

■ Sales Summary

Jun. 2020

Overview

Wacoal (Japan) Sales Summary (Jun. 2020)

•Wholesale Business

Sales (deliveries) for the wholesale business* came in at 78% for the month on a year-over-year (YoY) basis (a decrease of 22%) (May was 51%, a decrease of 49%). With the rescinding of the state of emergency declaration issued in response to spreading novel coronavirus infections, June store-based sales were on a recovery trend. However, while the mass retailer channel exceeded results compared to the same month last year, department stores in the centers of major cities struggled as they were unable to experience recoveries in customer traffic.

Additionally, deliveries were sluggish due to the impact of inventory control measures, etc. implemented by clients.

On the other hand, even after the reopening of physical stores, sales through our company's EC platform, the total of which combines both the Wacoal and Wing brands, have remained strong at about 170%.

Store-based sales results for the month of June: department stores 89% (May 27%), Wacoal brand at mass retailers 106% (May 52%), Wing brand at mass retailers 109% (May 60%), and undergarment specialty stores 85% (May 39%).

(*Figures include EC sales on our own company's platform for brands distributed in the wholesale business)

•Retail Business

For the retail store business*, sales were 102% on a YoY basis. With the resumption of store operations, sales at Amphi stores recovered to 98% YoY, while factory stores recovered to 96% YoY. However, while suburban stores and those in malls are performing well, stores at terminal train stations in major cities are struggling. On the other hand, and continuing from the previous month, by leading shop members to our company's own EC site, sales for directly managed store brands (Amphi, etc.) on our own EC platform came in at 220% YoY.

(*Figures include EC sales on our own company's platform for brands distributed in the retail store business)

Amphi shops: Existing stores 98%, new stores 98%

Factory stores: Existing stores 86%, new stores 96%

[Information related to store openings/closures]:[Opening] Factory store Yokohama Bayside

•Wacoal's Own EC Site

Even after the reopening of physical stores, sales on our own company's EC platform have remained strong, coming in at 185% YoY.

(Includes sales on our own company's EC platform for brands distributed through wholesale and retail channels)

As a result of the above, Wacoal sales were 84% on a YoY basis (May: 50%).

Peach John (Japan) Sales Summary (Jun. 2020)

Sales for Peach John's domestic business came in at 132% YoY (May: 93%). After stores resumed operations, the number of customers visiting the stores increased, and sales of standard products were strong, resulting in an increase of 107% on a YoY basis. Regarding our own company's EC platform, continuing from last month, the number of new customers visiting the site increased, and sales of both standard products and discounted products were strong, with results coming in at 153% YoY.

Overseas operations (store situation) are as follows.

Shanghai PJ: 80% (May 74%)

Though sales of standard products were in a recovery trend, the number of visitors did not increase, and sales remained sluggish.

PJ Hong Kong: 59% (May 42%)

In addition to the impact caused by the spread of the novel coronavirus, political instability also overlapped, and sales remained sluggish.

Taiwan PJ: 96% (May 106%)

Sales through our company's own EC platform were favorable due to the positive effects of promotions, but physical stores struggled due to declining tourist numbers.

Wacoal (Overseas) Sales Summary (Jun. 2020)

Though almost all department stores had reopened for business, store-based sales remained at a low level. Additionally, due to the impact of restrained customer orders, etc., Wacoal America sales for June were lower than those achieved for the same month in the previous year. While the physical store channel is struggling on the one hand, on the other, the department store EC channel is performing well. Additionally, sales through specialty EC and our own EC platform remain strong, supporting sales overall. Regarding IO Inc. (Lively), we were successful with our proactive advertising investments aimed at acquiring new customers, posting a year-over-year increase.

As a result of the above, sales for Wacoal International (IO Inc. and Wacoal America total) were 88% on a year-over-year (YoY) basis, which is a decline of 12% (May: 63%, a decline of 37%).

Concerning Wacoal Europe, though lockdowns targeting retailers were eased and almost all stores resumed business, due to the impacts of restricted operating hours for UK department stores and hardships experienced by US department stores, June sales fell below those recorded for the same month last year. Regarding our own EC channel operating in the UK, it has remained strong even after the reopening of physical stores and is exceeding the initial plan.

As a result of the above, Wacoal Europe sales for June were 80% on a YoY basis (20% decrease) (May: 45%, a 55% decline).

June sales for Wacoal China were 95% on a YoY basis (a decrease of 5%). Due to the impact of changing the timing of promotional events held in the same month the previous year, and a decrease in store visitors due to the spread of novel coronavirus infections in some areas, physical store sales struggled. Concerning our own EC platform, sales increased on a YoY basis due to the strong performance of Amphi products and increased sales resulting from a large-scale promotion held by the EC mall operator.

<Reference>Main Wacoal Subsidiaries (Overseas) *LC basis

Wacoal International (America)

•Channel(Wacoal+B.tempt'd)

	Jun.	YTD	Ratio
Store (Department)	39%	17%	31%
Store (outlet and retail)	—	2%	—
Department Store EC	125%	68%	24%
Third Party EC Sites	96%	106%	17%
Wacoal's Own EC Site	180%	162%	26%
Export (exclude Canada)	24%	9%	1%

Wacoal Europe

•Channel

	Jun.	YTD	Ratio
Department Store	44%	17%	10%
Independent (Speciality Store)	76%	48%	50%
Directly-Managed Store	150%	103%	13%
Third Party EC Sites	91%	68%	27%

Wacoal China

•Channel

	Jun.	YTD	Ratio
Department Store	84%	67%	52%
Third Party EC Sites	120%	111%	38%
Others	85%	61%	10%

•Brand

	Jun.	YTD	Ratio
Wacoal	71%	49%	77%
B.tempt'd	84%	50%	5%
CW-X	186%	141%	1%
LIVELY	—	—	16%

•Area

	Jun.	YTD	Ratio
UK	58%	35%	23%
Europe	98%	59%	31%
North America	80%	56%	35%
Others	94%	62%	11%

•Brand

	Jun.	YTD	Ratio
Wacoal	95%	75%	84%
Salute	112%	27%	8%
Amphi	243%	327%	1%
LA ROSABELLE	—	—	—
Peach John	83%	66%	7%

May 2020

Overview

Wacoal (Japan) Sales Summary (May 2020)

•Wholesale Business

With the state of emergency declared in response to the spread of novel coronavirus infections gradually being lifted, store-based sales during the final week of May recovered to about 80% year-over-year (YoY). However, due to the suspension of business from the start to the middle of May, sales in the physical store channel remained sluggish, continuing the April trend. On the other hand, sales through our in-house EC platform, the total of which combines both the Wacoal and Wing brands, exceeded 200%. Meanwhile, sales for bras designed for sleeping, such as the Night Up Bra, and wireless bras, such as GOCOCi and SUHADA, have remained strong due to demand generated by people staying at home. Store-based sales results for the month of May: department stores 27% (April 13%), Wacoal brand at mass retailers 52% (April 29%), Wing brand at mass retailers 60% (April 33%), and undergarment specialty stores 39% (April 28%).

Sales (deliveries) for the wholesale business came in at 51% for the month on a year-over-year (YoY) basis (a decrease of 49%*) (April was 28%, a decrease of 72%).

(*Figures include in-house EC sales of brands in the wholesale business).

•Retail Business

For the retail store business, sales were 39% on a YoY basis, a decrease of 61% (April 22%, a decrease of 78%).

Stores sequentially reopened for business in line with the lifting of the emergency declaration. After the restart, sales at Amphi stores recovered to about 95% on a YoY basis, while those at Wacoal factory stores recovered to about 80%. However, the suspension of business in the first half of May negatively impacted the month overall. On the other hand, EC-based sales for directly-operated brands (Amphi, etc.) came in at 322% YoY. In addition to consistently leading online members to our EC website during the period of physical store closures, the rapid growth in demand for comfort clothing such as loungewear and Night Up Bras due to people staying at home contributed to this result.

(*Figures include in-house EC sales of brands in the retail store business)

Amphi: Existing stores 24%, new stores 23% (April: existing stores 11%, new stores 11%)

Factory stores: Existing stores 19%, new stores 19% (April: existing stores 6%, new stores 6%)

[Information related to store openings/closures]:[Closure] Amphi Deux, Kyoto Marui

•Wacoal's Own EC Site

Physical store closures resulted in an increase in online store visitors and a rise in the purchase rate; as a result, in-house EC sales were 206% YoY.

As a result of the above, Wacoal sales were 50% on a YoY basis. (April: 28%, a decrease of 72%)

Peach John (Japan) Sales Summary (May 2020)

Sales for Peach John's domestic business came in at 93% YoY (April: 81%). Though stores sequentially reopened for business in line with the lifting of the emergency declaration, the suspension of business from the first half of May negatively impacted the month overall. On the other hand, in-house EC sales came in at 177% on a YoY basis. This is a result of strong staple product sales and an increase in visits by new customers due to collaborative products gaining topicality.

Overseas operations (store situation) are as follows.

Shanghai PJ: 74 %

Though sales of staple products were in a recovery trend, the number of visitors did not increase, and sales remained sluggish.

PJ Hong Kong: 42%

In addition to the impact caused by the spread of the novel coronavirus, political instability also overlapped, and sales remained sluggish.

Taiwan PJ: 106%

Though sales at stores decreased versus the previous year due to the impact caused by the spread of the novel coronavirus, sales through the in-house EC platform were favorable due to the positive effects of promotions.

Wacoal (Overseas) Sales Summary (May 2020)

As almost all stores were closed due to the spread of the novel coronavirus, Wacoal America sales for May were significantly lower than those achieved for the same month in the previous year. Though sales through department store EC platforms were firm, orders from clients are still restrained. On the other hand, the dedicated EC channel remained strong and is supporting the slumping wholesale business. Additionally, our own EC channel has significantly exceeded the results achieved for the same month last year due to an increase in online shopping demand across the entire market. Regarding IO Inc. (Lively), we were successful with our aggressive advertising investments and significantly increased the number of visitors, which led to sales exceeding the initial plan.

As a result of the above, sales for Wacoal International (IO Inc. and Wacoal America total) were 63% on a year-over-year (YoY) basis, which is a decline of 37% (April: 53%, a decline of 47%).

For Wacoal Europe, though lockdowns were eased in certain markets and retailers in some regions resumed business, declining sales centered around major regions such as the UK and US had an impact, and sales came in at 45% of a YoY basis, a decrease of 55% (April: 27%, a decrease of 73%).

Sales for Wacoal China were 111% on a YoY basis. Store-based sales exceeded those for the same month last year as the government's support activities for promoting sales were highly effective, thus prompting a recovery in customer numbers. EC sales on our own platform increased significantly on a YoY basis due to strong sales of Amphi products and our participation in new promotional measures implemented by EC mall operators.

<Reference>Main Wacoal Subsidiaries (Overseas) *LC basis

Wacoal International (America)

•Channel(Wacoal+B.tempt'd)

	May	YTD	Ratio
Store (Department)	6%	6%	8%
Store (outlet and retail)	—	3%	—
Department Store EC	52%	27%	11%
Third Party EC Sites	169%	113%	36%
Wacoal's Own EC Site	178%	154%	45%
Export (exclude Canada)	2%	2%	0%

Wacoal Europe

•Channel

	May	YTD	Ratio
Department Store	5%	6%	2%
Independent (Speciality Store)	47%	34%	50%
Directly-Managed Store	113%	78%	16%
Third Party EC Sites	59%	56%	31%

Wacoal China

•Channel

	May	YTD	Ratio
Department Store	108%	63%	74%
Third Party EC Sites	192%	107%	19%
Others	59%	55%	7%

•Brand

	May	YTD	Ratio
Wacoal	45%	37%	66%
B.tempt'd	27%	34%	4%
CW-X	187%	125%	2%
LIVELY	—	—	28%

•Area

	May	YTD	Ratio
UK	30%	26%	28%
Europe	60%	40%	27%
North America	49%	43%	33%
Others	70%	44%	12%

•Brand

	May	YTD	Ratio
Wacoal	115%	70%	84%
Salute	124%	65%	10%
Amphi	421%	375%	1%
LA ROSABELLE	—	—	—
Peach John	71%	60%	5%

April 2020

Overview

Wacoal (Japan) Sales Summary (April. 2020)

•Wholesale Business

After a state of emergency was declared in response to the spread of novel coronavirus infections, it was determined that sales personnel in applicable areas would stay at home starting from April 8. Additionally, after the state of emergency was expanded to cover the entire country on April 18, all sales personnel have been requested to stay at home since then. As of April 30, almost all stores have been closed (only some mass retailers remain open), and accordingly, sales derived from the physical store channel decreased significantly. Conversely, due to expanded demand because of people staying at home, EC channel sales of Wacoal brand and Wing brand sleep bras, such as the Night Up Bra, and the wireless bra GOCOCi have been comparatively strong. Store-based sales results for the month of April: department stores 13%, Wacoal brand at mass retailers 29%, Wing brand at mass retailers 33%, and undergarment specialty stores 28%. Sales (deliveries) for the wholesale business came in at 28% for the month on a year-over-year (YoY) basis (a decrease of 72%).

•Retail Business

For the retail store business, sales were 22% for the month on a YoY basis (a decrease of 78%). This reflects the fact that all stores (approximately 150 stores, including Amphi and factory stores) were closed from April 18 onward due to the spread of coronavirus infections. Regarding in-house EC sales for directly-operated store brands (Amphi, etc.), push marketing was successfully utilized for campaigns such as "Free shipping coupons," and "BRAGENIC general elections," increasing the number of customers aged 25 to 29 and resulting in YoY sales of 246%.

Amphi: Existing stores 11%, new stores 11%)

Factory stores: Existing stores 6%, new stores 6%)

•Wacoal's Own EC Site

Physical store closures resulted in an increase of online store visitors and a rise in the purchase rate; as a result, in-house EC sales were 176% YoY. Due to people working from home and refraining from going outside, sales of wireless bras and sleep bras were strong. Also, in addition to pajamas and loungewear, demand for sports bras and maternity products rose.

As a result, Wacoal's sales for the month of April were 28% on a year-over-year basis.

Peach John (Japan) Sales Summary (April. 2020)

Sales for Peach John's domestic business came in at 81% YoY. Due to the spread of coronavirus infections, all directly-operated stores were temporarily closed. However, successful LINE stamp promotional measures drove an increase in the number of new visitors to the online store, thus contributing to increased in-house EC sales.

Overseas operations (store situation) are as follows.

Shanghai PJ: 68%

Since the easing of coronavirus countermeasures, the situation is gradually returning to normal. Full-price sales are recovering; however, sales remain at about 70% YoY.

PJ Hong Kong: 41%

Due to the spread of coronavirus infections, the number of store visitors decreased.

Taiwan PJ: 61%

Due to the spread of coronavirus infections, the number of store visitors decreased.

Wacoal (Overseas) Sales Summary (April. 2020)

Due to a significant standstill in deliveries to our main clients because of business suspensions, Wacoal America struggled. Although sales through online platforms belonging to other companies were favorable, the fact that deliveries were limited to only some businesses also had an impact. Our own EC channel remained strong. Regarding IO Inc. (Lively), due to an increase in EC demand across the entire market, and aggressive investments for advertising expenses, the number of online store visitors increased significantly. Consequently, results were higher than initially planned.

As a result of the above, sales for Wacoal International (IO Inc. and Wacoal America total) were 53% on a year-over-year (YoY) basis, which is a decline of 47%.

For Wacoal Europe, as almost all the markets where we operate were locked down, sales came in at 27% YoY, a decrease of 73% (excluding Australia, all stores were closed, and only EC channels were operating). Regarding the company's own EC channel, which was started last year, results exceeded plan.

Sales for Wacoal China were 63% YoY, a decrease of 37%. On a YoY basis, sales were down 80% in February and about 50% in March. As we entered April, all stores had reopened, and as a result, store-based sales recovered to about 70%. In-house EC sales declined due to changes in the timing of promotional measures instigated by EC mall operators.

<Reference>Main Wacoal Subsidiaries (Overseas) *LC basis

Wacoal International (America)

•Channel(Wacoal+B.tempt'd)

	Apr.	YTD	Ratio
Store (Department)	7%	7%	14%
Store (outlet and retail)	5%	5%	0%
Department Store EC	6%	6%	2%
Third Party EC Sites	67%	67%	25%
Wacoal's Own EC Site	135%	135%	59%
Export (exclude Canada)	1%	1%	0%

•Brand

	Apr.	YTD	Ratio
Wacoal	30%	30%	56%
B.tempt'd	54%	54%	3%
CW-X	78%	78%	1%
LIVELY	—	—	40%

Wacoal Europe

•Channel

	Apr.	YTD	Ratio
Department Store	8%	8%	6%
Independent (Speciality Store)	21%	21%	43%
Directly-Managed Store	41%	41%	10%
Third Party EC Sites	52%	52%	41%

•Area

	Apr.	YTD	Ratio
UK	20%	20%	26%
Europe	24%	24%	25%
North America	36%	36%	42%
Others	21%	21%	7%

Wacoal China

•Channel

	Apr.	YTD	Ratio
Department Store	59%	53%	66%
Third Party EC Sites	44%	93%	25%
Others	70%	54%	9%

•Brand

	Apr.	YTD	Ratio
Wacoal	63%	60%	85%
Salute	63%	53%	8%
Amphi	313%	367%	1%
LA ROSABELLE	—	—	—
Peach John	79%	57%	6%