

**Notice Regarding Repurchasing of Treasury Stock**  
**(According to Article 211-3, Section 1-2 of the Commercial Code of Japan)**

On May 13, 2005 at its Board of Directors Meeting, Gunze Limited resolved to repurchase its treasury stock according to Article 211-3, Section 1-2 of the Commercial Code of Japan. Details are as follows:

1. Purpose of repurchasing treasury stock

To implement a flexible capitalization policy that responds more effectively to changes in the economic environment.

2. Details of share repurchase

- (1) Types of shares to be repurchased: Common stock of Gunze Limited
- (2) Total number of shares to be repurchased: Up to 1 million shares (0.44% of shares issued)
- (3) Total repurchase price: Up to 5 million yen
- (4) Repurchase period: May 16, 2005 to June 28, 2005

(Reference)

Status as of April 30, 2005

Total number of shares issued (excluding treasury stock): 220,117,532 shares

Total number of treasury stock shares: 7,817,633 shares