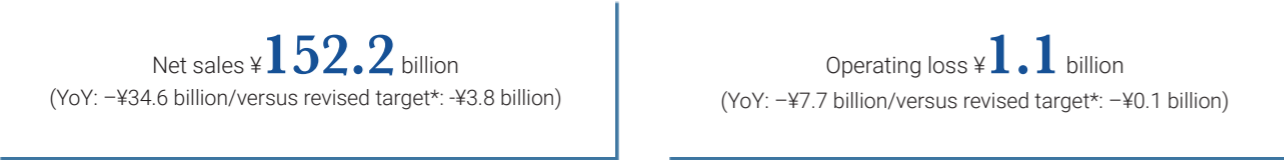


Review of Fiscal 2021 and Overview of Fiscal 2022 Plan

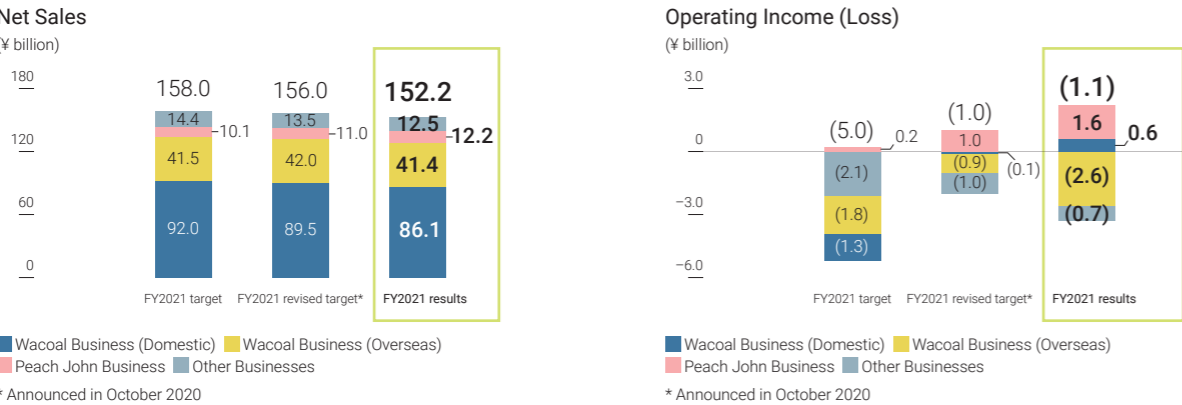
Fiscal 2021 Performance Overview

Consolidated



* Announced in October 2020

By Segment



Review of Fiscal 2021

Against a backdrop of rapid changes in distribution and customer needs stemming from the COVID-19 pandemic, the initiatives we have been focusing on for the past few years, such as strengthening e-commerce and our customer experience strategies by introducing 3D measurement technology, are starting to bear fruit. Additionally, structural reforms aimed at improving the high-cost structure are accelerating.

- **Ensuring the health and safety of customers and employees:**
Providing services such as fittings while working to prevent the spread of COVID-19

● **Implementing thorough cost reductions:**
Carrying out bold reviews of measures and spending plans and avoiding excess inventory

● **Promoting our customer experience strategies:**
Making progress with digitization and personalization efforts

➔ **Growth of own e-commerce / introduction of avatar service**

➔ **Number of people trying 3D measuring increased due to COVID-19**
Cumulative no. of people (up to March 31, 2021): About 52,000

➔ **Progress with centrally managing customer data**
Number of Wacoal members increased to approximately 6.6 million, including 24.6% of active customers*

* Active customer ratio trends = number of members making a purchase in one year / Wacoal members
- **Accelerating e-commerce growth:**
Growing the e-commerce business globally in response to rising demand for e-commerce due to COVID-19

➔ **Wacoal (Japan)**
In-house e-commerce net sales: approximately ¥8.0 billion (56% increase year on year)

➔ **Peach John (Japan)**
In-house e-commerce net sales: approximately ¥5.6 billion (43% increase year on year)

➔ **Wacoal International (U.S.)**
E-commerce net sales: approximately ¥7.3 billion (Wacoal America Inc.'s in-house e-commerce: ¥3.6 billion (55% increase year on year))

● **Progressing with structural reforms:**
Accelerating structural reforms aimed at improving the high-cost structure

➔ **Improve store profits:** Switched about 30 department stores to consumption-based transactions (Equivalent to about 23% of department store over-the-counter sales)

➔ **Optimize personnel expenses:** Through management of personnel plans, reduced total personnel expenses by ¥1 billion (progress rate of 20%)

➔ **Optimize other costs:** Executed thorough cost reductions in light of deteriorating business conditions

Issues Carried Forward to Fiscal 2022 Onward

1. Addressing and reforming domestic subsidiaries (Nanasai, Ai) whose business environments have deteriorated significantly due to the impact of COVID-19

2. Establishing regrowth strategies in China, where the competitive environment for e-commerce is intensifying, and in Europe, where the impact of COVID-19 is lingering

Initiatives for Fiscal 2022

A year for completing structural reforms aimed at returning to a highly profitable business structure

Implementation of profit structure reforms	<p>1. Reduce fixed costs</p> <ul style="list-style-type: none">Continue to optimize personnel through thorough staff planning and reduce the personnel expense ratioReview cost effectiveness of fixed general expenses (review and reduce inefficient investment costs) <p>2. Address and reform unprofitable businesses</p> <ul style="list-style-type: none">Re-examine the profit structure for all businesses and determine the unprofitable businesses to be dealt withAct on unprofitable businesses in fiscal 2022 so that they will not be carried over to the next medium-term management plan (continue to implement business reforms)
Promotion of growth strategy	<p>3. Customer-oriented value chain reform</p> <ul style="list-style-type: none">Verify the ideal form of operational management that improves effectiveness and identify problems in order to generate results from fiscal 2022 onwardVerify the allocation of brands and products according to customer and area characteristics and implement flexible personnel placement accordingly <p>4. Promote customer experience strategies</p> <ul style="list-style-type: none">Wacoal: Promote customer experience strategy to build “deeper, broader, and longer” relationships with customersOverseas: In addition to Europe, the U.S., and China, implement the customer experience strategy in Asia, where rapid e-commerce growth is expected
Promotion of sustainable activities	<p>5. Reidentify key business growth issues</p> <ul style="list-style-type: none">Promote ESG management to create future growth opportunities by addressing increasingly complex social issuesIdentify key ESG issues to achieve sustainable growth and enhance corporate valueSet long-term targets aimed at solving problems (Launched the Sustainability Promotion Project with the participation of both management and employees) <p>6. Strengthen response to human rights and environmental issues</p> <ul style="list-style-type: none">Calculate emissions and set reduction targets for greenhouse gases and establish management processes accordinglyExamination and formulation of Groupwide human rights policy that is compatible with the National Action Plan for Business and Human rightsFormulate environmental standards to guide product and materials development and establish a system to manage the progress of each divisionContinue promotion of CSR procurement activities

Fiscal 2022 Full Year Plan

Consolidated



By Segment

Net Sales	(¥ billion)	
	FY2022 target	YoY
Wacoal Business (Domestic)	99.3	+13.2
Wacoal Business (Overseas)	57.3	+15.9
Peach John Business	12.5	+0.3
Other Businesses	15.0	+2.4
Total	184.0	+31.8

Operating Income (Loss)	(¥ billion)	
	FY2022 target	YoY
Wacoal Business (Domestic)	4.0	+3.4
Wacoal Business (Overseas)	1.1	+3.7
Peach John Business	1.1	-0.5
Other Businesses	(0.2)	+0.5
Total	6.0	+7.1