

SHIMA SEIKI MFG., LTD.

Representative: Mitsuhiro Shima, President

Code number: 6222

Stock listings: Tokyo Stock Exchange (1st section)

Notice of dividend from surplus (dividend increase)

SHIMA SEIKI MFG., LTD. has decided to submit a proposal for a dividend from the surplus with a record date of March 31, 2018, to the 57th ordinary general meeting of shareholders on June 27, 2018, and the meeting of the board of directors on May 8, 2018, as follows:

Notes

1. Details of dividend

	Determined amount	Latest expected dividend (published on May 1, 2017)	Actual results for the previous period (fiscal year ended March 2017)
Record date	March 31, 2018	Same as on the left	March 31, 2017
Dividend per share	35.00 yen	25.00 yen	25.00 yen
Total dividend	1,277 million yen	—	862 million yen
Effective date	June 28, 2018	—	June 29, 2017
Source of dividend	Retained earnings	—	Retained earnings

2. Reasons

Our basic policy for the allocation of profits is to maintain stable dividends to shareholders over the long term through sustainable business development with attention to investment growth from the long-term perspective and internal reserves in preparation for future business development.

Under this policy, we published the expected year-end dividend per share for the period of 25 yen. Following higher than initially expected net income attributable to owners of the parent for the fiscal year ended March 2018, we will increase the year-end dividend per share by 10 yen to 35 yen for a further return of profits to shareholders. In relation to this, the annual dividend for the period will be 60 yen, including the already paid dividend per share for end of the second quarter of 25 yen.

(Reference) Breakdown of annual dividend

Record date	Dividend per share (yen)		
	End of the second quarter	End of the year	Annual
Actual results and expected amounts for the period	25.00 yen (Ordinary dividend: 25.00 yen)	35.00 yen (Ordinary dividend:35.00 yen)	60.00 yen (Ordinary dividend: 60.00 yen)
Actual results for the previous period (fiscal year ended March 2017)	20.00 yen (Ordinary dividend: 20.00 yen)	25.00 yen (Ordinary dividend: 22.50 yen) (Memorial dividend: 2.50 yen)	45.00 yen (Ordinary dividend: 42.50 yen) (Memorial dividend: 2.50 yen)