

SHIMA SEIKI MFG., LTD.

Representative: Masahiro Shima, President

Code number: 6222

Stock listings: Tokyo Stock Exchange and Osaka Securities Exchange (1st section)

Notice regarding non-operating expense (foreign exchange loss)

SHIMA SEIKI MFG., LTD. (the “Company”) announces that it has incurred the following exchange loss for the first quarter of the fiscal year ending in March 2012 (April 1, 2011 - June 30, 2011).

Notes

1. Description of foreign exchange loss

As a result of recent fluctuations in exchange rates, the Company has incurred a foreign exchange loss in the amount of ¥829 million on a consolidated basis. The loss was recorded as a non-operating expense for the first quarter ended June 30, 2011.

Meanwhile, the foregoing exchange loss from the impact of currency exchange rates as of the end of this first quarter is subject to change hereafter.

2. Impact on earnings

For the effect of the exchange loss on corporate performance, please refer to the “Financial Results for the First Quarter Ended June 30, 2011” released today (July 27, 2011).