

# News Release

August 23, 2018

Nishimoto Co., Ltd.

(1st section of the Tokyo Stock Exchange, local code 9260)

<h2>Cancellation of Joint Online Grocery Shopping Business in China</h2>
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It is with regret that we have decided to cancel the joint online grocery shopping business in China, announced on March 26, 2018, between our group company Wismettac Foods, Inc. ("WF"; head office: Chuo-ku, Tokyo; President: Hiroshi Tsujikawa) and Shanghai Freshbridge Trading Co., Ltd. ("Shanghai Trading"; head office: Shanghai; legal representative: Mr. Zhao Guozhang).

### 1. Background of the cancellation

WF and Shanghai Trading held a series of talks on the joint online grocery shopping business in China. Discovering that the two parties had different views on future business development, however, we decided to cancel the joint business.

### 2. Future outlook

Our friendship with Shanghai Trading remains solid despite the business's cancellation, and our business partnership will also continue.

China has a very strong consumer market for fresh produce sales and the demand for these products is expected to expand. As such, we will continue to focus on developing business in China.

The cancellation will have a negligible impact on business performance for this fiscal year. There is no change to the forecast for this year's performance released on February 14, 2018.

Contact information for inquiries

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