

## **Notice Regarding Retirement of Treasury Stock**

(Retirement of treasury stock pursuant to Article 178 of the Companies Act of Japan)

On October 30, 2008 at its Board of Directors Meeting, Gunze Limited resolved to retire its treasury stock, pursuant to the provisions in Article 178 of the Companies Act of Japan. Details are as follows:

### **1. Purpose of retiring treasury stock**

To implement a flexible capitalization policy that responds more effectively to changes in the business environment, and to boost shareholder benefits and enhance capital efficiency by reducing the number of shares issued and outstanding.

### **2. Details of share retirement**

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| (1) Type of shares to be retired:            | Common stock of Gunze Limited  |
| (2) Total number of shares<br>to be retired: | 18 million shares (7.9% of shares issued)                                  |
| (3) Scheduled date of retirement:            | To be retired immediately after the start of<br>computerized stock trading |

(Reference)

Total number of shares issued and outstanding after retirement:	209,935,165 shares
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