The following is an English translation of the Notice of the 54th Ordinary General Meeting of Shareholders of SHIMA SEIKI MFG., LTD. to be held on June 26, 2015.
The Company provides this translation for your reference and convenience only and without any guarantee as to its accuracy.

Securities Code: 6222
June 5, 2015

To Our Shareholders

85 Sakata Wakayama
SHIMA SEIKI MFG., LTD.
Masahiro Shima
President

Notice of the 54th Ordinary General Meeting of Shareholders

We would like to take this opportunity to thank you for your kind and continuous support. Please be advised that the 54th Ordinary General Meeting of Shareholders (the "Meeting") of SHIMA SEIKI MFG., LTD. (the "Company") will take place as follows. We look forward to your participation.
Should you not be able to attend the Meeting, it is also possible to exercise your voting rights in writing. In such case, we kindly ask you to review the following reference materials for the Meeting, indicate your vote for or against each proposal on the voting form enclosed herein and return it so that it arrives by 5:45 p.m. Thursday, June 25, 2015.

Note

1. **Date/time** Friday, June 26, 2015 10:00 a.m.
2. **Venue** High-Vision Hall, Company Headquarters, 85, Sakata Wakayama
3. **Objectives**

Matters to be reported

1. The Business report, report on the consolidated financial statements, and report on the audit results of the consolidated financial statements by the Accounting Auditors and the Board of Auditors for the 54th fiscal period from April 1, 2014, to March 31, 2015
2. The report on financial statements for the 54th fiscal period from April 1, 2014 to March 31, 2015

Proposals to be acted upon

Agenda Item No. 1 Appropriation of Surplus

Agenda Item No. 2 Election of One (1) Corporate Auditor

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Reference Materials for the General Meeting of Shareholders

Proposals and Matters of Reference

Agenda Item No. 1 Appropriation of Surplus

The Company considers returning profit to shareholders one of the most important tasks of management. Therefore, we believe that dividends shall be paid on a continuous and stable basis for the long term with consideration for the income outlook and future business expansion based on earnings improvement.

As for retained earnings, our policy is to actively use the funds to strengthen the management base and to prepare for future business developments including R&D and capital investments based on a medium- to long-term perspective.

Based on the above policy, we would like to pay a year-end dividend of 17.50 yen per share as indicated below for this fiscal term.

Items pertaining to year-end dividends

(1) Type of dividend property
Cash

(2) Item pertaining to the allocation of dividend property to shareholders and the total amount
17.50 yen per ordinary share
Total dividend as a result: 598,827,670 yen

(3) Effective date of the allocation of surplus
June 29, 2015

Since an interim dividend of 15.00 yen per share has already been paid, the annual dividend which is the sum of the interim dividend and year-end dividend will be 32.50 yen per share.

Agenda Item No. 2 Election of One (1) Corporate Auditor

The term of office of Mr. Yuki Matoba as Corporate Auditor will expire at the conclusion of the 54th Ordinary General Meeting of Shareholders. Accordingly, the election of a Corporate Auditor is hereby proposed. The proposal has been approved by the Board of Auditors.

The candidate for Corporate Auditor is as follows.

Name (Date of birth)	Brief personal record, position and responsibilities in the Company and other important concurrently held positions	Number of the Company's shares held
Sachiko Nomura (December 31, 1973)	April 2000 - present Registered as attorney Joined Dojima Law Office April 2010 - present Adjunct professor, Kinki University Graduate Law School April 2014 - present Adjunct professor Osaka University Graduate School of Law (Important concurrent positions held) Attorney Adjunct professor, Osaka University Graduate School of Law Adjunct professor, Kinki University Graduate Law School	—

(Notes) 1. No special conflicting interest exists between the Company and the above candidate, Ms. Sachiko Nomura.
2. Ms. Sachiko Nomura's name recorded in her family registry is Ms. Sachiko Suzuki.
3. Ms. Sachiko Nomura is a candidate for Outside Corporate Auditor.
4. The Company proposes the selection of Ms. Sachiko Nomura as the Outside Corporate Auditor based on extensive career experience as an attorney and for her opinions and advice from a legal perspective on various matters pertaining to corporate management. Furthermore, although Ms. Sachiko Nomura does not have experience in being directly involved in corporate management, she has thorough knowledge of corporate law, and we believe she can appropriately perform the duties of Outside Corporate Auditor.
5. Conditioned on the election and appointment of Ms. Sachiko Nomura according to this proposal, the Company plans to enter into contracts for the limitation of liability for damage as defined under Article 423, Paragraph 1, of the Companies Act based on Article 427, Paragraph 1, of the Act. The limitation of liability for damage based on this contract shall be the amount stipulated by law.
6. The Company has an advisory contract with Dojima Law Office to which Ms. Sachiko Nomura belongs. However, Ms. Nomura has not been involved in any of the matters related to the Company. Furthermore, the transaction amount with the Company is less than two percent of the Office's revenue and therefore would not have any effect on the issue of independence.
7. Once Ms. Sachiko Nomura is elected and appointed as Corporate Auditor according to this proposal, she is scheduled to become an independent officer as prescribed by the Tokyo Stock Exchange.