The following is an English translation of the Notice of the 58th Ordinary General Meeting of Shareholders of Shima Seiki Mfg., Ltd., to be held on June 27, 2019. The Company provides this translation for your reference and convenience only and without any guarantee as to its accuracy.

Securities Code: 6222
June 5, 2019

To Our Shareholders

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

Notice of the 58th Ordinary General Meeting of Shareholders

We would like to take this opportunity to thank you for your kind and continuous support. Shima Seiki Mfg., Ltd., (the "Company") will convene the 58th Ordinary General Meeting of Shareholders as stated below, and we would like to request your participation. If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. In such a case, please review the Reference Document for the General Meeting of Shareholders provided below and cast your vote by 5:45 p.m., Wednesday, June 26, 2019.

1. **Date and Time** 10:00 a.m., Thursday, June 27, 2019 (reception starts at 9:00 a.m.)
2. **Place** High-Vision Hall, Company Headquarters, 85 Sakata, Wakayama
3. **Objectives**

Matters to report

1. The business report, consolidated financial statements, and the results of the consolidated financial statements of audits by the Accounting Auditor and the Audit & Supervisory Board for the 58th business period from April 1, 2018, to March 31, 2019.
2. The unconsolidated financial statements for the 58th business period from April 1, 2018, to March 31, 2019.

Proposals to resolve

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Appointment of One (1) Audit & Supervisory Board Member

◎ Shareholders attending the meeting are asked to submit the enclosed voting form to the receptionist at the venue. In addition, please take this notice with you to save resources.

◎ Any amendments to the reference documents for the general meeting of shareholders, business report, consolidated financial statements, or unconsolidated financial statements will be posted on the Company website (http://www.shimaseiki.co.jp/irj/irj.html).

◎ Of the documents provided under current laws and regulations and the provisions of Article 16 of the Articles of Incorporation, the following items are presented on the Company website (http://www.shimaseiki.co.jp/irj/irj.html) and are not presented in the documents attached to the convocation notice.

(i) Consolidated statements of changes in net assets and notes to the consolidated financial statements

(ii) Unconsolidated statements of changes in net assets and notes to the unconsolidated financial statements

The above consolidated and unconsolidated statements of changes in net assets and notes to the consolidated and unconsolidated financial statements consist of a part of the consolidated and unconsolidated financial statements that were audited in preparing the audit report by the audit & supervisory board members and the accounting audit report by the accounting auditor.

◎ On the date of the meeting, small gifts will be presented to attending shareholders at the venue—one gift for one attending shareholder regardless of the number of voting forms held.

Instructions on the Exercise of Voting Rights

When attending the General Meeting of Shareholders:
Please present the enclosed voting form to the receptionist at the meeting.
Time and date of the meeting: 10:00 a.m., Thursday, June 27, 2019

When exercising voting rights in writing:
After indicating approval or disapproval of the proposals on the enclosed voting form, please return the completed form to the Company.
Exercise period: No later than 5:45 p.m., Wednesday, June 26, 2019

When exercising voting rights via the Internet:
Please access the website to exercise voting rights as specified by the Company (https://evote.tr.mufg.jp/) by personal computer, smartphone, or mobile phone using the Login ID and Temporary Password printed on the enclosed voting form. Enter your vote of approval or disapproval according to the guidance on the screen.
Please refer to the next page for more information.
Exercise period: No later than 5:45 p.m., Wednesday, June 26, 2019

*If voting rights are exercised both in writing and through the Internet, the exercise of such voting rights through the Internet will be deemed valid. In cases where voting rights are exercised more than once via the Internet, the last exercise of such rights will be deemed the valid and official vote. If voting rights are exercised more than once via personal computer, smartphone, and mobile phone, such rights exercised on the last occasion will be deemed effective and valid.

Procedures for Exercising Voting Rights via the Internet

Exercise your voting rights via the Internet by accessing the Company's designated **voting rights website** (https://evote.tr.mufg.jp/) via personal computer, smartphone, or mobile phone.

Access the website via smartphone **without entering the login ID and temporary password.** You may log in to the website by scanning the **QR code for login** provided on the right-hand side of the voting stub of the Voting Rights Exercise Form enclosed herewith.

***You may exercise your voting rights only once via smartphone.**

If you log in to the website more than once, please follow the instructions below.

Please confirm **the login ID and temporary password, which are indicated on the enclosed Voting Rights Exercise Form.** You will need to enter them when you exercise your voting rights via the Internet.

Inquiries about the system (Help Desk)
Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division
Phone: 0120-173-027 (9:00 a.m. to 9:00 p.m. <Tokyo Time>; toll-free within Japan only)

[Information on the Electronic Voting Platform (To Institutional Investors)]

Institutional Investors may use the electronic voting platform operated by ICJ, Inc., for to exercising your exercise voting rights via the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company has made it the basic policy to pay stable dividends over the long term through continuous business development by setting profit returns to shareholders as one of the most important managerial issues. In addition, the Company has a policy of investing balanced allocations for growth from the long-term perspective and internal reserve in preparation for future business development. Under these policies, the Company proposes to pay a year-end dividend per share of 25 yen for the current fiscal year.

Year-End Dividends

(1) Type of dividend property
Cash

(2) Distribution of dividends to shareholders and total of dividends
25 yen per share of common stock of the Company.
This will amount to total dividends of 887,788,525 yen.

(3) Effective date of the distribution of retained earnings
June 28, 2019

The interim dividend per share of 30 yen was paid; consequently, the annual dividend per share, which consists of interim and year-end dividends, amounts to 55 yen.

Proposal No. 2: Appointment of One (1) Audit & Supervisory Board Member

At the end of the general meeting of shareholders, the audit & supervisory board member Ms. Sachiko Nomura will have reached the expiration of her term of office. Accordingly, the Company requests the election of one auditor.
The following proposal has been approved by the audit & supervisory board. The candidate for audit & supervisory board member is as follows:

Name (Date of birth)	Profile, position, responsibilities, and significant concurrent position	Number of the Company's shares held
Sachiko Nomura (December 31, 1973) Re-appointment Outside Independent	April 2000 Registered as attorney Joined Dojima Law Office (to present) April 2014 Adjunct professor Osaka University Graduate School of Law (current) June 2015 Audit & supervisory board member (current) January 2018 Outside director, Kobe Bussan Co., Ltd. (current) (Significant concurrent positions) Attorney Outside director, Kobe Bussan Co., Ltd. Adjunct professor, Osaka University Graduate School of Law	600
[Reason for nomination as a candidate for outside audit & supervisory board member] Sachiko Nomura has an excellent character and deep insight, as well as substantial experience as an attorney. She has appropriately audited the execution of operations from a legal perspective. In light of the aforementioned qualities, she has been judged capable of continuously contributing to the health and transparency of Company management through audits, and she has been chosen as a candidate for outside audit & supervisory board member.		

(Notes)
1. There is no special interest between Sachiko Nomura and the Company.
2. The number of Company shares held represents her interest in the Shima Seiki officer shareholding association.
3. The name stated in the family registry of Sachiko Nomura is Sachiko Suzuki.
4. Sachiko Nomura is a candidate for outside audit & supervisory board member.
5. Sachiko Nomura is familiar with corporate legal affairs as an attorney despite no experience with direct involvement in company management, and so she has been judged capable of appropriately executing the duties of outside audit & supervisory board member.
6. The Company entered into an agreement with Sachiko Nomura to limit liability for damage under Article 423, Paragraph 1, of the Companies Act. The maximum liability for damage based on the agreement is the minimum liability provided in Article 425, Paragraph 1, of the same act. The Company will maintain the above-mentioned limited liability agreement with her when reappointment is approved.
7. The Company terminated the advisory agreement with Dojima Law Office, which Sachiko Nomura belongs to, on March 31, 2019. She has not been involved in any transactions with the Company during the term of the advisory agreement. Additionally, the transaction with the office amounted to 2 million yen below 1% of revenues of the office and sales of the company, respectively. Therefore, the agreement had no effect on the independence of the candidate.
8. Sachiko Nomura will be appointed an outside audit & supervisory board member at the end of the 49th general meeting of shareholders of Shinobu Foods Products Co ., Ltd., on June 25, 2019.
9. The years in office as our outside audit & supervisory board member of Sachiko Nomura will be four years at the end of the general meeting of shareholders.
10. The Company designated Sachiko Nomura as an independent officer under the provisions of the Tokyo Stock Exchange and registered this with the Tokyo Stock Exchange.

[Reference] Criteria for the independence of outside officers

The judgment of the independence of outside directors or outside audit & supervisory board member (hereinafter called "outside officers") from the Company shall satisfy all of following requirements:

1. Outside officers have not served as an executor of business[Note 1] of the Company or its affiliates (hereinafter called "our group"). In addition, outside audit & supervisory board members have not served as group directors not executing business.
2. Outside officers do not now nor have in the past three years met the following conditions:

(1) A person whose major client is our group[Note 2] or its executor of business
(2) A major client of our group[Note 3] or its executor of business
(3) A major shareholder (a person directly or indirectly holding 10% or more of all voting rights) of the Company or its executor of business
(4) An executor of business of a person whose major shareholder (directly or indirectly holding 10% or more of all voting rights) is our group
(5) A consultant, accounting specialist such as certified public accountant, or a specialist in the law such as an attorney who receives money and other properties[Note 4] from the group, in addition to officer's remuneration (a person belonging to an organization such as a legal entity and a union in the case where the organization receive the above properties)
(6) A person who receives large contributions in money and other property[Note 4] from our group or its executor of business
(7) An executor of the business of other companies where an executor of the business of our group is an outside officer
(8) The spouse, relative within the second degree, or a relative or a person within the same household of a person applying to the above (1)-(7) in the case where the person is significant
(9) The spouse, relative within the second degree, or a relative or a person within the same household of a person executing significant business, such as director (excluding outside director) and person responsible for the divisions of our group

3. There are no other reasons for judging it reasonable that outside officers fail to perform duties as independent outside officers

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[Note 1] An executor of business means an executive director, company executive, executive officer, and employee executing business and other persons executing business, such as a position holder and employee similar to the above of legal entities and other organizations.

[Note 2] A person whose main client is our group means a person whose annual trade with our group exceeds 100 million yen or 2% of consolidated sales.

[Note 3] A major client of our group means a person whose annual trade with our group exceeds 100 million yen or 2% of our group's consolidated sales and loans to our group exceed 2% of our group's consolidated total assets.

[Note 4] Large amounts of money and other property mean that the total amount is more than 10 million yen per year for individuals and 2% of annual sales for organizations.