

## Notice: Establishment of Special Benefit Plan for Shareholders

On August 3, 2007 at its Board of Directors Meeting, Gunze Limited resolved to establish a special benefit plan for shareholders. Details are as follows:

### 1. Objectives of the special benefit plan for shareholders

The special benefit plan is intended to show appreciation for the continued support of shareholders. Gunze also aims to increase the number of individual shareholders and encourage them to hold Gunze shares for the medium or long term by enhancing the appeal of investing in Gunze shares.

### 2. Details of the special benefit plan for shareholders

#### (1) Shareholders eligible for benefits

Registered shareholders and beneficial shareholders recorded as of September 30 and March 31 of each fiscal year who hold 1,000 or more shares of Gunze stock.

#### (2) Benefits

a) Presentation of Gunze products (with a choice of selections) according to the following classification (for eligible shareholders as of September 30)

\* Shareholders can choose a desired selection from the “Shareholder Special Benefits Catalog.”

Classification	Gunze products
Owners of 1,000 to 2,999 shares	Select one product from the Special Benefits Catalog
Owners of 3,000 or more shares	Select two products from the Special Benefits Catalog

\* Presentation schedule:

Selected product(s) will be delivered approximately 1 month after the application is received.

b) Presentation of discount application coupon (for eligible shareholders as of September 30 and March 31)

\* A discount application coupon for purchasing products listed on the “Gungun Kaiteki Tsushin” catalog with a 20% discount will be presented.

\* Presentation schedule:

The coupon will be sent in late October to eligible shareholders as of September 30, and in late May to eligible shareholders as of March 31.

### **3. Implementation of the plan**

The above-mentioned benefits will be available starting from registered shareholders and beneficial shareholders recorded as of September 30, 2007 who hold 1,000 or more shares of Gunze stock.