

003921/20

In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company



Companies House



A10 *A7Z55F4B* 12/02/2019 #66 se
COMPANIES HOUSE
A04 *A7XAPS43* 16/01/2019 #27 uk
COMPANIES HOUSE

☒ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

☒ **What this form is for**
You cannot use this form
for an alteration of material
with accounting requirements.

TUESDAY
WED

Part 1 Corporate company name

Corporate name of overseas company ①	Nishikawa Rubber Co., Ltd									
UK establishment number	B	R	0	0	4	5	5	6		

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

① This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

	Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.	② This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.
Legislation ②	Financial Instruments and Exchange Act	

A2 Accounting principles


Accounts	<p>Have the accounts been prepared in accordance with a set of generally accepted accounting principles?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Section A3.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those principles below, and then go to Section A3.</p>	③ Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body ③	Accounting Standards Board of Japan	

A3 Accounts

Accounts	<p>Have the accounts been audited? Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Section A5.</p> <p><input checked="" type="checkbox"/> Yes. Go to Section A4.</p>	
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OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts		
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>	<p>① Please insert the name of the appropriate accounting organisation or body.</p>
Name of organisation or body ①	Business Accounting Council / JICPA	
A5 Unaudited accounts		
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No.</p> <p><input type="checkbox"/> Yes.</p>	
Part 3 Signature		
Signature	I am signing this form on behalf of the overseas company.	
	<p>Signature</p> <p>X  X</p>	
	<p>This form may be signed by:</p> <p>Director, Secretary, Permanent representative.</p>	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **PAUL REDFERN**

Company name **NISHIKAWA RUBBER**

Address **UNIT3 PARK FARM BARNs,**

CHESTER ROAD,

MERIDEN

Post town **COVENTRY**

County/Region **WARWICKSHIRE**

Postcode

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Country **UK**

DX

Telephone **01676 937 514**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☒ You have completed all sections of the form, if appropriate.
- ☒ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

FINANCIAL STATEMENTS

(Statements as per Clause 1, Article 24 of the Securities Exchange Act)

Accounting year (69th term) :

From 1st of April, 2017 through to 31st of March, 2018

"The Accounts are a true translation of the Japanese accounts".

PRedfern

PAUL REDFERN,
SENIOR BRANCH MANAGER,
NISHIKAWA RUBBER CO. LTD.,
11/02/19.

Nishikawa Rubber Co., Ltd.

281035

5. [STATUS OF DIRECTORS]

Men: 18 person(s), Women: 0 person(s) (Women's percentage to the total number of Directors: 0%)

Official title	Managerial position	Name		Brief Personal History	Terms of office	Number of stock owned (1000 stocks)
Representative Director Chairman	—	Masahiro NISHIKAWA	Apr. 1972 Jun. 1979 Mar. 1985 Oct. 1986 Dec. 2001 Jun. 2004 May 2005 Jun. 2017	Joined the Company Installed as Director of the Company Installed as Senior Managing Director of the Company Installed as the Company's Representative Director President & Chief Executive Officer Installed as President of Shanghai Nishikawa Sealing System Co., Ltd. Installed as President of Guangzhou Nishikawa Sealing System Co., Ltd. Installed as President of Nishikawa Rubber (Shanghai) Trading Co., Ltd. Installed as the Company's Representative Director Chairman (current position)	One year from June 2018	1,437
Representative Director President & Chief Executive Officer	—	Yoshitomo FUKUOKA	Aug. 1989 Jun. 2003 Jun. 2004 Mar. 2007 Mar. 2010 Jun. 2012 Jun. 2017	Joined the Company Assumed the office as Deputy Director of the Company Installed as Director of the Company Assumed the office as Deputy General Manager of Corporate office and Manager of Corporate Administration Dept. of the Company Assumed the office as General Manager of Corporate office and Manager of Harassment Counseling Office of the Company Installed as Managing Director of the Company Installed as the Company's Representative Director President & Chief Executive Officer (current position)	One year from June 2018	23
Senior Managing Director	General Manager of Technical Division	Nobukazu KATAOKA	Apr. 1976 Oct. 2002 Mar. 2007 Jun. 2008 Jun. 2012 May 2018 Jun. 2018	Joined the Company Assumed Nishikawa Standard Company as Director in charge of design Assumed the office of Deputy General Manager of Technical Division and Manager of Sales & Engineering Dept. of the Company Installed as Director of the Company Installed as Managing Director of the Company Assumed the office as General Manager of Technical Division of the Company (current position) Installed as Representative Director and President of Nishikawa Design Techno Co., Ltd. (current position) Installed as Senior Managing Director of the Company (current position)	One year from June 2018	18
Managing Director	General Manager of Sales & Marketing Division	Masaharu SASAKI	Apr. 1974 Jun. 2005 Mar. 2007 Jul. 2008 May 2012 Jun. 2012 Jun. 2013 Feb. 2015 Nov. 2015 Dec. 2015 Mar. 2016 Jun. 2017	Joined the Company Assumed the office as Deputy Director of the Company Assumed the office as Deputy General Manager of Sales & Marketing Division and Manager of Hamamatsu Sales Office of the Company Assumed the office as Executive Officer of the Company Assumed the office as Deputy General Manager of Sales & Marketing Division and Manager of Kansai Sales Dept. of the Company Installed as Director of the Company Assumed the office as General Manager of Sales & Marketing Division and Manager of Kansai Sales Dept. of the Company Assumed the office as General Manager of Sales & Marketing Division, Manager of Business Administration & Marketing Dept., and Manager of Kansai Sales Dept. of the Company Assumed the office as General Manager of Sales & Marketing Division of the Company, Manager of Business Administration & Marketing Dept., Manager of Kansai Sales Dept., Manager of Kanto Sales Dept., and Manager of Utsunomiya Sales Office Assumed the office as General Manager of Sales & Marketing Division of the Company, Manager of Business Administration & Marketing Dept., Manager of Kansai Sales Dept., and Manager of Kanto Sales Dept. Assumed the office as General Manager of Sales & Marketing Division of the Company (current position) Installed as Managing Director of the Company (current position)	One year from June 2018	10
Managing Director	General Manager of Global Business Control Division	Hideki OGAWA	Apr. 1985 Apr. 2002 Jul. 2008 Oct. 2010 Mar. 2011 Jun. 2013 Jun. 2014 Mar. 2015 Apr. 2015 Jul. 2017 Aug. 2017 Jun. 2018	Joined the Company Installed as Managing Director of Shanghai Nishikawa Sealing System Co., Ltd. Installed as Executive Officer of the Company Assumed the office as Manager of Global Business Control Dept. Installed as Vice President of Shanghai Nishikawa Sealing System Co., Ltd. Installed as Vice President of Guangzhou Nishikawa Sealing System Co., Ltd. Installed as Director of the Company Assumed the office as General Manager of Global Business Control Division and Manager of Program Management Dept. Assumed the office as General Manager of Global Business Control Division and Manager of Global Business Operations Dept. Installed as President of Shanghai Nishikawa Sealing System Co., Ltd. (current position) Installed as President of Guangzhou Nishikawa Sealing Systems Co., Ltd. (current position) Installed as President of Nishikawa Rubber (Shanghai) Trading Co., Ltd. (current position) Assumed the office as General Manager of Global Business Control Division of the Company (current position) Installed as Komisaris of PT. Nishikawa Karya Indonesia (current position) Installed as Managing Director of the Company (current position)	One year from June 2018	12

Official title	Managerial position	Name		Brief Personal History		Terms of office	Number of stock owned (1000 stocks)
Director	Deputy General Manager of Corporate Office in charge of Information & Communication Technology Dept.	Yasuo NISHIKAWA		Apr. 1977 Jun. 1993 Jun. 1995 Apr. 1997 Jun. 2001 Jun. 2012 Jun. 2014	Joined the Company Installed as Auditor of the Company Installed as Director of the Company (current position) Assumed the office as Deputy General Manager of Manufacturing Division and Manager of IT Group of the Company Installed as the representative director and President of Nishikawa Bussan Co., Ltd. Assumed the office as Deputy General Manager of Corporate Office and Manager of Information & Communication Technology Dept. of the Company Assumed the office as Deputy General Manager of Corporate Office in charge of Information & Communication Technology Dept. of the Company (current position)	One year from June 2018	598
Director	Deputy General Manager of Technical Division in charge of R & D Dept., Diversified Products Engineering Dept., and Mold Dept.	Yoshihiro MARUME		Apr. 1978 Mar. 2007 Jul. 2008 Mar. 2010 Jun. 2010 Mar. 2014 Mar. 2015 Mar. 2016 Mar. 2017	Joined the Company Assumed the office as Deputy General Manager of Diversified Products Division and Manager of Sales & Marketing Dept. of the Company Assumed the office as Executive Officer of the Company Assumed the office as General Manager of Diversified Products Division and Manager of Diversified Products Planning Dept. of the Company Installed as Director of the Company (current position) Assumed the office as Deputy General Manager of Technical Division in charge of New Product Development Dept., Diversified Products Engineering Dept., and Mold Dept. of the Company Assumed the office as Deputy General Manager of Technical Division in charge of New Product Development Dept., Diversified Products Engineering Dept., Mold Dept., and R&D Dept. of the Company Assumed the office as Deputy General Manager of Technical Division and Manager of R&D Dept. in charge of New Product Development Dept., Diversified Products Engineering Dept., and Mold Dept. of the Company Assumed the office as Deputy General Manager of Technical Division in charge of R & D Dept., Diversified Products Engineering Dept., and Mold Dept. of the Company (current position)	One year from June 2018	9
Director	General Manager of Quality Assurance Office	Makoto NAITO		Apr. 1980 Mar. 2007 Jul. 2008 Jun. 2012 Sep. 2012 Mar. 2014 Mar. 2015 Jun. 2017 Jun. 2018	Joined the Company Assumed the office as Deputy General Manager of Technical Division and Manager of R & D Dept. of the Company Assumed the office as Executive Officer of the Company Installed as Director of the Company (current position) Assumed the office as Deputy General Manager of Technical Division, Manager of R & D Dept., and Manager in charge of Product Development Dept. of the Company Assumed the office as Deputy General Manager of Technical Division in charge of R & D Dept. of the Company Assumed the office as Deputy General Manager of Corporate Office in charge of Purchasing Dept. and Cost Planning Dept. of the Company Assumed the office as Deputy General Manager of Quality Assurance Office of the Company Assumed the office as General Manager of Quality Assurance Office of the Company (current position)	One year from June 2018	12
Director	Deputy General Manager of Sales & Marketing Division, Manager of Business Administration & Marketing Dept., Manager of Chubu Sales Dept., and Manager of Hamamatsu Sales Office	Mitsuhiro IKEMOTO		Apr. 1980 Apr. 2002 Jun. 2005 Jul. 2008 Apr. 2012 Jun. 2013 Jun. 2017 Mar. 2018	Joined the Company Assumed the office as Director in charge of sales and marketing of Nishikawa Standard Company Assumed the office as Manager of Nagoya Sales Office of the Company Assumed the office as Executive Officer of the Company Assumed the office as Manager of Chubu Sales Dept., Manager of Nagoya Sales Office, and Manager of Hamamatsu Sales Office of the Company Assumed the office as Senior Executive Officer of the Company Assumed the office as Deputy General Manager of Sales & Marketing Division, Manager of Chubu Sales Dept., Manager of Nagoya Sales Office, and Manager of Hamamatsu Sales Office of the Company Installed as Director of the Company (current position) Assumed the office as Deputy General Manager of Sales & Marketing Division, Manager of Business Administration & Marketing Dept., Manager of Chubu Sales Dept., and Manager of Hamamatsu Sales Office of the Company (current position)	One year from June 2018	4
Director	General Manager of Manufacturing Division	Tadao IWAMOTO		Apr. 1985 Mar. 2003 Mar. 2007 Jul. 2008 Mar. 2011 Jun. 2013 Apr. 2015 May 2015 Jun. 2017 Jun. 2018	Joined the Company Assumed the office as Manager of Asa Plant of the Company Assumed the office as Manager of Mihara Plant of the Company Assumed the office as Executive Officer of the Company Installed as Chairman of Shanghai Nishikawa Sealing System Co., Ltd. Installed as Chairman of Guanzhou Nishikawa Sealing System Co., Ltd. Assumed the office as Senior Executive Officer of the Company Assumed the office as Deputy General Manager of Manufacturing Division of the Company Assumed the office as Deputy General Manager of Manufacturing Division and Manager of Yoshida Plant of the Company Installed as Director of the Company (current position) Assumed the office as Deputy General Manager of Manufacturing Division and Manager of Yoshida Plant in charge of Production Engineering Dept. of the Company Assumed the office as General Manager of Manufacturing Division (current position)	One year from June 2018	7

Official title	Managerial position	Name		Brief Personal History	Terms of office	Number of stock owned (1000 stocks)
Director	General Manager of Corporate Office and Manager of Corporate Strategy Planning Dept.	Keiji YASUISHI		<p>Apr. 1989 Joined the Company</p> <p>Mar. 2008 Installed as Vice President in charge of administration of Nishikawa Tachiplalart Rubber Company</p> <p>Mar. 2013 Assumed the office as Manager of Corporate Administrative Dept. of the Company</p> <p>Jun. 2013 Assumed the office as Manager of Corporate Strategy Planning Dept. of the Company</p> <p>Jun. 2016 Installed as Executive Officer of the Company</p> <p>Assumed the office as Deputy General Manager of Corporate Office (in charge of compliance) and Manager of Corporate Strategy Planning Dept. of the Company</p> <p>Jun. 2017 Installed as Director of the Company (current position)</p> <p>Assumed the office as General Manager of Corporate Office and Manager of Corporate Strategy Planning Dept. of the Company (current position)</p>	One year from June 2018	2
Director	President of Nishikawa Cooper LLC	Minoru TEISHI		<p>Apr. 1985 Joined the Company</p> <p>Mar. 2010 Assumed the office as Manager of Asa Plant of the Company</p> <p>Jun. 2012 Assumed the office as Executive Officer of the Company</p> <p>Jun. 2013 Assumed the office as Deputy General Manager of Manufacturing Division and Manager of Asa Plant of the Company in charge of Shiraki Plant and Asa Plant</p> <p>Mar. 2014 Assumed the office as Deputy General Manager of Manufacturing Division, Manager of Mihara Plant, and Manager of Shiraki Plant of the Company</p> <p>Dec. 2014 Installed as Vice President of Nishikawa Cooper LLC</p> <p>Sep. 2015 Installed as President of Nishikawa Cooper LLC (current position)</p> <p>Jun. 2017 Assumed the office as Senior Executive Officer of the Company</p> <p>Jun. 2018 Installed as Director of the Company (current position)</p>	One year from June 2018	3
Director	Deputy General Manager of Technical Division and Manager of Design & Engineering Dept. in charge of New Product Development Dept.	Koso DEGUCHI		<p>Mar. 1992 Joined the Company</p> <p>Jun. 2012 Assumed the office as Manager of Design & Engineering Dept. of the Company</p> <p>Jun. 2016 Assumed the office as Executive Officer of the Company</p> <p>Assumed the office as Deputy General Manager of Technical Division of the Company</p> <p>Mar. 2017 Assumed the office as Deputy General Manager of Technical Division and Manager of Design & Engineering Dept. of the Company in charge of New Product Development Dept. (current position)</p> <p>Jun. 2017 Assumed the office as Senior Executive Officer of the Company</p> <p>Jun. 2018 Installed as Director of the Company (current position)</p>	One year from June 2018	2

Official title	Managerial position	Name		Brief Personal History		Terms of office	Number of stock owned (1000 stocks)
Board of Director (Full-time Audit & Supervisory Committee Member)	—	Takeshi YOSHINO		Apr. 1983 Jun. 2009 Mar. 2013 Jun. 2013 Jun. 2017	Joined the Company Assumed the office as Manager of Corporate Administrative Dept. of the Company Assumed the office as Manager to Internal Audit Dept. Installed as Standing Auditor (full-time) of the Company Installed as Board of Director (Full-time Audit & Supervisory Committee Member) of the Company (current position)	Two years from June 2017	4
Board of Director (Audit & Supervisory Committee Member)	—	Ryuichiro SHIRAI		Oct. 1974 Nov. 1976 Aug. 1984 Aug. 2009 Jun. 2010 Jun. 2017	Joined Chugoku Joze Co., Ltd. Installed as Managing Director of the said company Installed as Representative Director and President of the said company Installed as Representative Director and Chairman of the said company (current position) Installed as Auditor of the Company Installed as Board of Director (Audit & Supervisory Committee Member) of the Company (current position)	Two years from June 2017	2
Board of Director (Audit & Supervisory Committee Member)	—	Tadashi OSAKO		Apr. 1982 Jul. 2011 Jun. 2012 Jun. 2015 Jun. 2017	Registered as attorney-at-law Joined Hiroshima All-in Law and Accounting Office Installed as Auditor of the Company Installed as Director of the Company Installed as Board of Director (Audit & Supervisory Committee Member) of the Company (current position)	Two years from June 2017	1
Board of Director (Audit & Supervisory Committee Member)	—	Junichi YAMAMOTO		Apr. 1973 Mar. 2001 Jun. 2005 Jun. 2013 Sep. 2014 Jun. 2015 Jun. 2017	Joined Toyo Kogyo Co., Ltd. (current Mazda Motor Corporation) Installed as General Manager of Technical Research Institute of Mazda Installed as Auditor (Full-time) of Mazda Left the office as Auditor (Full-time) of Mazda Installed as Advisor of Hiroshima Innovation Network Inc. (current position) Installed as Director of the Company Installed as Board of Director (Audit & Supervisory Committee Member) of the Company (current position)	Two years from June 2017	0
Board of Director (Audit & Supervisory Committee Member)	—	Osamu KURATA		Oct. 1984 Apr. 1988 Apr. 1993 Jun. 2006 Jun. 2015 Jun. 2017	Joined Asahi & Co. (current KPMG AZSA LLC) Registered as certified public accountant Registered as tax accountant Resigned from Azsa & Co. (current KPMG AZSA LLC) Installed as Auditor of the Company Installed as Board of Director (Audit & Supervisory Committee Member) of the Company (current position)	Two years from June 2017	0
Total							2,153

(Note) 1. Messrs. Ryuichiro SHIRAI, Tadashi OSAKO, Junichi YAMAMOTO, and Osamu KURATA, Directors, are outside directors.

2. The Company has provided notice to the Tokyo Stock Exchange of Messrs. Ryuichiro SHIRAI, Tadashi OSAKO, Junichi YAMAMOTO, and Osamu KURATA, Directors, as being independent directors appointed by the Company, in accordance with the Tokyo Stock Exchange's Rules and Regulations.

(1) [Financial Statements]

1) [Balance Sheet]

(Millions of yen)

	Previous Financial Year (as of 31st of March, 2017)	Current Financial Year (as of 31st of March, 2018)
Assets		
Current Assets		
Cash on hands and in banks	17,200	16,104
Trade notes receivable	*2 31	*2 37
Accounts receivable	*1 8,880	*1 9,007
Electronically recorded monetary claims	1,829	2,101
Investment securities	-	500
Finished goods	1,141	1,315
Work in process	347	339
Raw materials and supplies	317	340
Prepaid expenses	157	156
Deferred tax asset	455	767
Short-term loans to affiliated companies	360	200
Accounts due	*1 2,318	*1 1,005
Income tax receivable	-	571
Other current assets	52	163
Allowance for bad debt	△ 5	△ 4
Total current assets	33,087	32,606
Fixed assets		
Tangible fixed assets		
Buildings	11,747	11,987
Accumulated depreciation	△ 8,741	△ 8,978
Buildings (net)	3,006	3,009
Structures	1,159	1,219
Accumulated depreciation	△ 923	△ 952
Structures (net)	236	267
Machinery and equipment	21,978	22,385
Accumulated depreciation	△ 19,347	△ 19,668
Machinery and equipment (net)	2,631	2,716
Autos and trucks	208	216
Accumulated depreciation	△ 170	△ 177
Autos and trucks (net)	38	38
Tools, dies, furniture and fixtures	10,715	11,223
Accumulated depreciation	△ 9,888	△ 10,453
Tools, dies, furniture and fixtures (net)	826	770
Land	2,910	2,932
Construction in progress	820	1,662
Total tangible fixed assets	10,470	11,397
Intangible fixed assets		
Leasehold	23	23
Software	388	413
Other intangible fixed assets	7	7
Total intangible fixed assets	419	444

(Millions of yen)

	Previous Financial Year (as of 31st of March, 2017)	Current Financial Year (as of 31st of March, 2018)
Investments and other assets		
Investment in securities	28,936	32,884
Stock of affiliated companies	7,738	7,505
Investment in partnership	16	16
Investment in affiliated companies	4,057	4,057
Long-term loans receivable	3	2
Long-term loans to shareholders, directors, or employees	14	18
Long-term loans to affiliated companies	1,650	1,650
Long-term prepaid expenses	72	14
Other assets	338	345
Allowance for bad debts	△ 3	△ 3
Total investments and other assets	42,824	46,493
Total fixed assets	53,714	58,335
Total assets	86,801	90,941
Liabilities		
Current Liabilities		
Trade accounts payable	*1 7,178	*1 6,759
Short-term loans payable	*1 4,600	*1 4,550
Current portion of long-term debt	3,950	1,400
Lease obligations	9	9
Other accounts payable	3,512	6,581
Accrued expenses	606	617
Accrued income taxes	501	10
Accrued consumption tax	211	50
Deposits received	73	80
Advance payments received	0	2
Deferred credit	155	124
Reserve for bonus payment	873	877
Provision for product warranties	27	43
Other current liabilities	49	51
Total current liabilities	21,749	21,159
Long-term Liabilities		
Long-term bank loans payable	1,400	4,050
Estimated retirement allowances	172	498
Estimated retirement and bonus allowances for officers	503	-
Lease obligations	30	21
Long-term accounts payable	7,678	6,211
Asset retirement obligations	287	292
Deferred tax liabilities	6,129	7,070
Other long-term liabilities	278	155
Total long-term liabilities	16,481	18,300
Total liabilities	38,230	39,459

(Millions of yen)

	Previous Financial Year (as of 31st of March, 2017)	Current Financial Year (as of 31st of March, 2018)
Net assets		
Shareholders' equity		
Common stock	3,364	3,364
Capital surplus		
Capital reserve	3,661	3,661
Other capital surplus	0	0
Total capital surplus	3,661	3,661
Retained earnings		
Legal reserve	690	690
Other retained earnings		
Reserve for deferred fixed assets	278	271
Reserve for research and development	200	200
General reserve	33,786	25,486
Earned surplus carried forward	△ 7,513	967
Total retained earnings	27,441	27,616
Treasury stock	△ 423	△ 423
Total shareholders' equity	34,044	34,218
Valuation, currency translation and other adjustments		
Valuation difference on securities other than the above	14,526	17,263
Total valuation, currency translation and other adjustments	14,526	17,263
Total net assets	48,571	51,482
Total liabilities and net assets	86,801	90,941

2) [Statement of Income]

(Millions of yen)

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)	Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)
Net sales	45,711	47,642
Cost of sales		
Beginning finished goods inventory	1,100	1,141
Manufacturing costs of goods	31,757	33,953
Current goods purchase amount	3,878	3,937
Total costs	36,736	39,032
Closing finished goods inventory	1,141	1,315
Total cost of sales	35,595	37,717
Gross profit on sales	10,116	9,925
Selling, general and administrative expenses		
Packing and transportation expenses	2,882	3,152
Transfer reserve for provision for product warranties	18	43
Provision for doubtful accounts	0	Δ 0
Officers' remuneration	215	331
Salaries and allowances	985	1,024
Transfer reserve for accrued bonus	90	91
Transfer reserve for retirement and bonus allowance for officers	41	7
Net periodic retirement benefit cost	54	101
Welfare expense	333	333
Taxes and public charges	216	171
Depreciations	49	66
Research and development expenses	567	637
Other costs and expenses	904	945
Total selling, general and administrative expenses	6,362	6,906
Operating income	3,753	3,019
Non-operating income		
Interest income	25	25
Interest on securities	0	0
Dividend income	*1 2,951	*1 3,054
Rent income	*1 244	*1 236
Gain on foreign currency translation	162	168
Other extraordinary income	214	234
Total non-operating income	3,599	3,719
Non-operating expenses		
Interest expenses	69	69
Loss on retirement of fixed assets	*2 62	*2 29
Fixed asset rental expenses	86	90
Other costs and expenses	17	4
Total non-operating expenses	236	193
Ordinary profit	7,116	6,544

(Millions of yen)

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)		Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)	
Extraordinary profit				
Gain on sale of fixed assets	*4	6		-
Gains from sale of investment securities		-		157
Total extraordinary income		6		157
Extraordinary loss				
Loss on retirement of fixed assets	*3	8	*3	9
Loss on valuation of shares of affiliates		-		232
Loss on the Anti-Monopoly Act	*5	13,413		-
Loss from lawsuit		-	*6	5,762
Total extraordinary loss		13,422		6,004
Current net income before income taxes or current net loss before tax incomes (△)		△ 6,299		698
Income taxes		1,259		392
Income taxes adjustment		93		△ 573
Total income taxes		1,352		△ 180
Current net income or current net loss (△)		△ 7,651		879

3) [Statements of Changes in Shareholders' Equity, etc.]
Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)

	Shareholders' equity			
	Capital surplus			Total capital surplus
	Common stock	Capital reserve	Other capital surplus	
Balance at the beginning of the current financial year	3,364	3,661	0	3,661
Changes during the current financial year				
Dividends from surplus				
Current net income or current net loss (Δ)				
Reversal of reserve for deferred fixed assets				
Reserve of general reserve				
Reduction of general reserve				
Acquisition of treasury stock				
Changes to items other than shareholders' equity during the current financial year (net)				
Total changes during the current financial year	-	-	-	-
Balance at the end of the current financial year	3,364	3,661	0	3,661

	Shareholders' equity						
	Retained earning						Total shareholders' equity
	Retained earnings reserve	Other retained earning				Total retained earnings	
		Reserve for deferred fixed assets	Reserve for research and development	General reserve	Eamed surplus carried forward		
Balance at the beginning of the current financial year	690	285	200	31,486	3,135	35,798	42,400
Changes during the current financial year							
Dividends from surplus					Δ 704	Δ 704	Δ 704
Current net income or current net loss (Δ)					Δ 7,651	Δ 7,651	Δ 7,651
Reversal of reserve for deferred fixed assets		Δ 6			6	-	-
Reserve of general reserve				2,300	Δ 2,300	-	-
Reduction of general reserve						-	-
Acquisition of treasury stock							Δ 0
Changes to items other than shareholders' equity during the current financial year (net)							
Total changes during the current financial year	-	Δ 6	-	2,300	Δ 10,649	Δ 8,356	Δ 8,356
Balance at the end of the current financial year	690	278	200	33,786	Δ 7,513	27,441	34,044

	Valuation, currency translation and other adjustments		Total net assets
	Valuation difference on securities other than the above	Total valuation, currency translation and other adjustments	
Balance at the beginning of the current financial year	15,522	15,522	57,922
Changes during the current financial year			
Dividends from surplus			△ 704
Current net income or current net loss (Δ)			△ 7,651
Reversal of reserve for deferred fixed assets			-
Reserve of general reserve			-
Reduction of general reserve			-
Acquisition of treasury stock			Δ 0
Changes to items other than shareholders' equity during the current financial year (net)	Δ 995	Δ 995	Δ 995
Total changes during the current financial year	Δ 995	Δ 995	Δ 9,351
Balance at the end of the current financial year	14,526	14,526	48,571

	Valuation, currency translation and other adjustments		Total net assets
	Valuation difference on securities other than the above	Total valuation, currency translation and other adjustments	
Balance at the beginning of the current financial year	14,526	14,526	48,571
Changes during the current financial year			
Dividends from surplus			△ 704
Current net income or current net loss (△)			879
Reversal of reserve for deferred fixed assets			-
Reserve of general reserve			-
Reduction of general reserve			-
Acquisition of treasury stock			△ 0
Changes to items other than shareholders' equity during the current financial year (net)	2,736	2,736	2,736
Total changes during the current financial year	2,736	2,736	2,910
Balance at the end of the current financial year	17,263	17,263	51,482

[Notes]

(Summary of Significant Accounting Policies)

1. Valuation basis and valuation method of securities

(1) Stocks in subsidiary and/or affiliated companies:

Cost method being determined on moving-average method.

(2) Securities other than the above:-

Those having market value:

Market-value method based on market price at the closing date (any difference in valuation shall be recorded as per capitalization method, and the cost of sell is calculated on moving-average method).

Those not having market value:

Cost method being determined on moving-average method.

2. Inventory valuation basis and valuation method

The valuation basis for inventories held for the purpose of ordinary sales is subject to the cost method (write-down of book values due to the decline in profitability).

(1) Finished products, raw materials, and work in process:

Gross average method

(2) Supplies

Last invoice method

3. Depreciation method for fixed assets:

(1) Tangible fixed assets: (excluding lease assets)

Declining-balance method

For any asset with its depreciation in small amount between 100,000 yen and 200,000 yen at acquisition cost, the company adopts the straight line method in three years.

Useful life of some major items are as follows:

Buildings and structures	8 - 50 years
Machinery and equipment	4 - 9 years

(2) Intangible fixed assets: (excluding lease assets)

Straight-line method

Any software (for in-house use) shall be based on straight-line method being determined on internal availability period (i.e. five years).

(3) Lease assets

Lease assets related to the finance lease transactions other than those where the ownership of the lease assets is deemed to be transferred.

Depreciation of lease assets is computed by the straight-line method with zero residual value, assuming the lease period as the useful life.

4. Basis for recording reserves

(1) Allowance for bad debt:

In order to provide for bad debt loss of receivables, the company recorded anticipated uncollectible amount based on the past bad debt occurrence in connection to unsecured credit and individual anticipated uncollectible amount in connection to specific receivables such as receivables with fear of bad debt loss.

(2) Reserve for bonus payment:

In order to provide for the payment of bonus to employees, the company recorded provision in the amount to be reserved for the current year from the anticipated total amount of bonus to be paid during the following financial year.

(3) Provision for product warranties:

In order to provide for any obligation to defray warranty compensation against any claim within the quality warranty period for any product, the company recorded anticipated expenditure taking the past result and the state of occurrence of claim in the current year into consideration.

(4) Estimated retirement allowances:

In order to provide for the payment of retirement allowance for employees, the company recorded the amount as recognized as accrued allowance at the closing based on the accrued retirement benefits and plan assets at the closing of the current year.

[1] Attribution method for estimated retirement allowances

In calculation of retirement allowance obligations, the company applied the straight-line attribution for the method for attributing the amount of the estimated retirement allowances to the period up to the end of the current year.

[2] Methods for amortizing actuarial gains and losses

The company amortized actuarial gains and losses evenly by the straight-line method over certain periods, which is within the average remaining service period of employees at the time of recognition, starting from each year following the fiscal year in which they occur.

(5) Reserve for retirement and bonus allowance for officers:

In order to provide for the payment of retirement and bonus allowance for officers, the company recorded the required payment at the closing as per the rules.

The company passed a resolution at the 68th annual general meeting held on June 27, 2017 for the payment of retirement and bonus allowance for officers under the exceptional circumstances (payment will be made to an officer upon retirement) following the abolition of the reserve for retirement and bonus allowance for officers. As a result, the reserve for retirement and bonus allowance for officers was reduced to nil and long-term accounts payable of 511 million yen were posted to the long-term liabilities account in connection with the payment of retirement and bonus allowance for officers under the exceptional circumstances.

5. Hedge Accounting Method

(1) Hedge accounting method

The Company uses the deferral hedging accounting. However, as to the forward-exchange contracts eligible for allocation treatment, the Company uses the allocation treatment.

(2) Hedging instrument and hedged item

Hedging instrument: Forward-exchange contracts

Hedged item: Foreign-currency-dominated monetary liabilities

(3) Hedging policy

As to forward foreign exchange transactions, the Company hedges foreign currency exchange risks of foreign-currency-dominated monetary liabilities taking developments in exchange markets into account in accordance with the internal regulations of the Company.

(4) Method for evaluating hedging effectiveness

The Company omits the evaluation of hedging effectiveness for forward foreign exchange transactions by the allocation treatment.

6. Other significant basic matters in preparation of the Financial Statements

(1) Accounting for retirement allowance

The methods for accounting of unrecognized actuarial gains and losses and unrecognized past service costs for retirement allowances are different from those for accounting in consolidated financial statements.

(2) Accounting for consumption tax and other items:

Net of tax method has been adopted for the accounting of consumption tax and local consumption tax.

(Change of accounts presented)

(Statement of Income)

The "commission paid" account was presented in the "selling, general and administrative expenses" account in the previous financial year's statement of income. As the "commission paid" account became less significant in terms of amount, it was transferred to and included in the "other costs and expenses" account from the current financial year. To reflect such change, the reclassification of the financial statements for the previous financial year was performed.

Commission paid (362 million yen), which was included in the "selling, general and administrative expenses" account in the previous financial year's statement of income, was transferred to the "other costs and expenses" account as a result.

(Notes to the matters relating to Balance Sheet)

***1 Notes concerning the affiliated companies:**

Any item in connection with the affiliated companies other than the items included in the categorized items are as follows:-

	Previous Financial Year (31st of March, 2017)	Current Financial Year (31st of March, 2018)
Accounts receivables	1,791 million yen	1,682 million yen
Accounts due	2,266 million yen	986 million yen
Accounts payable	1,510 million yen	1,578 million yen
Short-term borrowings	300 million yen	300 million yen

***2** With respect to the accounting treatment of a trade note receivable that matured at the end of the financial year, the trade note receivable was processed as if it had been settled on the maturity date. As the last day of the financial year fell on a non-banking day, the following trade note receivable that matured at the end of the year was processed as if it had been settled on the maturity date.

	Previous Financial Year (31st of March, 2017)	Current Financial Year (31st of March, 2018)
Trade note receivable	- million yen	6 million yen

3. Contingent liabilities

On 19th of July, 2016 (U.S. time), the Company entered into with the United States Department of Justice a plea agreement that had the payment of a 130 million US dollars (equivalent to 13,400 million yen) fine as its main content for its violation of the United States Antitrust Law in part of the sales of automotive body sealing products to the customers of the Company. On 1st of September, 2016 (U.S. time), the Company acquired an enforceable court judgment requiring the Company's payment of the said amount and made part of the payment.

The company reached a settlement with the plaintiff in a lawsuit filed against the company for compensation in connection with this matter.

It is possible that the results of other compensation lawsuits filed against the company other than this lawsuit may have an adverse effect on the financial results of the company. However, it is difficult to reasonably estimate at this time the amount of impact that such lawsuits may have on the financial statements of the company.

4. Guarantee obligations

The Company provides debt guarantees against the following company's loans from financial institutions, etc. as follows:

Previous financial year (as of 31st of March, 2017)

PT. Nishikawa Karya Indonesia: 56 million yen

Current financial year (as of 31st of March, 2018)

PT. Nishikawa Karya Indonesia: 81 million yen

(Notes to the matters relating to Statement of income)

*1 Items relating to affiliated companies included in individual accounts are as follows:

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)	Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)
Dividend income	2,347 million yen	2,403 million yen
Rent income	187 million yen	186 million yen

*2 Details of loss on retirement of fixed assets are as follows:

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)	Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)
Machinery and equipment	36 million yen	14 million yen
Tool, furniture and fixtures	8 million yen	7 million yen
Others	17 million yen	6 million yen
Total	62 million yen	29 million yen

*3 Details of loss on retirement of fixed assets are as follows:

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)	Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)
Buildings	8 million yen	9 million yen

*4 Details of gain on retirement of fixed assets are as follows:

	Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)	Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)
Buildings	6 million yen	- million yen

*5 Loss on the Anti-Monopoly Act

Previous Financial Year (from 1st of April, 2016 to 31st of March, 2017)

On 19th of July, 2016 (U.S. time), the Company entered into with the United States Department of Justice a plea agreement on the payment of a fine of the same amount as that aforementioned for its violation of the United States Antitrust Law in part of the sales of automotive body sealing products to the customers of the Company. On 1st of September, 2016 (U.S. time), the Company acquired an enforceable court judgment requiring the Company's payment of the said amount and made part of the payment. The Company posted the relevant fine to the extraordinary loss as loss on the Anti-Monopoly Act.

*6 Loss from lawsuit

Current Financial Year (from 1st of April, 2017 to 31st of March, 2018)

The company reached a settlement with the plaintiff in a lawsuit filed against the company for compensation in connection with its violation of the United States Antitrust Law by part of the company's sale of automotive body sealing products to its customers. This is the settlement money paid in the lawsuit.

(Notes to the matters relating to securities)

1. Investments in subsidiaries and investments in affiliated companies

The investments in subsidiaries and affiliated companies include no shares with prices quoted on the stock market.

(Note) Balance sheet amounts of investments in subsidiaries and affiliated companies which are considered extremely difficult to keep track of their share prices quoted on the stock market

(Millions of yen)

Category	31st of March, 2017	31st of March, 2018
Investments in subsidiaries	7,127	6,894
Investments in affiliated companies	611	611
Total	7,738	7,505

2. Securities for which impairment losses were recorded

Previous fiscal year (1st of April, 2016 to 31st of March, 2017)

No impairment losses were recorded.

Current fiscal year (1st of April, 2017 to 31st of March, 2018)

In the current fiscal year, 232 million yen was recorded as impairment losses for investment in affiliated companies (232 million yen for investment in subsidiaries).

With respect to securities of which the market value is extremely difficult to determine, if the actual value of the securities significantly falls at the end of the fiscal year due to the deteriorating financial conditions of the issuing company, the likelihood of recovery is reviewed on a case-by-case basis and the necessity to record impairment losses is determined.

(Notes to the matters relating to tax effect accounting)

1. Itemization of the occurrence of deferred tax asset and deferred tax liability by major causes:-

	Previous Financial Year (31st of March, 2017)	Current Financial Year (31st of March, 2018)
Deferred tax assets		
Estimated retirement allowances	52 million yen	152 million yen
Reserve for bonus payment:	268 million yen	267 million yen
Loss from securities revaluation	474 million yen	545 million yen
Estimated retirement and bonus allowance for officers	153 million yen	- million yen
Long-term liabilities (retirement and bonus allowance for officers)	- million yen	155 million yen
Over-depreciation	146 million yen	164 million yen
Asset retirement obligations	87 million yen	89 million yen
Loss carried forward for tax purposes	- million yen	410 million yen
Accrued income taxes	46 million yen	- million yen
Allowance for bad debts	1 million yen	1 million yen
Provision for product warranties	8 million yen	13 million yen
Others	144 million yen	218 million yen
Subtotal of deferred tax assets	1,384 million yen	2,018 million yen
Less valuation allowance	Δ 693 million yen	Δ 737 million yen
Total deferred tax assets	690 million yen	1,280 million yen
Deferred tax liabilities		
Difference in revaluation of securities	Δ 6,232 million yen	Δ 7,434 million yen
Reserve for deferred fixed assets	Δ 122million yen	Δ 119million yen
Other deferred tax liabilities	Δ 9million yen	Δ 29 million yen
Total deferred tax liability	Δ 6,365million yen	Δ 7,582 million yen
Net amount of deferred tax assets (liabilities)	Δ 5,674million yen	Δ 6,302 million yen

2. Itemization of the causes of difference between the statutory effective tax rate and the ratio of amount of corporate income taxes after the application of tax effect accounting by item:-

	Previous Financial Year (31st of March, 2017)	Current Financial Year (31st of March, 2018)
Statutory effective tax rate	-%	30.7 %
(Adjustment)		
Accounts not permanently qualifying for deduction, including entertainment expenses	-%	1.0 %
Accounts not permanently qualifying for gross revenue, including dividends earned	-%	Δ 111.5 %
Resident tax on per capita basis, etc.	-%	3.1 %
Foreign corporate tax	-%	19.0 %
Withholding tax on dividends from foreign subsidiaries	-%	24.8 %
Change in evaluation allowance	-%	6.3 %
Others	-%	0.7 %
Corporate tax rate after tax effect accounting	-%	Δ 25.8 %

(Note) Information has been omitted because current net loss before tax incomes is posted for the current financial year.

(Material subsequent events)

Acquisition of material fixed asset

The company passed a resolution for the acquisition of a fixed asset (land) in a meeting of the board of directors held on April 16, 2018.

1. Purpose of the acquisition

The company will acquire land for building a new plant in order to streamline and improve the operational efficiency of its production activities and expand its business.

2. Description of asset to be acquired

(1) Location	Prefectural Hongo Industrial Estate (Funaki, Hongo-cho, Mihara-shi, Hiroshima-ken)
(2) Land area to be acquired	Approximately 153,800 m ²
(3) Estimated acquisition price	3,238,000,000 yen

3. Acquisition schedule

(1) Resolution of the board of directors	April 16, 2018
(2) Expected execution date of sale and purchase agreement	December 2020
(3) Expected construction commencement date	January 2021
(4) Expected date plant becoming operational	September 2022

(Note) The construction commencement date will be set upon formal acquisition of the land (i.e. upon completion of land development and execution of a sale and purchase agreement).

(4) [Annexed detailed statements]

[Schedule of tangible fixed assets]

Types of assets	Balance at beginning of the current term (millions of yen)	Increase during the current term (millions of yen)	Decrease during the current term (millions of yen)	Balance at end of the current term (millions of yen)	Accumulated depreciation or depreciation at end of the current term (millions of yen)	Depreciation for the current term (millions of yen)	Balance at end of the current term (millions of yen)
Tangible fixed assets							
Buildings	11,747	293	53	11,987	8,978	280	3,009
Structures	1,159	61	1	1,219	952	30	267
Machinery and equipment	21,978	1,052	645	22,385	19,668	920	2,716
Autos and trucks	208	27	20	216	177	23	38
Tools, dies, furniture and fixtures	10,715	969	460	11,223	10,453	1,013	770
Land	2,910	22	-	2,932	-	-	2,932
Construction in progress	820	3,324	2,482	1,662	-	-	1,662
Total tangible fixed assets	49,541	5,750	3,663	51,627	40,230	2,267	11,397
Intangible fixed assets							
Leasehold	23	-	-	23	-	-	23
Software	1,573	264	116	1,721	1,308	124	413
Other intangible fixed assets	14	-	-	14	7	0	7
Total intangible fixed assets	1,611	264	116	1,760	1,315	124	444
Long-term prepaid expenses	72	5	63	14	-	-	14
Deferred assets	-	-	-	-	-	-	-
Total deferred assets	-	-	-	-	-	-	-

(Notes) 1. Major increases during the current term are as follows:

(1) Machinery and equipment	Equipment in Asa Plant	299 million yen
	Equipment in Shiraki Plant	197 million yen
	Equipment in Yoshida Plant	260 million yen
	Equipment in Mihara Plant	132 million yen
(2) Tool, furniture and fixtures	Molds	663 million yen
(3) Construction in progress	Equipment in Asa Plant	583 million yen
	Equipment in Shiraki Plant	69 million yen
	Equipment in Yoshida Plant	405 million yen
	Equipment in Mihara Plant	221 million yen

2. Major decreases during the current term are as follows:

(1) Machinery and equipment	Disposal	488 million yen
	Sale	157 million yen

[Schedule of allowances]

Category	Balance at beginning of the current term (millions of yen)	Increase during the current term (millions of yen)	Decrease during the current term (Intended use) (millions of yen)	Decrease during the current term (Others) (millions of yen)	Decrease during the current term (millions of yen)
Allowance for bad debt	8	8	-	8	8
Reserve for bonus payment	873	877	873	-	877
Provision for product warranties	27	43	27	-	43
Estimated retirement and bonus allowances for officers	503	7	-	511	-

- (Note) 1. The allowance for bad debt amount in the column of “Decrease during the current term (others)” is the amount reversed for actual uncollectible general receivables.
2. The amount of the estimated retirement and bonus allowances for officers in the column of “Decrease during the current term (others)” is the amount transferred to long-term accounts payable in the long-term liabilities account following the abolition of the reserve for retirement and bonus allowance for officers.

Independent Auditors' Report & Internal Control Audit Report

27th of June, 2018

KPMG AZSA LLC

Designated Limited Partner

Managing Partner Certified Public Accountant Takashi Maeda (Seal)

Designated Limited Partner

Managing Partner Certified Public Accountant Atsushi Nagata (Seal)

To the Board of Directors of Nishikawa Rubber Co., Ltd.:

〈Financial statements audit〉

In order to certify an audit in accordance with provision of Article 193-2 (1) of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements, comprising of consolidated balance sheet, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, significant matters that provide a basis for preparation of consolidated financial statements, other relevant notes, and consolidated supplementary schedules stated in "Financial Condition" section for the consolidated financial year from 1st April, 2017 through 31st March, 2018 of Nishikawa Rubber Co., Ltd.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan that prescribes the establishment and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, which the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the appropriateness of accounting policies used and the relevant application methods and the reasonableness of accounting estimates made by management, as well as assessing the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nishikawa Rubber Co., Ltd. and consolidated subsidiaries as of the 31st of March, 2018, and the consolidated results of their operations and their cash flows for the consolidated financial year then ended in conformity with corporate accounting standards generally accepted in Japan.

〈Internal control audit〉

In order to certify an audit in accordance with provision of Article 193-2 (2) of the Financial Instruments and Exchange Act, we have also audited the accompanying Internal Control Audit Report of Nishikawa Rubber Co., Ltd. as of the 31st March, 2018.

Management's Responsibility for the Internal Control Audit Report

Management is responsible for the establishment and operation of internal control over financial reporting and the preparation and fair presentation of the internal control audit report in accordance with assessment standards for internal control over financial reporting. However, management may be impossible to completely prevent or find false statements in financial reporting due to the internal control over it.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal control audit report based on our internal control audit as independent auditor. We conducted our internal control audit in accordance with audit standards for internal control over financial reporting generally accepted in Japan. Those standards pertaining to financial reporting require that we plan and perform the audit to obtain reasonable assurance about whether the internal control audit report is free from material misstatement.

An internal control audit involves performing procedures to obtain audit evidence about the assessment results of internal control over financial reporting in the internal control audit report. The procedures selected and applied depend on our judgment, including the importance of effects of the foregoing assessment results on the credibility of the financial reporting. An internal control audit also includes assessing the descriptions of assessment scope, procedures, and results of internal control over financial reporting made by the management, as well as assessing the overall presentation of the internal control audit report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Internal Control Audit Report, in which Nishikawa Rubber Co., Ltd. states that the internal control over financial reporting was effective as of the 31st of March 2018, presents fairly, in all material respects, the assessment of the internal control over financial reporting in accordance with the assessment standards for internal control over financial reporting generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the company which should be disclosed pursuant to the provision of the Certified Public Accountants Act.

-
- Note: 1. This is prepared by digitalizing matters stated in the original auditor's report and the original is separately stored by the company (company submitting the annual securities report).
2. XBRL data themselves are not included in the scope of the consolidated financial statements.

Independent Auditors' Report

27th of June, 2018

KPMG AZSA LLC

Designated Limited Partner		
Managing Partner	Certified Public Accountant	Takashi Maeda (Seal)
Designated Limited Partner		
Managing Partner	Certified Public Accountant	Atsushi Nagata (Seal)

To the Board of Directors of Nishikawa Rubber Co., Ltd.:

In order to certify an audit in accordance with the provision of Article 193-2 (1) of the Financial Instruments and Exchange Act, we have audited the accompanying financial statements, i.e., balance sheets, statements of income, statement of changes in shareholders' equity, etc., significant accounting policies, other relevant notes and supplementary schedules stated in the "Financial Condition" section for the 69th financial year from the 1st of April 2017 to the 31st of March, 2018 of Nishikawa Rubber Co., Ltd.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with corporate accounting standards generally accepted in Japan that prescribes the establishment and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, which the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the appropriateness of accounting policies used and the relevant application methods and the reasonableness of accounting estimates made by management, as well as assessing the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nishikawa Rubber Co., Ltd. as of the 31st of March, 2018, and the results of their operations for the financial year then ended in conformity with corporate accounting standards generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the company which should be disclosed pursuant to the provision of the Certified Public Accountants Act.

Note: 1. This is prepared by digitalizing matters stated in the original auditor's report and the original is separately stored by the company (company submitting the annual securities report).
2. XBRL data themselves are not included in the scope of the consolidated financial statements.

5 【役員の状況】

男性18名 女性0名 (役員のうち女性の比率0%)

役名	職名	氏名	生年月日	略歴	任期	所有株式数 (千株)
代表取締役 会長	—	西川 正洋		昭和47年4月 当社入社 昭和54年6月 当社取締役就任 昭和60年3月 当社専務取締役就任 昭和61年10月 当社代表取締役社長就任 平成13年12月 上海西川密封件有限公司董事長就任 平成16年6月 広州西川密封件有限公司董事長就任 平成17年5月 西川橡胶(上海)有限公司董事長就任 平成29年6月 当社代表取締役会長就任(現任)	平成30年 6月から 1年	1,437
代表取締役 社長	—	福岡 美朝		平成元年8月 当社入社 平成15年6月 当社理事 平成16年6月 当社取締役就任 平成19年3月 当社管理本部副部長兼総務部長 平成22年3月 当社管理本部長兼ハラスメント相談室長 平成24年6月 当社常務取締役就任 平成29年6月 当社代表取締役社長就任(現任)	平成30年 6月から 1年	23
専務取締役	技術本部長	片岡 伸和		昭和51年4月 当社入社 平成14年10月 ニシカワ・スタンダード・カンパニー 設計担当ディレクター 平成19年3月 当社技術本部副部長兼営業技術部長 平成20年6月 当社取締役就任 平成24年6月 当社常務取締役就任 当社技術本部長(現任) 平成30年5月 西川デザインテクノ株式会社代表取締役社長就任 (現任) 平成30年6月 当社専務取締役就任(現任)	平成30年 6月から 1年	18
常務取締役	営業本部長	佐々木 賢治		昭和49年4月 当社入社 平成17年6月 当社理事 平成19年3月 当社営業本部副部長兼浜松営業所長 平成20年7月 当社執行役員 平成24年5月 当社営業本部副部長兼関西営業部長 平成24年6月 当社取締役就任 平成25年6月 当社営業本部長兼関西営業部長 平成27年2月 当社営業本部長兼営業企画部長兼関西営業部長 平成27年11月 当社営業本部長兼営業企画部長兼関西営業部長兼 関東営業部長兼宇都宮営業所長 平成27年12月 当社営業本部長兼営業企画部長兼関西営業部長兼 関東営業部長 平成28年3月 当社営業本部長(現任) 平成29年6月 当社常務取締役就任(現任)	平成30年 6月から 1年	10
常務取締役	グローバル 統括本部長	小川 秀樹		昭和60年4月 当社入社 平成14年4月 上海西川密封件有限公司総経理 平成20年7月 当社執行役員 平成22年10月 当社グローバル統括部担当 平成23年3月 上海西川密封件有限公司副董事長就任 広州西川密封件有限公司副董事長就任 平成25年6月 当社取締役就任 当社グローバル統括本部長兼プログラム統括部長 平成26年6月 当社グローバル統括本部長 平成27年3月 当社グローバル統括本部長兼グローバル事業推進 部長 平成27年4月 上海西川密封件有限公司董事長就任(現任) 広州西川密封件有限公司董事長就任(現任) 西川橡胶(上海)有限公司董事長就任(現任) 平成29年7月 当社グローバル統括本部長(現任) 平成29年8月 PT. ニシカワ・カリヤ・インドネシア コミサリス就任(現任) 平成30年6月 当社常務取締役就任(現任)	平成30年 6月から 1年	12

役名	職名	氏名	生年月日	略歴		任期	所有株式数 (千株)
取締役	管理本部 副本部長・ 情報システム部担当	西川 泰央		昭和52年4月 平成5年6月 平成7年6月 平成9年4月 平成13年6月 平成24年6月 平成26年6月	当社入社 当社監査役就任 当社取締役就任(現任) 当社生産本部副本部長兼情報管理部長 西川物産株式会社代表取締役社長就任 当社管理本部副本部長兼情報システム部長 当社管理本部副本部長 情報システム部担当(現任)	平成30年 6月から 1年	598
取締役	技術本部副 本部長・ 技術開発 部・産業資 材技術部・ 金型部担当	丸目 義博		昭和53年4月 平成19年3月 平成20年7月 平成22年3月 平成22年6月 平成26年3月 平成27年3月 平成28年3月 平成29年3月	当社入社 当社産業資材本部副本部長兼営業部長 当社執行役員 当社産業資材本部長兼産業資材企画部長 当社取締役就任(現任) 当社技術本部副本部長 商品開発部・産業資材技術部・金型部担当 当社技術本部副本部長 商品開発部・産業資材技術部・金型部・技術開発部担当 当社技術本部副本部長兼技術開発部長 商品開発部・産業資材技術部・金型部担当 当社技術本部副本部長 技術開発部・産業資材技術部・金型部担当(現任)	平成30年 6月から 1年	9
取締役	品質保証 本部長	内藤 真		昭和55年4月 平成19年3月 平成20年7月 平成24年6月 平成24年9月 平成26年3月 平成27年3月 平成29年6月 平成30年6月	当社入社 当社技術本部副本部長兼技術開発部長 当社執行役員 当社取締役就任(現任) 当社技術本部副本部長兼技術開発部長兼商品開発部担当 当社技術本部副本部長 技術開発部担当 当社管理本部副本部長 購買部・原価企画部担当 当社品質保証本部副本部長 当社品質保証本部長(現任)	平成30年 6月から 1年	12
取締役	営業本部副 本部長・営 業企画部 長・中部営 業部長・浜 松営業所長	池本 充博		昭和55年4月 平成14年4月 平成17年6月 平成20年7月 平成24年4月 平成25年6月 平成29年6月 平成30年3月	当社入社 ニシカワ・スタンダード・カンパニー営業担当ディレクター 当社名古屋営業所長 当社執行役員 当社中部営業部長兼名古屋営業所長兼浜松営業所長 当社上席執行役員 当社営業本部副本部長兼中部営業部長兼名古屋営業所長兼浜松営業所長 当社取締役就任(現任) 当社営業本部副本部長兼営業企画部長兼中部営業部長兼浜松営業所長(現任)	平成30年 6月から 1年	4
取締役	生産本部長	岩本 忠夫		昭和60年4月 平成15年3月 平成19年3月 平成20年7月 平成23年3月 平成25年6月 平成27年4月 平成27年5月 平成29年6月 平成30年6月	当社入社 当社安佐工場長 当社三原工場長 当社執行役員 上海西川密封件有限公司董事長就任 広州西川密封件有限公司董事長就任 当社上席執行役員 当社生産本部副本部長 当社生産本部副本部長兼吉田工場長 当社取締役就任(現任) 当社生産本部副本部長兼吉田工場長 生産技術部担当 当社生産本部長(現任)	平成30年 6月から 1年	7

役名	職名	氏名	生年月日	略歴		任期	所有株式数 (千株)
取締役	管理本部長・経営企画部長	休石 佳司		平成元年4月 平成20年3月 平成25年3月 平成25年6月 平成28年6月 平成29年6月	当社入社 ニシカワ・タチャブララート・ラバー・カンパニー Ltd. 管理担当副社長就任 当社総務部長 当社経営企画部長 当社執行役員 当社管理本部副本部長（コンプライアンス担当）兼経営企画部長 当社取締役就任（現任） 当社管理本部長兼経営企画部長（現任）	平成30年6月から1年	2
取締役	ニシカワ・クーパー LLC 社長	手石 実		昭和60年4月 平成22年3月 平成24年6月 平成25年6月 平成26年3月 平成26年12月 平成27年9月 平成29年6月 平成30年6月	当社入社 当社安佐工場長 当社執行役員 当社生産本部副本部長兼安佐工場長 白木・安佐工場担当 当社生産本部副本部長兼三原工場長兼白木工場長 ニシカワ・クーパー LLC 副社長就任 ニシカワ・クーパー LLC 社長就任（現任） 当社上席執行役員 当社取締役就任（現任）	平成30年6月から1年	3
取締役	技術本部副本部長・営業技術部長・商品開発部担当	出口 幸三		平成4年3月 平成24年6月 平成28年6月 平成29年3月 平成29年6月 平成30年6月	当社入社 当社営業技術部長 当社執行役員 当社技術本部副本部長 当社技術本部副本部長兼営業技術部長 商品開発部担当（現任） 当社上席執行役員 当社取締役就任（現任）	平成30年6月から1年	2

役名	職名	氏名	生年月日	略歴		任期	所有株式数 (千株)
取締役 (常勤監査等 委員)	—	吉野 毅		昭和58年4月 平成21年6月 平成25年3月 平成25年6月 平成29年6月	当社入社 当社総務部長 当社内部監査室付部長 当社常任(常勤)監査役就任 当社取締役(常勤監査等委員)就任(現任)	平成29年 6月から 2年	4
取締役 (監査等委員)	—	白井 龍一郎		昭和49年10月 昭和51年11月 昭和59年8月 平成21年8月 平成22年6月 平成29年6月	中国醸造株式会社入社 同社常務取締役就任 同社代表取締役社長就任 同社代表取締役会長就任(現任) 当社監査役就任 当社取締役(監査等委員)就任(現任)	平成29年 6月から 2年	2
取締役 (監査等委員)	—	大迫 唯志		昭和57年4月 平成23年7月 平成24年6月 平成27年6月 平成29年6月	弁護士登録 弁護士法人広島総合法律事務所入所 当社監査役就任 当社取締役就任 当社取締役(監査等委員)就任(現任)	平成29年 6月から 2年	1
取締役 (監査等委員)	—	山本 順一		昭和48年4月 平成13年3月 平成17年6月 平成25年6月 平成26年9月 平成27年6月 平成29年6月	東洋工業株式会社(現 マツダ株式会社)入社 同社技術研究所長就任 同社監査役(常勤)就任 同社監査役(常勤)退任 株式会社ひろしまイノベーション推進機構顧問就 任(現任) 当社取締役就任 当社取締役(監査等委員)就任(現任)	平成29年 6月から 2年	0
取締役 (監査等委員)	—	藏田 修		昭和59年10月 昭和63年4月 平成5年4月 平成18年6月 平成27年6月 平成29年6月	朝日監査法人(現 有限責任 あずさ監査法人)入所 公認会計士登録 税理士登録 あずさ監査法人(現 有限責任 あずさ監査法人) 退所 当社監査役就任 当社取締役(監査等委員)就任(現任)	平成29年 6月から 2年	0
計							2,153

(注) 1 取締役 白井龍一郎、大迫唯志、山本順一、藏田修の各氏は、社外取締役であります。

2 当社は、取締役 白井龍一郎、大迫唯志、山本順一、藏田修の各氏を、東京証券取引所の定めに基づく独立役員として指定し、届け出ております。

2 【財務諸表等】

(1) 【財務諸表】

① 【貸借対照表】

(単位：百万円)

	前事業年度 (平成29年 3 月31日)	当事業年度 (平成30年 3 月31日)
資産の部		
流動資産		
現金及び預金	17,200	16,104
受取手形	※2 31	※2 37
売掛金	※1 8,880	※1 9,007
電子記録債権	1,829	2,101
有価証券	-	500
製品	1,141	1,315
仕掛品	347	339
原材料及び貯蔵品	317	340
前払費用	157	156
繰延税金資産	455	767
関係会社短期貸付金	360	200
未収入金	※1 2,318	※1 1,005
未収還付法人税等	-	571
その他	52	163
貸倒引当金	△5	△4
流動資産合計	33,087	32,606
固定資産		
有形固定資産		
建物	11,747	11,987
減価償却累計額	△8,741	△8,978
建物（純額）	3,006	3,009
構築物	1,159	1,219
減価償却累計額	△923	△952
構築物（純額）	236	267
機械及び装置	21,978	22,385
減価償却累計額	△19,347	△19,668
機械及び装置（純額）	2,631	2,716
車両運搬具	208	216
減価償却累計額	△170	△177
車両運搬具（純額）	38	38
工具、器具及び備品	10,715	11,223
減価償却累計額	△9,888	△10,453
工具、器具及び備品（純額）	826	770
土地	2,910	2,932
建設仮勘定	820	1,662
有形固定資産合計	10,470	11,397
無形固定資産		
借地権	23	23
ソフトウェア	388	413
その他	7	7
無形固定資産合計	419	444

(単位：百万円)

	前事業年度 (平成29年3月31日)	当事業年度 (平成30年3月31日)
投資その他の資産		
投資有価証券	28,936	32,884
関係会社株式	7,738	7,505
出資金	16	16
関係会社出資金	4,057	4,057
長期貸付金	3	2
株主、役員又は従業員に対する長期貸付金	14	18
関係会社長期貸付金	1,650	1,650
長期前払費用	72	14
その他	338	345
貸倒引当金	△3	△3
投資その他の資産合計	42,824	46,493
固定資産合計	53,714	58,335
資産合計	86,801	90,941
負債の部		
流動負債		
買掛金	※1 7,178	※1 6,759
短期借入金	※1 4,600	※1 4,550
1年内返済予定の長期借入金	3,950	1,400
リース債務	9	9
未払金	3,512	6,581
未払費用	606	617
未払法人税等	501	10
未払消費税等	211	50
預り金	73	80
前受金	0	2
前受収益	155	124
賞与引当金	873	877
製品保証引当金	27	43
その他	49	51
流動負債合計	21,749	21,159
固定負債		
長期借入金	1,400	4,050
退職給付引当金	172	498
役員退職慰労引当金	503	—
リース債務	30	21
長期未払金	7,678	6,211
資産除去債務	287	292
繰延税金負債	6,129	7,070
その他	278	155
固定負債合計	16,481	18,300
負債合計	38,230	39,459

(単位：百万円)

	前事業年度 (平成29年 3 月31日)	当事業年度 (平成30年 3 月31日)
純資産の部		
株主資本		
資本金	3,364	3,364
資本剰余金		
資本準備金	3,661	3,661
その他資本剰余金	0	0
資本剰余金合計	3,661	3,661
利益剰余金		
利益準備金	690	690
その他利益剰余金		
固定資産圧縮積立金	278	271
研究開発積立金	200	200
別途積立金	33,786	25,486
繰越利益剰余金	△7,513	967
利益剰余金合計	27,441	27,616
自己株式	△423	△423
株主資本合計	34,044	34,218
評価・換算差額等		
その他有価証券評価差額金	14,526	17,263
評価・換算差額等合計	14,526	17,263
純資産合計	48,571	51,482
負債純資産合計	86,801	90,941

②【損益計算書】

(単位：百万円)

	前事業年度 (自 平成28年 4 月 1 日 至 平成29年 3 月31日)	当事業年度 (自 平成29年 4 月 1 日 至 平成30年 3 月31日)
売上高	45,711	47,642
売上原価		
製品期首たな卸高	1,100	1,141
当期製品製造原価	31,757	33,953
当期製品仕入高	3,878	3,937
合計	36,736	39,032
製品期末たな卸高	1,141	1,315
売上原価合計	35,595	37,717
売上総利益	10,116	9,925
販売費及び一般管理費		
荷造運搬費	2,882	3,152
製品保証引当金繰入額	18	43
貸倒引当金繰入額	0	△0
役員報酬	215	331
給料及び手当	985	1,024
賞与引当金繰入額	90	91
役員退職慰労引当金繰入額	41	7
退職給付費用	54	101
福利厚生費	333	333
租税公課	216	171
減価償却費	49	66
研究開発費	567	637
その他	904	945
販売費及び一般管理費合計	6,362	6,906
営業利益	3,753	3,019
営業外収益		
受取利息	25	25
有価証券利息	0	0
受取配当金	※1 2,951	※1 3,054
受取賃貸料	※1 244	※1 236
為替差益	162	168
その他	214	234
営業外収益合計	3,599	3,719
営業外費用		
支払利息	69	69
固定資産除却損	※2 62	※2 29
固定資産賃貸費用	86	90
その他	17	4
営業外費用合計	236	193
経常利益	7,116	6,544

(単位：百万円)

	前事業年度 (自 平成28年 4 月 1 日 至 平成29年 3 月31日)	当事業年度 (自 平成29年 4 月 1 日 至 平成30年 3 月31日)
特別利益		
固定資産売却益	※ 4 6	-
投資有価証券売却益	-	157
特別利益合計	6	157
特別損失		
固定資産除却損	※ 3 8	※ 3 9
関係会社株式評価損	-	232
独占禁止法関連損失	※ 5 13,413	-
訴訟関連損失	-	※ 6 5,762
特別損失合計	13,422	6,004
税引前当期純利益又は税引前当期純損失 (△)	△6,299	698
法人税、住民税及び事業税	1,259	392
法人税等調整額	93	△573
法人税等合計	1,352	△180
当期純利益又は当期純損失 (△)	△7,651	879

③【株主資本等変動計算書】

前事業年度(自 平成28年4月1日 至 平成29年3月31日)

(単位：百万円)

	株主資本			
	資本金	資本剰余金		
		資本準備金	その他資本剰余金	資本剰余金合計
当期首残高	3,364	3,661	0	3,661
当期変動額				
剰余金の配当				
当期純利益又は当期純損失(△)				
固定資産圧縮積立金の取崩				
別途積立金の積立				
別途積立金の取崩				
自己株式の取得				
株主資本以外の項目の当期変動額(純額)				
当期変動額合計	—	—	—	—
当期末残高	3,364	3,661	0	3,661

	株主資本							
	利益剰余金						自己株式	株主資本合計
	利益準備金	その他利益剰余金				利益剰余金合計		
		固定資産圧縮 積立金	研究開発積立 金	別途積立金	繰越利益剰余 金			
当期首残高	690	285	200	31,486	3,135	35,798	△423	42,400
当期変動額								
剰余金の配当					△704	△704		△704
当期純利益又は当期 純損失（△）					△7,651	△7,651		△7,651
固定資産圧縮積立金 の取崩		△6			6	－		－
別途積立金の積立				2,300	△2,300	－		－
別途積立金の取崩						－		－
自己株式の取得							△0	△0
株主資本以外の項目 の当期変動額（純 額）								
当期変動額合計	－	△6	－	2,300	△10,649	△8,356	△0	△8,356
当期末残高	690	278	200	33,786	△7,513	27,441	△423	34,044

	評価・換算差額等		純資産合計
	その他有価証券評価差額金	評価・換算差額等合計	
当期首残高	15,522	15,522	57,922
当期変動額			
剰余金の配当			△704
当期純利益又は当期純損失(△)			△7,651
固定資産圧縮積立金の取崩			—
別途積立金の積立			—
別途積立金の取崩			—
自己株式の取得			△0
株主資本以外の項目の当期変動額(純額)	△995	△995	△995
当期変動額合計	△995	△995	△9,351
当期末残高	14,526	14,526	48,571

当事業年度(自 平成29年4月1日 至 平成30年3月31日)

(単位: 百万円)

	株主資本			
	資本金	資本剰余金		
		資本準備金	その他資本剰余金	資本剰余金合計
当期首残高	3,364	3,661	0	3,661
当期変動額				
剰余金の配当				
当期純利益又は当期純損失(△)				
固定資産圧縮積立金の取崩				
別途積立金の積立				
別途積立金の取崩				
自己株式の取得				
株主資本以外の項目の当期変動額(純額)				
当期変動額合計	—	—	—	—
当期末残高	3,364	3,661	0	3,661

	株主資本							
	利益剰余金						自己株式	株主資本合計
	利益準備金	その他利益剰余金				利益剰余金合計		
		固定資産圧縮 積立金	研究開発積立 金	別途積立金	繰越利益剰余 金			
当期首残高	690	278	200	33,786	△7,513	27,441	△423	34,044
当期変動額								
剰余金の配当					△704	△704		△704
当期純利益又は当期 純損失（△）					879	879		879
固定資産圧縮積立金 の取崩		△6			6	－		－
別途積立金の積立						－		－
別途積立金の取崩				△8,300	8,300	－		－
自己株式の取得							△0	△0
株主資本以外の項目 の当期変動額（純 額）								
当期変動額合計	－	△6	－	△8,300	8,481	174	△0	173
当期末残高	690	271	200	25,486	967	27,616	△423	34,218

	評価・換算差額等		純資産合計
	その他有価証券 評価差額金	評価・換算差 額等合計	
当期首残高	14,526	14,526	48,571
当期変動額			
剰余金の配当			△704
当期純利益又は当期 純損失(△)			879
固定資産圧縮積立金 の取崩			—
別途積立金の積立			—
別途積立金の取崩			—
自己株式の取得			△0
株主資本以外の項目 の当期変動額(純 額)	2,736	2,736	2,736
当期変動額合計	2,736	2,736	2,910
当期末残高	17,263	17,263	51,482

【注記事項】

(重要な会計方針)

1 有価証券の評価基準および評価方法

(1) 子会社株式および関連会社株式

移動平均法による原価法

(2) その他有価証券

時価のあるもの

期末日の市場価格等に基づく時価法（評価差額は全部純資産直入法により処理し、売却原価は移動平均法により算定しております。）

時価のないもの

移動平均法による原価法

2 たな卸資産の評価基準および評価方法

評価基準は原価法（収益性の低下による簿価切下げの方法）によっております。

(1) 製品・原材料・仕掛品

総平均法

(2) 貯蔵品

最終仕入原価法

3 固定資産の減価償却の方法

(1) 有形固定資産（リース資産を除く）

定率法を採用しております。

また、取得価額が10万円以上20万円未満の少額減価償却資産については、3年間で均等償却する方法を採用しております。

なお、主な耐用年数は以下のとおりであります。

建物 8～50年

機械及び装置 4～9年

(2) 無形固定資産（リース資産を除く）

定額法を採用しております。

なお、ソフトウェア（自社利用分）については、社内における利用可能期間（5年）による定額法を採用しております。

(3) リース資産

所有権移転外ファイナンス・リース取引に係るリース資産

リース期間を耐用年数とし、残存価額を零とする定額法によっております。

4 引当金の計上基準

(1) 貸倒引当金

債権の貸倒れによる損失に備えるため、一般債権に係る過去の貸倒実績率に基づく回収不能見込額および貸倒懸念債権等の特定の債権に係る個別の回収不能見込額を計上しております。

(2) 賞与引当金

従業員賞与の支払に備えるため、翌期中に支給することが見込まれる賞与総額のうち当期帰属分を引当計上しております。

(3) 製品保証引当金

製品の品質保証期間内でのクレームによる保証支出に備えるため、過去の実績と当期の発生状況を考慮した支出見込額を引当計上しております。

(4) 退職給付引当金

従業員の退職給付に備えるため、当期末における退職給付債務および年金資産の見込額に基づき、当期末において発生していると認められる額を計上しております。

① 退職給付見込額の期間帰属方法

退職給付債務の算定にあたり、退職給付見込額を当事業年度末までの期間に帰属させる方法については、給付算定式基準によっております。

② 数理計算上の差異の費用処理方法

数理計算上の差異は、各事業年度の発生時における従業員の平均残存勤務期間以内の一定の年数による定額法により按分した額をそれぞれ発生の翌事業年度から費用処理しております。

(5) 役員退職慰労引当金

役員退職慰労金の支払に備えるため、内規に基づく期末要支給額を計上しております。

なお、当社は、平成29年6月27日開催の第68回定時株主総会において、役員退職慰労引当金制度の廃止に伴う打ち切り支給（支給時期は各役員の退任時）を決議しております。これに伴い、「役員退職慰労引当金」を全額取崩し、打ち切り支給に伴う未払額511百万円を固定負債の「長期未払金」として計上しております。

5 ヘッジ会計の方法

(1) ヘッジ会計の方法

繰延ヘッジ処理を採用しております。なお、為替予約について振当処理の要件を満たしている場合には振当処理を採用しております。

(2) ヘッジ手段とヘッジ対象

ヘッジ手段：為替予約

ヘッジ対象：外貨建金銭債務

(3) ヘッジ方針

為替予約取引に関しては、社内規定に基づき、為替相場動向等を勘案の上、外貨建金銭債務に係る為替変動リスクをヘッジしております。

(4) ヘッジ有効性の評価方法

振当処理による為替予約取引について、有効性の評価を省略しております。

6 その他財務諸表作成のための基本となる重要な事項

(1) 退職給付に係る会計処理

退職給付に係る未認識数理計算上の差異、未認識過去勤務費用の会計処理の方法は、連結財務諸表におけるこれらの会計処理の方法と異なっております。

(2) 消費税等の会計処理

消費税及び地方消費税の会計処理は、税抜方式を採用しております。

(表示方法の変更)

(損益計算書)

前事業年度において「販売費及び一般管理費」に独立掲記しておりました「支払手数料」は、金額的重要性が乏しくなったため、当事業年度より「その他」へ含めて表示しております。この表示方法の変更を反映させるため、それぞれ前事業年度の財務諸表の組替えを行っております。

この結果、前事業年度の損益計算書において「販売費及び一般管理費」に表示しておりました「支払手数料」362百万円は、「その他」として組み替えております。

(貸借対照表関係)

※1 関係会社に係る注記

区分掲記されたもの以外で各科目に含まれている関係会社に関するものは、次のとおりであります。

	前事業年度 (平成29年3月31日)	当事業年度 (平成30年3月31日)
売掛金	1,791百万円	1,682百万円
未収入金	2,266 "	986 "
買掛金	1,510 "	1,578 "
短期借入金	300 "	300 "

※2 期末日満期手形の会計処理については、満期日に決済が行われたものとして処理しております。

なお、事業年度末日が金融機関の休日であったため、次の期末日満期手形を満期日に決済が行われたものとして処理しております。

	前事業年度 (平成29年3月31日)	当事業年度 (平成30年3月31日)
受取手形	一百万円	6百万円

3 偶発債務

平成28年7月19日(米国時間)、米国司法省との間で、当社顧客への自動車用シール部品販売の一部に関して米国反トラスト法に違反したとして、罰金130百万米ドル(約134億円)を支払うことを主な内容とする司法取引に合意し、平成28年9月1日(米国時間)、裁判所より同金額の支払を命ずる判決の言渡しを受け、これの一部を支払いました。本件に関連して、当社に対して損害賠償等を求める訴訟が提起されておりましたが、原告等との間で和解の合意に至りました。

なお、本訴訟以外の当社に対する損害賠償等を求める訴訟の結果が当社業績に影響を及ぼす可能性があります、現時点では財務諸表に与える影響額を合理的に見積ることは困難であります。

4 保証債務

下記の会社の金融機関等からの借入金に対して、次のとおり債務保証を行っております。

前事業年度(平成29年3月31日)

PT. ニシカワ・カリヤ・インドネシア 56百万円

当事業年度(平成30年3月31日)

PT. ニシカワ・カリヤ・インドネシア 81百万円

(損益計算書関係)

※1 各科目に含まれている関係会社に対するものは、次のとおりであります。

	前事業年度 (自 平成28年4月1日 至 平成29年3月31日)	当事業年度 (自 平成29年4月1日 至 平成30年3月31日)
受取配当金	2,347百万円	2,403百万円
受取賃貸料	187 "	186 "

※2 固定資産除却損の内容は、次のとおりであります。

	前事業年度 (自 平成28年4月1日 至 平成29年3月31日)	当事業年度 (自 平成29年4月1日 至 平成30年3月31日)
機械及び装置	36百万円	14百万円
工具、器具及び備品	8 "	7 "
その他	17 "	6 "
計	62百万円	29百万円

※3 固定資産除却損の内容は、次のとおりであります。

	前事業年度 (自 平成28年4月1日 至 平成29年3月31日)	当事業年度 (自 平成29年4月1日 至 平成30年3月31日)
建物	8百万円	9百万円

※4 固定資産売却益の内容は、次のとおりであります。

	前事業年度 (自 平成28年4月1日 至 平成29年3月31日)	当事業年度 (自 平成29年4月1日 至 平成30年3月31日)
建物	6百万円	一百万円

※5 独占禁止法関連損失

前事業年度(自 平成28年4月1日 至 平成29年3月31日)

当社顧客への自動車用シール部品販売の一部に関して米国反トラスト法に違反したとして、平成28年7月19日(米国時間)に米国司法省との間で合意し、平成28年9月1日(米国時間)、裁判所より同金額の支払を命ずる判決の言渡しを受け、これの一部を支払いました。当該罰金を独占禁止法関連損失として特別損失に計上しております。

※6 訴訟関連損失

当事業年度(自 平成29年4月1日 至 平成30年3月31日)

当社顧客への自動車用シール部品販売の一部に関して米国反トラスト法違反に関連して、当社に対して損害賠償等を求める訴訟が提起されておりましたが、原告等との間で和解の合意に至りました。それに基づく和解金であります。

(有価証券関係)

1. 子会社株式及び関連会社株式

子会社株式及び関連会社で時価のあるものはありません。

(注) 時価を把握することが極めて困難と認められる子会社株式及び関連会社株式の貸借対照表計上額

(単位：百万円)

区分	平成29年 3 月 31 日	平成30年 3 月 31 日
子会社株式	7,127	6,894
関連会社株式	611	611
計	7,738	7,505

2. 減損処理を行った有価証券

前事業年度（自 平成28年 4 月 1 日 至 平成29年 3 月 31 日）

該当事項はありません。

当事業年度（自 平成29年 4 月 1 日 至 平成30年 3 月 31 日）

当事業年度において、関係会社株式について232百万円（子会社株式232百万円）減損処理を行っております。

なお、時価を把握することが極めて困難と認められる有価証券については、発行会社の財政状態の悪化等により事業年度末における実質価額が著しく低下した場合に、個別に回復可能性を判断し、減損処理の要否を決定しております。

(税効果会計関係)

1. 繰延税金資産及び繰延税金負債の発生の主な原因別の内訳

	前事業年度 (平成29年3月31日)	当事業年度 (平成30年3月31日)
繰延税金資産		
退職給付引当金	52百万円	152百万円
賞与引当金	268 "	267 "
有価証券評価損	474 "	545 "
役員退職慰労引当金	153 "	— "
長期未払金(役員退職慰労金)	— "	155 "
減価償却費	146 "	164 "
資産除去債務	87 "	89 "
税務上の繰越欠損金	— "	410 "
未払事業税	46 "	— "
貸倒引当金	1 "	1 "
製品保証引当金	8 "	13 "
その他	144 "	218 "
繰延税金資産小計	1,384百万円	2,018百万円
評価性引当金	△693 "	△737 "
繰延税金資産合計	690百万円	1,280百万円
繰延税金負債		
その他有価証券評価差額金	△6,232百万円	△7,434百万円
固定資産圧縮積立金	△122 "	△119 "
その他	△9 "	△29 "
繰延税金負債合計	△6,365百万円	△7,582百万円
繰延税金資産(負債)の純額	△5,674百万円	△6,302百万円

2. 法定実効税率と税効果会計適用後の法人税等の負担率との差異の原因となった主な項目別の内訳

	前事業年度 (平成29年3月31日)	当事業年度 (平成30年3月31日)
法定実効税率	— %	30.7 %
(調整)		
交際費等永久に損金に算入されない項目	— "	1.0 "
受取配当金等永久に益金に算入されない項目	— "	△111.5 "
住民税均等割等	— "	3.1 "
外国法人税	— "	19.0 "
外国子会社配当金源泉税	— "	24.8 "
評価性引当額の増減	— "	6.3 "
その他	— "	0.7 "
税効果会計適用後の法人税等の負担率	— %	△25.8 %

(注) 前事業年度は税引前当期純損失を計上しているため、記載を省略しております。

(重要な後発事象)

重要な固定資産の取得

当社は、平成30年4月16日開催の取締役会において、固定資産（土地）の取得を決議いたしました。

1. 取得の目的

生産の合理化・効率化、および事業の拡大を図ることを目的として、新工場建設のための土地を取得します。

2. 取得資産の内容

(1) 所在地	県営・本郷産業団地（広島県三原市本郷町船木）
(2) 取得予定面積	約153,800平方メートル
(3) 取得予定金額	32億38百万円

3. 取得の日程

(1) 取締役会決議	平成30年4月16日
(2) 売買契約締結予定年月	平成32年12月
(3) 着工予定年月	平成33年1月
(4) 操業開始予定年月	平成34年9月

(注) 着工については、正式な土地取得後（造成完了・売買契約締結後）、決定いたします。

④ 【附属明細表】

【有形固定資産等明細表】

資産の種類	当期首残高 (百万円)	当期増加額 (百万円)	当期減少額 (百万円)	当期末残高 (百万円)	当期末減価 償却累計額 又は償却 累計額(百万円)	当期償却額 (百万円)	差引当期末 残高 (百万円)
有形固定資産							
建物	11,747	293	53	11,987	8,978	280	3,009
構築物	1,159	61	1	1,219	952	30	267
機械及び装置	21,978	1,052	645	22,385	19,668	920	2,716
車両運搬具	208	27	20	216	177	23	38
工具、器具及び備品	10,715	969	460	11,223	10,453	1,013	770
土地	2,910	22	—	2,932	—	—	2,932
建設仮勘定	820	3,324	2,482	1,662	—	—	1,662
有形固定資産計	49,541	5,750	3,663	51,627	40,230	2,267	11,397
無形固定資産							
借地権	23	—	—	23	—	—	23
ソフトウェア	1,573	264	116	1,721	1,308	124	413
その他	14	—	—	14	7	0	7
無形固定資産計	1,611	264	116	1,760	1,315	124	444
長期前払費用	72	5	63	14	—	—	14
繰延資産	—	—	—	—	—	—	—
繰延資産計	—	—	—	—	—	—	—

(注) 1 当期増加額のうち主なものは、下記のとおりであります。

(1) 機械及び装置	安佐工場設備	299百万円
	白木工場設備	197百万円
	吉田工場設備	260百万円
	三原工場設備	132百万円
(2) 工具、器具及び備品	金型	663百万円
(3) 建設仮勘定	安佐工場設備	583百万円
	白木工場設備	69百万円
	吉田工場設備	405百万円
	三原工場設備	221百万円

2 当期減少額のうち主なものは、下記のとおりであります。

(1) 機械及び装置	廃却	488百万円
	売却	157百万円

【引当金明細表】

区分	当期首残高 (百万円)	当期増加額 (百万円)	当期減少額 (目的使用) (百万円)	当期減少額 (その他) (百万円)	当期末残高 (百万円)
貸倒引当金	8	8	—	8	8
賞与引当金	873	877	873	—	877
製品保証引当金	27	43	27	—	43
役員退職慰労引当金	503	7	—	511	—

(注) 1 貸倒引当金の「当期減少額(その他)」欄の金額は、一般債権の貸倒実績による洗替額であります。

2 役員退職慰労引当金の「当期減少額(その他)」欄の金額は、役員退職慰労金制度廃止に伴う、固定負債の長期未払金への振替額であります。

(2) 【主な資産及び負債の内容】

連結財務諸表を作成しているため、記載を省略しております。

(3) 【その他】

① 決算日後の状況

特記事項はありません。

② 重要な訴訟等

「注記事項(貸借対照表関係) 3 偶発債務」に記載のとおりであります。

独立監査人の監査報告書及び内部統制監査報告書

平成30年 6 月27日

西川ゴム工業株式会社

取締役会 御中

有限責任 あずさ監査法人

指定有限責任社員
業務執行社員 公認会計士 前 田 貴 史 ㊞

指定有限責任社員
業務執行社員 公認会計士 永 田 篤 ㊞

<財務諸表監査>

当監査法人は、金融商品取引法第193条の2第1項の規定に基づく監査証明を行うため、「経理の状況」に掲げられている西川ゴム工業株式会社の平成29年4月1日から平成30年3月31日までの連結会計年度の連結財務諸表、すなわち、連結貸借対照表、連結損益計算書、連結包括利益計算書、連結株主資本等変動計算書、連結キャッシュ・フロー計算書、連結財務諸表作成のための基本となる重要な事項、その他の注記及び連結附属明細表について監査を行った。

連結財務諸表に対する経営者の責任

経営者の責任は、我が国において一般に公正妥当と認められる企業会計の基準に準拠して連結財務諸表を作成し適正に表示することにある。これには、不正又は誤謬による重要な虚偽表示のない連結財務諸表を作成し適正に表示するために経営者が必要と判断した内部統制を整備及び運用することが含まれる。

監査人の責任

当監査法人の責任は、当監査法人が実施した監査に基づいて、独立の立場から連結財務諸表に対する意見を表明することにある。当監査法人は、我が国において一般に公正妥当と認められる監査の基準に準拠して監査を行った。監査の基準は、当監査法人に連結財務諸表に重要な虚偽表示がないかどうかについて合理的な保証を得るために、監査計画を策定し、これに基づき監査を実施することを求めている。

監査においては、連結財務諸表の金額及び開示について監査証拠を入手するための手続が実施される。監査手続は、当監査法人の判断により、不正又は誤謬による連結財務諸表の重要な虚偽表示のリスクの評価に基づいて選択及び適用される。財務諸表監査の目的は、内部統制の有効性について意見表明するためのものではないが、当監査法人は、リスク評価の実施に際して、状況に応じた適切な監査手続を立案するために、連結財務諸表の作成と適正な表示に関連する内部統制を検討する。また、監査には、経営者が採用した会計方針及びその適用方法並びに経営者によって行われた見積りの評価も含め全体としての連結財務諸表の表示を検討することが含まれる。

当監査法人は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。

監査意見

当監査法人は、上記の連結財務諸表が、我が国において一般に公正妥当と認められる企業会計の基準に準拠して、西川ゴム工業株式会社及び連結子会社の平成30年3月31日現在の財政状態並びに同日をもって終了する連結会計年度の経営成績及びキャッシュ・フローの状況をすべての重要な点において適正に表示しているものと認める。

<内部統制監査>

当監査法人は、金融商品取引法第193条の2第2項の規定に基づく監査証明を行うため、西川ゴム工業株式会社の平成30年3月31日現在の内部統制報告書について監査を行った。

内部統制報告書に対する経営者の責任

経営者の責任は、財務報告に係る内部統制を整備及び運用し、我が国において一般に公正妥当と認められる財務報告に係る内部統制の評価の基準に準拠して内部統制報告書を作成し適正に表示することにある。

なお、財務報告に係る内部統制により財務報告の虚偽の記載を完全には防止又は発見することができない可能性がある。

監査人の責任

当監査法人の責任は、当監査法人が実施した内部統制監査に基づいて、独立の立場から内部統制報告書に対する意見を表明することにある。当監査法人は、我が国において一般に公正妥当と認められる財務報告に係る内部統制の監査の基準に準拠して内部統制監査を行った。財務報告に係る内部統制の監査の基準は、当監査法人に内部統制報告書に重要な虚偽表示がないかどうかについて合理的な保証を得るために、監査計画を策定し、これに基づき内部統制監査を実施することを求めている。

内部統制監査においては、内部統制報告書における財務報告に係る内部統制の評価結果について監査証拠を入手するための手続が実施される。内部統制監査の監査手続は、当監査法人の判断により、財務報告の信頼性に及ぼす影響の重要性に基づいて選択及び適用される。また、内部統制監査には、財務報告に係る内部統制の評価範囲、評価手続及び評価結果について経営者が行った記載を含め、全体としての内部統制報告書の表示を検討することが含まれる。

当監査法人は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。

監査意見

当監査法人は、西川ゴム工業株式会社が平成30年3月31日現在の財務報告に係る内部統制は有効であると表示した上記の内部統制報告書が、我が国において一般に公正妥当と認められる財務報告に係る内部統制の評価の基準に準拠して、財務報告に係る内部統制の評価結果について、すべての重要な点において適正に表示しているものと認める。

利害関係

会社と当監査法人又は業務執行社員との間には、公認会計士法の規定により記載すべき利害関係はない。

以 上

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- ※1 上記は監査報告書の原本に記載された事項を電子化したものであり、その原本は当社(有価証券報告書提出会社)が別途保管しております。
- 2 XBRLデータは監査の対象には含まれていません。

独立監査人の監査報告書

平成30年6月27日

西川ゴム工業株式会社
取締役会 御中

有限責任 あずさ監査法人

指定有限責任社員
業務執行社員 公認会計士 前 田 貴 史 ㊞

指定有限責任社員
業務執行社員 公認会計士 永 田 篤 ㊞

当監査法人は、金融商品取引法第193条の2第1項の規定に基づく監査証明を行うため、「経理の状況」に掲げられている西川ゴム工業株式会社の平成29年4月1日から平成30年3月31日までの第69期事業年度の財務諸表、すなわち、貸借対照表、損益計算書、株主資本等変動計算書、重要な会計方針、その他の注記及び附属明細表について監査を行った。

財務諸表に対する経営者の責任

経営者の責任は、我が国において一般に公正妥当と認められる企業会計の基準に準拠して財務諸表を作成し適正に表示することにある。これには、不正又は誤謬による重要な虚偽表示のない財務諸表を作成し適正に表示するために経営者が必要と判断した内部統制を整備及び運用することが含まれる。

監査人の責任

当監査法人の責任は、当監査法人が実施した監査に基づいて、独立の立場から財務諸表に対する意見を表明することにある。当監査法人は、我が国において一般に公正妥当と認められる監査の基準に準拠して監査を行った。監査の基準は、当監査法人に財務諸表に重要な虚偽表示がないかどうかについて合理的な保証を得るために、監査計画を策定し、これに基づき監査を実施することを求めている。

監査においては、財務諸表の金額及び開示について監査証拠を入手するための手続が実施される。監査手続は、当監査法人の判断により、不正又は誤謬による財務諸表の重要な虚偽表示のリスクの評価に基づいて選択及び適用される。財務諸表監査の目的は、内部統制の有効性について意見表明するためのものではないが、当監査法人は、リスク評価の実施に際して、状況に応じた適切な監査手続を立案するために、財務諸表の作成と適正な表示に関連する内部統制を検討する。また、監査には、経営者が採用した会計方針及びその適用方法並びに経営者によって行われた見積りの評価も含め全体としての財務諸表の表示を検討することが含まれる。

当監査法人は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。

監査意見

当監査法人は、上記の財務諸表が、我が国において一般に公正妥当と認められる企業会計の基準に準拠して、西川ゴム工業株式会社の平成30年3月31日現在の財政状態及び同日をもって終了する事業年度の経営成績をすべての重要な点において適正に表示しているものと認める。

利害関係

会社と当監査法人又は業務執行社員との間には、公認会計士法の規定により記載すべき利害関係はない。

以 上

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- (注) 1 上記は監査報告書の原本に記載された事項を電子化したものであり、その原本は当社(有価証券報告書提出会社)が別途保管しております。
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