

## Consolidated Statements of Income

Wacoal Holdings Corp. and Subsidiaries

Years Ended March 31, 2019, 2018 and 2017

Years Ended March 31, 2019, 2018 and 2017	Millions of Yen			Thousands of U.S. Dollars (Note 2)
	2019	2018	2017	2019
<b>NET SALES</b> (Notes 6 and 16)	<b>¥194,201</b>	¥195,725	¥195,881	<b>\$1,754,617</b>
<b>OPERATING COSTS AND EXPENSES (REVENUE):</b>				
Cost of sales (Notes 6 and 11)	89,804	92,032	92,950	811,384
Selling, general and administrative expenses (Notes 1, 9, 10, 11, 12 and 19)	93,684	92,701	91,866	846,440
Compensation income		(708)		
Impairment charges on goodwill (Notes 7 and 19)	4,325	206		39,077
Impairment charges on other intangible assets (Notes 7 and 19)	1,509			13,634
Total operating costs and expenses	189,322	184,231	184,816	1,710,535
<b>OPERATING INCOME</b>	<b>4,879</b>	11,494	11,065	<b>44,082</b>
<b>OTHER INCOME (EXPENSES):</b>				
Interest income	289	194	157	2,611
Interest expense	(11)	(10)	(27)	(100)
Dividend income (Note 6)	1,429	1,329	1,176	12,911
(Loss) gain on sale, exchange and valuation of marketable securities and investments – net (Note 3)	(5,430)	206	442	(49,060)
Gain on sale of assets classified as held for sale (Note 21)			3,770	
Other – net (Notes 1, 11 and 20)	1,047	1,073	769	9,460
Total other (expenses) income – net	(2,676)	2,792	6,287	(24,178)
<b>INCOME BEFORE INCOME TAXES AND EQUITY IN NET INCOME OF AFFILIATED COMPANIES</b>	<b>2,203</b>	14,286	16,569	<b>19,904</b>
<b>INCOME TAXES</b> (Note 15):				
Current	5,350	4,880	4,830	48,338
Deferred	(2,817)	662	450	(25,452)
Total income taxes	2,533	5,542	5,280	22,886
<b>(LOSS) INCOME BEFORE EQUITY IN NET INCOME OF AFFILIATED COMPANIES</b>	<b>(330)</b>	8,744	11,289	<b>(2,982)</b>
<b>EQUITY IN NET INCOME OF AFFILIATED COMPANIES</b> (Note 6)	<b>725</b>	916	1,359	<b>6,551</b>
<b>NET INCOME</b>	<b>395</b>	9,660	12,648	<b>3,569</b>
<b>NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>	<b>(54)</b>	85	(123)	<b>(488)</b>
<b>NET INCOME ATTRIBUTABLE TO WACOAL HOLDINGS CORP.</b>	<b>¥ 341</b>	¥ 9,745	¥ 12,525	<b>\$ 3,081</b>

Years Ended March 31, 2019, 2018 and 2017	Yen			U.S. Dollars (Note 2)
	2019	2018	2017	2019
<b>NET INCOME ATTRIBUTABLE TO WACOAL HOLDINGS CORP. PER SHARE</b> (Note 17):				
Basic	¥ 5.16	¥143.46	¥180.26	\$0.05
Diluted	¥ 5.14	¥142.98	¥179.71	\$0.05
<b>NET INCOME ATTRIBUTABLE TO WACOAL HOLDINGS CORP. PER AMERICAN DEPOSITARY RECEIPT</b> (5 shares of common stock) (Note 17):				
Basic	¥25.78	¥717.30	¥901.30	\$0.23
Diluted	¥25.68	¥714.89	¥898.55	\$0.23

The Company conducted a one-for-two ordinary share reverse stock split as of October 1, 2017. The number of outstanding shares was calculated assuming that the reverse stock split had occurred at the beginning of the earliest fiscal year presented in the consolidated financial statements. See notes to consolidated financial statements.

## Consolidated Statements of Comprehensive Income

Wacoal Holdings Corp. and Subsidiaries

Years Ended March 31, 2019, 2018 and 2017

Years Ended March 31, 2019, 2018 and 2017	Millions of Yen			Thousands of U.S. Dollars (Note 2)
	2019	2018	2017	2019
<b>NET INCOME</b>	<b>¥ 395</b>	¥ 9,660	¥12,648	<b>\$ 3,569</b>
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b> (Note 14):				
Foreign currency translation adjustments:				
Amounts arising during the year	(750)	1,113	(4,079)	(6,776)
Total foreign currency translation adjustments	(750)	1,113	(4,079)	(6,776)
Unrealized (loss) gain on securities:				
Amounts arising during the year	(7)	6,494	3,413	(63)
Reclassification adjustments	(97)	(139)	(304)	(877)
Total unrealized (loss) gain on securities	(104)	6,355	3,109	(940)
Pension liability adjustments:				
Amounts arising during the year	(4,787)	(487)	619	(43,251)
Reclassification adjustments	200	(193)	(1)	1,807
Total pension liability adjustments	(4,587)	(680)	618	(41,444)
<b>OTHER COMPREHENSIVE (LOSS) INCOME</b>	<b>(5,441)</b>	6,788	(352)	<b>(49,160)</b>
<b>COMPREHENSIVE (LOSS) INCOME</b>	<b>(5,046)</b>	16,448	12,296	<b>(45,591)</b>
<b>COMPREHENSIVE (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>	<b>(18)</b>	21	(6)	<b>(163)</b>
<b>COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO WACOAL HOLDINGS CORP.</b>	<b>¥(5,064)</b>	¥16,469	¥12,290	<b>\$(45,754)</b>

See notes to consolidated financial statements.