

July 10, 2025

FY2025 Semi-Annual Consolidated Financial Results (December 1, 2024 - May 31, 2025)

Company name : **OSG Corporation**
 Shares listed : Tokyo and Nagoya Stock Exchanges
 Code number : 6136
 Location of the head office : Aichi Prefecture
 Representative : Nobuaki Osawa, President
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(Amounts less than one million yen are omitted)

1. Consolidated Results for FY2025 Semi-Annual (December 1, 2024 - May 31, 2025)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2025 semi-annual	77,379	-0.4	9,484	-2.9	9,915	-8.8	6,483	-10.2
FY2024 semi-annual	77,667	10.0	9,765	2.9	10,868	6.9	7,217	9.5

(Note) Comprehensive income FY2025 semi-annual: 4,638 million yen (-64.8%)
 FY2024 semi-annual: 13,194 million yen (40.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2025 semi-annual	76.94	68.31
FY2024 semi-annual	77.40	70.24

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY2025 semi-annual	248,874	176,259	65.8
FY2024	257,256	179,411	64.8

(Reference) Equity FY2025 semi-annual: 163,752 million yen FY2024: 166,633 million yen

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024	—	28.00	—	32.00	60.00
FY2025	—	28.00	—	—	—
FY2025 forecast	—	—	—	60.00	88.00

(Note) Revision to the forecast for dividends announced most recently: Yes

Breakdown of year-end dividend (forecast) for FY2025:

Ordinary dividend: 32.00 yen Commemorative dividend: 28.00 yen

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

(% indicates 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
Annual	160,000	2.9	21,000	11.3	22,000	11.0	14,500	7.9	172.08

(Note) Revision to the forecast of financial results announced most recently: None

4. Others

(1) Significant changes in the scope of consolidation during the period: None

Newly included: —

Excluded: —

(2) Adoption of accounting method specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting principles and accounting estimates and retrospective restatement

1) Changes in accounting principles due to amendment to accounting standards: Yes

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) 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):

FY2025 semi-annual: 99,182,517 shares

FY2024: 99,182,517 shares

2) Total number of treasury stock at the end of each period:

FY2025 semi-annual: 17,256,759 shares

FY2024: 14,261,174 shares

3) Average number of shares outstanding in each period:

FY2025 semi-annual: 84,264,411 shares

FY2024 semi-annual: 93,258,022 shares

※These semi-annual consolidated financial results are outside the scope of review by certified public accountants and audit corporations.

※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 Balance Sheet
OSG Corporation

(Millions of yen)

	FY2024 As of Nov. 30, 2024	FY2025 semi-annual As of May 31, 2025
Assets		
Current assets		
Cash and deposits	55,774	45,869
Notes, accounts receivable-trade and contract assets	28,244	27,497
Securities	104	106
Merchandise and finished goods	38,621	38,412
Work in process	7,476	7,367
Raw materials and supplies	9,904	9,591
Other	4,524	4,624
Allowance for doubtful accounts	(196)	(192)
Total current assets	144,453	133,277
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,347	25,964
Machinery, equipment and vehicles, net	37,465	36,851
Land	16,673	16,823
Other, net	12,370	11,312
Total property, plant and equipment	89,856	90,951
Intangible assets		
Goodwill	4,749	4,297
Other	4,918	4,839
Total intangible assets	9,668	9,136
Investments and other assets		
Investment securities	6,351	7,044
Other	7,153	8,564
Allowance for doubtful accounts	(340)	(203)
Total investments and other assets	13,164	15,405
Total non-current assets	112,689	115,493
Deferred assets		
Bond issuance cost	113	103
Total deferred assets	113	103
Total assets	257,256	248,874

Consolidated Balance Sheet
OSG Corporation

(Millions of yen)

	FY2024 As of Nov. 30, 2024	FY2025 semi-annual As of May 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,792	5,404
Short-term loans payable	185	197
Current portion of long-term loans payable	4,181	965
Income taxes payable	2,170	3,011
Provision for bonuses	631	402
Provision for directors' bonuses	310	180
Provision for environmental measures	72	—
Other	14,117	13,026
Total current liabilities	27,461	23,188
Non-current liabilities		
Bonds payable	10,000	10,000
Convertible bonds with share acquisition rights	22,188	22,173
Long-term loans payable	12,543	11,611
Net defined benefit liability	1,067	1,192
Other	4,582	4,448
Total non-current liabilities	50,383	49,426
Total liabilities	77,844	72,615
Net assets		
Shareholders' equity		
Capital stock	13,044	13,044
Capital surplus	13,327	13,316
Retained earnings	148,128	151,889
Treasury stock	(27,778)	(32,697)
Total shareholders' equity	146,722	145,552
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,598	1,926
Deferred gains or losses on hedges	3	7
Foreign currency translation adjustment	18,308	16,266
Total accumulated other comprehensive income	19,911	18,199
Non-controlling interests	12,778	12,506
Total net assets	179,411	176,259
Total liabilities and net assets	257,256	248,874

Consolidated Statement of Income
OSG Corporation

(Millions of yen)

	FY2024 semi-annual (12/1/2023 - 5/31/2024)	FY2025 semi-annual (12/1/2024 - 5/31/2025)
Net sales	77,667	77,379
Cost of sales	45,797	45,533
Gross profit	31,870	31,845
Selling, general and administrative expenses	22,104	22,361
Operating income	9,765	9,484
Non-operating income		
Interest income	451	496
Dividend income	66	65
Foreign exchange gains	208	—
Other	700	423
Total non-operating income	1,427	986
Non-operating expenses		
Interest expenses	140	123
Foreign exchange losses	—	298
Other	182	133
Total non-operating expenses	323	554
Ordinary income	10,868	9,915
Extraordinary gains		
Gain on sales of investment securities	162	60
Insurance income	—	231
Total extraordinary gains	162	291
Extraordinary losses		
Theft loss	—	230
Loss on sales of investment securities	162	—
Total extraordinary losses	162	230
Income before income taxes	10,869	9,977
Income taxes - current	4,022	3,590
Income taxes - deferred	(728)	(289)
Total income taxes	3,293	3,301
Net income	7,575	6,676
Net income attributable to non-controlling interests	357	192
Net income attributable to owners of parent	7,217	6,483

Consolidated Statement of Comprehensive Income
OSG Corporation

(Millions of yen)

	FY2024 semi-annual (12/1/2023 - 5/31/2024)	FY2025 semi-annual (12/1/2024 - 5/31/2025)
Net income	7,575	6,676
Other comprehensive income		
Valuation difference on available-for-sale securities	217	333
Deferred gains or losses on hedges	(1)	3
Foreign currency translation adjustment	5,414	(2,387)
Share of other comprehensive income of associates accounted for using equity method	(10)	13
Total other comprehensive income	5,618	(2,037)
Comprehensive income	13,194	4,638
(Breakdown)		
Comprehensive income attributable to owners of parent	12,846	4,739
Comprehensive income attributable to non-controlling interests	348	(100)

Consolidated Statement of Cash Flows
OSG Corporation

(Millions of yen)

	FY2024 semi-annual (12/1/2023 - 5/31/2024)	FY2025 semi-annual (12/1/2024 - 5/31/2025)
Operating activities:		
Income before income taxes	10,869	9,977
Depreciation and amortization	5,706	6,111
Amortization of goodwill	484	526
Increase (decrease) in allowance for doubtful accounts	(22)	(1)
Increase (decrease) in provision for environmental measures	—	(72)
Interest and dividend income	(518)	(562)
Interest expenses	140	123
Equity in loss (earnings) of associated companies	9	(2)
Loss (gain) on sales of investment securities	(0)	(60)
Insurance income	—	(231)
Theft loss	—	230
Change in notes, accounts receivable-trade and contract assets	1,638	315
Change in inventories	1,022	(192)
Change in notes and accounts payable	(451)	(344)
Change in accrued expenses	(766)	(51)
Other, net	(103)	(269)
Subtotal	18,008	15,495
Interest and dividends received	483	519
Proceeds from insurance income	—	231
Interest paid	(161)	(143)
Income taxes paid	(2,813)	(3,065)
Net cash provided by operating activities	15,517	13,036

Consolidated Statement of Cash Flows
OSG Corporation

(Millions of yen)

	FY2024 semi-annual (12/1/2023 - 5/31/2024)	FY2025 semi-annual (12/1/2024 - 5/31/2025)
Investing activities:		
Payments for time deposits	(2,291)	(2,164)
Proceeds from refund of time deposits	1,775	3,358
Acquisitions of property, plant and equipment	(7,582)	(8,087)
Proceeds from sales of property, plant and equipment	167	147
Purchase of investment securities	(2)	(196)
Proceeds from sales and redemption of investment securities	216	110
Purchase of shares of subsidiaries	(128)	(1,308)
Other, net	(462)	(164)
Net cash used in investing activities	(8,308)	(8,304)
Financing activities:		
Change in short-term borrowings, net	(5)	17
Proceeds from long-term borrowings	6	—
Repayments of long-term borrowings	(1,638)	(4,183)
Proceeds from issuance of convertible bonds with share acquisition rights	22,087	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(23)	—
Purchase of treasury stock	(10,389)	(5,000)
Change in money held in trust for purchase of treasury stock	(2,272)	—
Dividends paid	(3,067)	(2,716)
Dividends paid to non-controlling interests	(157)	(174)
Other, net	(191)	(225)
Net cash provided by (used in) financing activities	4,349	(12,281)
Effect of exchange rate change on cash and cash equivalents	1,481	(736)
Net increase (decrease) in cash and cash equivalents	13,039	(8,286)
Cash and cash equivalents at beginning of period	49,722	48,206
Cash and cash equivalents from newly consolidated subsidiaries	42	—
Increase (decrease) in cash and cash equivalents resulting from change in fiscal period of consolidated subsidiaries	—	17
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	21	—
Cash and cash equivalents at end of period	62,826	39,937

Operations by Geographical Segment

Results for FY2024 semi-annual (Dec. 1, 2023 through May 31, 2024)

(Millions of yen)

	Japan	The Americas	Europe / Africa	Asia	Total	Eliminations	Consolidated
Sales to customers	24,465	17,626	18,478	17,097	77,667	—	77,667
Interarea transfers	11,693	365	268	1,789	14,116	(14,116)	—
Total sales	36,158	17,992	18,746	18,887	91,784	(14,116)	77,667
Operating income	3,567	2,250	1,863	2,299	9,981	(215)	9,765

Results for FY2025 semi-annual (Dec. 1, 2024 through May 31, 2025)

(Millions of yen)

	Japan	The Americas	Europe / Africa	Asia	Total	Eliminations	Consolidated
Sales to customers	25,623	16,846	17,673	17,235	77,379	—	77,379
Interarea transfers	11,590	289	293	1,951	14,124	(14,124)	—
Total sales	37,214	17,136	17,967	19,186	91,504	(14,124)	77,379
Operating income	4,079	1,972	1,083	2,246	9,382	102	9,484

Net Sales by Product Segment

(Millions of yen)

Product Segment		FY2024 semi-annual (12/1/2023 - 5/31/2024)	FY2025 semi-annual (12/1/2024 - 5/31/2025)
Cutting tools	Taps	25,942	25,308
	Milling cutters	14,859	14,075
	Drills and other cutting tools	22,908	23,939
	Subtotal	63,709	63,323
Rolling dies		5,611	5,518
Gauges		1,118	1,055
Other	Machine	2,655	2,944
	Other	4,573	4,536
	Subtotal	7,229	7,481
Total		77,667	77,379