

[Translation]



July 31, 2020

To Whom It May Concern:

Company Name: WACOAL HOLDINGS CORP.
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Announcement of the Forecast of Consolidated Business Results and the Dividends for the Fiscal Year
Ending March 31, 2021

We hereby announce as follows the forecast of our consolidated business results and dividends for the fiscal year ending March 31, 2021 (April 1, 2020 – March 31, 2021), which was undetermined when the Consolidated Financial Statements for the Fiscal Year Ended March 31, 2020 (U.S. Accounting Standards) were published on May 15, 2020:

Details

1. Forecast of Consolidated Business Results

(1) Forecast of Consolidated Business Results for the Second Quarter of the Fiscal Year Ending March 31, 2021 (April 1, 2020 – September 30, 2020)

(U.S. GAAP)

(Unit: Millions of Yen, unless otherwise indicated)

	Net sales	Operating (loss) income	Pre-tax net (loss) income	Net (loss) income attributable to Wacoal Holdings Corp. shareholders	Net (loss) income attributable to Wacoal Holdings Corp. shareholders per share (in Yen)
Previous Forecast (“A”)	-	-	-	-	-
Revised Forecast (“B”)	70,500	(3,200)	(2,500)	(2,400)	(38.46)
Variance (B - A)	-	-	-	-	-
Variance as Percentage (%)	-	-	-	-	-
(Reference) Results for the Second Quarter of the Previous Fiscal Year ended March 31, 2020	101,450	9,495	9,326	6,668	103.07

(2) Forecast of Consolidated Business Results for the Fiscal Year Ending March 31, 2021 (April 1, 2020 –

March 31, 2021)

(U.S. GAAP)

(Unit: Millions of Yen, unless otherwise indicated)

	Net sales	Operating (loss) income	Pre-tax net (loss) income	Net (loss) income attributable to Wacoal Holdings Corp. shareholders	Net (loss) income attributable to Wacoal Holdings Corp. shareholders per share (in Yen)
Previous Forecast (“A”)	-	-	-	-	-
Forecast (“B”)	158,000	(5,000)	(3,700)	(3,700)	(59.29)
Variance (B - A)	-	-	-	-	-
Variance as Percentage (%)	-	-	-	-	-
(Reference) Results for the Previous Fiscal Year ended March 31, 2020	186,760	6,632	4,359	3,472	54.26

(3) Reason for Forecast

As it was difficult to assess the impact of the coronavirus outbreak on our group and to reasonably make any business forecast, we have previously not forecasted our consolidated results for the fiscal year ending March 31, 2021 in the “Consolidated Financial Statements for the Fiscal Year ended March 31, 2020 (U.S. Accounting Standards)”. We hereby announce our forecast of our consolidated business results calculated based on the consolidated business results for the first quarter ended June 30, 2020 and projection available as of the date hereof, as well as the economic activities which has gradually resumed as a result of lifting of the declaration of state of emergency or easing the lockdown measures in Japan and globally. While it is unpredictable when the coronavirus outbreak will end, economic activities are gradually being resuming as described above, and we expect that consumer spending will likely show a sign of gradual recovery after the current second quarter, despite differences by region.

As we have not assumed any further large-scale slowdown in economic activities from spread of the outbreak, the actual business results may differ largely from the forecast due to various factors. We will announce the impact on our business results immediately if important matters to be disclosed occur.

2. Forecast on Dividends

(1) Forecast on Dividends

	Dividend per share (yen)		
	End of Second Quarter	Year-end	Total
Previous Forecast	-	-	-
Forecast	20.00	20.00	40.00
Results for the Previous Fiscal Year ended March 31, 2020	40.00	20.00	60.00

(Note) Breakdown of the end of second quarter cash dividend per share for the fiscal year ended March 31, 2020:

Ordinary dividend: 36.00 yen
Special anniversary dividend: 4.00 yen

Breakdown of the year-end cash dividend per share for the fiscal year ended March 31, 2020:
Ordinary dividend: 16.00 yen
Special anniversary dividend: 4.00 yen

(2) Reason for Forecast

Our basic policy on profit distributions to shareholders is to make stable distributions based on consideration of our consolidated performance, while seeking to increase our enterprise value through active investments aimed at higher profitability and to increase net income per share.

With respect to retained earnings, we will actively invest in expanding our customer bases for our domestic business and our overseas businesses, with the aim of improving our corporate value. We also plan to use our retained earnings for strategic investments for maintaining competitiveness and reinforcing growth. With these efforts, we seek to benefit our shareholders by improving future profitability.

We also intend to acquire treasury stock in a flexible manner taking into account the level of free cash flow as well as the market environment, and will make effort to improve capital efficiency and return profits to our shareholders.

The coronavirus outbreak will, however, have a significant impact on our group's business and as uncertainty remains over the end of the coronavirus outbreak, our urgent priority is to ensure liquidity on hand. In light of the business forecast based on information available as of the date hereof, financial stability and stable distributions to our shareholders, we hereby announce our forecast on interim dividend per share of 20.00 yen (a reduction of 20.00 yen from the previous fiscal year) and our forecast on year-end dividend per share of 20.00 yen (same as previous fiscal year) (with the result that the annual cash dividend per share will be 40.00 yen).

* The forecast of business results in this document is based on information we obtained as of the date hereof and assumption we regarded as reasonable and, due to various factors, actual results in the future may differ largely from the estimates set out in this document.

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