

**SHIMA SEIKI MFG., LTD.**

Representative: Masahiro Shima, President

Code number: 6222

Stock listings: Tokyo Stock Exchange (1<sup>st</sup> section)

*Notice regarding non-operating income (foreign exchange gain)*

SHIMA SEIKI MFG., LTD. (the “Company”) announces that it has incurred the following exchange gain for the first quarter of the fiscal year ending in March 2014 (April 1, 2013 - June 30, 2013).

Notes

1. Description of non-operating income

As a result of sharp fluctuations in exchange rates, the Company has posted a foreign exchange gain in the amount of ¥1,982 million. The gain was recorded as a non-operating income for the first quarter ended June 30, 2013.

The above amount is mainly a valuation gain of receivables denominated in foreign currencies converted at the exchange rate as of the end of this first quarter and may change in accordance with future rate fluctuations.

2. Impact on earnings

For the effect of the exchange gain on corporate performance, please refer to the “Financial Results for the First Quarter Ended June 30, 2013” released today (July 26, 2013).