

May 15, 2017

To whom it may concern:

GUNZE LIMITED  
(TES:3002)

Re: Press coverage follow up

With respect to our timely disclosure of the “Financial statement for the fiscal year ending March 31, 2017”, on May 13, there was a press coverage different from the fact from some press organizations that, “Gunze plans to withdraw from electronic components business in Taiwan by the end of September this year” and “Reorganize the electronic component business during the medium-term management plan”. We will follow up the subject with further information.

As a result of intensified competition in China and Taiwan markets, our announcement meant specifically the withdrawal of a joint venture company that manufactures and sells general-purpose sputtered films for the region. The production of functional sputtered films, we will continue in Japan, and for the sales, we will continue in Japan, Taiwan (a sales company other than Jung Hong Optronics Corporation), China and South Korea from our company and from our subsidiary companies.

Furthermore, regarding the touch panel business and the functional coated film business, we will continue our business in Japan, China and USA as usual.

As mentioned above, we appreciate your kind understanding.