

## Notice Regarding Change in Subsidiaries (Formation of Joint Venture)

ShinMaywa Industries, Ltd. Announced at a meeting held on May 21, 2009 that its board of directors made a determination to establish a joint venture as described below.

### 1. Reasons for the formation of the joint venture

In its ongoing, long-term management plan "Value Up 200!," the ShinMaywa Group set a target of raising its overseas sales ratio. Meanwhile, demand for aircraft passenger boarding bridges, one of the core businesses of our industrial equipment segment, is expected to increase in Southeast Asia. Against this backdrop, we will transfer all our manufacturing operations for the product, currently based both in Japan and overseas, to overseas production sites to enhance our price competitiveness as well as to reduce the risk of exchange rate fluctuations. This move should facilitate the stable expansion of our business. Since 2001, ShinMaywa Industries has outsourced manufacturing and some of its after-sales services for the product to Jurong Engineering Limited, the partner in the joint venture. By forging an even stronger alliance between the two companies, we aim to increase our market share in Southeast Asia.

### 2. Profile of the joint venture (planned)

(1) Trade name	ShinMaywa-JEL Aerotech Private Limited	
(2) Representative	To be decided	
(3) Location	Singapore	
(4) Formation	June 2009	
(5) Primary operations	Design, manufacture, sale, and after-sales service of aircraft passenger boarding bridges and other airport-related products	
(6) Closing of books	December 31	
(7) Paid-up capital	S\$ 600 thousand (¥4 million*)	* Converted at S\$1 = ¥66.7
(8) Shareholders	ShinMaywa Industries, Ltd. (60%)	
(8) (Ownership %)	Jurong Engineering Limited (40%)	
(9) Performance target	¥16 million in sales (for the year ending December 31, 2011)	

### 3. Formation Schedule

May 21, 2009	Resolution by the Company's Board of Directors
May 26, 2009	Conclusion of joint venture agreement (planned)
Early June 2009	Establishment of joint venture (planned)
July 2009	Start of production (planned)

### 4. Profile of the joint venture partner

(1) Trade name	Jurong Engineering Limited
(2) Representative	Osamu Abiko (Managing Director & CEO)
(3) Location	Singapore
(4) Primary operations	Engineering and construction
(5) Paid-up capital	S\$52 million (Consolidated)
(6) Performance	S\$266 million in sales (for the year ended December 31, 2007) (Consolidated)

### 5. Future outlook

The Company expects that there will be no material impact on the Company's consolidated results for the current fiscal year arising out of the formation of the joint venture. The newly formed joint venture is expected to become a consolidated subsidiary of the Company.