

The following is an English translation of the Notice of the Resolutions of the 57th Ordinary General Meeting of Shareholders of SHIMA SEIKI MFG., LTD. The Company provides this translation for your reference and for convenience only without any guarantee as to its accuracy.

Securities Code: 6222

June 27, 2018

To Our Shareholders

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

Notice of the Resolutions of the 57th Ordinary General Meeting of Shareholders

We are pleased to notify our shareholders that the following matters were reported and resolved at the 57th Ordinary General Meeting of Shareholders of SHIMA SEIKI MFG., LTD. held on June 27, 2018.

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 57th fiscal period from April 1, 2017, to March 31, 2018.
2. The report on financial statements for the 57th fiscal period from April 1, 2017, to March 31, 2018.

The above matters were reported.

Proposals to be acted upon

Proposal No. 1 : Appropriation of Surplus

This proposal was approved in its original form, and the year-end dividend was calculated to be 35 yen per share.

Proposal No. 2 : Appointment of Nine(9) Directors

This proposal was approved in its original form, and Messrs. Masahiro Shima, Mitsuhiro Shima, Ikuto Umeda, Reiji Arikita, Takashi Nanki, Hirokazu Nishitani, Kiyokata Nishikawa, Yoshio Ichiryu and Ms. Rieko Zamma were re-elected as directors.

Mr. Yoshio Ichiryu and Ms. Rieko Zamma are outside directors.

Proposal No. 3 : Appointment of Two(2) Corporate Auditors

This proposal was approved in its original form with Mr. Mitsunori Ueda reappointed and Mr. Hisahito Totsui newly appointed corporate auditors; the two have assumed their respective positions.

Proposal No. 4 : Revision to Remuneration of Directors

This proposal was approved in its original form, and the decision was made to revise directors' remuneration to a fixed remuneration of 300 million yen or less (of this, 50 million yen or less for outside directors) and a performance-linked variable remuneration of 2% or less of net income attributable to owners of the parent for the consolidated fiscal year (not applicable to outside directors). The above remuneration shall exclude the salary as employees or employee-directors as conventionally set.

Proposal No. 5 : Provision of Share Remuneration-type Stock Options (Equity Warrants) as Remuneration to Directors (Excluding Outside Directors)

This proposal was approved in its original form, and the decision was made to provide share remuneration-type stock option equity warrants of 100 million yen or less per year to the directors (excluding outside directors) separate from the remuneration of directors as approved under Proposal No. 4 "Revision to Remuneration of Directors."

At the meeting of the board of directors convened at the end of the ordinary general meeting of shareholders, Mr. Masahiro Shima was elected chairman and representative director, Mr. Mitsuhiro Shima was elected the president and representative director, Mr. Ikuto Umeda was elected senior executive director, and Mr. Reiji Arikita was elected executive director; all directors have assumed their respective positions.

At the meeting of the board of corporate auditors called at the end of the ordinary general meeting of shareholders, Mr. Mitsunori Ueda and Mr. Hisahito Totsui were appointed standing corporate auditors and have assumed their respective positions.

Payment of dividend

Pursuant to the enclosed Year-End Dividend Certificate of Receipt, year-end dividends for the 57th fiscal year will be paid at the nearby Japan Post Bank's head office, branch offices, representative offices, and post offices throughout Japan (qualified bank agents) from June 28, 2018. Shareholders and registered pledgees of shares are requested to accept said dividends by July 31, 2018.

The Year-end Dividend Accounting Statement and the Confirmation of the Payees' Bank Account for the Dividend Payment are enclosed for those who specified having the payment of their dividends paid by account transfer. Please review the enclosed statement and brochures. Meanwhile, the enclosed Dividend Accounting Statement can be used to confirm the amount of dividends for receipt and used as an attached document when tax returns are filed. Therefore, please retain it for later use.

For shareholders and registered pledgees of shares who chose the method of proportional distribution to the number of shares, please direct inquiries to the securities firms where the accounts were opened for details about the payees of the dividends and attached documents when tax returns are filed.