

FY2024 Consolidated Financial Results (December 1, 2023 - November 30, 2024)

Company name : **OSG Corporation**
 Shares listed : Tokyo and Nagoya Stock Exchanges
 Code number : 6136
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(Amounts less than one million yen are omitted)

1. Consolidated Results for FY2024 (December 1, 2023 - November 30, 2024)

(1) Consolidated financial results (% indicates changes from the previous term)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	155,517	5.3	18,868	-4.7	19,825	-7.1	13,439	-6.1
FY2023	147,703	3.6	19,800	-9.6	21,350	-9.7	14,307	-13.5

(Note) Comprehensive income FY2024: 12,663 million yen (-48.4%) FY2023: 24,543 million yen (-19.6%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY2024	148.94	133.97	7.7	7.8	12.1
FY2023	149.29	—	8.3	8.9	13.4

(Reference) Equity in net income of affiliates FY2024: -7 million yen FY2023: -8 million yen

(Note) The diluted net income per share for FY2023 is not stated as there were no dilutive shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2024	257,256	179,411	64.8	1,962.21
FY2023	250,124	194,640	72.6	1,892.35

(Reference) Equity FY2024: 166,633 million yen FY2023: 181,561 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY2024	28,557	-21,741	-7,985	48,206
FY2023	23,331	-8,543	-3,831	49,722

2. Dividends

	Dividends per share			Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End of 2Q	Year-end	Annual			
	Yen	Yen	Yen	Million yen	%	%
FY2023	28.00	32.00	60.00	5,758	40.2	3.3
FY2024	28.00	32.00	60.00	5,262	40.3	3.1
FY2025 forecast	28.00	32.00	60.00		35.1	

3. Forecast of Consolidated Results for FY2025 (December 1, 2024 - November 30, 2025)

(for semi-annual, % indicates changes from the previous corresponding term, for annual, changes from the previous term)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Semi-Annual	79,000	1.7	10,100	3.4	10,700	-1.6	7,100	-1.6	83.61
Annual	160,000	2.9	21,000	11.3	22,000	11.0	14,500	7.9	170.75

4. Others

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 10 companies (Precision Tools Holding B.V., 9 other companies)
 Excluded: –
- (2) Changes in accounting principles and accounting estimates and retrospective restatement
 1) Changes in accounting principles due to amendment to accounting standards: None
 2) Changes other than 1) above: None
 3) Changes in accounting estimates: None
 4) Retrospective restatement: None
- (3) Number of shares issued and outstanding (common stock)
 1) Total number of shares issued and outstanding at the end of each period (including treasury stock):
 FY2024: 99,182,517 shares
 FY2023: 99,182,517 shares
 2) Total number of treasury stock at the end of each period:
 FY2024: 14,261,174 shares
 FY2023: 3,237,817 shares
 3) Average number of shares outstanding in each period:
 FY2024: 90,233,194 shares
 FY2023: 95,838,730 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Results for FY2024 (December 1, 2023 - November 30, 2024)

(1) Non-consolidated financial results (% indicates changes from the previous term)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	56,411	1.9	5,175	-3.8	11,059	10.3	9,130	21.7
FY2023	55,362	-2.8	5,379	-20.1	10,026	-23.7	7,504	-28.1

	Net income per share	Diluted net income per share
	Yen	Yen
FY2024	101.15	90.92
FY2023	78.28	–

(Note) The diluted net income per share for FY2023 is not stated as there were no dilutive shares.

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	Net assets per share
	Million yen		Million yen		%	Yen
FY2024	127,331		64,773		50.9	762.40
FY2023	122,106		82,998		68.0	864.74

(Reference) Equity

FY2024: 64,773 million yen

FY2023: 82,998 million yen

2. Forecast of Non-Consolidated Results for FY2025 (December 1, 2024 - November 30, 2025)

(for semi-annual, % indicates changes from the previous corresponding term, for annual, changes from the previous term)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Semi-Annual	29,000	4.5	2,900	12.5	5,800	-15.9	4,800	-18.2	56.50
Annual	59,500	5.5	6,000	15.9	10,600	-4.2	8,900	-2.5	104.76

※The financial results reports are not subjected to audit procedures.

※Explanation for appropriate use of financial forecasts and other special notes

The above forecasts for financial results are based on information available at the time this report was released. These forecasts and other forward-looking statements are not guarantees of future performance. Actual operating results may differ from the above forecasts due to known and unknown risks, uncertainties, and other factors.

Consolidated Summary Balance Sheet
OSG Corporation

(Millions of yen)

	FY2023 As of Nov. 30, 2023	FY2024 As of Nov. 30, 2024
Assets		
Current assets		
Cash and deposits	57,970	55,774
Notes, accounts receivable-trade and contract assets	28,645	28,244
Securities	1	104
Merchandise and finished goods	38,529	38,621
Work in process	7,544	7,476
Raw materials and supplies	10,420	9,904
Other	4,602	4,524
Allowance for doubtful accounts	(197)	(196)
Total current assets	147,517	144,453
Non-current assets		
Property, plant and equipment		
Buildings and structures	61,979	62,923
Accumulated depreciation	(37,814)	(39,576)
Buildings and structures, net	24,165	23,347
Machinery, equipment and vehicles	162,685	166,773
Accumulated depreciation	(124,904)	(129,307)
Machinery, equipment and vehicles, net	37,780	37,465
Tools, furniture and fixtures	11,439	12,138
Accumulated depreciation	(9,257)	(9,608)
Tools, furniture and fixtures, net	2,181	2,529
Land	16,343	16,673
Construction in progress	3,468	8,693
Other	1,672	2,022
Accumulated depreciation	(908)	(875)
Other, net	764	1,146
Total property, plant and equipment	84,705	89,856
Intangible assets		
Goodwill	3,692	4,749
Other	1,760	4,918
Total intangible assets	5,453	9,668
Investments and other assets		
Investment securities	5,812	6,351
Investments in capital	346	360
Long-term loans receivable	400	403
Deferred tax assets	4,041	4,287
Retirement benefit asset	219	234
Other	1,976	1,867
Allowance for doubtful accounts	(347)	(340)
Total investments and other assets	12,449	13,164
Total non-current assets	102,607	112,689
Deferred assets		
Bond issuance cost	—	113
Total deferred assets	—	113
Total assets	250,124	257,256

Consolidated Summary Balance Sheet
OSG Corporation

(Millions of yen)

	FY2023 As of Nov. 30, 2023	FY2024 As of Nov. 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable-trade	6,019	5,792
Short-term loans payable	672	185
Current portion of long-term loans payable	1,638	4,181
Accrued expenses	9,224	9,171
Income taxes payable	1,733	2,170
Provision for directors' bonuses	332	310
Provision for environmental measures	—	72
Other	4,932	5,577
Total current liabilities	24,552	27,461
Non-current liabilities		
Bonds payable	10,000	10,000
Convertible bond-type bonds with share acquisition rights	—	22,188
Long-term loans payable	16,365	12,543
Deferred tax liabilities	2,011	2,667
Net defined benefit liability	990	1,067
Other	1,564	1,915
Total non-current liabilities	30,931	50,383
Total liabilities	55,484	77,844
Net assets		
Shareholders' equity		
Capital stock	13,044	13,044
Capital surplus	13,330	13,327
Retained earnings	140,361	148,128
Treasury stock	(5,845)	(27,778)
Total shareholders' equity	160,891	146,722
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,326	1,598
Deferred gains or losses on hedges	—	3
Foreign currency translation adjustment	19,342	18,308
Total accumulated other comprehensive income	20,669	19,911
Non-controlling interests	13,079	12,778
Total net assets	194,640	179,411
Total liabilities and net assets	250,124	257,256

Consolidated Summary Statement of Income
OSG Corporation

(Millions of yen)

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Net sales	147,703	155,517
Cost of sales	87,254	92,042
Gross profit	60,448	63,475
Selling, general and administrative expenses	40,648	44,606
Operating income	19,800	18,868
Non-operating income		
Interest income	829	994
Dividend income	178	175
Purchase discounts	45	37
Foreign exchange gains	84	—
Subsidy income	263	369
Other	843	874
Total non-operating income	2,244	2,451
Non-operating expenses		
Interest expenses	302	275
Share of loss of entities accounted for using equity method	8	7
Foreign exchange losses	—	681
Other	384	530
Total non-operating expenses	694	1,494
Ordinary income	21,350	19,825
Extraordinary gains		
Gain on sales of investment securities	—	212
Insurance income	—	131
Gain on sales of investments in capital of subsidiaries and associates	144	—
Total extraordinary gains	144	344
Extraordinary losses		
Loss on sales of investment securities	—	162
Theft loss	—	131
Provision for environmental measures	—	72
Provision of allowance for doubtful accounts	540	—
Loss from money transfer scam at foreign subsidiary	132	—
Loss on valuation of shares of subsidiaries and associates	74	—
Total extraordinary losses	747	366
Income before income taxes	20,747	19,803
Income taxes - current	6,102	6,400
Income taxes - deferred	(166)	(596)
Total income taxes	5,936	5,804
Net income	14,811	13,999
Net income attributable to non-controlling interests	503	560
Net income attributable to owners of parent	14,307	13,439

Consolidated Statement of Comprehensive Income
OSG Corporation

(Millions of yen)

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Net income	14,811	13,999
Other comprehensive income		
Valuation difference on available-for-sale securities	450	274
Deferred gains or losses on hedges	(0)	3
Foreign currency translation adjustment	9,291	(1,612)
Share of other comprehensive income of associates accounted for using equity method	(9)	(1)
Total other comprehensive income	9,732	(1,335)
Comprehensive income	24,543	12,663
(Breakdown)		
Comprehensive income attributable to owners of parent	23,116	12,673
Comprehensive income attributable to non-controlling interests	1,427	(9)

Consolidated Statement of Changes in Equity OSG Corporation

FY2023 (12/1/2022 - 11/30/2023)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	13,044	13,792	132,320	(6,388)	152,768
Changes during period					
Dividends of surplus			(6,237)		(6,237)
Net income attributable to owners of parent			14,307		14,307
Purchase of treasury stock				(9)	(9)
Disposal of treasury stock		6		552	558
Change of scope of consolidation		(173)	(1)		(175)
Purchase of shares of consolidated subsidiaries		(282)			(282)
Purchase of investments in capital of consolidated subsidiaries		(38)			(38)
Transfer from retained earnings to capital surplus		27	(27)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	(461)	8,041	542	8,122
Balance at end of period	13,044	13,330	140,361	(5,845)	160,891

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	852	0	11,038	11,890	12,178	176,838
Changes during period						
Dividends of surplus						(6,237)
Net income attributable to owners of parent						14,307
Purchase of treasury stock						(9)
Disposal of treasury stock						558
Change of scope of consolidation						(175)
Purchase of shares of consolidated subsidiaries						(282)
Purchase of investments in capital of consolidated subsidiaries						(38)
Transfer from retained earnings to capital surplus						—
Net changes in items other than shareholders' equity	474	(0)	8,304	8,778	900	9,679
Total changes during period	474	(0)	8,304	8,778	900	17,802
Balance at end of period	1,326	—	19,342	20,669	13,079	194,640

Consolidated Statement of Changes in Equity
OSG Corporation

FY2024 (12/1/2023 - 11/30/2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	13,044	13,330	140,361	(5,845)	160,891
Changes during period					
Dividends of surplus			(5,614)		(5,614)
Net income attributable to owners of parent			13,439		13,439
Purchase of treasury stock				(22,006)	(22,006)
Disposal of treasury stock		5		74	79
Change of scope of consolidation		(16)	(49)		(66)
Transfer from retained earnings to capital surplus		8	(8)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	(3)	7,767	(21,932)	(14,169)
Balance at end of period	13,044	13,327	148,128	(27,778)	146,722

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	1,326	—	19,342	20,669	13,079	194,640
Changes during period						
Dividends of surplus						(5,614)
Net income attributable to owners of parent						13,439
Purchase of treasury stock						(22,006)
Disposal of treasury stock						79
Change of scope of consolidation						(66)
Transfer from retained earnings to capital surplus						—
Net changes in items other than shareholders' equity	271	3	(1,033)	(758)	(301)	(1,059)
Total changes during period	271	3	(1,033)	(758)	(301)	(15,228)
Balance at end of period	1,598	3	18,308	19,911	12,778	179,411

Consolidated Summary Statement of Cash Flows
OSG Corporation

(Millions of yen)

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Operating activities:		
Income before income taxes	20,747	19,803
Depreciation and amortization	11,037	11,824
Amortization of goodwill	903	1,005
Increase (decrease) in allowance for doubtful accounts	522	3
Increase (decrease) in provision for directors' bonuses	(44)	(21)
Increase (decrease) in net defined benefit liability	84	52
Increase (decrease) in provision for loss on guarantees	(85)	—
Increase (decrease) in provision for environmental measures	—	72
Interest and dividend income	(1,007)	(1,170)
Interest expense	302	275
Equity in loss (earnings) of an associated company	8	7
Loss (gain) on sales of investment securities	—	(50)
Insurance income	—	(131)
Gain on sales of investments in capital of subsidiaries and associates	(144)	—
Theft loss	—	131
Loss from money transfer scam at foreign subsidiary	132	—
Loss on valuation of shares of subsidiaries and associates	74	—
Change in notes, accounts receivable-trade and contract assets	(480)	450
Change in inventories	(2,076)	519
Change in notes and accounts payable	(56)	(453)
Change in accrued expenses	77	(167)
Other, net	692	936
Subtotal	30,688	33,089
Interest and dividend income received	977	1,128
Proceeds from insurance income	—	131
Interest expense paid	(292)	(270)
Payment for loss from money transfer scam at foreign subsidiary	(132)	—
Income taxes - paid	(7,909)	(5,521)
Net cash provided by operating activities	23,331	28,557

Consolidated Summary Statement of Cash Flows
OSG Corporation

(Millions of yen)

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Investing activities:		
Payments for time deposits	(3,524)	(6,770)
Proceeds from refund of time deposits	6,036	7,413
Purchases of investment securities	(16)	(4)
Proceeds from sales and redemption of investment securities	12	298
Acquisitions of property, plant and equipment	(10,580)	(15,509)
Proceeds from sales of property, plant and equipment	537	240
Purchase of intangible assets	(578)	(683)
Purchase of shares of subsidiaries	(1,037)	(694)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(5,418)
Proceeds from sales of investments in capital of subsidiaries resulting in change in scope of consolidation	552	—
Other, net	56	(612)
Net cash used in investing activities	(8,543)	(21,741)
Financing activities:		
Change in short-term borrowings, net	(39)	(22)
Proceeds from long-term borrowings	39	—
Repayments of long-term borrowings	(1,955)	(1,701)
Proceeds from issuance of convertible bond-type bonds with share acquisition rights	—	22,087
Proceeds from issuance of bonds	5,000	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(381)	(23)
Purchase of investments in capital of subsidiaries not resulting in change in scope of consolidation	(112)	—
Purchase of treasury stock	(3)	(22,001)
Proceeds from sales of treasury stock	460	—
Dividends paid	(6,220)	(5,612)
Dividends paid to non-controlling interests	(305)	(295)
Other, net	(312)	(416)
Net cash used in financing activities	(3,831)	(7,985)
Effect of exchange rate change on cash and cash equivalents	1,975	(412)
Net increase (decrease) in cash and cash equivalents	12,931	(1,581)
Cash and cash equivalents at beginning of year	36,717	49,722
Cash and cash equivalents from newly consolidated subsidiaries	73	42
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	—	21
Cash and cash equivalents at end of period	49,722	48,206

Operations by Geographical Segment

Results for FY2023 (Dec. 1, 2022 through Nov. 30, 2023)

(Millions of yen)

	Japan	The Americas	Europe / Africa	Asia	Total	Eliminations	Consolidated
Sales to customers	49,619	32,126	33,590	32,367	147,703	—	147,703
Interarea transfers	23,663	865	240	3,612	28,382	(28,382)	—
Total sales	73,283	32,991	33,830	35,979	176,085	(28,382)	147,703
Operating income	7,975	4,520	3,675	4,445	20,616	(816)	19,800
Assets	130,533	46,785	38,839	72,070	288,228	(38,103)	250,124
Others							
Depreciation and amortization	5,365	1,560	1,257	3,190	11,374	(336)	11,037
Amortization of goodwill	—	307	595	—	903	—	903
Investments in entities accounted for using the equity method	264	34	—	—	299	—	299
Increase in property, plant and equipment and intangible assets	5,201	1,907	1,885	2,900	11,894	(336)	11,558

Results for FY2024 (Dec. 1, 2023 through Nov. 30, 2024)

(Millions of yen)

	Japan	The Americas	Europe / Africa	Asia	Total	Eliminations	Consolidated
Sales to customers	50,516	34,537	36,536	33,926	155,517	—	155,517
Interarea transfers	23,791	1,325	483	3,856	29,456	(29,456)	—
Total sales	74,307	35,863	37,020	37,782	184,974	(29,456)	155,517
Operating income	7,205	4,411	3,117	4,153	18,887	(18)	18,868
Assets	134,528	47,589	46,405	71,582	300,106	(42,850)	257,256
Others							
Depreciation and amortization	5,395	1,767	1,564	3,426	12,154	(329)	11,824
Amortization of goodwill	—	330	675	—	1,005	—	1,005
Investments in entities accounted for using the equity method	278	39	—	—	317	—	317
Increase in property, plant and equipment and intangible assets	9,506	2,071	5,736	3,246	20,560	(616)	19,943

Per Share Information

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Net assets per share	¥1,892.35	¥1,962.21
Net income per share	¥149.29	¥148.94
Diluted net income per share	—	¥133.97

(Note) 1. The basis for calculating net assets per share is as follows:

	FY2023 As of Nov. 30, 2023	FY2024 As of Nov. 30, 2024
Total net assets (millions of yen)	194,640	179,411
Amount deducted from the total net assets (millions of yen)	13,079	12,778
Of the above, non-controlling interests (millions of yen)	13,079	12,778
Net assets related to common stock (millions of yen)	181,561	166,633
Number of outstanding shares of common stock (shares)	99,182,517	99,182,517
Number of treasury shares of common stock (shares)	3,237,817	14,261,174
Number of shares of common stock used in the calculation of net assets per share (shares)	95,944,700	84,921,343

(Note) 2. The basis for calculating net income and diluted net income per share is as follows:

	FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Net income per share		
Net income attributable to owners of parent (millions of yen)	14,307	13,439
Amount not attributable to common shareholders (millions of yen)	—	—
Net income attributable to owners of parent related to common stock (millions of yen)	14,307	13,439
Average number of shares of common stock during the period	95,838,730	90,233,194
Diluted net income per share		
Adjustment of net income attributable to owners of the parent (millions of yen)	—	-21
Of the above, interest income (after deducting the equivalent amount of tax) (millions of yen)	—	-21
Increase in common stock (shares)	—	9,922,621
Of the above, convertible bond-type bonds with share acquisition rights (shares)	—	9,922,621
Summary of potential stock not included in the calculation of diluted net income per share due to the absence of dilutive effects	—	—

Net Sales by Product Segment

(Millions of yen)

Product Segment		FY2023 (12/1/2022 - 11/30/2023)	FY2024 (12/1/2023 - 11/30/2024)
Cutting tools	Taps	49,050	51,686
	End mills	27,983	29,366
	Drills and other cutting tools	42,886	46,105
	Subtotal	119,921	127,158
Rolling dies		11,035	11,100
Gauges		1,968	2,405
Other	Machine	5,843	5,919
	Other	8,934	8,933
	Subtotal	14,778	14,852
Total		147,703	155,517