



New Points of Contact

Strong Brand Power

Growth Opportunities

WACOAL
ANNUAL REPORT
2001

Global Potentialities

Value-Added Businesses

The Body Designing Business

To Our Shareholders and Investors -- 2
Wacoal's Growth Opportunities -- 4

CONTENTS

Highlights of the Year -- 12
Wacoal 2001 -- 13
 Financial Highlights -- 13
 Review of Operations -- 14
 Financial Review -- 16
 Financial Summary -- 17
 Consolidated Financial Statements -- 18
 Independent Auditors' Report -- 31
Board of Directors and Corporate Auditors -- 32
Corporate Data -- 32
International Network -- 33

Strong Brand Power -- 4

New Points of Contact -- 6

Value-Added Businesses -- 8

Global Potential -- 10

Wacoal's New Business Concept: Body Designing

Wacoal Corp. has been a leading company in the Japanese market for women's intimate apparel for more than half a century, working hand-in-hand with its customers to make them look and feel more beautiful. Based on the principle of giving women the opportunity to express the individual natural beauty of both the physical and emotional aspects of their bodies, the Company is developing a new business concept for the 21st century: Body Designing. Wacoal is also continuing to enhance its corporate value by providing products and services that respond to the changing lifestyles and values of women, utilizing its core competences in product development and extensive research in the field of human science. Emboldened by its innovative Body Designing business concept, Wacoal is striving to capitalize on the emerging opportunities in the marketplace while working to create a fresh image for the Company, inspired by the customers it serves.

Forward-Looking Statements

Statements contained in this annual report that are not historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from those anticipated in these statements.