April 5, 2013

FY2013 First Quarter Consolidated Financial Results (December 1, 2012 - February 28, 2013)

Company name : **OSG Corporation**
Shares Listed : 1st section of Tokyo and Nagoya Stock Exchanges
Code Number : 6136
Location of the head office : Aichi Prefecture
Representative: : Norio Ishikawa, President
Contact person: : Koji Sonobe, Managing Director
TEL: 81-533-82-1113 URL http://www.osg-ir.com

1. Consolidated Results for FY2013 First Quarter (December 1, 2012 - February 28, 2013)

(1)Consolidated financial results (Amounts less than one million yen are omitted)

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2013 first-quarter	19,085	-5.4	1,675	-46.7	2,325	-28.8	1,201	-29.5
FY2012 first-quarter	20,175	7.4	3,141	62.3	3,263	102.4	1,704	171.8

	Net income per share - basic	Net income per share - diluted
	Yen	Yen
FY2013 first-quarter	12.65	11.54
FY2012 first-quarter	17.95	-

(2)Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY2013 first-quarter	124,121	76,177	55.4
FY2012	121,689	71,471	53.0

Reference: Equity FY2013 first-quarter: 68,810 million yen, FY2012: 64,482 million yen

2. Cash Dividends

	Cash dividends per share		
	Interim	Year-end	Annual
	Yen	Yen	Yen
FY2012	10.00	13.00	23.00
FY2013 forecast	10.00	13.00	23.00

3. Forecast of Consolidated Results for FY2013 (December 1, 2012 - November 30, 2013)

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Semi-Annual	41,000	-4.6	5,700	-23.8	5,500	-27.4	3,100	-20.2
Annual	86,000	2.3	12,800	-8.3	12,400	-9.5	6,700	-6.1

	Net income per share
	Yen
Semi-Annual	32.64
Annual	70.55

4. Others

(1) Changes in significant subsidiaries during the current period
(Changes in specified subsidiaries that caused a change in the scope of consolidation) : None

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

(3) Changes in accounting principles and accounting estimates and retrospective restatement
(i) Changes in accounting principles due to amendment to accounting standards: Yes
(ii) Changes other than (3)-(i) above: None
(iii) Changes in accounting estimates: Yes
(iv) Retrospective restatement: None

(4) Number of shares issued and outstanding (common stock)
(i) Number of shares issued and outstanding at the end of each period (including treasury stock):
FY2013 first-quarter: 98,955,226 shares FY2012: 98,955,226 shares
(ii) Number of treasury stock at the end of each period:
FY2013 first-quarter: 3,990,332 shares FY2012: 3,989,962 shares
(iii) Average number of shares outstanding in each period:
FY2013 first-quarter: 94,965,103 shares FY2012 first-quarter: 94,966,990 shares

[Note regarding forecast]
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

Assets

(Million yen : amounts less than one million yen are omitted)

	FY2012 As of Nov. 30, 2012	FY2013 first-quarter As of Feb. 28, 2013	Changes
Current Assets			
Cash and time deposits	21,036	18,348	
Notes and accounts receivable	16,570	16,358	
Marketable securities	0	0	
Merchandise and finished goods	13,772	15,504	
Work in process	3,545	3,572	
Raw materials and supplies	5,335	5,962	
Other	3,773	3,977	
Allowance for doubtful accounts	(182)	(187)	
Total current assets	63,852	63,537	(315)
Fixed Assets			
Tangible Assets			
Building and structures	14,339	14,854	
Machinery and equipment	18,328	19,978	
Land	11,960	12,491	
Other	3,384	3,235	
Total tangible assets	48,013	50,559	2,546
Intangible Assets			
Goodwill	309	294	
Other	1,968	1,838	
Total intangible assets	2,277	2,133	(144)
Investments and Other Assets			
Investment securities	3,397	4,426	
Other	4,393	3,722	
Allowance for doubtful accounts	(244)	(257)	
Total investments and other assets	7,546	7,891	345
Total fixed assets	57,837	60,583	2,746
Total	121,689	124,121	2,432

Consolidated Summary Balance Sheet
OSG Corporation

Liabilities and Net Assets

(Million yen : amounts less than one million yen are omitted)

	FY2012 As of Nov. 30, 2012	FY2013 first-quarter As of Feb. 28, 2013	Changes
Current Liabilities			
Notes and accounts payable	3,686	3,736	
Short-term borrowings	4,755	4,686	
Long-term borrowings, current portion	3,585	3,488	
Income taxes payable	1,599	1,248	
Reserve for employees' bonuses	206	1,000	
Reserve for directors' bonuses	370	85	
Other	7,240	4,786	
Total current liabilities	21,443	19,031	(2,412)
Long-term Liabilities			
Convertible bonds	15,000	15,000	
Long-term borrowings	10,942	10,769	
Liabilities for employees' retirement benefits	290	329	
Retirement allowance for directors and corporate auditors	51	50	
Other	2,489	2,761	
Total long-term liabilities	28,774	28,911	137
Total liabilities	50,218	47,943	(2,275)
Shareholders' Equity			
Common stock	10,404	10,404	
Capital surplus	14,197	14,197	
Retained earnings	55,130	55,097	
Treasury stock	(4,831)	(4,832)	
Total shareholders' equity	74,901	74,867	(34)
Other items			
Unrealized gain on available-for-sale securities	482	1,109	
Deferred gain on derivatives under hedge accounting	1	-	
Foreign currency translation adjustments	(10,903)	(7,166)	
Total other items	(10,419)	(6,057)	4,362
Minority Interests	6,989	7,367	378
Total net assets	71,471	76,177	4,706
Total liabilities and net assets	121,689	124,121	2,432

Consolidated Summary Statement of Income
OSG Corporation

(Million yen : amounts less than one million yen are omitted)

	FY2012 first-quarter (2011/12/1 - 2012/2/29)	FY2013 first-quarter (2012/12/1 - 2013/2/28)	Changes
Net Sales	20,175	19,085	(1,090)
Cost of Sales	11,889	12,005	116
Gross profit	8,285	7,080	(1,205)
Selling, general and administrative expenses	5,143	5,405	262
Operating income	3,141	1,675	(1,466)
Other Income			
Interest income	50	43	
Dividend income	25	24	
Foreign exchange gain	165	669	
Other - net	175	162	
Total other income	417	900	483
Other Expenses			
Interest expense	101	91	
Sales discounts	141	122	
Other - net	52	37	
Total other expenses	295	250	(45)
Ordinary income	3,263	2,325	(938)
Extraordinary gain	9	-	(9)
Extraordinary loss	9	-	(9)
Income before income taxes and minority interest	3,263	2,325	(938)
Income taxes	1,275	808	(467)
Minority interests	283	314	31
Net income	1,704	1,201	(503)

Operations by Geographical Segment

Results for FY2013 first-quarter (Dec. 1, 2012 through Feb. 28, 2013)

Million yen

	Japan	The Americas	Europe	Asia	Total	Eliminations	Consolidated
Sales to customers	9,208	3,332	1,603	4,942	19,085	-	19,085
Interarea transfers	2,999	40	4	274	3,318	(3,318)	-
Total sales	12,207	3,372	1,607	5,217	22,404	(3,318)	19,085
Operating income	1,037	212	128	708	2,087	(412)	1,675

(Reference)
Results for FY2012 first-quarter (Dec. 1, 2011 through Feb. 29, 2012)

Million yen

	Japan	The Americas	Europe	Asia	Total	Eliminations	Consolidated
Sales to customers	10,448	3,116	1,625	4,984	20,175	-	20,175
Interarea transfers	3,261	47	7	189	3,505	(3,505)	-
Total sales	13,710	3,164	1,632	5,174	23,681	(3,505)	20,175
Operating income	1,605	318	178	1,035	3,137	3	3,141

Net sales by Product Segment

Million yen

	FY2012 first-quarter (2011/12/1 - 2012/2/29)	FY2013 first-quarter (2012/12/1 - 2013/2/28)
Cutting tools:		
Taps	7,316	6,046
End mills	4,277	4,627
Drills and other cutting tools	4,648	4,558
Total	16,242	15,232
Rolling dies	1,755	1,595
Gauges	271	272
Other	1,906	1,985
Total	20,175	19,085