

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2015 (U.S. Accounting Standards)
[Translation]

May 11, 2015

Listed Company: Wacoal Holdings Corp.

Stock Exchanges: Tokyo (1st section)

Code Number: 3591 URL: <http://www.wacoalholdings.jp/>

Representative: (Position) Representative Director (Name) Yoshikata Tsukamoto

For Inquiries: (Position) General Manager of Corporate Planning (Name) Akira Miyagi Tel: +81 (075) 682-1010

Scheduled date of Ordinary Shareholders' Meeting: June 26, 2015 Scheduled Commencement Date of Dividend Payment: June 3, 2015

Scheduled date of Annual Securities Report Filing: June 26, 2015

Supplementary materials regarding Annual Business Results: Yes

Explanatory meeting regarding Annual Business Results: Yes

(Amounts less than 1 million yen have been rounded.)

1. Consolidated Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Consolidated Business Results

(% indicates changes from previous fiscal year)

	Net Sales	Operating Income	Pre-tax Net Income	Net Income Attributable to Wacoal Holdings Corp.
	Millions of Yen %	Millions of Yen %	Millions of Yen %	Millions of Yen %
Fiscal Year Ended March 31, 2015	191,765 (1.0)	7,082 (48.9)	11,342 (24.6)	8,444 (16.4)
Fiscal Year Ended March 31, 2014	193,781 7.5	13,860 63.1	15,033 37.4	10,106 28.2

(Note) Comprehensive income: Fiscal Year ended March 31, 2015: 28,812 million yen (26.7%)
Fiscal Year ended March 31, 2014: 22,749 million yen (17.6%)

	Net Income Attributable to Wacoal Holdings Corp. Per Share	Diluted Net Earnings Attributable to Wacoal Holdings Corp. Per Share	Ratio of Net Income Attributable to Wacoal Holdings Corp. to Shareholders' Equity	Ratio of Pre-tax Net Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
Fiscal Year Ended March 31, 2015	59.95	59.80	3.9	4.0	3.7
Fiscal Year Ended March 31, 2014	71.75	71.61	5.2	5.7	7.2

(Reference) Equity in net income of affiliated companies: Fiscal Year ended March 31, 2015: 705 million yen
Fiscal Year ended March 31, 2014: 985 million yen

(2) Consolidated Financial Condition

	Total Assets	Total Equity (Net Assets)	Total Shareholders' Equity	Total Shareholders' Equity Ratio	Shareholders' Equity Per Share
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
Fiscal Year Ended March 31, 2015	300,272	231,568	228,857	76.2	1,624.93
Fiscal Year Ended March 31, 2014	271,988	207,536	205,106	75.4	1,456.32

(3) Consolidated Cash Flow Status

	Cash Flow provided by Operating Activities	Cash Flow provided by (used in) Investing Activities	Cash Flow provided by (used in) Financing Activities	Balance of Cash and Cash Equivalents at End of Fiscal Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal Year Ended March 31, 2015	14,337	164	(8,391)	38,410
Fiscal Year Ended March 31, 2014	8,949	1,658	(5,554)	30,658

2. Status of Dividends

	Annual Dividend					Total Amount of Dividends (annual)	Payout Ratio (consolidated)	Ratio of Dividend to Shareholders' Equity (consolidated)
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
Fiscal Year Ended March 31, 2014	-	-	-	33.00	33.00	4,648	46.0	2.4
Fiscal Year Ended March 31, 2015	-	-	-	30.00	30.00	4,225	50.0	1.9
Fiscal Year Ending March 31, 2016 (Estimates)	-	-	-	33.00	33.00		46.5	

(Note) The year-end dividend for fiscal year ended March 31, 2014 includes an ordinary dividend of 30.00 yen and a commemorative dividend of 3.00 yen.

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(% indicates changes from the previous fiscal year with respect to “Annual” and from the six-month period ended September 30, 2014 with respect to “Six-month Period Ending September 30, 2015”)

	Net Sales		Operating Income		Pre-tax Net Income		Net Income Attributable to Wacoal Holdings Corp.		Net Income Attributable to Wacoal Holdings Corp. Per Share	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	
Six-month Period Ending September 30, 2015	106,000	10.2	9,000	7.2	9,300	(8.1)	6,200	(5.1)	44.02	
Annual	205,000	6.9	14,000	97.7	14,500	27.8	10,000	18.4	71.00	

*Notes

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2015 (change in scope of consolidation): None

New: None

Excluded: None

(Note) For details, please see “(7) Basic Significant Matters in Preparation of Consolidated Financial Statements” in Section 5 “Consolidated Financial Statements” on page 21.

- (2) Changes in Accounting Principles:

(i) Changes due to modifications in accounting standards, etc.: None

(ii) Changes other than (i) above: None

(Note) For details, please see “(7) Basic Significant Matters in Preparation of Consolidated Financial Statements” in Section 5 “Consolidated Financial Statements” on page 21.

- (3) Number of Issued Shares (Common Stock)

	Fiscal Year Ended March 31, 2015	Fiscal Year Ended March 31, 2014
(i) Number of issued shares (including treasury stock) as of period-end:	143,378,085 shares	143,378,085 shares
(ii) Number of shares held as treasury stock as of period-end:	2,537,276 shares	2,539,371 shares
(iii) Average number of shares during the period:	140,839,059 shares	140,841,722 shares

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

- (1) Non-consolidated Business Results

(% indicates changes from previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal Year Ended March 31, 2015	10,898	21.5	7,102	37.8	7,351	38.6	(542)	-
Fiscal Year Ended March 31, 2014	8,967	3.0	5,150	5.8	5,301	15.9	4,955	2.4

	Net Income Per Share	Diluted Net Earnings Per Share
	Yen	Yen
Fiscal Year Ended March 31, 2015	(3.84)	-
Fiscal Year Ended March 31, 2014	35.18	35.10

(2) Non-consolidated Financial Condition

(% indicates changes from previous fiscal year)

	Total Assets	Net Assets	Capital-to-asset Ratio	Net Asset per Share
	Millions of Yen	Millions of Yen	%	Yen
Fiscal Year Ended March 31, 2015	168,762	140,578	83.0	995.48
Fiscal Year Ended March 31, 2014	177,411	145,605	81.8	1,031.57

(Reference) Equity Capital: As of the end of the fiscal year ended March 31, 2015: 140,205 million yen

As of the end of the fiscal year ended March 31, 2014: 145,285 million yen

*Notes on Implementation of Audit Procedures

These financial statements are not subject to the audit procedures based on the Financial Instruments and Exchange Law. The audit procedures for annual financial statements based on the Financial Instruments and Exchange Law had not been completed as of the time of disclosure of these financial statements.

*Cautionary Statement regarding Forward Looking Statements

The foregoing estimates are made based on information available as of the date this data was released, and actual results may differ from estimates due to various factors arising in the future.

Statements made in this report regarding Wacoal's or management's intentions, beliefs, expectations, or predictions for the future are forward-looking statements that are based on Wacoal's and managements' current expectations, assumptions, estimates and projections about its business and the industry. These forward-looking statements, such as statements regarding fiscal 2016 revenues and operating and net profitability, are subject to various risks, uncertainties and other factors that could cause Wacoal's actual results to differ materially from those contained in any forward-looking statement.

These risks, uncertainties and other factors include: the impact of the ongoing global economic downturn on our sales and profitability in Japan and our other markets; the impact on our business of anticipated continued weakness of department stores and other general retailers in Japan; our ability to successfully develop, manufacture, and market products in Japan and our other markets that meet the changing tastes and needs of consumers and to deliver high quality products; the highly competitive nature of our business and the strength of our competitors; our ability to successfully expand our network of our own specialty retail stores and achieve profitable operations at these stores; our ability to further develop our Internet sales capabilities; our ability to effectively manage our inventory levels; our ability to reduce costs; our ability to attract and retain highly qualified personnel; effects of irregular weather events on our business and performance; risks related to conducting our business internationally; risks from acquisitions and other strategic transactions with third parties; risks relating to return of investment for development of new markets; risks relating to intellectual property; risks relating to protection of customer information and our ability to protect our trade secrets; risks relating to internal controls over financial reporting; the impact of weakness in the Japanese equity markets on our holdings of Japanese equity securities; the impact of any natural disaster or epidemic on our business; and other risks referred to from time to time in our annual report and other disclosures.

Table of Contents for Attached Materials

1.	Business Results -----	5
(1)	Analysis of Business Results -----	5
(2)	Analysis of Financial Condition -----	9
(3)	Basic Policy Regarding Distribution of Profits and Dividends for Fiscal 2015 and Fiscal 2016 -----	9
(4)	Business Risks -----	10
2.	Status of Corporate Group -----	11
3.	Management Policies -----	13
(1)	Basic Business Policy -----	13
(2)	Measures for Business Targets -----	13
(3)	Our Medium- and Long-Term Business Strategy -----	13
(4)	Issues to Address -----	13
4.	Basic Policies regarding Selection of Accounting Standards-----	14
5.	Consolidated Financial Statements -----	15
(1)	Consolidated Balance Sheets -----	15
(2)	Consolidated Statements of Income-----	17
(3)	Consolidated Statements of Comprehensive Income -----	18
(4)	Consolidated Statements of Equity -----	18
(5)	Consolidated Statements of Cash Flows -----	20
(6)	Notes on Going Concern -----	21
(7)	Basic Significant Matters in Preparation of Consolidated Financial Statements -----	21
(8)	Notes to the Consolidated Financial Statements -----	22
6.	Other -----	26

Qualitative Information and Financial Statements

1. Business Results

(1) Analysis of Business Results

Results for the Fiscal Year Ended March 31, 2015

Our group entered the second 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) made efforts to expand our share of sales while responding to the diversifying domestic women's innerwear market, establish a system for our business other than the women's innerwear business and strengthen growth 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, 2015, overall sales fell below the results for the previous fiscal year due to a weak demand affected by pullbacks in consumer spending after the consumption tax increase and the influence of rising prices associated with the weakening yen, mainly with regard to our core operating entity, Wacoal Corp., despite the fact that sales from our overseas business were inflated by the sharp depreciation of the yen. In terms of profit, operating income fell largely below the results for the corresponding period of the previous fiscal year due to a decrease in sales and due to the impact of impairment charges of 6,021 million yen as a result of the reassessment of the fair value of our Peach John business.

Net Sales:	191,765 million yen (a decrease of 1.0% as compared to the previous fiscal year)
Operating income:	7,082 million yen (a decrease of 48.9% as compared to the previous fiscal year)
Pre-tax net income:	11,342 million yen (a decrease of 24.6% as compared to the previous fiscal year)
Net income attributable to Wacoal Holdings Corp.:	8,444 million yen (a decrease of 16.4% as compared to the previous fiscal year)

Business Overview of Our Operating Segments

a. Wacoal Business (Domestic)

In our domestic business, we sought to focus on five categories (region, age-group, pricing, restructuring of manufacturing domain and inventory control) and established a system to enhance customer contact and respond to changes in the external environment.

However, our overall business faced difficult operating conditions due to the influence of a delay in recovery of personal consumption after the consumption tax increase after the beginning of the fiscal year ended March 31, 2015, despite a recovery in demand for certain high-priced products.

Overall sales from our Wacoal brand business fell below the results for the previous fiscal year due to the poor performance of our core brassiere products and bottom products, despite steady performance of newly-launched exclusive brand products intended for a single sales channel, pre-stage brand products and brand products for seniors.

In our Wing brand business, although sales were strong for our new bottom products sold in the autumn and winter and undergarments with highly seasonal functionality meeting the needs of our consumers, overall sales fell largely below the results for the previous fiscal year due to the weak performance of our core brassieres products because we were unable to achieve brand recognition as a result of discontinuing our TV commercials and because we were unable to achieve product differentiation from other competing products.

In our retail business, sales from our directly managed retail store, AMPHI, which is mainly located in shopping malls, showed favorable performance as a result of improved customer traffic which we achieved by trying new strategies, including holding various monthly events and making collaboration products with models and stylists. We were also successful in handling inbound customer service by increasing duty-free stores with respect to our Wacoal Factory Store in outlet malls, and as a result, overall sales exceeded the results for the previous fiscal year.

In our wellness business, sales of our sports conditioning wear "CW-X" brand were weak as our renovations of store displays and investments in contracts with top athletes did not have an immediate effect. In addition, although shop sales of certain products jointly developed with a major pharmaceutical company performed favorably, this favorable performance did not boost our overall sales. As a result, overall sales largely fell below the results for the previous fiscal year.

In our catalog sales business, sales from our catalog products were weak for the entire season. With respect to our internet sales, our initiatives to strengthen web advertisement to recover momentum which had been influenced by the shutdown of our website in April, did not have much effect, and as a result, overall sales fell largely below the results for the previous fiscal year.

In summary, overall sales attributable to our “Wacoal Business (Domestic)” segment fell below the results for the previous fiscal year due to poor sales from Wacoal Corp., our core operating entity, which fell below the results from the previous fiscal year. With respect to profitability, our operating income also fell largely below the results for the previous fiscal year largely due to decreased sales, despite our efforts at Wacoal Corp. to reduce selling, general and administrative expenses and to hold down an increase in processing charges and purchasing costs, which were impacted by the weak yen.

Net Sales:	112,203 million yen (a decrease of 5.0% as compared to the previous fiscal year)
Operating income:	8,444 million yen (a decrease of 9.0% as compared to the previous fiscal year)

b. Wacoal Business (Overseas)

In the United States, Wacoal America Inc. made efforts to achieve strong profits by expanding its share in the high-end market and through streamlining development production structure. While sales at department stores continue to be weak, overall sales on a local currency basis exceeded the results for the previous fiscal year as a result of strong performance of our core brassieres products, the launch of our new Europe Collection in January, and expanding sales from internet sales and sales from our business in surrounding countries. In terms of profit, operating income exceeded the results for the previous fiscal year due to an increase in net sales.

With respect to our business in China (from January 1 to December 31), we made efforts in improving profitability by enhancing gross margin rate, as well as nurturing of brands targeting the middle-class market. Although sales of our high-priced brand products at department stores performed poorly due to the effects of laws regulating expenditures, sales on a local currency basis remained unchanged from the results for the previous fiscal year as a result of an increase in the number of shops which handle LA ROSABELLE, our brand targeting the middle-class market, and strong internet sales. In terms of profit, gross margin rate significantly improved as a result of achieving a higher local procurement rate and the expansion of bargain products in internet sales and outlet malls. In addition, operating income largely exceeded the results for the previous fiscal year as a result of the discontinuation of underperforming shops and effective posting of employees.

With respect to Wacoal Europe, we made efforts in expanding our Wacoal brand business and in developing management infrastructure so that Wacoal Europe can play a central role in our business in Europe by promoting collaboration with Wacoal America, Inc. Sales in the United Kingdom showed strong performance as a result of the recovery of sales at department stores and the expansion of our Wacoal brand products, despite a decrease in the number of tourists visiting from Russia and the Middle East. On the other hand, sales in the Euro area, particularly in France, showed weak performance due to slow consumer spending affected by economic instability in Europe. In addition, sales from department stores in the United States showed poor performance partially due to a change of MD by certain clients. As a result, sales on a local currency basis fell below the results for the previous fiscal year, but sales on a yen converted basis exceeded the results for the previous fiscal year due to the sharp depreciation of the yen. In terms of profit, operating income largely fell below the results for the previous fiscal year as a result of decreased sales and of costs incurred in connection with changes in the structure of our business in Europe.

As a result of the above, overall sales and operating income under the “Wacoal Business (Overseas)” segment largely exceeded the results for the previous fiscal year.

Net Sales:	48,107 million yen (an increase of 10.2% as compared to the previous fiscal year)
Operating income:	4,776 million yen (an increase of 18.3% as compared to the previous fiscal year)

c. Peach John Business

With respect to our Peach John business, we made efforts to expand sales by increasing the number of customers. Our efforts in making our website more user-friendly did not significantly contribute to the expansion of sales and sales of our outerwear products and general merchandise showed weak performance. As a result, sales from our core mail-order catalogues fell largely below the results for the previous fiscal year, despite stable sales of innerwear which remained unchanged from the previous fiscal year. Net sales attributable to our domestic direct retail stores exceeded the results for the previous fiscal year as a result of the increasing number of shop openings, including the introduction of our new business-style shops targeting young adults and career professionals. With respect to our overseas business, despite our favorable performance in Hong Kong resulting from shop openings and an increase in the number of customers, sales fell below the results for the previous fiscal year as a result of poor performance of our directly-managed stores in China.

As a result of the above, overall sales from our Peach John business fell largely below the results for the previous fiscal year. In terms of profit, we recorded a significant operating loss due to decreased sales, higher cost rate which was impacted by the weak yen, and impairment charges on goodwill and other intangible assets.

Net Sales:	11,626 million yen (a decrease of 6.9% as compared to the previous fiscal year)
Operating loss:	6,296 million yen (as compared to 83 million yen of operating income recorded for the previous fiscal year)

d. 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”), although sales from our material business showed favorable performance as a result of new transactions, overall sales from Lecien fell largely below the results for the previous fiscal year due to the weak performance of our core innerwear business division, as well as our apparel business division. In terms of profit, although profitability is improving as a result of the full operation of factories at our overseas subsidiaries, we recorded an operating loss as a result of a lower gross margin rate due to higher processing charges and purchasing costs, which were impacted by the weak yen, in addition to the influence of decreased sales.

As for Nanasai Co., Ltd. (“Nanasai”), which engages in manufacturing, sales and rentals of mannequins and interior design and construction of stores at commercial facilities, while the sales business performed poorly, sales from the rental business exceeded the results for the previous fiscal year as a result of new transactions. Sales from the construction business also showed strong performance as a result of an increase in the number of orders received from clients, and as a result, overall sales exceeded the results for the previous fiscal year. In terms of profit, operating income fell below the results for the previous fiscal year due to the influence of the higher cost rate in the construction business.

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

Net Sales:	19,829 million yen (an increase of 1.3% as compared to the previous fiscal year)
Operating income:	158 million yen (a decrease of 65.4% as compared to the previous fiscal year)

Forecast for Next Fiscal Year

We anticipate that the management environment surrounding our group will continue to remain very difficult. As we are in the last year of our three-year mid-term plan (from fiscal year 2014 to fiscal year 2016), we plan to respond flexibly to the external environment, to accelerate initiatives by utilizing the resources of our group as a whole, and to establish a business basis for our next mid-term plan.

In our domestic business, we will observe changes in the market environment which is showing a recovery trend. We will make efforts to expand our share of sales and expand the number of customers by making approaches into areas, price-ranges and age groups which we believe have further growth potential, and we will develop differentiated products based on our strengths and will make investments for enhancing customer contact. We will also gradually work on improving systems for sales in growing business areas other than our women’s innerwear business. With respect to the swimwear business that we assumed, we will utilize our sales and distribution channels and the customer base of our group to nurture the swimwear business as a new pillar of sales.

In our overseas business, we will work to strengthen the growth of our Wacoal brand business under the centralized system in Europe, and at the same time, we will seek to expand our market share in the high-end market in the United States and to establish a stable profit structure in China.

Our group, as a whole, will shift its mass-production capacity to the ASEAN region to cope with increased salaries and the weakening of the Japanese yen in Asian countries and will build production facilities which can ensure a steady supply.

Our forecast for the next fiscal year is as follows. With regard to the primary exchange rates, the exchange rate for the U.S. dollar is assumed to be 120 yen to the dollar, the exchange for the Sterling pound is assumed to be 180.5 yen to the pound, and the exchange rate for the Chinese yuan is assumed to be 19.5 yen to the yuan.

Net Sales:	205,000 million yen (an increase of 6.9% as compared to the previous fiscal year)
Operating income:	14,000 million yen (an increase of 97.7% as compared to the previous fiscal year)
Pre-tax net income:	14,500 million yen

(an increase of 27.8% as compared to the previous fiscal year)

Net income 10,000 million yen
attributable to Wacoal (an increase of 18.4% as compared to the previous fiscal year)
Holdings Corp.:

(2) Analysis of Financial Condition

Status of Assets, Liabilities and Shareholders' Equity

Our total assets as of March 31, 2015 were 300,272 million yen, an increase of 28,284 million yen from the end of the previous fiscal year, due to increases in cash and cash equivalents and investments.

With regard to liabilities, our current liabilities were 68,704 million yen, an increase of 4,252 million yen from the end of the previous fiscal year, due to increases in accounts payable and deferred income taxes.

Shareholders' equity was 228,857 million yen, an increase of 23,751 million yen from the end of the previous fiscal year, due to increases in retained earnings, foreign currency translation adjustments and unrealized gain on securities.

As a result of the above, our total shareholders' equity ratio as of March 31, 2015 was 76.2%, an increase of 0.8% from the end of the previous fiscal year.

Cash Flows Status

Cash flow provided by operating activities:

Cash flow provided by operating activities was 14,337 million yen, an increase of 5,388 million yen as compared to the previous fiscal year, which reflects the result of adjusting the net income of 8,744 million yen for depreciation expenses and deferred taxes, as well as changes in assets and liabilities.

Cash flow provided by investing activities:

Cash flow provided by investing activities was 164 million yen, a decrease of 1,494 million yen as compared to the previous fiscal year, due to proceeds from the sale and redemption of marketable securities and proceeds from the sale of investment securities.

Cash flow used in financing activities:

Cash flow used in financing activities was 8,391 million yen, an increase of 2,837 million yen as compared to the previous fiscal year, due to cash dividend payments, repayment of short-term bank loans and proceeds from issuance of long-term debt.

As a result, the balance of cash and cash equivalents at the end of fiscal year 2015, calculated by adding the exchange difference on cash and cash equivalents to the above total, was 38,410 million yen, an increase of 7,752 million yen as compared to the end of the previous fiscal year.

Free cash flow, which was calculated by subtracting the amount of capital investment from the cash flow provided by operating activities, amounted to 9,859 million yen.

Trends in certain cash-flow indicators

	Fiscal Year Ended March 31, 2013	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2015
Shareholders' equity ratio (%)	73.3	75.4	76.2
Shareholders' equity ratio based on market value (%)	56.1	54.5	63.4
Debt redemption years (years)	1.5	2.0	1.0
Interest coverage ratio (times)	76.5	91.3	143.4

Shareholders' equity ratio = shareholders' equity/total assets

Shareholders' equity ratio based on the market value = aggregate market value of shareholders' equity/total assets

Debt redemption years = interest-bearing debt/cash flow provided by operating activities

Interest coverage ratio = cash flow provided by operating activities/interest payment

Interest payment = "cash payment/interest" as described in the supplemental information to the consolidated cash flow statements

(3) Basic Policy Regarding Distribution of Profits and Dividends for Fiscal 2015 and Fiscal 2016

Our basic policy on profit distribution to shareholders is to make stable distributions based on consideration of our consolidated performance, while seeking to increase our enterprise value through active investment 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 in expanding new points of

contact with customers for our innerwear business and investing in our overseas businesses. We also plan to use our retained earnings in our 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 flexibly acquire treasury stock, and we will try to improve capital efficiency and return profits to our shareholders.

Based on such policy, we plan to distribute 30.00 yen per share, as initially announced. For fiscal year ending March 31, 2016, we plan to distribute 33.00 yen per share.

(4) Business Risks

These matters have not significantly changed since disclosure in our annual report for the year ended March 31, 2014, and are omitted.

For a financial summary for the year ended March 31, 2014 disclosing the above matters, please refer to the following URL.

Our homepage:

<http://www.wacoalholdings.jp/ir/library.html>

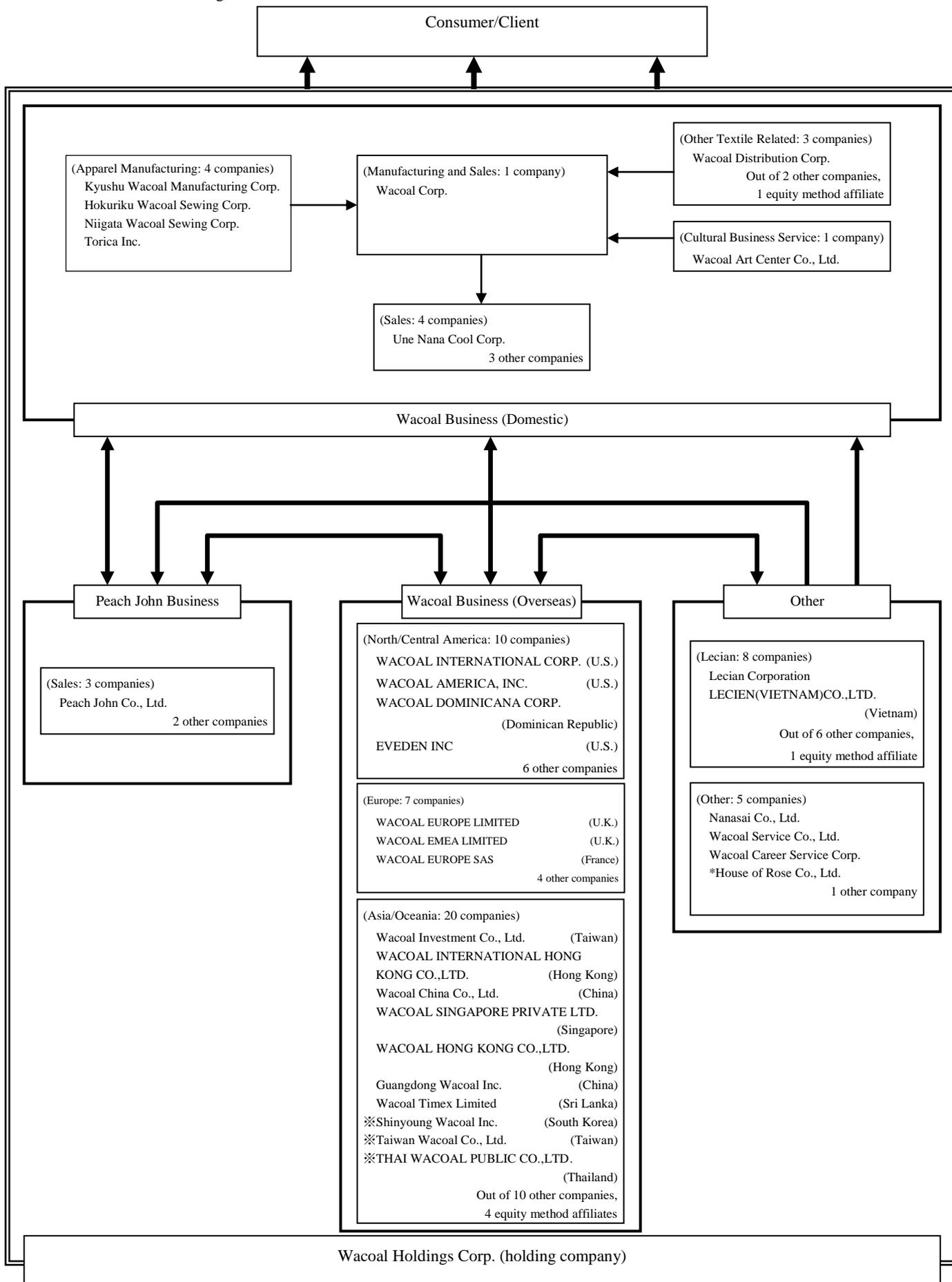
2. Status of Corporate Group

Our corporate group consists of Wacoal Holdings Corp. (the “Company”), 56 subsidiaries and 10 affiliates, and is principally engaged in the manufacturing and wholesale distribution of innerwear (primarily women’s foundation wear, lingerie, nightwear and children’s underwear), outerwear, sportswear, and other textile goods and related products, as well as the direct sale of certain products to consumers. Our corporate group also conducts business in the restaurant, culture, services, and interior design businesses.

Segment information and a summary of the various companies that make up our corporate group are as follows.

Business Segment	Operating Segment	Major Affiliated Companies
Wacoal Business (Domestic)	Manufacturing and Sales	Wacoal Corp. (Total: 1 company)
	Sales	Une Nana Cool Corp. Three other companies (Total: 4 companies)
	Apparel Manufacturing	Kyushu Wacoal Manufacturing Corp., Hokuriku Wacoal Sewing Corp., Niigata Wacoal Sewing Corp., Torica Inc. (Total: 4 companies)
	Other Textile Related	Wacoal Distribution Corp. Two other companies (Total: 3 companies)
	Cultural Business Service	Wacoal Art Center, Ltd. (Total: 1 company)
	Other Business	Wacoal Holdings Corp. (Total: 1 company)
Wacoal Business (Overseas)	Manufacturing and Sales	Wacoal America, Inc., Wacoal EMEA Ltd. (U.K.), Wacoal China Co., Ltd., Shinyoung Wacoal Inc. (South Korea), Taiwan Wacoal Co., Ltd., Thai Wacoal Public Co., Ltd. Four other companies (Total: 10 companies)
	Sales	Wacoal Singapore Private Ltd., Wacoal Hong Kong Co., Ltd., Wacoal Europe SAS (France), Wacoal (UK) Ltd., EVEDEN INC. (U.S.) Ten other companies (Total: 15 companies)
	Apparel Manufacturing	Wacoal Dominicana Corp. (Dominican Republic), Guandong Wacoal Inc., Eveden Timex Limited (Sri Lanka) Three other companies (Total: 6 companies)
	Other Textile Related	Wacoal International Hong Kong Co., Ltd. (Total: 1 company)
	Other Business	Wacoal International Corp. (U.S.), Wacoal Europe Ltd. (U.K.), Wacoal Investment Co., Ltd. (Taiwan) Two other companies (Total: 5 companies)
Peach John Business	Sales	Peach John Co., Ltd. Two other companies (Total: 3 companies)
Other	Manufacturing and Sales	Lecien Corporation One other company (Total: 2 companies)
	Apparel Manufacturing	Lecien (Vietnam) Co., Ltd. Four other companies (Total: 5 companies)
	Other Textile Related	Shanghai Lecien Co., Ltd. (Total: 1 company)
	Other Business	Nanasai Co., Ltd., Wacoal Service Co., Ltd., Wacoal Career Service Corp., House of Rose Co., Ltd. One other company (Total: 5 companies)

The business distribution diagram is as follows:



Without mark: a consolidated subsidiary
 *: an equity method affiliate

3. Management Policies

(1) Basic Business Policy

Our group endeavors to support beautiful living for women by being a “company that resonates with women.” By capturing both body and mind, and working to support each and every woman’s expression of her own inner and outer beauty, we are working actively to develop a “body designing business.” To put this theme into action and achieve resonance with our customers, we provide real value with the beauty, comfort and health products and services of our Intimate Apparel and Wellness businesses. We believe that such activities will appeal to customers and enhance their loyalty to the Wacoal brand. We also believe that by continually growing our company and gaining customer support through such activities, we can also increase shareholder value. On the premise that expanding business operations will lead to increased profits and contribute to employee job opportunity and satisfaction, we endeavor to create new value while vitalizing the market as a leading company.

At the same time, we recognize that it is essential to actively engage in CSR (“corporate social responsibility”) activities to build mutual trust in order to gain the trust and support of various stakeholders. We believe that operating our business with due attention to CSR and promoting activities that contribute to society in areas where we can make the most of Wacoal’s originality are important to strengthening our brand and establishing a competitive position.

(2) Measures for Business Targets

For the near future, our target is to achieve a consolidated operating income margin of 7% or higher.

(3) Our Medium- and Long-term Business Strategy

Our group aims for “Wacoal of the World as a Group” with the implementation of the three-year mid-term plan (from fiscal year 2014 to fiscal year 2016) which we implemented in fiscal year 2014. In order to achieve our aim, we will take full advantage of our management resources by selecting and focusing our business operations and expand our business operations by broadening the areas and scope where we are most competitive.

Under the three-year mid-term plan, we aim to achieve consolidated sales of 200,000 million yen and a consolidated operating income of 14,000 million yen.

Basic Policy of Mid- and Long-term Strategy

(i) Progress toward Global Company

We will promote our business expansion in five regions, Japan, the Americas, Europe, China and Asia, and will enhance our competitiveness in the respective markets of these regions.

(ii) Strengthening Collective Group Resources through Collaboration

In addition to the collaboration among group companies in Japan, we will also aim to promote our collaboration with our overseas entities and will make efforts to enhance efficiency and competitiveness through effective combination of the assets, brand recognition, know-how and function of each entity.

(iii) Strengthening Management

It is essential that we change our management so that we can ensure profits while responding to the unpredictable changes in the market environment in Japan and overseas. We will make efforts to improve our operating margins by thoroughly managing aggregate inventories, sales and production at all group companies.

(iv) Promotion of CSR Activities

Our group aims to engage in CSR activities “where we can openly conduct our business activities in any business process and provide products that fulfill our customers’ demands”. Each one of us will aim to build trust with our customers and society through such activities.

(4) Issues to Address

Maintaining and/or expanding sales and profits from our domestic business is an essential factor for our group’s sustainable growth. The environment surrounding the domestic women’s innerwear market is becoming very difficult due to factors including rising prices impacted by the weak yen and the consumption tax increase, associated changes in consumer purchasing behavior, and a decreasing trend in the number of the working population in the future. On the other hand, a rise in consumption by wealthy segments of the population encouraged by high stock prices, a growth in inbound consumption due to an increase in the number of tourists visiting Japan, and women’s participation and success in society, are good opportunities for us to create new values. Under this external environment, we will revitalize the entire market as a leader in the industry, and make investments to enhance customer contact. In terms of product strategy, we will expand high volume products and

maintain a high value-added market, and strengthen our approach to the first-bra age group and senior customers by using our own data and know-how which we gained from our longtime research and development. We will also review our sales organization in order to gain more sales opportunities and will make efforts to seize market share in those regions where our market share remains low or zero. For the purpose of increasing inbound sales, we will build a system that can take advantage of opportunities to develop pre-stage brand products and enrich sales and services.

In addition, there is an urgent need for us to develop new business lines besides our domestic women's innerwear business. We will establish a new business line which can effectively utilize our nationwide distribution channels and our unique research and development capabilities, as well as our technical expertise so that it can become our second pillar of sales.

We consider our overseas business as our group's biggest growth engine. An accurate understanding of the social environment and consumers' needs in each country and region the establishment of community-based product and marketing strategies will be essential for us to achieve our aim to become a "Wacoal of the World". We will establish a sustainable and highly profitable structure by aggressively promoting the centralization of the management system for our business in Europe, expanding business through our new sales channel in the United States, expanding sales of our new brand products targeting the middle-class market and improving the earnings ratio for our business in China.

We are also facing challenges in an increasingly difficult external environment for manufacturing due to increasing salary in Asian countries and rising prices of raw materials.

4. Basic Policies regarding Selection of Accounting Standards

Our group has been preparing our consolidated financial statements based on U.S. accounting standards prior to the introduction of the accounting standards for consolidated financial statements in Japan and, for this reason, we have been adopting U.S. accounting standards.

In view of adopting International Financial Reporting Standards in the future, our group is making efforts to prepare internal manuals and guidelines.

5. Consolidated Financial Statements (Unaudited)

(1) Consolidated Balance Sheets

Accounts	As of March 31, 2014	As of March 31, 2015	Amount Increased/(Decreased)
(Assets)	Millions of Yen	Millions of Yen	Millions of Yen
I. Current assets			
Cash and cash equivalents	30,658	38,410	7,752
Time deposits	2,168	2,687	519
Marketable securities	3,523	2,387	(1,136)
Notes and accounts receivables	26,269	26,544	275
Allowance for returns and doubtful receivables	(2,321)	(2,409)	(88)
Inventories	40,211	42,893	2,682
Deferred income taxes	4,848	5,488	640
Other current assets	4,132	4,264	132
Total current assets	109,488	120,264	10,776
II. Property, Plant and Equipment			
Land	21,994	22,009	15
Buildings and structures	63,024	64,038	1,014
Machinery and equipment	15,446	16,760	1,314
Construction in progress	<u>147</u>	<u>923</u>	<u>776</u>
	100,611	103,730	3,119
Accumulated depreciation	(51,633)	(54,542)	(2,909)
Net property, plant and equipment	48,978	49,188	210
III. Other assets			
Investments in affiliated companies	18,894	22,052	3,158
Investments	45,951	59,963	14,012
Goodwill	22,723	18,750	(3,973)
Other intangible assets	13,688	12,739	(949)
Prepaid pension expenses	5,666	10,577	4,911
Deferred income taxes	1,008	982	(26)
Other	5,592	5,757	165
Total other assets	113,522	130,820	17,298
Total Assets	271,988	300,272	28,284

Accounts	As of March 31, 2014	As of March 31, 2015	Amount Increased/(Decreased)
(Liabilities)	Millions of Yen	Millions of Yen	Millions of Yen
I. Current Liabilities			
Short-term bank loans	16,630	10,038	(6,592)
Notes and accounts payables			
Trade notes	1,064	1,031	(33)
Trade accounts	10,657	11,346	689
Other payables	<u>5,764</u>	<u>6,686</u>	<u>922</u>
	17,485	19,063	1,578
Accrued payroll and bonuses	7,085	6,936	(149)
Income taxes payable	1,224	2,064	840
Current portion of long-term debt	695	534	(161)
Other current liabilities	3,489	3,667	178
Total current liabilities	46,608	42,302	(4,306)
II. Long-term liabilities			
Long-term debt	822	4,245	3,423
Liabilities for termination and retirement benefit	1,795	1,680	(115)
Deferred income taxes	13,611	18,796	5,185
Other long-term liabilities	1,616	1,681	65
Total long-term liabilities	17,844	26,402	8,558
Total liabilities	64,452	68,704	4,252
(Equity)			
I. Common stock	13,260	13,260	-
II. Additional paid-in capital	29,587	29,642	55
III. Retained earnings	151,468	155,264	3,796
IV. Accumulated other comprehensive income (loss)			
Foreign currency translation adjustments	2,310	10,831	8,521
Unrealized gain on securities	11,606	20,821	9,215
Pension liability adjustments	(227)	1,934	2,161
V. Treasury stock	(2,898)	(2,895)	3
Total Wacoal Holdings Corp. shareholders' equity	205,106	228,857	23,751
VI. Noncontrolling interests	2,430	2,711	281
Total equity	207,536	231,568	24,032
Total liabilities and equity	271,988	300,272	28,284

(2) Consolidated Statements of Income

Accounts	Fiscal Year Ended March 31, 2014		Fiscal Year Ended March 31, 2015		Amount Increased/(Decreased) Millions of Yen
	Millions of Yen	%	Millions of Yen	%	
I. Net Sales	193,781	100.0	191,765	100.0	(2,016)
II. Operating costs and expenses					
Cost of sales	91,008	47.0	90,722	47.3	(286)
Selling, general and administrative expenses	88,819	45.8	87,902	45.8	(917)
Losses on sale of fixed assets, net	94	0.0	38	0.0	(56)
Impairment charges on goodwill and other intangible assets	-		6,021	3.2	6,021
Total operating costs and expenses	179,921	92.8	184,683	96.3	4,762
Operating income	13,860	7.2	7,082	3.7	(6,778)
III. Other income (expenses)					
Interest income	97		142		45
Interest expense	(105)		(98)		7
Dividend income	831		1,011		180
Gain or loss on sale or exchange of marketable securities and investments - net	84		1,585		1,501
Valuation gain or loss on marketable securities and investments - net	(47)		(14)		33
Gain on sale of paintings	-		1,405		1,405
Other - net	313		229		(84)
Total other income (expenses)	1,173	0.6	4,260	2.2	3,087
Income before income taxes, equity in net income of affiliated companies	15,033	7.8	11,342	5.9	(3,691)
Income taxes					
Current	5,256	2.8	5,223	2.7	(33)
Deferred	385	0.2	(1,920)	(1.0)	(2,305)
Total income taxes	5,641	3.0	3,303	1.7	(2,338)
Income before equity in net income of affiliated companies	9,392	4.8	8,039	4.2	(1,353)
Equity in net income of affiliated companies	985	0.5	705	0.4	(280)
Net income	10,377	5.4	8,744	4.6	(1,633)
Net income attributable to non-controlling interests	(271)	(0.1)	(300)	(0.2)	(29)
Net income attributable to Wacoal Holdings Corp.	10,106	5.2	8,444	4.4	(1,662)

(3) Consolidated Statements of Comprehensive Income

Accounts	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2015	Amount Increased/(Decreased)
	Millions of Yen	Millions of Yen	Millions of Yen
I. Net income	10,377	8,744	(1,633)
II. Other comprehensive income (loss) – net of tax			
Foreign currency translation adjustments	8,369	8,671	302
Net unrealized gain on securities	2,302	9,242	6,940
Pension liability adjustments	1,701	2,156	455
Other comprehensive income (loss)	12,372	20,069	7,697
Comprehensive income (loss)	22,749	28,813	6,064
Comprehensive income attributable to noncontrolling interests	(412)	(472)	(60)
Comprehensive income (loss) attributable to Wacoal Holdings Corp.	22,337	28,341	6,004

(4) Consolidated Statements of Equity

Fiscal Year Ended March 31, 2014

Item	Equity								
	Shares of Outstanding Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated other comprehensive income	Treasury stock	Total Shareholders' Equity	Noncontrolling Interests	Total Equity
	Thousand shares	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
As of April 1, 2013	140,844	13,260	29,514	145,306	1,458	(2,892)	186,646	2,179	188,825
Cash dividends paid to Wacoal Holdings Corp. shareholders (28.00 yen per share)				(3,944)			(3,944)		(3,944)
Cash dividends paid to noncontrolling interests							-	(148)	(148)
Repurchase of treasury stock	(6)					(6)	(6)		(6)
Sale of treasury stock	1					0	0		0
Equity transactions with noncontrolling interests			4				4	(13)	(9)
Other			69				69		69
Net income				10,106			10,106	271	10,377
Other comprehensive income (loss)					12,231		12,231	141	12,372
As of March 31, 2014	140,839	13,260	29,587	151,468	13,689	(2,898)	205,106	2,430	207,536

Fiscal Year Ended March 31, 2015

Item	Equity								
	Shares of Outstanding Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated other comprehensive income	Treasury stock	Total Shareholders' Equity	Noncontrolling Interests	Total Equity
	Thousand shares	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
As of April 1, 2014	140,839	13,260	29,587	151,468	13,689	(2,898)	205,106	2,430	207,536
Cash dividends paid to Wacoal Holdings Corp. shareholders (33.00 yen per share)				(4,648)			(4,648)		(4,648)
Cash dividends paid to noncontrolling interests							-	(190)	(190)
Repurchase of treasury stock	(3)					(3)	(3)		(3)
Sale of treasury stock							-		-
Equity transactions with noncontrolling interests			0				0	(1)	(1)
Other	5		55			6	61		61
Net income				8,444			8,444	300	8,744
Other comprehensive income (loss)					19,897		19,897	172	20,069
As of March 31, 2015	140,841	13,260	29,642	155,264	33,586	(2,895)	228,857	2,711	231,568

(5) Consolidated Statements of Cash Flows

Accounts	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2015	Amount Increased/(Decreased)
	Millions of Yen	Millions of Yen	Millions of Yen
I. Operating activities			
1. Net income	10,377	8,744	(1,633)
2. Adjustments to reconcile net income to net cash provided by operating activities			
(1) Depreciation and amortization	5,036	5,074	38
(2) Provision for returns and doubtful receivables - net	365	(45)	(410)
(3) Deferred income taxes	385	(1,920)	(2,305)
(4) Gain or loss on sales of fixed assets -net	94	38	(56)
(5) Impairment charges on goodwill and other intangible assets	-	6,021	6,021
(6) Gain or loss on sale or exchange of marketable securities and investments -net	(84)	(1,585)	(1,501)
(7) Valuation gain or loss on marketable securities and investments -net	47	14	(33)
(8) Gain on sale of paintings	-	(1,405)	(1,405)
(9) Equity in net income of affiliated companies, less dividends	(272)	(27)	245
(10) Changes in assets and liabilities			
Decrease (increase) in notes and receivable	(1,368)	534	1,902
Increase in inventories	(339)	(1,038)	(699)
Decrease (increase) in other current assets	636	(442)	(1,078)
Increase (decrease) in notes and accounts payable	(1,541)	1,302	2,843
Decrease in liabilities for termination and retirement benefits	(827)	(1,601)	(774)
Increase (decrease) in other liabilities	(3,649)	505	4,154
(11) Other	89	168	79
Net cash flow provided by operating activities	8,949	14,337	5,388
II. Investing activities			
1. Increase in time deposits	(2,347)	(3,548)	(1,201)
2. Decrease in time deposits	2,291	3,383	1,092
3. Proceeds from sale and redemption of marketable securities	1,439	3,210	1,771
4. Payments to acquire marketable securities	(115)	(1,310)	(1,195)
5. Proceeds from sale of paintings	-	1,785	1,785
6. Proceeds from sale of property, plant and equipment	24	174	150
7. Capital expenditure	(2,265)	(3,093)	(828)
8. Payments to acquire intangible assets	(1,199)	(1,385)	(186)
9. Proceeds from sale of other investments	4,121	1,527	(2,594)
10. Payments to acquire investments	(264)	(611)	(347)
11. Payments to acquire additional shares of a subsidiary	(8)	(1)	7
12. Proceeds from sale of shares of an affiliated company	-	6	6
13. Other	(19)	27	46
Net cash flow provided by investing activities	1,658	164	(1,494)
III. Financing activities			
1. Net decrease in short-term bank loans	(555)	(6,784)	(6,229)
2. Proceeds from issuance of long-term debt	-	4,460	4,460
3. Repayment of long-term debt	(901)	(1,226)	(325)
4. Repurchase of treasury stock	(6)	(3)	3
5. Sale of treasury stock	0	-	(0)
6. Dividends paid on common stock	(3,944)	(4,648)	(704)
7. Dividends paid to noncontrolling interests	(148)	(190)	(42)
Net cash flow used in financing activities	(5,554)	(8,391)	(2,837)
IV. Effect of exchange rate changes on cash and cash equivalents	1,091	1,642	551
V. Net increase in cash and cash equivalents	6,144	7,752	1,608
VI. Cash and cash equivalents, beginning of year	24,514	30,658	6,144
VII. Cash and cash equivalents, end of year	30,658	38,410	7,752

Additional Cash Flow Information

Accounts	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2015	Amount Increased/(Decreased)
Cash paid for			
Interest	98	100	2
Income taxes	8,305	4,497	(3,808)
Noncash investing activities			
Acquisition of fixed assets by assuming payment obligation	582	419	(163)

(6) Notes on Going Concern

Not applicable.

(7) Basic Significant Matters in Preparation of Consolidated Financial Statements

(i) Matters Regarding the Scope of Consolidation and Application of the Equity Method

Major consolidated subsidiaries:

Wacoal Corporation, Peach John Co., Ltd., Lecien Corporation, Kyushu Wacoal Manufacturing Corp., Torica Co., Ltd., Nanasai Co., Ltd., Wacoal International Corp., Wacoal America Inc., Wacoal Europe Ltd., Wacoal EMEA Ltd., Wacoal Europe SAS, Wacoal Hong Kong Co., Ltd., Wacoal Investment Co. (Taiwan), Ltd., Wacoal China Co., Ltd. and Wacoal International Hong Kong Co., Ltd.

Major Affiliated Companies:

Shinyoung Wacoal Inc., Taiwan Wacoal Co., Ltd. and Thai Wacoal Public Co., Ltd.

(ii) Changes Regarding Subsidiaries and Affiliates

Consolidated (new):

Ai CO., LTD.

Consolidated (excluded):

Kabushiki Kaisha Honey Bee

(iii) Standard of Preparation of Consolidated Financial Statements

The consolidated financial statements have been prepared based on terms, format and preparation methods in compliance with accounting standards generally accepted in the United States as required in connection with the issuance of American Depositary Receipts. For this reason, the consolidated financial statements may be different from those that have been prepared based on the Consolidated Financial Statement Regulations and the Standard of Preparation of Consolidated Financial Statements in Japan.

(iv) Significant Accounting Policies

a. Valuation Standard of Inventories

The average cost method was mainly used for goods, products and supplies, and the first-in first-out method was used for raw materials, with both valued at the lower of cost or market.

b. Valuation Standard of Property, Plant and Equipment and Method of Depreciation

Property, plant and equipment are valued at the acquisition cost. Depreciation expenses are calculated mainly using the fixed-rate method based on the estimated useful lives of the assets (the lease term is used for capitalized leased assets).

c. Valuation Standard of Marketable Securities and Investments

Based on the provisions of U.S. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 320, marketable securities and investments have been classified as "available for sale securities" and "held-to-maturity securities". "Available for sale securities" are valued at fair value and "held-to-maturity securities" are valued at amortized cost. Gain or loss on sale of marketable securities is calculated based on acquisition cost using the moving-average method. Nonmarketable securities are valued at cost using the moving-average method.

d. Liabilities for Termination and Retirement Benefits

This is accounted for based on FASB ASC 715.

e. Consumption Taxes

Consumption taxes have been excluded from sales.

f. Consolidated Statements of Cash Flows

In preparing the consolidated cash flow statements, time deposits with original maturities of three (3) months or less have been included in cash and cash equivalents.

(8) Notes to the Consolidated Financial Statements

(i) Marketable Securities and Investments

(Millions of Yen)

	As of March 31, 2014				As of March 31, 2015			
	Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value	Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value
Marketable Securities								
National debt securities	10	-	0	10	10	-	-	10
Corporate debt securities	500	2	-	502	500	1	-	501
Mutual Fund	2,483	428	5	2,906	1,104	291	5	1,390
Total	2,993	430	5	3,418	1,614	292	5	1,901
Investments								
Equity securities	23,844	20,333	7	44,170	23,587	34,461	0	58,048
Total	23,844	20,333	7	44,170	23,587	34,461	0	58,048

(Note) Securities which are classified as available for sale securities are shown in the above table and investments in nonmarketable equity securities for which there are no readily determinable fair values are not shown.

(ii) Contract Amount, Market Value and Valuation Profit/Loss of Derivative Transactions

Our subsidiaries have been utilizing foreign exchange forward contracts to prepare for exposure to market risks from changes in foreign exchange rates. The disclosure of gains and losses of such contracts has been omitted as the amounts involved are non-material.

(iii) Per Share Information

	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2015
Net income attributable to Wacoal Holdings Corp.	10,106 million yen	8,444 million yen
Number of average shares issued during the year (excluding treasury stock)	140,841,722 shares	140,839,059 shares
Net income attributable to Wacoal Holdings Corp. per share	71.75 yen	59.95 yen
Diluted net income attributable to Wacoal Holdings Corp. per share	71.61 yen	59.80 yen

(iv) Segment Information

a. Operating Segment Information

Fiscal Year Ended March 31, 2014 (April 1, 2013 - March 31, 2014)

(Millions of Yen)

	Wacoal business (Domestic)	Wacoal business (Overseas)	Peach John business	Other	Total	Elimination	Consolidated
Net sales							
(1) External customers	118,085	43,636	12,482	19,578	193,781	-	193,781
(2) Intersegment	2,149	8,049	455	5,406	16,059	(16,059)	-
Total	120,234	51,685	12,937	24,984	209,840	(16,059)	193,781
Operating costs and expenses	110,950	47,648	12,854	24,528	195,980	(16,059)	179,921
Operating income	9,284	4,037	83	456	13,860	-	13,860

Fiscal Year Ended March 31, 2015 (April 1, 2014 - March 31, 2015)

(Millions of Yen)

	Wacoal business (Domestic)	Wacoal business (Overseas)	Peach John business	Other	Total	Elimination	Consolidated
Net sales							
(1) External customers	112,203	48,107	11,626	19,829	191,765	-	191,765
(2) Intersegment	1,906	8,592	650	5,046	16,194	(16,194)	-
Total	114,109	56,699	12,276	24,875	207,959	(16,194)	191,765
Operating costs and expenses	105,665	51,923	12,551	24,717	194,856	(16,194)	178,662
Impairment charges on goodwill and other intangible assets	-	-	6,021	-	6,021	-	6,021
Total operating costs and expenses	105,665	51,923	18,572	24,717	200,877	(16,194)	184,683
Operating income (loss)	8,444	4,776	(6,296)	158	7,082	-	7,082

(Note) 1. 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, nightwear and children's innerwear), outerwear, and other textile-related products, etc.

Other: innerwear (foundation, lingerie, nightwear and children's innerwear), outerwear, other textile-related products, mannequins, shop design and implementation, etc.

b. Information by Region

Fiscal Year Ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of Yen)

	Japan	Asia/Oceania	Europe/N.A.	Total	Elimination or corporate	Consolidated
I. Net sales						
External customers	149,715	14,871	29,195	193,781	-	193,781
II. Operating income	9,878	641	3,341	13,860	-	13,860
III. Long-lived assets	43,446	2,894	2,638	48,978	-	48,978

Fiscal Year Ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Millions of Yen)

	Japan	Asia/Oceania	Europe/N.A.	Total	Elimination or corporate	Consolidated
I. Net sales						
External customers	143,250	16,261	32,254	191,765	-	191,765
II. Operating income	2,351	1,226	3,505	7,082	-	7,082
III. Long-lived assets	43,200	2,998	2,990	49,188	-	49,188

- (Note) 1. Countries or areas are classified according to geographical proximity.
 2. Main countries and areas belonging to classifications other than Japan
 Asia/Oceania: various countries of East Asia, Southeast Asia and West Asia, and Australia
 Europe/N.A.: North America and European countries
 3. Sales in respect of consolidated companies are categorized by location.
 4. Long-lived assets include property, plant and equipment.

c. Overseas Sales

Fiscal Year Ended March 31, 2014 (April 1, 2013 - March 31, 2014)

(Millions of Yen)

	Asia/Oceania	Europe/N.A.	Total
I. Overseas net sales	14,871	29,195	44,066
II. Consolidated net sales	-	-	193,781
III. Ratio of overseas net sales to total consolidated net sales	7.7%	15.0%	22.7%

Fiscal Year Ended March 31, 2015 (April 1, 2014 - March 31, 2015)

(Millions of Yen)

	Asia/Oceania	Europe/N.A.	Total
I. Overseas net sales	16,261	32,254	48,515
II. Consolidated net sales	-	-	191,765
III. Ratio of overseas net sales to total consolidated net sales	8.5%	16.8%	25.3%

- (Note) 1. Countries or areas are classified according to geographical proximity.
 2. Main countries and areas belonging to classifications other than Japan
 Asia/Oceania: various countries of East Asia, Southeast Asia and West Asia, and Australia
 Europe/N.A.: North America and European countries

(v) Status of Sales

Type of product	Fiscal Year Ended March 31, 2014		Fiscal Year Ended March 31, 2015	
	Amount	Distribution ratio	Amount	Distribution ratio
	Millions of Yen	%	Millions of Yen	%
Innerwear				
Foundation and lingerie	144,322	74.5	142,681	74.4
Nightwear	9,301	4.8	9,514	5.0
Children's underwear	1,475	0.8	1,373	0.7
Subtotal	155,098	80.1	153,568	80.1
Outerwear/Sportswear	16,954	8.7	16,227	8.4
Hosiery	2,252	1.2	2,437	1.3
Other textile goods and related products	8,577	4.4	7,616	4.0
Other	10,900	5.6	11,917	6.2
Total	193,781	100.0	191,765	100.0

Omission of Disclosure:

We have omitted notes regarding the lease transactions, related-party transactions, stock options and income taxes etc. because we believe it is not sufficiently necessary to disclose information on these matters in these financial statements.

6. Other

Changes to Corporate Officers

The scheduled changes to the composition of the board of directors after the conclusion of the 67th ordinary general meeting of shareholders to be held on June 26, 2015 will be as follows.

1. Resignation of Director (as of June 26, 2015 (scheduled))

Hideo Kawanaka is scheduled to resign as Director and Vice President.

2. Appointment of Director (as of June 26, 2015 (scheduled))

Current Director and Senior Managing Corporate Officer, in charge of Administration and General Manager of Personnel and Administration Division of Wacoal Corp. Masashi Yamaguchi is scheduled to be appointed as Director.

Our Part-time Advisor Madoka Mayuzumi is scheduled to be appointed as Director (outside director).

3. Resignation of Audit & Supervisory Board Member (as of June 26, 2015 (scheduled))

Mitsuo Yamamoto is scheduled to resign as Audit & Supervisory Board Member.

Tomoharu Kuda is scheduled to resign as Audit & Supervisory Board Member (outside auditor).

4. Appointment of Audit & Supervisory Board Member (as of June 26, 2015 (scheduled))

Current Director and Corporate Officer, in charge of Technology/Production Division of Wacoal Corp. Kiyotaka Hiroshima is scheduled to be appointed as Audit & Supervisory Board Member.

Hiroshi Shirai, the representative of Shirai public accounting firm is scheduled to be appointed as Audit & Supervisory Board Member (outside auditor).

The management and administrative organization after the conclusion of the 67th Ordinary General Meeting of Shareholders to be held on June 26, 2015 will be as follows:

Management and Administrative Organization for the 68th Fiscal Year

<u>Director/Audit & Supervisory Board Member</u>	<u>Name</u>
Representative Director	Yoshikata Tsukamoto
Senior Managing Director	Hironobu Yasuhara
Managing Director	Yuzo Ide
Managing Director	Masaya Wakabayashi
Director	Masashi Yamaguchi
Director (outside director)	Mamoru Ozaki
Director (outside director)	Atsushi Horiba
Director (outside director)	Madoka Mayuzumi
Audit & Supervisory Board Member	Tomoki Nakamura
Audit & Supervisory Board Member	Kiyotaka Hiroshima
Audit & Supervisory Board Member (outside auditor)	Akira Katayanagi
Audit & Supervisory Board Member (outside auditor)	Yoko Takemura
Audit & Supervisory Board Member (outside auditor)	Hiroshi Shirai

(Reference)

The management and administrative organization for the 11th term of Wacoal Corporation will be as follows:

Management and Administrative Organization for the 11th Term

<u>Director/ Audit & Supervisory Board Member</u>	<u>Corporate Officer</u>	<u>Name</u>	<u>Responsibility</u>
Representative Director and Chairman		Yoshikata Tsukamoto	
Representative Director	President and Corporate Officer	Hironobu Yasuhara	
Director	Vice President and Corporate Officer	Yuzo Ide	In charge of International Division and General Manager of International Operations
Director	Vice President and Corporate Officer	Yasuyuki Nakatsutsumi	In charge of Domestic Sales
Director	Senior Managing Corporate Officer	Masashi Yamaguchi	In charge of Administration and General Manager of Personnel Division
Director	Managing Corporate Officer	Tomoyasu Ito	General Manager of Wacoal Brand Operation Division
Director	Corporate Officer	Kuniharu Suzuki	General Manager of Wing Brand Operation Division
Director	Corporate Officer	Hidehiko Imaizumi	General Manager of Retail Operation Division
Audit & Supervisory Board Member		Kiyotaka Hiroshima	
Audit & Supervisory Board Member		Hisashi Mazuyama	
	Managing Corporate Officer	Hideo Senoue	General Manager of Department Store Sales Control of Wacoal Brand Operation Division
	Managing Corporate Officer	Masatoshi Okuyama	General Manager of Regional Sales Control of Wacoal Brand Operation Division
	Corporate Officer	Yasuo Kamoshita	Chief of Corporate Planning
	Corporate Officer	Junko Kasai	Chief of Diversity Career Support Group of Personnel and Administration Division
	Corporate Officer	Akio Ouchi	General Manager of Information System Division
	Corporate Officer	Hiroshi Imai	Director of Human Science Research Center
	Corporate Officer	Hiroyuki Sekiguchi	General Manager of Wacoal Brand Operation Division
	Corporate Officer	Kazuhiro Shibahara	General Manager of Product Control and Sales Manager of Innerwear Products, Wacoal Brand Operation Division
	Corporate Officer	Atsushi Kotani	General Manager of Chain Stores Sales Control, Wacoal Brand Operation Division
	Corporate Officer	Katsuya Kodama	General Manager of Sales Control and Tokyo Sales Officer, Wing Brand Operation Division
	Corporate Officer	Masaaki Yajima	General Manager of Technology/Production Division
	Corporate Officer	Masami Ono	Director, General Manager of Wacoal China Co., Ltd.

- End -