Internet Disclosure in Connection with the Notice of the 71st Ordinary General Meeting of Shareholders

CONSOLIDATED STATEMENT OF EQUITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

(For the period from April 1, 2018 to March 31, 2019)

Wacoal Holdings Corp.

The "Consolidated Statement of Equity" and the "Notes to the Consolidated Financial Statements," as well as the "Non-Consolidated Statement of Changes in Net Assets" and the "Notes to the Non-Consolidated Financial Statements," of the accompanying attachments to the Notice of the 71st Ordinary General Meeting of Shareholders, are disclosed by posting on the website of Wacoal Holdings Corp. ("the Company") (https://www.wacoalholdings.jp/ir/soukai.html), pursuant to the provisions of the applicable laws and regulations and Article 15 of our Articles of Incorporation. The "Consolidated Statement of Equity," the "Notes to the Consolidated Financial Statements," the "Non-Consolidated Statement of Changes in Net Assets," and the "Notes to the Non-Consolidated Financial Statements" are audited upon the preparation of the independent auditor's report and the audit report by the Audit & Supervisory Board as a part of consolidated financial statements and non-consolidated financial statements.

CONSOLIDATED STATEMENT OF EQUITY
Year ended March 31, 2019

(Thousands of shares, Millions of yen)

Items	Equity								
	Number of Shares of Outstanding Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock, at Cost	Total Wacoal Holdings Corp. Shareholders' Equity	Noncontrolling Interests	Total Equity
As of March 31, 2018	67,367	13,260	29,765	172,418	28,597	(11,328)	232,712	4,785	237,497
Cumulative effects of adoption of ASU 2016-01 − net of tax				27,834	(27,320)		514		514
Net income				341			341	54	395
Other comprehensive income (loss)									
Foreign currency translation adjustments					(723)		(723)	(27)	(750)
Net unrealized loss on securities					(104)		(104)		(104)
Pension liability adjustments					(4,578)		(4,578)	(9)	(4,587)
Cash dividends paid to Wacoal Holdings Corp. shareholders				(4,811)			(4,811)		(4,811)
Cash dividends paid to noncontrolling interests								(191)	(191)
Repurchase of treasury stock	(2,200)					(6,919)	(6,919)		(6,919)
Disposal of treasury stock	0					0	0		0
Cancellation of treasury stock				(2,631)		2,631	-		-
Share-based compensation granted and exercised	11		42	(12)		32	62		62
Equity transactions with noncontrolling interests								38	38
As of March 31, 2019	65,178	13,260	29,807	193,139	(4,128)	(15,584)	216,494	4,650	221,144

(Note 1) Amounts less than ¥1 million are rounded to the nearest million.
(Note 2) The "number of shares of outstanding common stock" has been rounded to the nearest thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(NOTES TO BASIS OF SIGNIFICANT MATTERS IN PREPARING CONSOLIDATED FINANCIAL STATEMENTS)

1. Standard of Preparation of Consolidated Financial Statements

Pursuant to the provisions of the first paragraph of Article 120-3 of the Ordinance on Company Accounting, the consolidated financial statements of Wacoal Holdings Corp. and its subsidiaries (collectively, the "Group") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). A part of the disclosures required under U.S. GAAP is omitted in accordance with 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.

2. Matters Regarding the Scope of Consolidation

(1) Number of consolidated subsidiaries: 57

(2) Principal consolidated subsidiaries: Wacoal Corp.; Peach John Co., Ltd.; Lecien Corporation; Kyushu Wacoal Manufacturing Corp.; Nanasai Co., Ltd.; Torica Inc.; Wacoal International Corp.; Wacoal America Inc.; Wacoal Europe Ltd.; Wacoal EMEA Ltd.; Wacoal Europe SAS; Wacoal International Hong Kong Co., Ltd.; Wacoal Hong Kong Co., Ltd.; Wacoal Investment Co., Ltd.; Wacoal China Co., Ltd.; and A Tech Textile Co., Ltd.

3. Matters Regarding the Application of the Equity Method

(1) Number of affiliated companies: 8

(2) Principal affiliated companies: Shinyoung Wacoal Inc.; Taiwan Wacoal Co, Ltd.; and Thai Wacoal Public Company Limited

4. Matters Regarding the Standard of Accounting Treatment

(1) Valuation standard and method of significant assets

(i) Marketable securities and investments

Based on the provisions of the U.S. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 320, "Investments – Debt Securities," and FASB ASC 321 "Investments – Equity Securities," marketable securities and investments have been classified as "debt securities" and "equity securities," and debt securities have been further classified as "available-for-sale securities" and "held-to-maturity securities." "Available-for-sale securities" are recorded at fair value, and "held-to-maturity securities" are recorded at amortized cost. Gain or loss on sale of debt securities is calculated based on the moving-average method.

Equity securities are measured at fair value and unrealized holding gain or loss is recorded in net profit or loss.

(ii) Inventories

Inventories are stated at the lower of cost or net realizable value. For work in process and finished products, cost is determined by the average cost method, and for raw materials, cost is determined by the first-in, first-out method.

(2) Depreciation method for significant depreciable assets

Depreciation method for fixed assets

The declining balance method is mainly used for depreciation of property, plant and equipment.

The straight-line method is used for amortizing intangible assets. In accordance with the provisions under FASB ASC 350, "Intangibles − Goodwill and Other," assets with indefinite useful lives are not amortized, but rather tested for impairment at least annually.

(3) Basis of accounting for significant allowances

Allowance for doubtful receivables

The allowance for doubtful receivables is stated at an amount considered to be appropriate based on the Group's past credit loss experience and an evaluation of potential losses in receivables outstanding.

(4) Other significant matters in preparing the consolidated financial statements

(i) Method of accounting treatment for retirement benefits

In accordance with the provisions of FASB ASC 715, "Compensation – Retirement Benefits," the Group accounts for retirement benefits for employees, based on the fair values of liabilities for termination and retirement benefits and plan assets as of the end of the current fiscal year.

(ii) Accounting treatment for consumption taxes

Consumption taxes are excluded from sales, costs, and expenses in the consolidated statement of income.

(iii) Matters concerning the fiscal year end of consolidated subsidiaries

The fiscal year end of the Group's Japanese consolidated subsidiaries is consistent with the consolidated fiscal year end. The fiscal year end of overseas consolidated subsidiaries is also consistent with the consolidated fiscal year end, except for Wacoal Hong Kong Co., Ltd. and ten other companies. The fiscal year end of Wacoal Hong Kong Co., Ltd. and the ten other companies is December 31. Financial statements of these overseas consolidated subsidiaries are consolidated based on their fiscal year end. Necessary adjustments have been made for significant events that occurred during the period between their fiscal year end and March 31.

(NOTES TO THE CHANGES IN ACCOUNTING POLICIES)

a. *Revenue Recognition* – New accounting guidance for revenues, *Revenue from Contracts with Customers* (Accounting Standard Update "ASU" No. 2014-09 and 2016-12), has been adopted from the beginning of the current consolidated fiscal year. This guidance requires an entity to recognize as revenue the amount it expects to receive in exchange for goods or services delivered under a contract with customers. The cumulative effect of applying this guidance was not recognized as adjustment to retained earnings at the beginning of the current fiscal year as its impact was not material. Due to the adoption of this guidance, liabilities related to returns, which were included in "Allowance for returns and doubtful receivables" under Current Assets through the previous consolidated fiscal year are classified as "Refund liabilities" under Current Liabilities and rights to recover products from customers as "Return assets" under Current Assets from the current consolidated fiscal year. The adoption of this guidance did not have a material impact on the Company's consolidated financial position and results of operations except as set forth above.

b. *Recognition and Measurement of Financial Instruments* – New accounting guidance, *Recognition and Measurement of Financial Assets and Financial Liabilities* (ASU No. 2016-01 and 2018-03), has been adopted from the current consolidated fiscal year. This guidance requires an entity to measure equity securities (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) at fair value with any change in fair value recognized in net income. As a result of this adoption, unrealized gains on equity securities of 27,320 million yen (net of tax) which were recognized under accumulated other comprehensive income (loss) as of the previous consolidated fiscal year end, and unrealized gains of 514 million yen (net of tax) on non-marketable equity securities which were recorded at cost through the previous consolidated fiscal year, are included in a cumulative effect adjustment of beginning retained earnings. In addition, an

unrealized loss on equity securities of 5,495 million yen recognized during the current consolidated fiscal year was included in "Loss (gain) on exchange and valuation of marketable securities and investments − net" in the consolidated statement of income.

c. *Periodic Pension Cost* – New accounting guidance, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* (ASU No. 2017-07), has been adopted from the beginning of the current consolidated fiscal year. This guidance requires an entity to record components of net periodic pension costs and net periodic postretirement benefit costs other than the service cost component as other income or expenses. Due to the adoption of this guidance, operating income during the current consolidated fiscal year decreased by 808 million yen, and other income increased by 843 million yen. The adoption of the guidance that only the service cost is eligible for capitalization did not have a material impact on the Company's consolidated financial position and results of operations.

(NOTES TO THE CONSOLIDATED BALANCE SHEET)

Assets pledged as collateral and obligations related to collateral:

(i) Assets pledged as collateral

Land:	¥150 million
Buildings and structures:	¥169 million
Total:	¥319 million

(ii) Obligations related to collateral

Short-term bank loans (including current portion of long-term debt):	¥20 million
Long-term debt:	¥35 million
Total:	¥55 million

(NOTES TO THE FINANCIAL INSTRUMENTS)

1. Matters Regarding the Status of Financial Instruments

(1) Policy for financial instruments

To manage surplus funds and enable a safety focused management, the Group establishes certain conditions as well as limits, and determines an eligible range for investments. For financing, the Group may use bank loans as necessary. The Group may use derivatives to offset risk from exchange fluctuations in foreign currency transactions, interest rate risk from bank loans, and risk of stock price fluctuations from stocks held, but will not engage in speculative transactions.

(2) Details and risk of financial instruments and risk management structure

Marketable securities and investments that are debt securities consist of bonds, and equities securities consist of mutual funds and stocks. These instruments are subject to risk from market fluctuations, and the Group regularly reviews their fair values.

The Group takes appropriate measures to reduce customer credit risk for notes and accounts receivable, according to the Group's control procedures.

Bank loans are utilized mainly for the expansion of business and funding of working capital, and are subject to interest rate fluctuation risk.

Almost all of trade notes payable, trade accounts payable and other payables are due within a year.

The Group executes/manages derivative transactions according to the Group's handling procedures, which stipulate specific targets and ranges for such transactions.

(3) Supplemental note on matters regarding fair values of financial instruments

Fair values of financial instruments are estimated based on market price information related to financial instruments and details of relevant contracts at the end of a fiscal year. These estimates are made by the Company and include the Company's judgments. Such judgements may have a material influence on results of the estimates given the uncertainty. Therefore, changes in the underlying assumptions may have a material impact on such estimates.

(4) Concentration of credit risk

The Group's business consists primarily of sales of women's intimate apparel to a large and diverse range of customers in the Japanese retail industry, including well-established department stores, general merchandise stores, and other general retailers and specialty stores. No single customer constitutes 10% or more of total sales.

2. Matters Regarding Fair Values of Financial Instruments

Amounts recorded in the consolidated balance sheet, fair values, and their differences as of March 31, 2019, are as follows. Financial instruments whose fair values are considered to be impractical to determine are recorded at cost and are excluded from the table below (please see (Note 2)).

(Millions of yen)

	Amount recorded in the consolidated balance sheet (*)	Fair value (*)	Difference
(1) Cash and cash equivalents	30,133	30,133	-
(2) Time deposits	4,004	4,004	-
(3) Marketable securities	446	445	1
(4) Notes and accounts receivable	24,989	24,989	-
(5) Investments in affiliated companies	14,523	11,075	3,448
(6) Investments	63,372	63,369	3
(7) Short-term bank loans	(8,116)	(8,116)	-
(8) Trade notes payable	(1,155)	(1,155)	-
(9) Trade accounts payable	(10,638)	(10,638)	-
(10) Other payables	(6,548)	(6,548)	-
(11) Income taxes payable	(2,759)	(2,759)	-
(12) Long-term debt (including Current portion of long-term debt)	(138)	(138)	0
(13) Derivatives (**)	(27)	(27)	-

(*) Amounts in parentheses represent amounts in the liability section of the consolidated balance sheet.
(**) Claims and obligations arising from derivative transactions are shown on a net basis and items in parentheses represent net debt in total.

(Note 1) Method of calculating the fair values of financial instruments and other matters regarding securities and derivatives

(1) Cash and cash equivalents, (2) Time deposits, (4) Notes and accounts receivable, (7) Short-term bank loans, (8) Trade notes payable, (9) Trade accounts payable, (10) Other payables, and (11) Income taxes payable

The carrying amounts approximate the fair values of these financial instruments because of their short maturities.

(3) Marketable securities and (6) Investments

Fair values of marketable equity securities are determined on the basis of unadjusted quoted prices in an active market with sufficient trading volume and frequency. Fair values of corporate debt securities are determined by market prices determined from financial institutions. Fair values of mutual funds are determined on the unadjusted quoted prices in an active market with sufficient trading volume and frequency or market prices determined from financial institutions. Fair values of nonmarketable equity securities are determined based on comparable company analyses using financial indicators or other appropriate valuation methods.

(5) Investments in affiliated companies

Fair values of investments in affiliated companies are determined on the basis of unadjusted quoted prices in an active market with sufficient trading volume and frequency. Amounts recorded in the consolidated balance sheet are calculated on the basis of the equity method.

(12) Long-term debt (including current portion of long-term debt)

The fair values of long-term debt are determined based on a discounted cash flow analysis, using rates currently available for similar types of borrowings with similar terms and remaining maturities.

(13) Derivatives

Derivatives are foreign currency exchange contracts and currency swaps, and the valuation measured by financial institutions is used as their fair values. There are no derivatives to which hedge accounting is applied.

(Note 2) Financial instruments with fair value considered to be impracticable to assess

Nonmarketable investments in affiliated companies (amounts recorded in the consolidated balance sheet: ¥7,336 million) are calculated on the basis of the equity method, as well as marketable investments in affiliated companies. The investments in these securities are reviewed for other-than-temporary impairment annually or upon the occurrence of an event that requires review.

(Note 3) Redemption schedule of debt securities with maturities after the consolidated fiscal year end

(Millions of yen)

	Within 1 year	Within 5 years
Held-to-maturity securities	446	1,124

(NOTES TO REVENUE RECOGNITION)

The Group focuses on sales of innerwear (mainly women's foundation garments and lingerie, nightwear and children's underwear), outerwear, sportswear, and other textile products and related products ("Products"), and our customers include retail or wholesale distributors and consumers in Japan and overseas.

Revenue from sales of our Products is recognized when performance obligations are satisfied, which is upon delivery of the Products.

The Group's revenue is recognized for transactions, net of any trade discounts or rebates given. We generally provide a right of return to our customers. In order to estimate the transaction price, provision for expected returns is deducted from revenue based on actual return amounts from previous fiscal years.

(NOTES TO PER SHARE INFORMATION)

Wacoal Holdings Corp. shareholders' equity per share	¥3,321.57
Net income per share attributable to Wacoal Holdings Corp.	¥5.16
Diluted net income per share attributable to Wacoal Holdings Corp.	¥5.14

(NOTES TO SIGNIFICANT SUBSEQUENT EVENTS)

Purchase of Treasury Stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2019 regarding matters related to purchase of treasury stock pursuant to the provisions of Paragraph 1, Article 459 of the Companies Act.

1. Reason for Purchase of Treasury Stock
   To return profits to the shareholders, improve capital efficiency, and implement our capital policy with increased flexibility, tailored to the business environment.

2. Details of Purchase

   (i) Type of shares to be purchased: Common stock of the Company

   (ii) Total number of shares to be purchased: 1,900,000 shares (at maximum)

   (iii) Aggregate purchase amount ¥5,000 million (at maximum)

   (iv) Purchase period: From May 16, 2019 through December 31, 2019

Cancellation of Treasury Stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2019 regarding matters related to cancellation of treasury stock pursuant to the provisions of Article 178 of the Companies Act.

(i) Type of shares to be cancelled:	Common stock of the Company
(ii) Number of shares to be cancelled:	2,100,000 shares
(iii) Date of cancellation:	May 24, 2019

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
Year ended March 31, 2019

(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, 2018	13,260	29,294	3,315	4,281	90,000	11,193	108,790	(11,328)	140,016
Changes during current fiscal year									
Reversal of reserve for deferred gain on sale of property				(143)		143	-		-
Cash dividends						(4,811)	(4,811)		(4,811)
Net income						5,968	5,968		5,968
Repurchase of treasury stock								(6,919)	(6,919)
Disposition of treasury stock								0	0
Cancellation of treasury stock						(2,631)	(2,631)	2,631	-
Exercise of stock acquisition rights						(12)	(12)	32	20
Net change in items other than shareholders' equity									
Total changes during current fiscal year	-	-	-	(143)	-	(1,342)	(1,485)	(4,255)	(5,741)
Balance as of March 31, 2019	13,260	29,294	3,315	4,137	90,000	9,851	107,304	(15,583)	134,275

(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, 2018	(2)	497	140,510
Changes during current fiscal year			
Reversal of reserve for deferred gain on sale of property			-
Cash dividends			(4,811)
Net income			5,968
Repurchase of treasury stock			(6,919)
Disposition of treasury stock			0
Cancellation of treasury stock			-
Exercise of stock acquisition rights		(20)	0
Net change in items other than shareholders' equity	2	61	64
Total changes during current fiscal year	2	41	(5,696)
Balance as of March 31, 2019	0	538	134,813

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

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

(NOTES TO MATTERS RELATED TO SIGNIFICANT ACCOUNTING POLICIES)

1. Valuation Standards and Method of Assets

Valuation standards and method of securities

Investments in subsidiaries and affiliated companies are stated at cost based on the moving-average method. Investment securities with market prices are stated at market value determined based on market prices, on the balance sheet date. Investment securities without market prices are stated at cost based on the moving-average method. Net unrealized gain (loss) on available-for-sale securities is reported directly in net assets. Cost of investment securities sold is determined based on the moving-average method.

2. Depreciation Method of Fixed Assets

(1) Depreciation method of property, plant and equipment

Depreciation of property, plant and equipment is calculated based on the declining-balance method except that depreciation of buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structures acquired on or after April 1, 2016, are calculated based on the straight-line method.

Useful lives of major items are as follows:

Buildings and structures	2 to 50 years
Machinery	17 years
Equipment (excluding certain paintings)	2 to 20 years

(2) Amortization method for intangible assets

Amortization of intangible assets is computed by the straight-line method. Internal use of software is amortized based on an estimated useful life of five years.

3. Basis of Accounting for Allowances

(1) Allowance for doubtful receivables

In order to reserve for losses on bad debts, allowance for doubtful receivables is stated in amounts considered to be appropriate based on the Company's past credit loss experience and an evaluation of potential losses in the receivables outstanding.

(2) Accrued bonuses

In order to reserve bonuses to employees, accrued bonuses are calculated based on the anticipated amount to be paid.

(3) Accrued officers' bonuses

In order to reserve bonuses to officers, accrued officers' bonuses are calculated based on the anticipated amount to be paid.

4. Other Basic Significant Matters in Preparing Financial Statements

Accounting treatment for consumption taxes

Consumption taxes are excluded from revenue, costs, and expenses in the non-consolidated statement of income.

(NOTES TO CHANGES IN CLASSIFICATION)

ASBJ Statement No. 28, Partial Amendments to Accounting Standard for Tax Effect Accounting (February 16, 2018), has been adopted from the beginning of the current fiscal year. Pursuant to the application of these amendments, deferred tax assets and deferred tax liabilities are classified as Investments and Other Assets and as Long-term Liabilities, respectively.

(NOTES TO THE NON-CONSOLIDATED BALANCE SHEETS)

1. Accumulated depreciation of property, plant and equipment: ¥34,955 million

2. Receivables from subsidiaries and affiliated companies and payables to subsidiaries and affiliated companies

   Short-term receivables: ¥4,850 million
   Short-term payables: ¥13,723 million

3. Liabilities for guarantees
   The Company provides guarantees for loans to a certain subsidiary from financial institutions.

   Wacoal Europe Ltd.: ¥1,504 million

   The Company provides guarantees for payables of electronically recorded monetary claims of a certain subsidiary.

   Lecien Corporation: ¥119 million

(NOTES TO THE NON-CONSOLIDATED STATEMENTS OF INCOME)

1. Transactions with subsidiaries and affiliated companies

   Operating revenue: ¥15,678 million

   Other operating transactions: ¥89 million

   Non-operating transactions: ¥29 million

2. Loss on valuation of investments in subsidiaries and affiliated companies is related to impairment of Peach John Co., Ltd.’s shares.

(NOTES TO THE NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS)

1. Number of issued shares as of March 31, 2019

   Common stock: 70,689,042 shares

2. Number of treasury stocks as of March 31, 2019

   Common stock: 5,510,891 shares

3. Matters regarding dividends on additional paid-in capital and retained earnings made during the current fiscal year

Resolution	Class of Shares	Aggregate Amount of Dividends (Millions of yen)	Amount of Dividend per Share (Yen)	Record Date	Effective Date
At the Board of Directors' Meeting held on May 15, 2018	Common Stock	2,425	36.00	March 31, 2018	June 5, 2018
At the Board of Directors' Meeting held on October 31, 2018	Common Stock	2,386	36.00	September 30, 2018	December 4, 2018

4. Matters regarding dividends on additional paid-in capital and retained earnings to be made after the end of the current fiscal year

Resolution	Class of Shares	Source of Dividend	Aggregate Amount of Dividends (Millions of yen)	Amount of Dividend per Share (Yen)	Record Date	Effective Date
At the Board of Directors' Meeting held on May 15, 2019	Common Stock	Retained Earnings	2,346	36.00	March 31, 2019	June 4, 2019

5. Matters concerning stock acquisition rights as of the end of the current fiscal year

	First Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 30, 2008	Second 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	Fourth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 30, 2009
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	9,500 shares	4,000 shares	10,000 shares	4,000 shares
Outstanding number of stock acquisition rights:	19	8	20	8
	Fifth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 30, 2010	Sixth 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	Eighth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 29, 2011
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	10,500 shares	3,500 shares	15,500 shares	9,000 shares
Outstanding number of stock acquisition rights:	21	7	31	18
	Ninth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2012	Tenth 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	Twelfth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2013
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	20,000 shares	5,000 shares	19,500 shares	8,500 shares
Outstanding number of stock acquisition rights:	40	10	39	17
	Thirteenth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2014	Fourteenth 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	Sixteenth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2015
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	19,500 shares	8,500 shares	18,500 shares	6,000 shares
Outstanding number of stock acquisition rights:	39	17	37	12
	Seventeenth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 29, 2016	Eighteenth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 29, 2016	Nineteenth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2017	Twentieth Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 31, 2017
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	21,500 shares	13,000 shares	14,000 shares	9,000 shares
Outstanding number of stock acquisition rights:	43	26	28	18

	Twenty-first Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 20, 2018	Twenty-second Stock Acquisition Rights resolved at the Board of Directors' Meeting held on July 20, 2018
Class of shares represented by the stock acquisition rights:	Common Stock	Common Stock
Number of shares represented by stock acquisition rights:	14,700 shares	6,200 shares
Outstanding number of stock acquisition rights:	147	62

(Note) The "number of shares represented by stock acquisition rights" has been adjusted to reflect the share consolidation pursuant to which two (2) shares were consolidated into one (1) share effective as of October 1, 2017.

(NOTES TO TAX EFFECT ACCOUNTING)

Breakdown of deferred tax assets and deferred tax liabilities	(Millions of yen)
Deferred tax assets:	
Valuation loss on investments in subsidiaries and affiliated companies	2,839
Accrued bonuses	22
Depreciation, amortization and impairment loss	834
Allowance for doubtful accounts	887
Other	301
Subtotal of deferred tax assets	4,884
Valuation allowance	(3,982)
Total deferred tax assets:	902
Deferred tax liabilities:	
Reserve for deferred gain on sale of property	1,825
Others	0
Total deferred tax liabilities:	1,826
Net deferred tax liabilities:	924

(NOTES TO RELATED-PARTY TRANSACTIONS)

Subsidiaries

Type	Name of Company	Company's Interest	Relationship with Related Party	Nature of Transaction	Transaction Amount (Millions of yen)	Account	Balance as of the Fiscal Year End (Millions of yen)
Subsidiary	Wacoal Corp.	100% direct	Holding of shares; dual appointments; managerial guidance; lease of movables and real estate	Repayment of funds (Note 1)	1,475	Short-term borrowings from subsidiaries and affiliated companies	10,341
				Payment of interest (Note 1)	10	–	–
				Receipt of dividends	10,500	–	–
				Lease of movables and real estate (Note 2)	3,479	–	–
				Fee for management guidance (Note 3)	345	–	–
Subsidiary	Wacoal Europe Ltd.	100% direct	Holdings of shares and dual appointments	Guarantee for liabilities (Note 4)	1,504	–	–
				Acceptance of guarantee fee (Note 4)	1	–	–
Subsidiary	Unenana Cool Corp.	100% indirect	Loan	Loan (Note 5)	152	Short-term loans receivable from subsidiaries and affiliated companies	2,299
				Receipt of interest (Note 5)	7	–	–
Subsidiary	Ai Co., Ltd.	100% indirect	Loan	Loan (Note 5)	300	Short-term loans receivable from subsidiaries and affiliated companies	1,924
				Receipt of interest (Note 5)	4	–	–

Details and Policy on Determination of Transaction Terms

(Note 1) The terms and conditions of borrowings and interest rates are determined upon consideration of market interest rates.

(Note 2) The price and other terms of transactions are determined through negotiation in view of the market conditions.

(Note 3) The managerial guidance fees are determined each fiscal year based on negotiation.

(Note 4) The Company guarantees the loans of the subsidiary and charges a guarantee fee of 0.1% annually.

(Note 5) The terms and conditions of loans and interest rates are determined upon consideration of market interest rates.

(Note 6) The transaction amount does not include consumption taxes, while the balance as of the yearend includes consumption taxes.

(Note 7) A total amount of ¥2,897 million in allowance for doubtful accounts is provided for doubtful accounts for the subsidiaries. Also, we recorded a total of ¥592 million for provision of allowance and a total of ¥79 million for reversal of allowance, with respect to doubtful accounts for subsidiaries and affiliated companies for the current fiscal year.

(NOTES TO PER SHARE INFORMATION)

Net assets per share: ¥2,060.13
Net income per share: ¥90.24

Diluted net income per share: ¥89.91

(NOTES TO SIGNIFICANT SUBSEQUENT EVENTS)

Purchase of Treasury Stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2019 regarding matters related to purchase of treasury stock pursuant to the provisions of Paragraph 1, Article 459 of the Companies Act.

1. Reason for Purchase of Treasury Stock
   To return profits to the shareholders, improve capital efficiency, and implement our capital policy with increased flexibility, tailored to the business environment.

2. Details of Purchase

   (i) Type of shares to be purchased: Common stock of the Company

   (ii) Total number of shares to be purchased: 1,900,000 shares (at maximum)

   (iii) Aggregate purchase amount: ¥5,000 million (at maximum)

   (iv) Purchase period: From May 16, 2019 through December 31, 2019

Cancellation of Treasury Stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2019 regarding matters related to cancellation of treasury stock pursuant to the provisions of Article 178 of the Companies Act.

(i) Type of shares to be cancelled: Common stock of the Company

(ii) Number of shares to be cancelled: 2,100,000 shares

(iii) Date of cancellation: May 24, 2019