

May 9, 2008

To Whom It May Concern:

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Resolution Regarding the Amount and Terms of
Stock Acquisition Rights to be Issued to Directors as Stock Options

Wacoal Holdings Corp. (the "Company") hereby announces that its board of directors resolved at meeting held on May 9, 2008 to submit a proposal to its shareholders at the 60th ordinary general meeting of shareholders planned for June 27, 2008 regarding the amount and terms of stock acquisition rights to be granted to directors as stock options as follows.

Reason for Proposal

The Company wishes to grant stock acquisition rights with an exercise price of one (1) yen per share to its directors (excluding outside directors) as a form of equity compensation, with the goal of providing directors with the opportunity, like shareholders of the Company, to participate in the benefits of increasing stock values as well as to bear the risks of declining stock values, so as to further encourage such directors' desire to serve and improve the Company.

Under the Company Act (Law No. 86 of 2005), granting stock acquisition rights to directors is considered a form of remuneration, and we will therefore ask that shareholders approve the amount and terms of the stock acquisition rights to be granted.

The Company decided to base the proposed amount and terms of the stock acquisition rights on the size of the Company, each director's degree of contribution and how each director conducts his or her duties.

The Company believes that the terms of the proposal are appropriate, since the stock options will be granted with the aim of providing stock acquisition rights so that directors, like shareholders, will not only enjoy the benefit of increasing stock values but also bear the risk of decreasing stock values, as well as to further encourage their desire to serve and improve the Company.

Furthermore, stock acquisition rights will not be issued to outside directors because outside directors are retained as part of the Company's corporate governance strategy in order to improve corporate value by increasing management transparency and ensuring fairness and independence.

Terms of the Proposal

1. At the 57th ordinary general meeting of shareholders held on June 29, 2005, the remuneration of directors was limited to a maximum of 350 million yen per year. In this proposal we will ask shareholders to approve the payment of up to 70 million yen per fiscal year of compensation to directors in the form of stock acquisition rights in addition to cash remuneration, to begin on the date of the ordinary general meeting of shareholders.
2. The proposed terms of the provision of stock acquisition rights as stock options to directors of the Company are as follows:

[Translation]

(1) Total number of stock acquisition rights and total number of shares represented by the stock acquisition rights:

The maximum number of shares that can be acquired through the exercise of stock acquisition rights during any one-year period beginning on the date of the ordinary general meeting of shareholders (hereinafter, an “Allocation Year”) is 70,000 ordinary shares of the Company (the “Maximum Annual Acquired Shares”).

If, following the date of the shareholder resolution approving the proposal (the “Resolution Date”), there is a stock split (including a gratis issuance of ordinary shares of the Company, hereinafter the same) or a reverse stock split of the Company’s ordinary shares, the Maximum Annual Acquired Shares will be adjusted from the date following the stock split or reverse stock split in accordance with the following calculation:

$$\begin{aligned} & \text{Maximum Annual Acquired Shares after adjustment} = \\ & \text{Maximum Annual Acquired Shares before adjustment} \times \text{stock split/reverse stock split ratio} \end{aligned}$$

The maximum number of stock acquisition rights that can be issued in any Allocation Year (the “Maximum Annual Issuance”) is calculated by dividing the Maximum Annual Acquired Shares at the time of the issuance of the stock acquisition rights, by the number of shares in a trading unit of the Company. (If, following the Resolution Date, there has been no adjustment to the number of Maximum Annual Acquired Shares, and the total number of shares in a trading unit remains at the current 1,000 shares, the Maximum Annual Issuance will be 70).

However, if there is an adjustment to the number of shares in a trading unit in the middle of an Allocation Year and stock acquisition rights have already been issued for such Allocation Year, the Maximum Annual Issuance will be adjusted as follows:

$$\begin{aligned} & \text{Maximum Annual Issuance after adjustment} = ((\text{Maximum Annual Acquired Shares} \\ & \text{immediately prior to the adjustment in the number of shares in a trading unit} - \text{the number of} \\ & \text{shares represented by stock acquisition rights already issued for such Allocation Year}) \div \text{the new} \\ & \text{number of shares in a trading unit}) + \text{the number of stock acquisition rights already issued for} \\ & \text{such Allocation Year} \end{aligned}$$

(2) Class of shares represented by the stock acquisition rights and the number of shares represented by each share acquisition right

The stock acquisition rights will be for ordinary shares. The number of shares represented by each stock acquisition right (“Conversion Ratio”) is the number of shares in a trading unit at the time such stock acquisition right is issued.

Furthermore, following the date of issue of the stock acquisition rights (the “Issue Date”), if the Company carries out a stock split or reverse stock split of its ordinary shares, the Conversion Ratio will be adjusted as follows:

$$\begin{aligned} & \text{Conversion Ratio following adjustment} = \\ & \text{Conversion Ratio prior to adjustment} \times \text{stock split/consolidation ratio} \end{aligned}$$

In addition, if after the Issue Date it becomes appropriate to adjust the Conversion Ratio, the Company may do so to the extent reasonable.

Any fractional shares as a result of the above adjustment will be rounded down to the nearest whole share.

(iii) Amount capitalized upon exercise of stock acquisition rights

The amount capitalized upon the exercise of each stock acquisition right shall be the amount

[Translation]

obtained by multiplying (i) the exercise price of one (1) yen per share to be paid upon exercise of the stock acquisition rights and (ii) the Conversion Ratio.

(iv) Exercise period for stock acquisition rights

The stock acquisition rights will be exercisable from the date immediately following the grant date of the stock acquisition right for a period of not more than 20 years to be set by the board of directors of the Company.

(v) Restriction on the acquisition of stock acquisition rights by transfer

The acquisition of stock acquisition rights by transfer is subject to approval by resolution of the board of directors of the Company.

(vi) Other conditions relating to the exercise of stock acquisition rights

In principle, holders of stock acquisition rights may exercise their stock acquisition rights from the date immediately following their loss of status as director (including officers of a company that has adopted the committee system), auditor or executive officer of the Company. Other stock acquisition right conditions shall be determined at a general meeting of shareholders or the board of directors of the Company where items regarding the offer stock acquisition rights will be determined.

3. There are currently eight directors, two of whom are outside directors. However, if the proposal regarding the election of directors is approved without amendment at the 60th ordinary general meeting of shareholders, the number of directors will be eight, three of whom will be outside directors.

Additional Reference

In addition to introducing a proposal for a stock option plan for directors of the Company, upon resolution of the board of directors of the Company, we plan to issue stock acquisition rights with the same details as those outlined above to director's of the Company's subsidiary, Wacoal Corp., within one year from the date following the 60th ordinary general meeting of shareholders. The Maximum Annual Acquired Shares will be 30,000 ordinary shares and the Maximum Annual Issuance will be 30.

End