

February 14, 2019

Press release

Company name: Nishimoto Co., Ltd.
Representative: Takayuki Kanai, President
(Stock code: 9260, Tokyo Stock Exchange First Section)
Contact: Atsuhiko Kimura, Director and CFO
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Notice on Change of Certified Public Accountants

Nishimoto Co., Ltd. (“Nishimoto” or the “Company”) hereby announces as follows that at an Audit & Supervisory Board meeting held today the Company passed a resolution on a proposed change of Certified Public Accountants providing audit certification as set forth in Article 193-2, Paragraph 1 and Paragraph 2 of the Financial Instruments and Exchange Act, and that at a Board of Directors meeting held today the Company resolved to submit the proposed resolution to a 72nd Ordinary General Meeting of Shareholders to be held on March 27, 2019.

1. Planned date of change

March 27, 2019 (date on which a 72nd Ordinary General Meeting of Shareholders is planned to be held)

2. Profiles of incoming and outgoing Certified Public Accountants

(1) Profile of incoming Certified Public Accountants

(i) Name	Ernst & Young ShinNihon LLC
(ii) Headquarters	Tokyo Midtown Hibiya, Hibiya Mitsui Tower, 1-1-2, Yurakucho, Chiyoda-ku, Tokyo, Japan
(iii) Names of engagement partners	Kyoji Ito and Taisuke Horie
(iv) Status of registration under the Japanese Institute of Certified Public Accountants system of audit firms for listed companies	Registered

(2) Profile of outgoing Certified Public Accountants

(i) Name	Deloitte Touche Tohmatsu LLC
(ii) Headquarters	Marunouchi Nijubashi Building, 3-2-3, Marunouchi, Chiyoda-ku, Tokyo, Japan
(iii) Names of engagement partners	Yoshihiro Tsuda and Naoko Kimura

3. Reason for nominating the Certified Public Accountants set forth in item 2 (i)

The Audit & Supervisory Board decided to nominate Ernst & Young ShinNihon LLC as candidates for audit firm in place of Deloitte Touche Tohmatsu LLC because i) engaging the former firm would likely enable audits to be conducted from a new perspective given the continued involvement of the incumbent accounting audit firm over many years and ii) the board judged the former firm to be suitable as a result of considering its specialty, independence and adequacy as well as its quality control platform in a comprehensive manner.

4. Most recent date of appointment of the outgoing Certified Public Accountants

March 27, 2018

5. Opinions in audit reports prepared by the outgoing Certified Public Accountants in the last three years

Not applicable

6. Reasons and processes for the change decision or change

The term of service of Deloitte Touche Tohmatsu LLC, the accounting auditor for Nishimoto, will expire at the conclusion of a 72nd Ordinary General Meeting of Shareholders to be held on March 27, 2019. Following expansion of our overseas operations, Deloitte Touche Tohmatsu LLC asked us about a proposed audit fee revision, which prompted us to decide to, for the sake of consideration, compare the audit firm with its peers with regard to a global audit platform, given that the firm had been continuously involved with the Company over many years. As a result, the Company considered audit service befitting its business size and the characteristics of its globally run operations as well as audit efficiency and audit fee adequacy, and determined the proposed resolution for appointing Ernst & Young ShinNihon LLC as accounting audit firm as one suitable for the current situation at Nishimoto.

7. Opinion of the outgoing Certified Public Accountants on audit report statements concerning the reasons and processes of item 6.

The Company received a reply stating the audit firm had no particular opinion.