

[Translation]



May 12, 2020

To Whom It May Concern:

Company Name: WACOAL HOLDINGS CORP.
Representative: Hironobu Yasuhara,
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Corporate Officer
(Code Number: 3591)
(Tokyo Stock Exchange, First Section)
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Announcement of Revisions to the Forecast of Consolidated Business Results and Recognition of
Valuation Loss on Marketable Securities

We hereby announce that we have revised the forecast of our consolidated business results for the fiscal year ended March 31, 2020 (April 1, 2019 – March 31, 2020), which we announced on January 31, 2020, as follows:

Details

1. Revised Forecast of Consolidated Business Results for the Fiscal Year Ended March 31, 2020

(U.S. GAAP)

(Unit: Millions of Yen, unless otherwise indicated)

	Net sales	Operating income	Pre-tax net income	Net income attributable to Wacoal Holdings Corp. shareholders	Net income attributable to Wacoal Holdings Corp. shareholders per share (in Yen)
Previous Forecast (“A”)	191,000	7,000	9,500	6,500	101.01
Revised Forecast (“B”)	186,000	6,600	4,300	3,400	53.13
Variance (B - A)	(5,000)	(400)	(5,200)	(3,100)	
Variance as Percentage (%)	(2.6)	(5.7)	(54.7)	(47.7)	
(Reference) Results for the Previous Fiscal Year ended March 31, 2019	194,201	4,879	2,203	341	5.16

Reason for Revisions

Although we plan to announce our consolidated business results for the fiscal year ended March 31, 2020 on May 15, 2020, we have at this time revised the forecast of such results due to several reasons including the global impact of the spread of the coronavirus during the fourth quarter of the fiscal year ended March 31, 2020 and the recognition of a valuation loss on marketable securities held by the Company and its consolidated subsidiaries.

2. Recognition of Valuation Loss on Marketable Securities

We will record a valuation loss of 3,760 million yen on marketable securities and investments (net) held by the Company and its consolidated subsidiaries for the fiscal year ended March 31, 2020. We use generally accepted accounting principles in the United States, and since the first quarter of the fiscal year ended March 31, 2020, we have evaluated equity investments (except those accounted for under the equity method or consolidated) at fair value, with any change in fair value recognized in other income or expenses. The effect on our net income will be a decrease of 2,609 million yen.

We recorded a net valuation loss of 4,486 million yen on marketable securities and investments (net) during the cumulative third quarter of the consolidated fiscal year ended March 31, 2020 (April 1, 2019 – December 31, 2019). Therefore the valuation gain on marketable securities and investments (net) during the fourth quarter of the fiscal year ended March 31, 2020 (January 1, 2020 – March 31, 2020) will be 8,246 million yen.

End