April 10, 2014

FY2014 First Quarter Consolidated Financial Results
(December 1, 2013 - February 28, 2014)

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
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1. Consolidated Results for FY2014 First Quarter (December 1, 2013 - February 28, 2014)

(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	%
FY2014 first-quarter	23,660	24.0	3,319	98.2	3,406	46.5	1,885	57.0
FY2013 first-quarter	19,085	-5.4	1,675	-46.7	2,325	-28.8	1,201	-29.5

(Note) Comprehensive income FY2014 first-quarter: 5,994 million yen (-9.5%)
FY2013 first-quarter: 6,622 million yen (135.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2014 first-quarter	19.86	18.11
FY2013 first-quarter	12.65	11.54

(2)Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY2014 first-quarter	137,352	91,223	60.4
FY2013	134,503	87,621	59.5

(Reference) Equity FY2014 first-quarter: 82,997 million yen FY2013: 80,024 million yen

2. Dividends

	Dividends per share		
	End of 2Q	Year-end	Annual
	Yen	Yen	Yen
FY2013	10.00	20.00	30.00
FY2014 forecast	14.00	14.00	28.00

3. Forecast of Consolidated Results for FY2014 (December 1, 2013 - November 30, 2014)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Yen	%	Yen	%	Yen	%	Yen	%	Yen
Semi-Annual	47,100	13.5	7,200	38.3	7,400	19.8	4,100	24.4	43.18
Annual	96,000	8.6	15,000	16.9	15,400	10.7	8,600	-0.2	90.56

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: None
(ii) Changes other than (3)-(i) above: None
(iii) Changes in accounting estimates: None
(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):
FY2014 first-quarter: 98,955,226 shares FY2013: 98,955,226 shares
(ii) Number of treasury stock at the end of each period:
FY2014 first-quarter: 3,995,186 shares FY2013: 3,993,879 shares
(iii) Average number of shares outstanding in each period:
FY2014 first-quarter: 94,960,543 shares FY2013 first-quarter: 94,965,103 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)

	FY2013 As of Nov. 30, 2013	FY2014 first-quarter As of Feb. 28, 2014	Changes
Current Assets			
Cash and time deposits	23,876	23,673	
Notes and accounts receivable	19,251	19,773	
Marketable securities	1	2	
Merchandise and finished goods	15,755	16,221	
Work in process	4,055	4,350	
Raw materials and supplies	5,811	6,043	
Other	3,677	3,612	
Allowance for doubtful accounts	(191)	(205)	
Total current assets	72,237	73,472	1,235
Fixed Assets			
Tangible Assets			
Building and structures	15,416	16,121	
Machinery and equipment	21,433	22,181	
Land	12,983	13,373	
Other	2,634	2,598	
Total tangible assets	52,467	54,275	1,807
Intangible Assets			
Goodwill	251	236	
Other	1,458	1,397	
Total intangible assets	1,709	1,633	(75)
Investments and Other Assets			
Investment securities	5,629	5,399	
Other	2,736	2,858	
Allowance for doubtful accounts	(277)	(287)	
Total investments and other assets	8,088	7,970	(118)
Total fixed assets	62,266	63,880	1,614
Total	134,503	137,352	2,849

Consolidated Summary Balance Sheet
OSG Corporation

Liabilities and Net Assets

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

	FY2013 As of Nov. 30, 2013	FY2014 first-quarter As of Feb. 28, 2014	Changes
Current Liabilities			
Notes and accounts payable	3,701	3,992	
Short-term borrowings	2,982	4,190	
Long-term borrowings, current portion	10,058	9,919	
Income taxes payable	2,020	1,904	
Reserve for employees' bonuses	195	1,137	
Reserve for directors' bonuses	336	100	
Other	8,176	5,383	
Total current liabilities	27,470	26,628	(842)
Long-term Liabilities			
Convertible bonds	15,000	15,000	
Long-term borrowings	1,023	949	
Liabilities for employees' retirement benefits	296	308	
Retirement allowance for directors and corporate auditors	54	32	
Other	3,037	3,209	
Total long-term liabilities	19,411	19,500	89
Total liabilities	46,881	46,128	(752)
Shareholders' Equity			
Common stock	10,404	10,404	
Capital surplus	14,197	14,197	
Retained earnings	61,565	61,420	
Treasury stock	(4,837)	(4,840)	
Total shareholders' equity	81,330	81,182	(147)
Other items			
Unrealized gain on available-for-sale securities	1,727	1,539	
Foreign currency translation adjustments	(3,033)	275	
Total other items	(1,305)	1,814	3,120
Minority Interests	7,596	8,226	629
Total net assets	87,621	91,223	3,601
Total liabilities and net assets	134,503	137,352	2,849

Consolidated Summary Statement of Income
OSG Corporation

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

	FY2013 first-quarter (2012/12/1 - 2013/2/28)	FY2014 first-quarter (2013/12/1 - 2014/2/28)	Changes
Net Sales	19,085	23,660	4,575
Cost of Sales	12,005	14,253	2,248
Gross profit	7,080	9,407	2,326
Selling, general and administrative expenses	5,405	6,087	682
Operating income	1,675	3,319	1,644
Other Income			
Interest income	43	45	
Dividend income	24	25	
Foreign exchange gain	669	193	
Other - net	162	122	
Total other income	900	386	(513)
Other Expenses			
Interest expense	91	74	
Sales discounts	122	150	
Other - net	37	74	
Total other expenses	250	299	48
Ordinary income	2,325	3,406	1,081
Extraordinary loss	-	3	3
Income before income taxes and minority interests	2,325	3,403	1,078
Income taxes	808	1,186	378
Minority interests	314	330	16
Net income	1,201	1,885	684

Operations by Geographical Segment

Results for FY2014 first-quarter (Dec. 1, 2013 through Feb. 28, 2014)

Million yen

	Japan	The Americas	Europe	Asia	Total	Eliminations	Consolidated
Sales to customers	10,884	4,144	2,400	6,231	23,660	-	23,660
Interarea transfers	3,661	46	6	371	4,086	(4,086)	-
Total sales	14,545	4,191	2,406	6,603	27,747	(4,086)	23,660
Operating income	2,104	204	254	1,145	3,708	(389)	3,319

(Reference)
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

Net sales by Product Segment

Million yen

	FY2013 first-quarter (2012/12/1 - 2013/2/28)	FY2014 first-quarter (2013/12/1 - 2014/2/28)
Cutting tools:		
Taps	6,046	8,152
End mills	4,627	5,394
Drills and other cutting tools	4,558	5,581
Total	15,232	19,128
Rolling dies	1,595	2,145
Gauges	272	332
Other	1,985	2,054
Total	19,085	23,660