

This is the English translation of the original Japanese-language press release dated August 30, 2018 and is provided for reference purposes only. Readers are advised that the Company does not guarantee the accuracy of the content contained in this report. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

August 30, 2018

To whom it may concern

Company Name: WACOAL HOLDINGS CORP.
Representative: Hironobu Yasuhara,
President and Representative Director
(Code Number: 3591)
(Tokyo Stock Exchange, First Section)
Contact: Akira Miyagi,
General Manager of Corporate Planning
(Telephone: +81(75)682-1010)

Company Name: DESCENTE LTD.
Representative: Masatoshi Ishimoto,
President and Representative Director
(Code Number: 8114)
(Tokyo Stock Exchange, First Section)
Contact: Kenichi Tsujimoto,
Director, Managing Executive Officer
(Telephone: +81 (6)-6774-0365)

Notice on Conclusion of Comprehensive Business Alliance Agreement

Wacoal Holdings Corp. (hereinafter referred to as "Wacoal") and Descente Ltd. (hereinafter referred to as "Descente"), at their respective Board of Directors' meetings held on August 30, 2018, agreed to a Comprehensive Business Alliance Agreement (hereinafter referred to as "this alliance") as described below to strengthen and develop business foundations and to improve corporate value through this alliance.

1. Comprehensive Business Alliance

- (1) Creating new business beyond the boundaries of current operations, including:
 - New Brand Concepts
Create new opportunities in the athleisure market going beyond the barriers of fashion, sports, health and beauty
- (2) Developing commercial materials that utilize both companies' "craftsmanship" strengths, including:
 - Collaboration in compression wear, sports baselayer and swimwear
Joint product development and design, manufacturing and marketing, effectively utilizing both company's distribution channels.
- (3) Effective use of assets owned by both companies, including:
 - Use of both companies overseas bases
Accelerate global growth by exploiting Wacoal's strong business base in Europe and America and Descente's significant presence in Asia.
 - Collaboration in e-commerce sites
Create linkage between the domestic and overseas e-commerce sites for both companies.
 - Collaboration in the junior market category
Introduce new brands to the Junior wear market

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2. Reason for this alliance

Wacoal has developed the innerwear market toward the realization of a "Global Wacoal" with the goal of "contributing to society at large through the promotion of feminine beauty and wellbeing throughout the world". Today, as a leading company in the global innerwear market, it has firmly established itself not only in Japan, but also in China, Asia, Europe and the United States.

In the sports apparel industry, Descente has created a healthy lifestyle through sports based on the corporate philosophy of "bringing the enjoyment of sports to all", developing products tailored for multiple sports with advanced concepts that bring together state-of-the-art technology and function. In recent years, we have focused on enhancing our global presence, while maintaining our corporate philosophy and business domain, the cornerstones of corporate value, which we are dedicated to improving further.

Under this new partnership, we have decided to pursue opportunities in "beauty, health and comfort" to take maximum advantage of Wacoal's dominant position in the innerwear market and Descente's accumulated sportswear knowhow built with elite athlete participation. Using our respective management resources we will cooperate comprehensively to create new value beyond our current fields of fashion and sports, and by doing so, strengthen, develop and expand both our domestic and global business.

Wacoal believes this partnership will contribute to an expansion into new markets and further strengthen overseas business, and Descente will strengthen and expand product development for the women's market, which is expected to grow significantly and it is expected this will contribute to further global expansion. This alliance has been forged with a mutual commitment to all those who wish to look and feel better and healthier. A comprehensive partnership will commence here with a view to further strengthening the relationship in the future and in doing so improve corporate values.

3. Date

(1) Resolution date of the Board of Directors	August 30, 2018
(2) Execution date of the contract	August 30, 2018

4. Future outlook

We will establish a panel comprising members from both companies immediately and aim at early realization of business opportunities through this alliance. At this time, the impact of this agreement on the results of both companies in the fiscal year ending March 2019 is unknown. In the event it becomes clear there will be a significant impact on our respective future business performances, we will promptly announce.

5. Overview of the parties to this alliance

① Overview of Wacoal

(1) Company Name	WACOAL HOLDINGS CORP.
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(2) Head Office	29 Nakajimacho, Kisshoin, Minami-ku, Kyoto-shi, Kyoto		
(3) Representative	Hironobu Yasuhara, President and Representative Director		
(4) Business	Manufacture, wholesale and direct sales to consumers (for some products) of intimate apparel, outerwear, sportswear, and other textile products and accessories.		
(5) Capital	13,260 million yen		
(6) Establishment	November 1, 1949		
(7) Relationship between Wacoal and Descente	There are no relationships in capital, human or trade.		
(8) Consolidated operating results and financial position for the last three years			
Fiscal Year	March 31, 2016	March 31, 2017	March 31, 2018
Net Assets	229,401million yen	232,482million yen	237,497million yen
Total Assets	292,854million yen	294,958million yen	298,534million yen
Net Sales	202,917million yen	195,881million yen	195,725million yen
Operating Income	13,865million yen	11,065million yen	12,534million yen
Income before Income Taxes	14,957million yen	16,569million yen	14,286million yen
Profit Attributable to Owners of Parents	11,159million yen	12,525million yen	9,745million yen

(Note) Since US-GAAP is adopted, Income before Income Taxes is indicated instead of Ordinary Income.

② Overview of Descente

(1) Company Name	DESCENTE LTD.		
(2) Head Office	1-11-3 Dogashiba, Tennoji-ku, Osaka-shi, Osaka		
(3) Representative	Masatoshi Ishimoto, President		
(4) Business	Manufacture and sales of sportswear and related articles		
(5) Capital	3,846million yen		
(6) Establishment	February 26, 1958		
(7) Relationship between Wacoal and Descente	There are no relationships in capital, human or trade.		
(8) Consolidated operating results and financial position for the last three years			
Fiscal Year	March 31, 2016	March 31, 2017	March 31, 2018
Net Assets	69,748million yen	70,944million yen	78,875million yen
Total Assets	107,624million yen	106,976million yen	117,828million yen

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Net Sales	135,778million yen	131,543million yen	141,124million yen
Operating Income	10,376million yen	8,418million yen	9,596million yen
Income before Income Taxes	11,053million yen	8,631million yen	9,698million yen
Profit Attributable to Owners of Parents	7,870million yen	5,650million yen	5,771million yen

End