rules" and "Group Accounting Rules" have been established for Wacoal Corp. and all other group companies, and all group companies conduct our business operations in accordance with both sets of rules.

Further, a "Group Management Meeting" of our Group that comprises our Directors and Audit & Supervisory Board Members has been established in the Company. This meeting considers matters concerning the management strategy of our Group and other important management issues and conducts preliminary reviews of matters for review by our Board of Directors together with the "Wacoal Senior Management Meeting", which comprises directors, audit & supervisory board members, and senior executive officers of Wacoal Corp.

Further, a "Quarterly Business Results Review Committee" has been established under the "Group Management Meeting". Our Directors and Audit & Supervisory Board Members, and the directors, audit & supervisory board members, and executive officers of Wacoal Corp, attend meetings of the Quarterly Business Results Review Committee and review the business results of each business company and each business department each quarter. Also, under the "Group Management Meeting', we have established the "Group Strategy Committee", and the managers of Our Group's major business companies in Japan and overseas, in addition to the attendees of the "Group Management Meeting", attend meetings of the Group Strategy Committee and share management issues and review important matters.

In addition, a "Corporate Ethics Committee" and "Risk Management Committee" have each been established as committees of the entire Company. Under these committees, a "Compliance Division", "Quality Assurance Division", "Accident and Disaster Measures Division", and "Environmental Division" have each been established, and each of these divisions is ready to enhance and respond to risks of loss of corporate value in each field. These divisions report to our Board of Directors from time to time on the status of their activities.

- Measures to prevent inappropriate persons from controlling the determination of financial and business policies in light of the basic policy

For the purpose of securing and enhancing corporate value and the common interests of the shareholders of the Company, at an ordinary general meeting of shareholders held on June 26, 2015, the Company determined the basic policy for preventive measures to be taken against the acquisition of a substantial shareholding of the Company (i.e. defensive measures against takeovers), and the Board of Directors determined and updated specific measures (hereinafter called "the Plan") at the meeting held on the same day (which were introduced on June 29, 2006).

The Plan enables the Company's shareholders, in the event of purchase or any similar act or a proposal to purchase the Company's share certificates (hereinafter called "Purchase"), to determine whether or not to accept such offer for the Company's shares, and enables its Board of Directors to secure any necessary information and sufficient time to propose alternatives or to negotiate and consult with a person who purchases (hereinafter called "Purchaser") on behalf of its shareholders, in order to prevent a Purchase of the Company's shares that is detrimental to its corporate value or its shareholders' common interests, and to secure and enhance its corporate value and the common interests of its shareholders.

The Plan covers a Purchase that falls under ① or ② below:

① purchase of share certificates issued by the Company that results in 20% or greater ownership by a shareholder of such share certificates; or,
② public tender offer for share certificates issued by the Company that results in combined ownership by the offeror or/and any of its affiliates of 20% or more of such share certificates.

If a Purchaser intends to launch a Purchase of the shares of the Company, such Purchaser will be requested to submit to the Company a document describing the information required to consider details of the Purchase, as well as an oath by such Purchaser that such Purchaser will follow the procedures prescribed by the Plan. Accordingly, the information provided by the Purchaser, the opinion of the Board of Directors, or any supporting materials, alternative proposals (if any), or other information and/or materials will be submitted to the Independent Committee, which consists of three members who are independent from the management operating the Company, and the Independent Committee will evaluate and/or examine such information and/or materials. As need arises, the Independent Committee will also separately obtain advice from independent experts and evaluate and/or examine the terms and conditions of the Purchase, consider the alternatives presented by the Board of Directors, and negotiate with the Purchaser or disclose information to the shareholders.

If (A) the Purchaser fails to follow the procedures as prescribed by the Plan or if (B) the Purchase is deemed to fall under any of the requirements as prescribed by the Plan as a result of the examination of the terms and conditions of the Purchase or discussions and/or negotiations with the Purchaser, and if implementation of a free allocation of stock acquisition rights is considered appropriate, the Independent Committee will advise the Board of Directors to implement a free allocation of stock acquisition rights. The Board of Directors will pay the utmost respect to the advice provided by the Independent Committee, and will resolve to implement the free allocation of the stock acquisition rights. The Company will implement a free allocation of the shares acquisition rights to those shareholders, other than the Company, who are registered or recorded in the Company's final register of shareholders as of the allocation date that is determined separately, at such rate, as separately determined, up to a maximum of two stock acquisition rights for every one common stock of the Company held. Also, even when the Purchase by the Purchaser is considered to fall under either (A) or (B) above, if the Independent Committee considers it necessary to obtain the approval at an ordinary general meeting of shareholders for implementation of a free allocation of stock acquisition rights, the Independent Committee may advise the Board of Directors to do so. In this case, the Board of Directors, in principle, shall promptly convene an ordinary general meeting of shareholders so that a meeting can be held within the shortest time practically possible and submit a resolution for the implementation of a free allocation of stock acquisition rights.

The holder of stock acquisition rights for the subscription of new shares (with terms that prohibit the Purchaser and certain people (hereinafter called "Nonqualified person") from exercising such rights) is entitled to receive one share of the Company by paying the amount determined by the Board of Directors or the ordinary general meeting of shareholders in the resolution on the free allocation of stock acquisition rights, which shall be at least one yen (¥1) but not exceeding one-half (1/2) of the fair value of one share of the Company. Also, the Company may acquire stock acquisition rights held by shareholders other than a Nonqualified Person, and in exchange, deliver one share of the Company for every stock acquisition right.

Promptly after passing a resolution by the Board of Directors or by an ordinary general meeting of shareholders with regard to implementation or non-implementation of the abovementioned free allocation of stock acquisition rights, the Board of Directors will disclose the outline of such resolution and other information deemed appropriate by the Board of Directors.

As with the effective period of the Basic Policy on Defensive Measures against Takeovers, the effective period of the Plan will expire upon conclusion of the ordinary general meeting of shareholders to be held in respect of the last fiscal year ending within three (3) years after the Ordinary General Meeting of Shareholders held on June 26, 2015. However, the Plan may be changed or terminated to reflect the change made to the Basic Policy on Defensive Measures against Takeovers by and pursuant to the resolution of the ordinary general meeting of shareholders, if the change or termination of the Basic Policy on Defensive Measures against Takeovers is resolved by an ordinary general meeting of shareholders. Further, the Plan will be terminated if so resolved by the Board of Directors.

No direct, concrete impact on the shareholders will be caused by the Plan's introduction, provided the free allocation of stock acquisition rights is not implemented. On the other hand, if the free allocation of stock acquisition rights is implemented according to the Plan, the overall value of the shares held by the shareholders may be diluted if the procedures for exercising stock acquisition rights are not followed. However no dilution of the overall value of the shares held will take place if the shares are provided in consideration of stock acquisition rights acquired by the Company.

(iii) Judgment of the Board of Directors as to Efforts under Item (ii) above and Reasons Thereof

As stated in (ii) above, the Plan was introduced in line with the Basic Policy described in (i) above for the purposes of securing or enhancing corporate value and the common interests of shareholders. In particular, highly rational fairness and/or objectivity is ensured under the Plan because: (i) the Plan focuses on shareholders' intentions such that the effective period is prescribed as three (3) years, and the Plan may be terminated at any time by

a resolution of the Board of Directors or a resolution of an ordinary general meeting of the shareholders to terminate the Basic Policy on Defensive Measures against Takeovers; (ii) the Plan establishes reasonably objective requirements, and a free allocation of stock acquisition rights is not implemented unless these requirements are met; (iii) the Independent Committee shall consist of independent persons; (iv) a free allocation of stock acquisition rights under the Plan may not be initiated unless a judgment is made by the Independent Committee; and, (v) the Independent Committee may obtain advice from independent experts at the expense of the Company. The Plan is formulated to maintain corporate value, thus it is in the common interests of the shareholders. It is not intended to maintain the status of the corporate officers of the Company.

CONSOLIDATED BALANCE SHEET
As of March 31, 2016

(Millions of yen)

ASSETS		LIABILITIES	
Accounts	Amount	Accounts	Amount
Current Assets	**116,851**	**Current Liabilities**	**44,343**
Cash and cash equivalents	34,059	Short-term bank loans	11,759
Time deposits	2,131	Trade notes	1,431
Marketable securities	1,880	Trade accounts	12,017
Notes and accounts receivable	26,936	Other payables	6,106
Allowance for returns and doubtful receivables	(2,229)	Accrued payroll and bonuses	7,152
Inventories	44,445	Income taxes payable	711
Deferred income taxes	3,832	Current portion of long-term debt	293
Other current assets	5,797	Other current liabilities	4,874
Property, Plant and Equipment	**53,938**	**Long-term Liabilities**	**19,110**
Land	21,677	Long-term debt	95
Buildings and building improvements	65,056	Liability for termination and retirement benefit	1,703
Machinery and equipment	17,552	Deferred income taxes	15,588
Construction in progress	5,419	Other long-term liabilities	1,724
Accumulated depreciation	(55,766)		
		Total Liabilities	**63,453**
		EQUITY	
Other assets	**122,065**	**Common stock**	**13,260**
Investments in affiliated companies	20,713	**Additional paid-in capital**	**29,686**
Investments	56,021	**Retained earnings**	**162,196**
Goodwill	17,911	**Accumulated other comprehensive income (loss)**	**22,108**
Other intangible assets	12,112	Foreign currency translation adjustments	5,177
Prepaid pension expense	8,145	Unrealized gain on securities	17,966
Deferred income taxes	1,036	Pension liability adjustments	(1,035)
Other	6,127	**Treasury stock, at cost**	**(2,876)**
		Total Wacoal Holdings Corp. Shareholders' Equity	**224,374**
		Noncontrolling interests	**5,027**
		Total Equity	**229,401**
Total Assets	**292,854**	**Total Liabilities and Equity**	**292,854**

Amounts less than ¥1 million are rounded to the nearest ¥1 million.

CONSOLIDATED STATEMENT OF INCOME
Year ended March 31, 2016

(Millions of yen)

Accounts	Amount	
Net sales		202,917
Operating costs and expenses		
Cost of sales	95,901	
Selling, general and administrative expenses	93,151	189,052
Operating income		**13,865**
Other income (expenses)		
Interest income	161	
Interest expense	(65)	
Dividend income	1,057	
Gain or loss on sale or exchange of marketable securities and investments – net	90	
Valuation loss on marketable securities and investments	(20)	
Gain on negative goodwill	173	
Exchange gain or loss - net	(519)	
Other – net	215	1,092
Income before income taxes and equity in net income of affiliated companies		**14,957**
Income taxes		
Current	3,442	
Deferred	1,288	4,730
Income before equity in net income of affiliated companies		**10,227**
Equity in net income of affiliated companies		1,245
Net income		**11,472**
Net income attributable to noncontrolling interests		(313)
Net income attributable to Wacoal Holdings Corp.		**11,159**

Amounts less than ¥1 million are rounded to the nearest ¥1 million.

CONSOLIDATED STATEMENT OF EQUITY
Year ended March 31, 2016

(Thousand shares, Millions of yen)

Items	Equity								
	Shares of Outstanding Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock, at cost	Total Wacoal Holdings Corp. Shareholders' Equity	Noncontrolling Interests	Total Equity
As of March 31, 2015	140,841	13,260	29,642	155,264	33,586	(2,895)	228,857	2,711	231,568
Net income				11,159			11,159	313	11,472
Other comprehensive income									
Foreign currency translation adjustments					(5,654)		(5,654)	(16)	(5,670)
Unrealized gain on securities					(2,855)		(2,855)	(25)	(2,880)
Pension liability adjustments					(2,969)		(2,969)	(2)	(2,971)
Cash dividends paid to Wacoal Holdings Corp. shareholders (¥30.00 per share)				(4,225)			(4,225)		(4,225)
Cash dividends paid to noncontrolling interests								(206)	(206)
Repurchase of treasury stock	(5)					(7)	(7)		(7)
Sale of treasury stock	1					1	1		1
Share-based compensation granted and exercised	22		44	(2)		25	67		67
Equity transactions with noncontrolling interest shareholders								2,252	2,252
As of March 31, 2016	140,859	13,260	29,686	162,196	22,108	(2,876)	224,374	5,027	229,401

Amounts less than ¥1 million are rounded to the nearest ¥1 million.
The number of Shares of Outstanding Common Stock has been rounded to the nearest 1,000 shares.

NON-CONSOLIDATED BALANCE SHEET
As of March 31, 2016

(Millions of yen)

ASSETS		LIABILITIES	
Accounts	Amount	Accounts	Amount
Current Assets	**15,277**	**Current Liabilities**	**20,266**
Cash and bank deposits	9,718	Trade notes	101
Marketable securities	394	Short-term bank loans	5,500
		Current portion of long-term bank loans	100
Deferred income taxes	34		
Short-term loans receivable from affiliated companies	3,362	Short-term borrowings from affiliated companies	13,613
Other	1,767	Other payables	333
		Accrued expenses	12
		Income taxes payable	44
		Accrued bonuses	67
Fixed Assets	**148,694**	Accrued officers' bonuses	70
Property, Plant and Equipment	**39,198**	Other	424
Buildings	14,436	**Long-term Liabilities**	**570**
Structures	230	Deferred income taxes	144
Equipment	1,204	Other	426
Land	18,770	**Total Liabilities**	**20,837**
Construction in progress	4,556	NET ASSETS	
		Shareholders' equity	**142,601**
		Common stock	**13,260**
		Additional paid-in capital	**29,294**
Intangible assets	**588**	Capital reserve	29,294
Leasehold right	585	**Retained earnings**	**102,922**
Other	2	Legal reserve	3,315
		Other retained earnings	99,607
		Reserve for deferred gain on sale of property	2,111
		General reserve	90,000
		Retained earnings carried forward	7,496
Investment, and other assets	**108,907**	**Treasury stock, at cost**	**(2,875)**
Investments	1,367	**Valuation and translation adjustments**	**116**
Investments in affiliated companies	107,056	Net unrealized gain on available-for-sale securities	**116**
Other	483	**Stock acquisition rights**	**417**
		Total Net Assets	**143,135**
Total Assets	**163,972**	**Total Liabilities and Net Assets**	**163,972**

Amounts less than ¥1 million are rounded down to the nearest ¥1 million.

NON-CONSOLIDATED STATEMENT OF INCOME
Year ended March 31, 2016

(Millions of yen)

Accounts	Amount	
Operating revenue		
Rental income	3,803	
Dividend income	6,839	
Other	291	10,934
Operating costs and expenses		
Cost of rent	1,723	1,723
Operating Gross Income		**9,211**
Selling, general and administrative expenses	2,194	2,194
Operating income		**7,016**
Non-operating income		
Interest income	22	
Dividends received	25	
Other	16	64
Non-operating expenses		
Interest expenses	36	36
Ordinary income		**7,044**
Extraordinary income		
Gain on sale of fixed assets	121	121
Extraordinary loss		
Loss on sale and disposal of fixed assets	29	
Impairment charges on fixed assets	241	270
Income before income taxes		**6,894**
Income taxes		
Income taxes-current	129	
Income taxes-deferred	25	155
Net income		**6,739**

Amounts less than ¥1 million are rounded down to the nearest ¥1 million.

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
Year ended March 31, 2016

(Millions of yen)

Items	Shareholders' equity								
	Common stock	Additional paid-in capital	Retained earnings					Treasury stock, at cost	Total shareholders' equity
		Capital reserve	Legal reserve	Other retained earnings			Total retained earnings		
				Reserve for deferred gain on sale of property	General reserve	Retained earnings carried forward			
Balance as of April 1, 2015	13,260	29,294	3,315	2,066	90,000	5,028	100,410	(2,895)	140,069
Changes during current fiscal year									
Provision of reserve for deferred gain on sale of property				118		(118)	-		-
Reversal of reserve for deferred gain on sale of property				(73)		73	-		-
Cash dividends						(4,225)	(4,225)		(4,225)
Net income						6,739	6,739		6,739
Purchase of treasury stock								(6)	(6)
Sale of treasury stock								1	1
Exercise of stock acquisition rights						(1)	(1)	25	23
Net change in items other than shareholders' equity									
Total changes during current fiscal year	-	-	-	45	-	2,467	2,512	19	2,531
Balance as of March 31, 2016	13,260	29,294	3,315	2,111	90,000	7,496	102,922	(2,875)	142,601

Amounts less than ¥1 million are rounded down to the nearest ¥1 million.

(Millions of yen)

Items	Valuation and translation adjustments	Stock acquisition rights	Total net assets
	Net unrealized gain on available-for-sale securities		
Balance as of April 1, 2015	135	373	140,578
Changes during current fiscal year			
Provision of reserve for deferred gain on sale of property			-
Reversal of reserve for deferred gain on sale of property			-
Cash dividends			(4,225)
Net income			6,739
Purchase of treasury stock			(6)
Sale of treasury stock			1
Exercise of stock acquisition rights		(23)	0
Net change in items other than shareholders' equity	(19)	67	48
Total changes during current fiscal year	(19)	43	2,556
Balance as of March 31, 2016	116	417	143,135

Amounts less than ¥1 million are rounded down to the nearest ¥1 million.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 9, 2016

To the Board of Directors of
Wacoal Holdings Corp.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Fumihiko Kimura

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Koichiro Tsukuda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Seiichiro Nakashima

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of March 31, 2016 of Wacoal Holdings Corp. (the "Company") and its consolidated subsidiaries, and the consolidated statement of income, consolidated statement of equity for the fiscal year from April 1, 2015 to March 31, 2016, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under accounting principles generally accepted in the United States of America, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of the disclosures required under accounting principles generally accepted in the United States of America pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of Wacoal Holdings Corp. and its consolidated subsidiaries as of March 31, 2016, and the results of their operations for the year then ended.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 9, 2016

To the Board of Directors of
Wacoal Holdings Corp.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Fumihiko Kimura

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Koichiro Tsukuda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Seiichiro Nakashima

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the non-consolidated balance sheet as of March 31, 2016 of Wacoal Holdings Corp. (the "Company"), and the related non-consolidated statement of income and non-consolidated statement of changes in net assets for the 68th fiscal year from April 1, 2015 to March 31, 2016, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of Wacoal Holdings Corp. as of March 31, 2016, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language, and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

AUDIT REPORT

We, the Audit & Supervisory Board, have received the reports of the audit procedures and results concerning the execution of duties by the Directors during the 68th fiscal year, from April 1, 2015 to March 31, 2016, prepared by each of the Audit & Supervisory Board Members. After discussing the reports, we have prepared this Audit Report and report as follows:

1. Procedures and details of the audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board prescribed the principles of audit and the assignment of the work responsibilities, etc., received reports on the audits and results from each of the Audit & Supervisory Board Members, received reports regarding the execution of duties by Directors and Accounting Auditor and requested reports whenever necessary.

(2) In conformity with the audit standards prescribed by the Audit & Supervisory Board and in accordance with the principles of audit and the assignment of the work responsibilities, etc., each of the Audit & Supervisory Board Members have made efforts in communicating with the Directors, internal audit department and other employees and maintaining an environment for information gathering and auditing and have conducted audits as follows;

(i) We attended meetings of the Board of Directors and other important meetings, received reports regarding the execution of duties by the Directors and employees, investigated the conduct of the business and the assets and properties of the Company at the head office and other principal offices and, whenever necessary, requested explanations. With respect to subsidiaries, we made efforts to communicate and exchange information with the Directors and Audit & Supervisory Board Members of the subsidiaries and, whenever necessary, requested reports on the business from such subsidiaries.

(ii) Regarding the system to ensure that the execution of duties by Directors conforms with the laws or regulations and the Articles of Incorporation, as described in the business report, the details of the resolution of the Board of Directors concerning the establishment of a system as required by the provisions of Paragraphs 1 and 3, Article 100 of the Enforcement Regulations of the Companies Act to ensure the appropriate business conduct by a business group comprised of a joint stock corporation (Kabushiki Kaisha) and its subsidiaries as well as the system established pursuant to such resolution (internal control system), we have received reports regularly from the Directors and other employees on its establishment and operation, requested explanations whenever necessary, and expressed our opinion.

(iii) We have examined the details of the basic policies (as stipulated in Item 3 (a), Article 118 of the Enforcement Regulations of the Companies Act) and each effort (as stipulated in Item 3 (b) of said Article) as described in the business report.

(iv) We have monitored and inspected whether the Accounting Auditor has maintained independence and whether the audits have been conducted appropriately, received reports from the Accounting Auditor on the execution of duties and requested explanations whenever necessary. The Accounting Auditor has reported to us that the "system to ensure the appropriate execution of duties" (matters stipulated in each Item of Article 131 of the Ordinance on Company Accounting under the Companies Act) has been established pursuant to the "Quality Control Standard for Audits" (October 28, 2005 Business Accounting Council), and we requested explanations whenever necessary.

Based on the above, we have examined the business report and the supplementary statement, financial statements (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the related notes) and the accompanying supplemental schedules, as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of equity and the related notes) for the subject fiscal year.

2. Results of the Audit

(1) Results of the audit on the business report

(i) The business report and its supplementary statement present fairly the Company's affairs in conformity with the applicable laws and regulations of Japan and the Company's Articles of Incorporation.

(ii) With regard to the execution of duties by the Directors, there has been no misconduct or material matters that would constitute a violation of any laws or regulations of Japan or the Company's Articles of Incorporation.

(iii) In our opinion, the details of the resolution of the Board of Directors regarding the internal control system are fair and we have nothing to point out with regard to the details of the business report and execution of duties by Directors concerning such internal control system.

(iv) We have nothing to point out with regard to the basic policies on the nature of personnel who should control the determination of financial and business policies of the Company as described in the business report. Furthermore, in our opinion, each effort as stated in the business report (pursuant to Item 3 (b), Article 118 of the Enforcement Regulation of the Companies Act) is in line with such basic policy, is not detrimental to the common interests of the shareholders of the Company and is not intended to maintain the status of corporate officer of the Company.

(2) Results of the audit of the financial statements and the accompanying supplementary schedules

In our opinion, the audit procedures and audit results received from Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

(3) Results of audit of consolidated financial statements

In our opinion, the audit procedures and audit results received from Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

May 17, 2016

Wacoal Holdings Corp.
Audit & Supervisory Board

Tomoki Nakamura (Seal)
Audit & Supervisory Board Member
(Standing)

Kiyotaka Hiroshima (Seal)
Audit & Supervisory Board Member
(Standing)

Akira Katayanagi (Seal)
Audit & Supervisory Board Member

Yoko Takemura (Seal)
Audit & Supervisory Board Member

Hiroshi Shirai (Seal)
Audit & Supervisory Board Member

(Note)

Mr. Akira Katayanagi, Ms. Yoko Takemura and Mr. Hiroshi Shirai, Audit & Supervisory Board Members, are Outside Audit & Supervisory Board Members as stipulated by Item 16, Article 2, Paragraph 3 of Article 335 of the Companies Act.

-End-