



*shaping your dreams*

# Financial Results for FY2024

January 9, 2025  
OSG Corporation

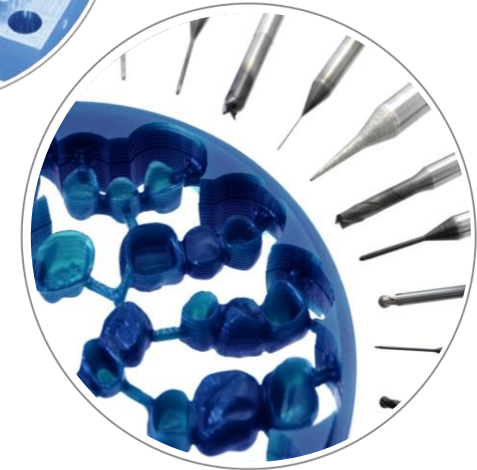
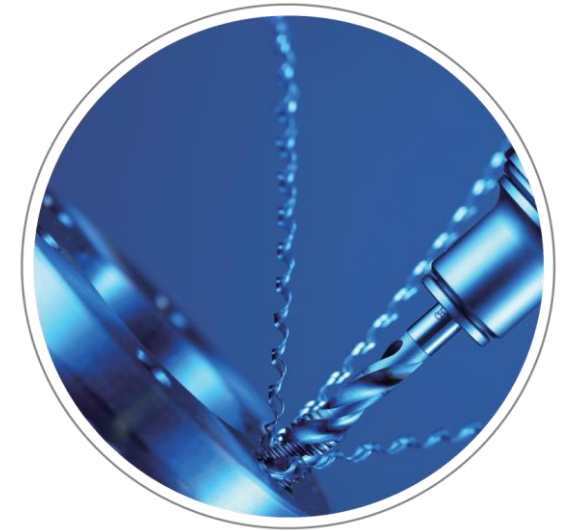
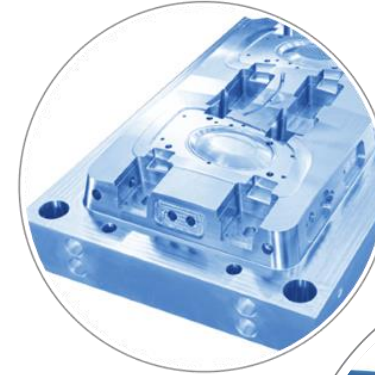


- ◆ P2-3 [Company Overview](#)
- ◆ P4-5 [Financial Summary](#)
- ◆ P6-7 [Review of FY24](#)
- ◆ P8-9 [Sales to Customer  
by Geographical Segment](#)
- ◆ P10-11 [Operating Profit  
by Geographical Segment](#)
- ◆ P12 [Overseas Sales Ratio](#)
- ◆ P13-14 [Net Sales  
by Product Segment](#)
- ◆ P15 [B/S Overview · EBITDA](#)

- ◆ P16 [Operating Profit Variation](#)
- ◆ P17 [Cash Flow Overview](#)
- ◆ P18 [Forecast for FY25](#)
- ◆ P19 [Capital Investment](#)
- ◆ P20 [Exchange Rate](#)
- ◆ P21 [Selected Financial Data](#)
- ◆ P22 [Expansion of Overseas  
Business](#)

# Company Overview

Company Name	OSG Corporation
Headquarters	3-22 Honnogahara Toyokawa-city, Aichi, Japan
Foundation	March 26, 1938
Capital	13,044 million yen
Employees	7,674 (consolidated) 1,873 (non-consolidated)
Stock listed	Prime Market in Tokyo Stock Exchange Premier Market in Nagoya Stock Exchange (stock code 6136)



## Note regarding forecast

- This material includes forward-looking statements based on information available at the time of release.
- The forecasts and other forward-looking statements are not guarantees of future performance. Actual financial results may differ from the above forecasts due to known and unknown risks, uncertainties and other factors.

# Company Overview

## Products

- Consumable cutting tools used in machine tools
- **Taps** account for over 30% market share as **world leader**

## Strength

- High-value cutting tools
- Excellent after-sales service
- A global sales & service network across 33 countries



# Financial Summary

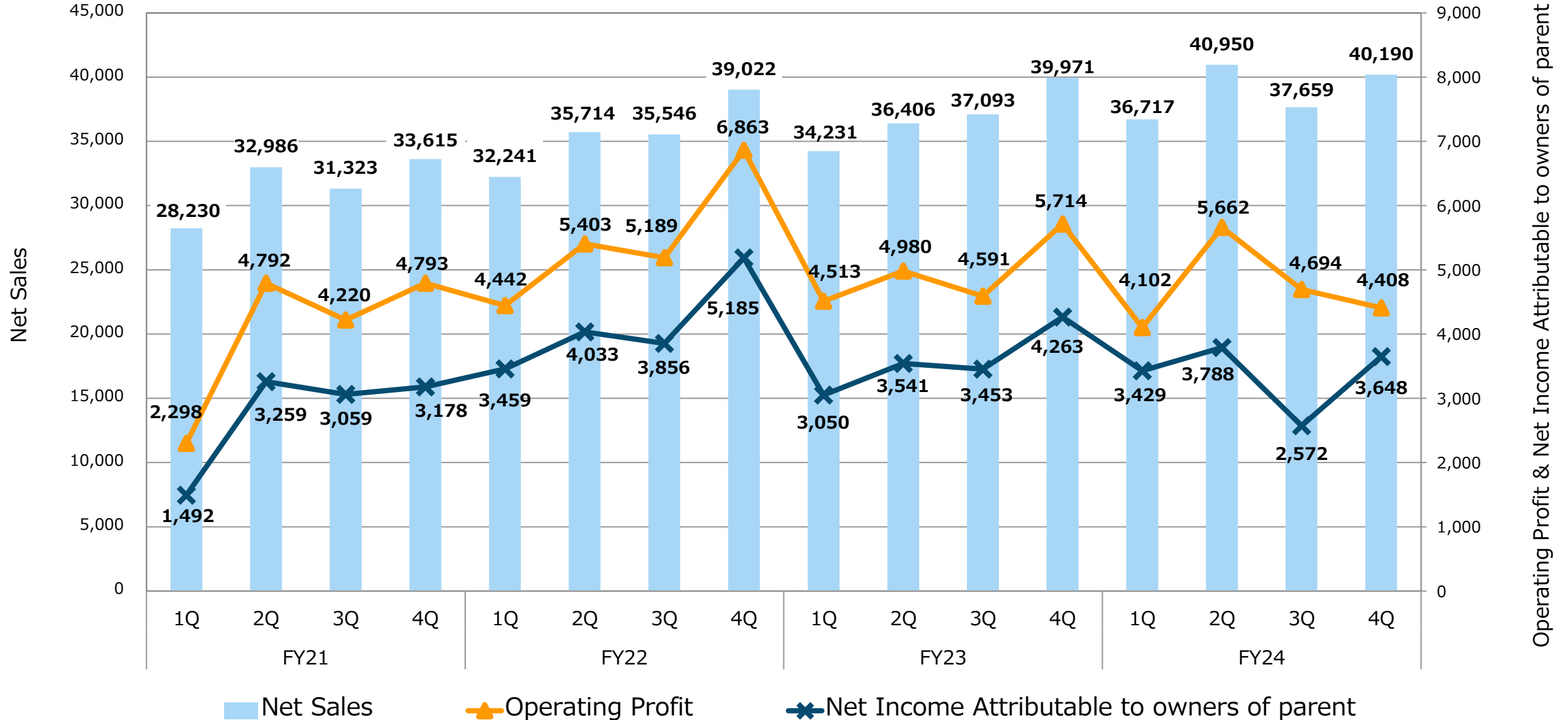
(Millions of yen)

	FY23	FY24	Change	Forecast for FY24 *revised	Progress Rate
Net Sales	147,703	155,517	+5.3%	153,000	101.6%
Operating Profit	19,800	18,868	-4.7%	19,000	99.3%
OPM	13.4%	12.1%	-	12.4%	-
Ordinary Income	21,350	19,825	-7.1%	19,500	101.7%
Net Profit Attributable to OSG	14,307	13,439	-6.1%	13,000	103.4%
EPS(yen)	149.29	148.94	-0.2%	144.11	-



# Financial Summary

(Millions of yen)

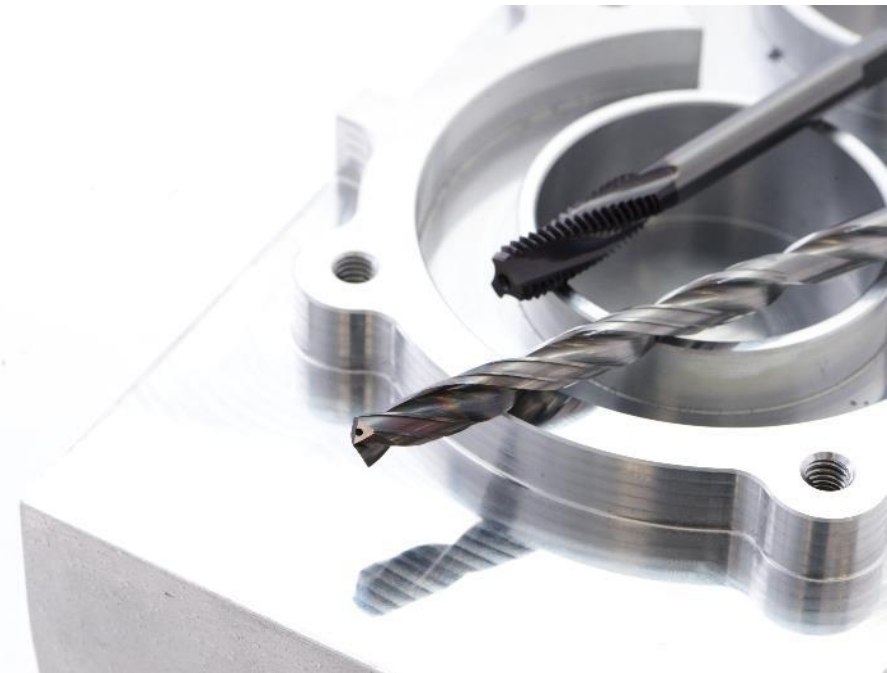


# Review of FY24

**Sales reached a new record high,  
partly due to the impact of foreign exchange rates.  
Profits declined due to higher costs.**

## Index & Capital Investment Results

- EBITDA	31.6 billion yen	(-0.1% YoY)
- EBITDA Margin	20.4%	(-1.1pts YoY)
- Free Cash Flow	6.8 billion yen	(-7.9 billion yen YoY)
- ROA	7.4%	(-0.8pts YoY)
(Operating Profit Basis)		
- ROE	7.7%	(-0.6pts YoY)
- Equity Ratio	64.8%	(-7.8pts from the end of FY24)
- CAPEX	15.5 billion yen	
- Depreciation	11.8 billion yen	



# Review of FY24

## The Americas

Cyber incidents temporarily affected. Business for the automobile industry stagnated and the aircraft industry is on a recovery trend.

## Europe/Africa

Although business confidence is weak, demand from the aircraft and the medical industries is strong. Business for the automotive industry is particularly tough in Germany.

## Asia

Greater China is on a gradual recovery trends. In South Asia, Business for the automobile is tough, the performance in India is remain strong.

## 日本

Demand from the automotive industry is slow to recover. Businesses for the aircraft and semiconductor industries are on a recovery trend.



# Sales to Customer by Geographical Segment

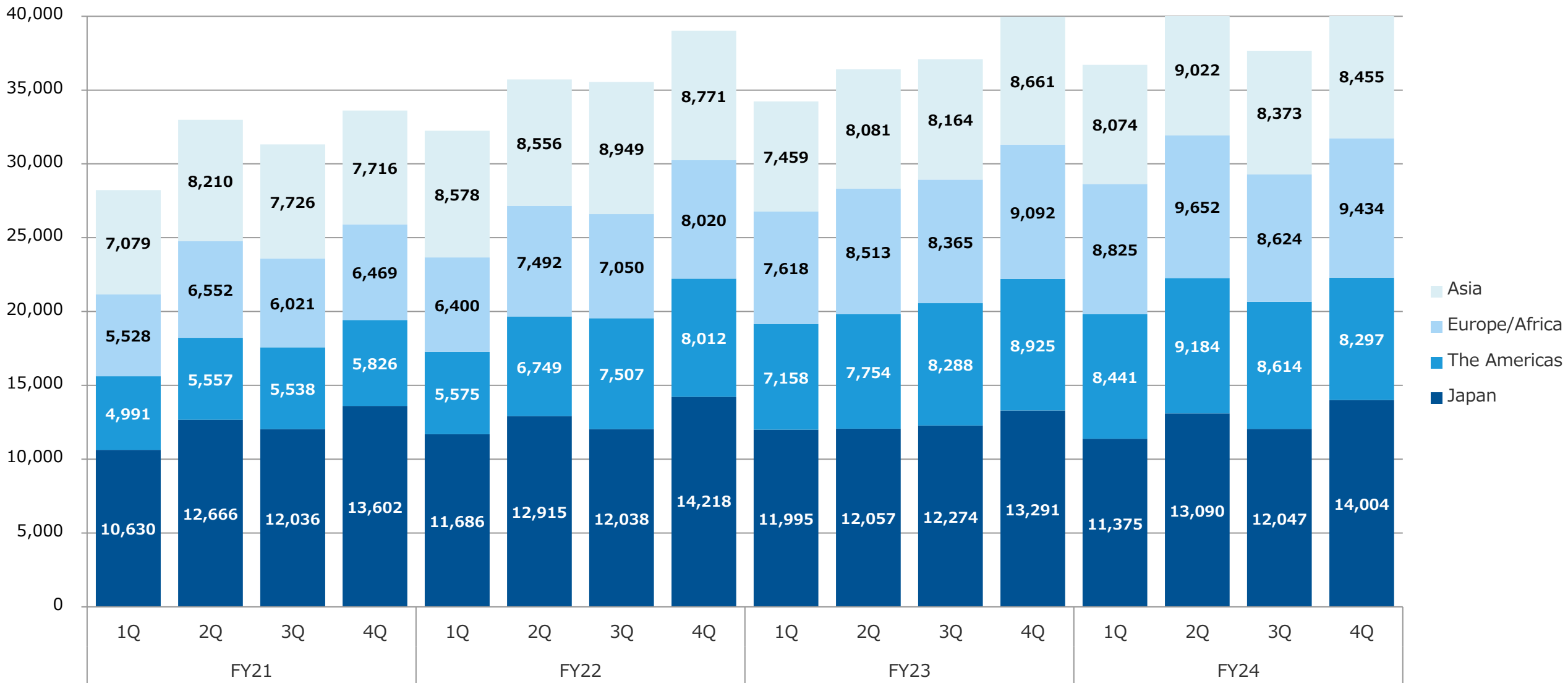
(Millions of yen)

Change  
in local  
currency

	FY23	FY24	Change		
Japan	49,619	50,516	896	+1.8%	-
The Americas	32,126	34,537	2,411	+7.5%	+0.7%
Europe/Africa	33,590	36,536	2,946	+8.8%	+1.0%
Asia	32,367	33,926	1,559	+4.8%	-0.3%
Consolidated	147,703	155,517	7,814	+5.3%	-

# Sales to Customer by Geographical Segment

(Millions of yen)



# Operating Profit by Geographical Segment

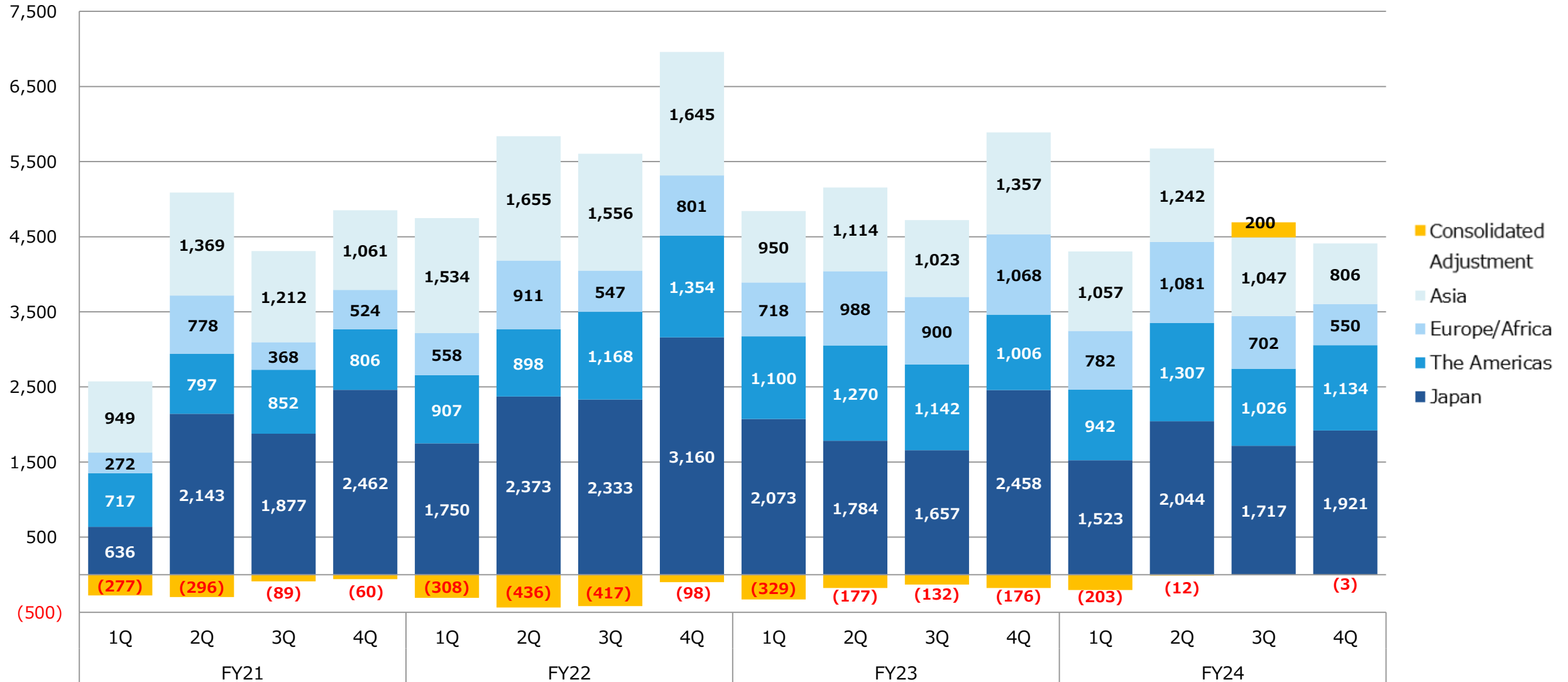
(Millions of yen)

	FY23	Component ratio	FY24	Component ratio	Change		OPM(*)
Japan	7,975	38.7%	7,205	38.1%	-769	-9.7%	9.7%
The Americas	4,520	21.9%	4,411	23.4%	-109	-2.4%	12.3%
Europe/Africa	3,675	17.8%	3,117	16.5%	-557	-15.2%	8.4%
Asia	4,445	21.6%	4,153	22.0%	-292	-6.6%	11.0%
Total	20,616	-	18,887	-	-1,729	-8.4%	10.2%
Eliminations	-816	-	-18	-	797	-	-
Consolidated	19,800	-	18,868	-	-931	-4.7%	12.1%

\* Operating profits margin as % of sales (external sales + internal area transfers)

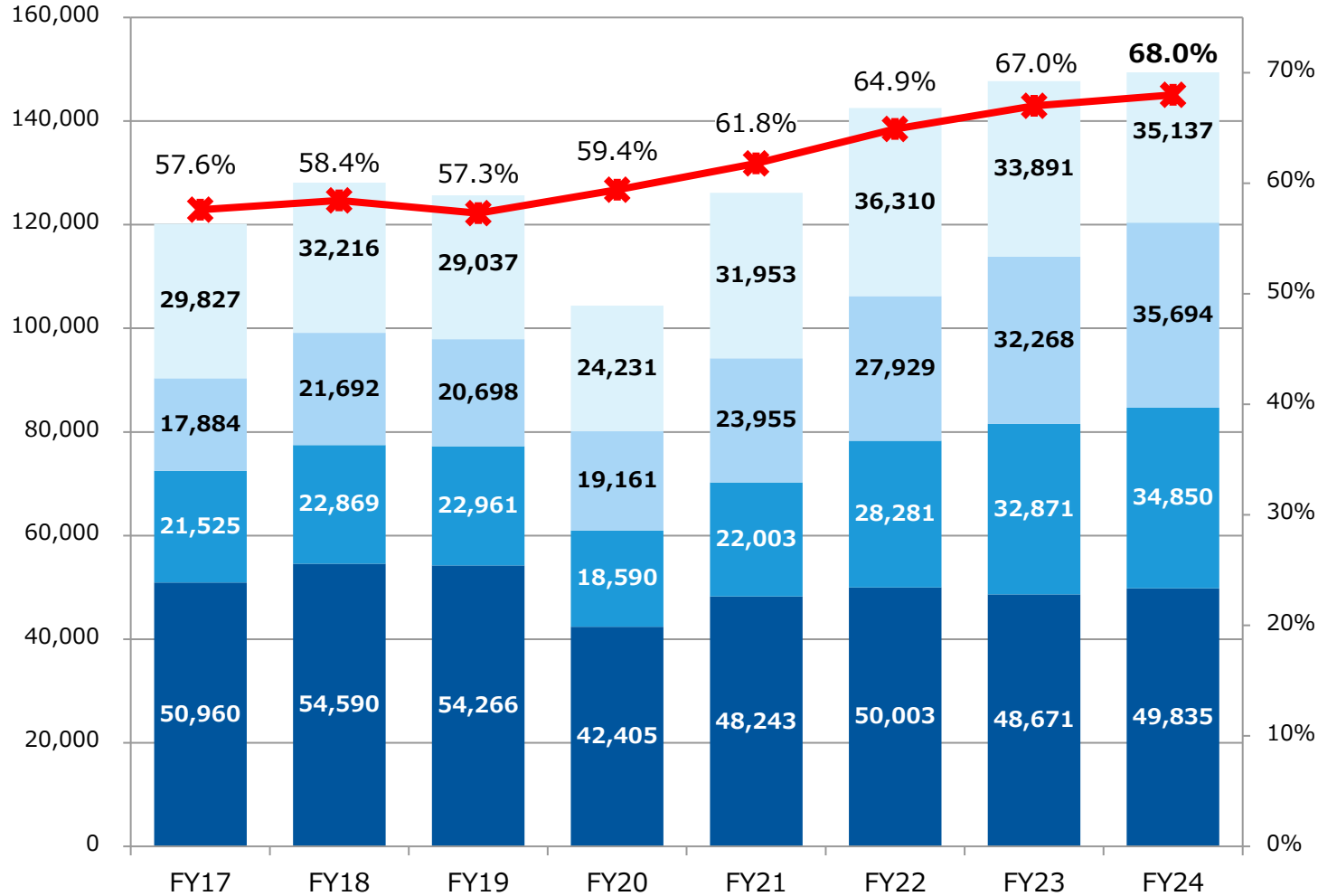
# Operating Profit by Geographical Segment

(Millions of yen)



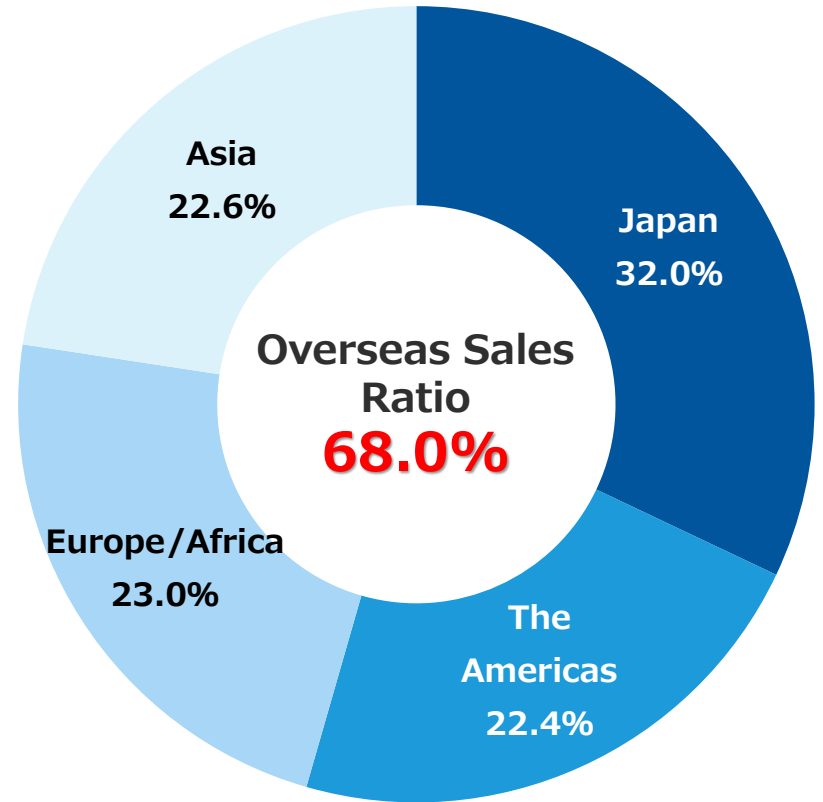
# Overseas Sales Ratio

(Millions of yen)



■ Japan 
 ■ The Americas 
 ■ Europe/Africa 
 ■ Asia 
 ✖ Overseas Sales Ratio

**FY2024**



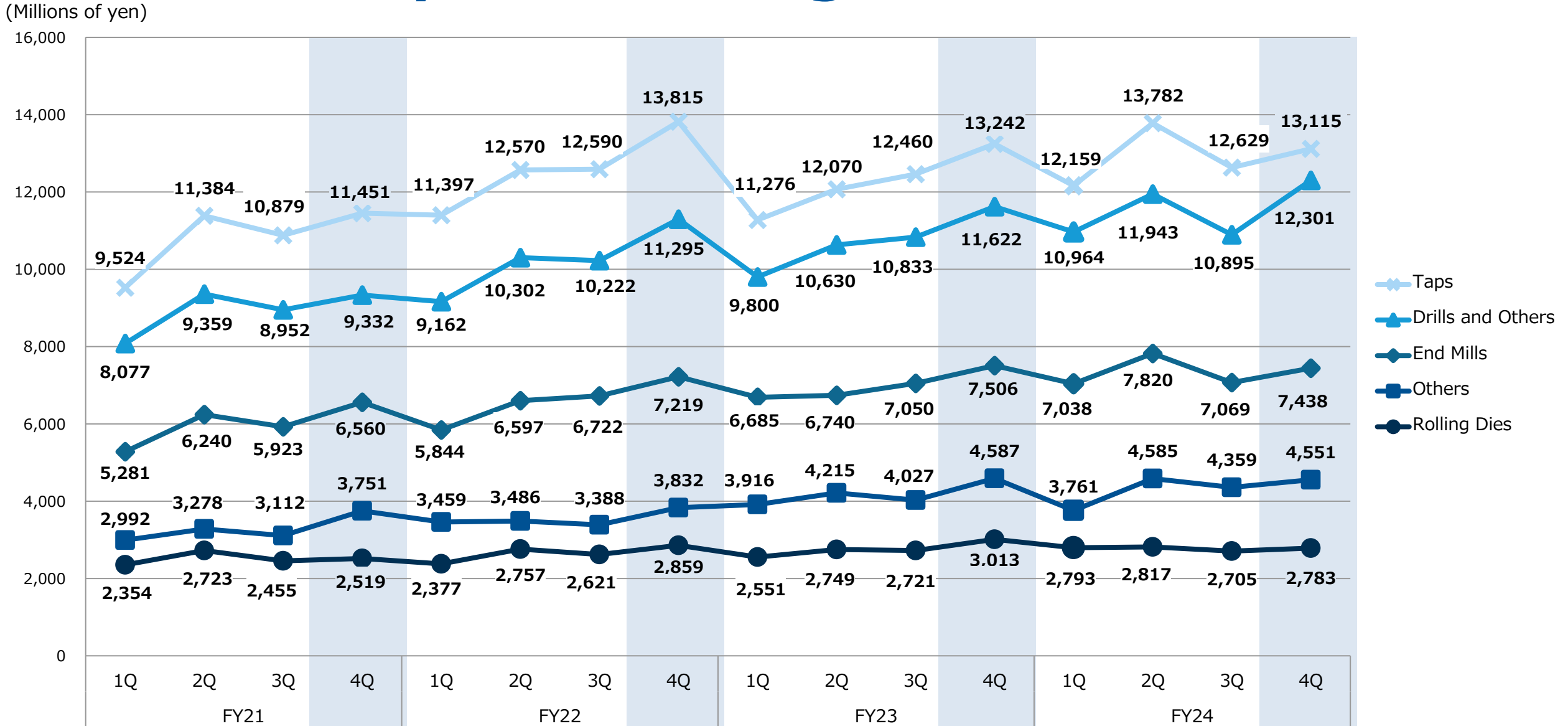
# Net Sales by Product Segment

(Millions of yen)

		FY23						FY24						Change	
		1Q	2Q	3Q	4Q	Total		1Q	2Q	3Q	4Q	Total			
Precision Tools	Taps	11,276	12,070	12,460	13,242	49,050	33.2%	12,159	13,782	12,629	13,115	51,686	33.2%	2,636	5.4%
	End mills	6,685	6,740	7,050	7,506	27,983	18.9%	7,038	7,820	7,069	7,438	29,366	18.9%	1,382	4.9%
	Drills and Others	9,800	10,630	10,833	11,622	42,886	29.0%	10,964	11,943	10,895	12,301	46,105	29.6%	3,218	7.5%
	Rolling dies	2,551	2,749	2,721	3,013	11,035	7.5%	2,793	2,817	2,705	2,783	11,100	7.1%	65	0.6%
	Gauges	457	480	513	518	1,968	1.3%	459	658	528	759	2,405	1.5%	437	22.2%
		30,771	32,671	33,579	35,902	132,924	90.0%	33,415	37,022	33,828	36,398	140,664	90.4%	7,739	5.8%
Other	Machine	1,320	1,359	1,428	1,735	5,843	4.0%	1,161	1,493	1,554	1,709	5,919	3.8%	75	1.3%
	Other	2,139	2,375	2,085	2,333	8,934	6.0%	2,139	2,434	2,276	2,082	8,933	5.7%	0	0.0%
		3,459	3,735	3,514	4,069	14,778	10.0%	3,301	3,927	3,831	3,792	14,852	9.6%	74	0.5%
Total		34,231	36,406	37,093	39,971	147,703	100%	36,717	40,950	37,659	40,190	155,517	100%	7,814	5.3%



# Net Sales by Product Segment



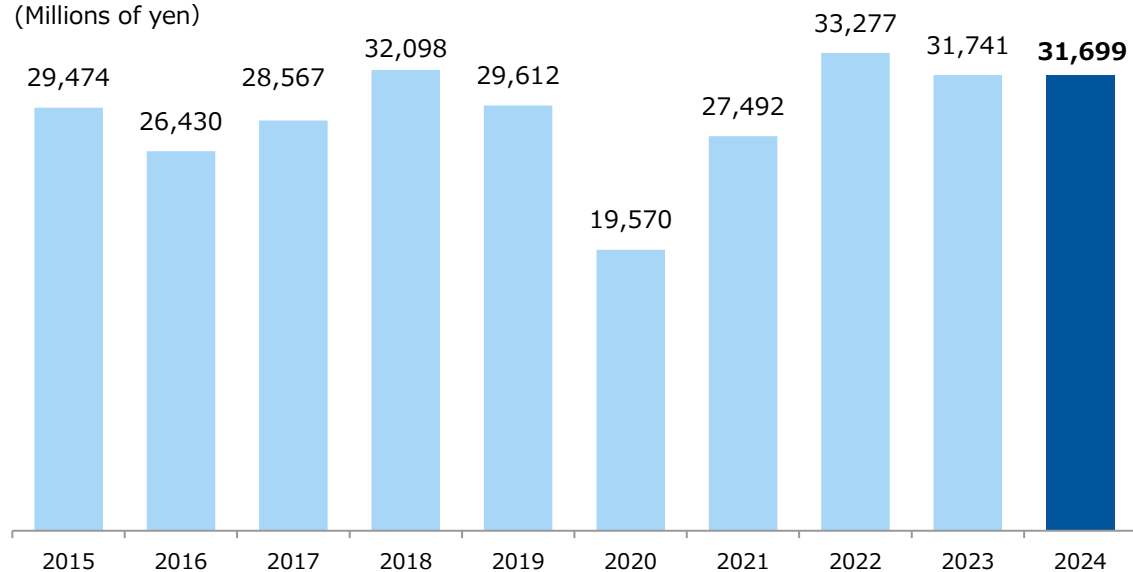
# B/S Overview • EBITDA

(Millions of yen)

	FY23	FY24		FY23	FY24
Equity Ratio (%)	72.6	64.8	Cash and Time Deposits	57,970	55,774
Receivable Turnover Period (Days)	70.8	66.5	Interest-bearing Debt	28,676	49,099
Inventory Turnover Period (months)	4.7	4.4	Net Cash	29,293	6,675

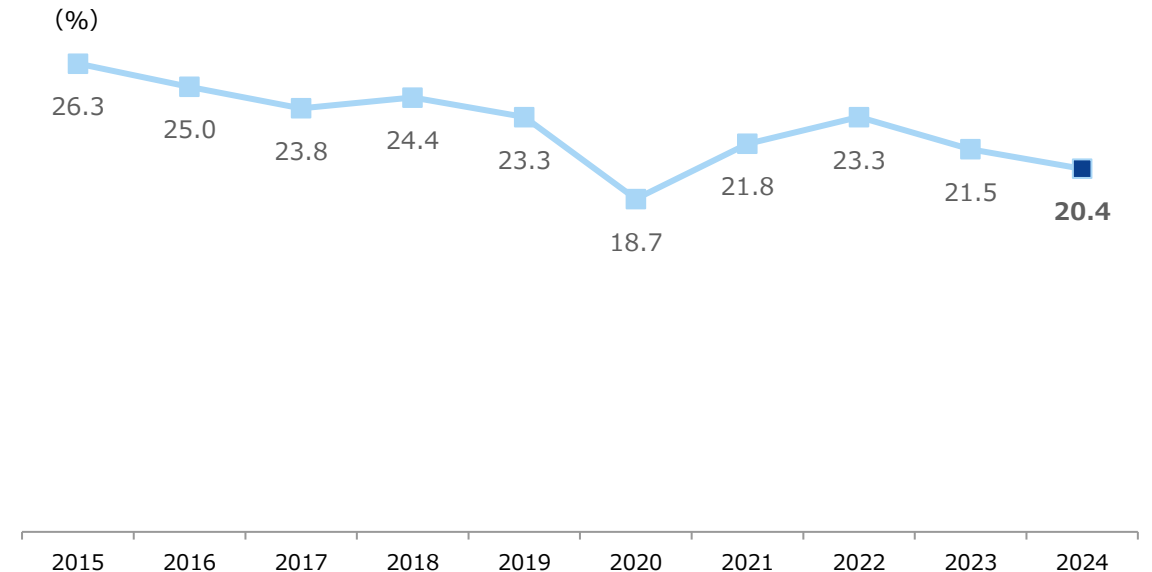
## EBITDA

(Millions of yen)



## EBITDA Margin

(%)

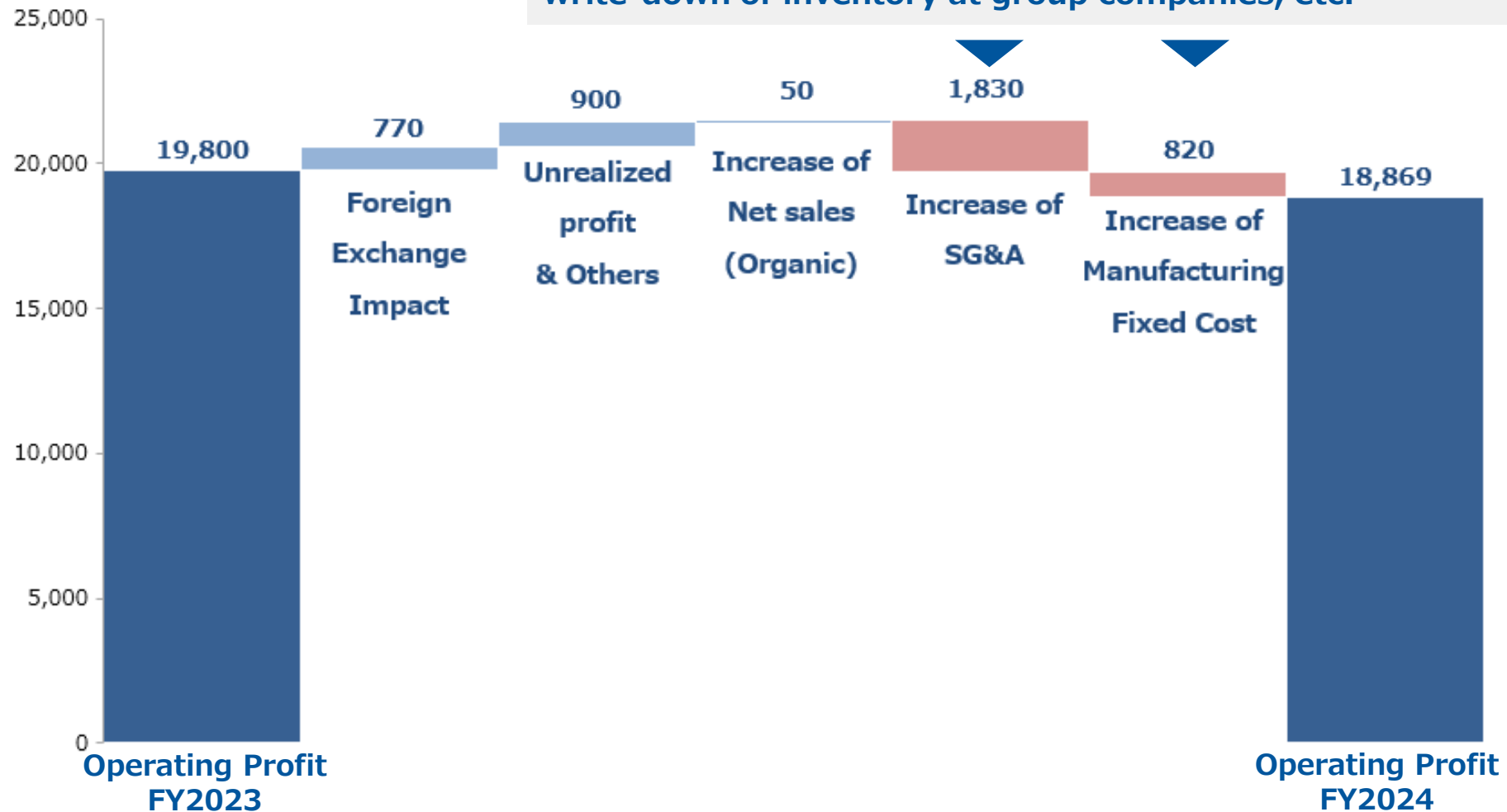




# Operating Profit Variation

(Millions of yen)

Increase in SG&A and fixed manufacturing costs was affected by higher labor costs due to inflation and higher depreciation expenses. Q4 was affected by temporary suspension of operations at USA and write-down of inventory at group companies, etc.



# Cash Flow Overview

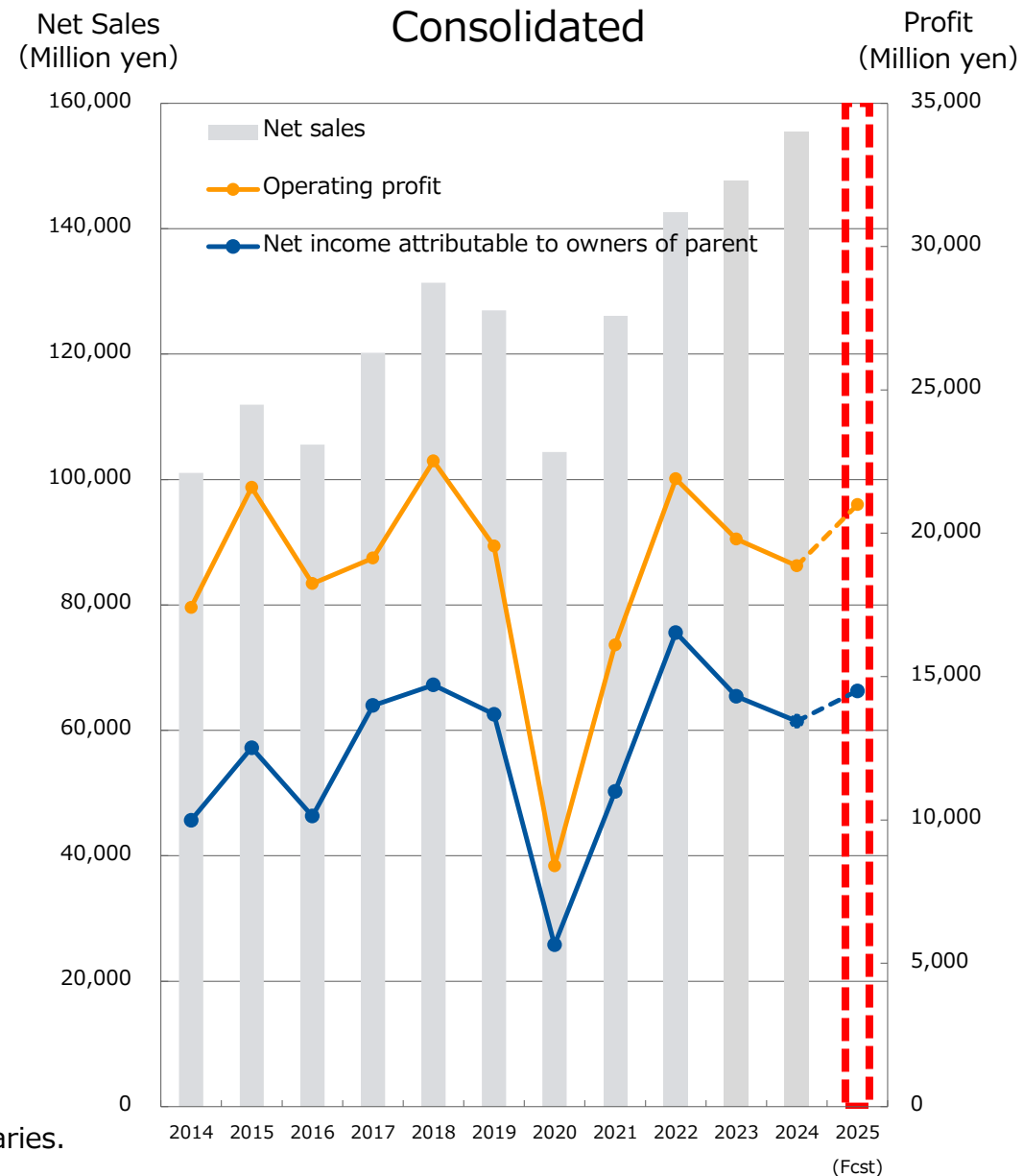
(Millions of yen)	FY20	FY21	FY22	FY23	FY24	Change
Income before income taxes	8,896	16,354	23,378	20,747	19,803	-944
Depreciation and amortization	10,518	10,591	10,498	11,037	11,824	787
Change in notes and accounts receivable	2,832	-2,448	-1,466	-480	450	931
Change in inventories	1,822	1,864	-5,269	-2,776	519	2,595
Change in notes and accounts payable	-1,555	243	247	-56	-453	-396
Change in accrued expenses	-1,704	1,227	853	77	-167	-244
Income taxes - paid	-4,743	-2,703	-7,645	-7,909	-5,521	2,387
Other, net	972	1,853	-420	1,990	2,101	110
Net cash provided by operating activities	17,038	26,982	20,175	23,331	28,557	5,226
Acquisitions of property, plant and equipment	-9,895	-5,555	-8,600	-10,580	-15,509	-4,928
Purchase of shares of subsidiaries	-2,054	-346	-981	-1,037	-694	342
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-3,266	-	-	-	-	-
Proceeds from sale of investments in capital of subsidiaries resulting in change in scope of consolidation	-	-	-	552	-	-552
Payments for time deposits and proceeds from refund of time deposits	-583	-1,455	-2,595	2,511	643	-1,868
Other, net	-1,332	395	5	10	-761	-772
Net cash used in investing activities	-17,133	-6,961	-12,170	-8,543	-21,741	-13,197
Free cash flow	-94	20,021	8,004	14,787	6,816	-7,971
Change in interest-bearing debt	14,692	-11,586	-4,197	3,044	20,363	17,319
Dividends paid	-3,439	-2,440	-4,357	-6,220	-5,612	607
Dividends paid to non-controlling interests	-298	-323	-359	-305	-295	10
Purchase of treasury stock	-1	-2	-5953	-3	-22,001	-21,998
Other, net	-1,293	89	127	-345	-439	-93
Net cash used in financing activities	9,658	-14,264	-14,740	-3,831	-7,985	-4,153
Effect of exchange rate change on cash and cash equivalents	-88	1,224	3,098	1,975	-412	-2,387
Net increase (decrease) in cash and cash equivalents	9,475	6,981	-3,637	12,931	-1,581	-14,513
Cash and cash equivalents from newly consolidated subsidiaries	120	73	-	73	42	-31
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	-	-	-	21	21
Cash and cash equivalents at end of period	33,299	40,354	36,717	49,722	48,206	-1,516

# Forecast for FY25

	Consolidated		Parent Company	
	Amount (Millions of yen)	Growth	Amount (Millions of yen)	Growth
Net sales	160,000	+2.9%	59,500	+5.5%
Operating profit	21,000	+11.3%	6,000	+15.9%
as % of sales	13.1%	-	10.1%	-
Ordinary income	22,000	+11.0%	10,600	*-4.2%
as % of sales	13.8%	-	17.8%	-
Net income attributable to owners of parent	14,500	+7.9%	8,900	-2.5%
as % of sales	9.1%	-	15.0%	-
EPS (yen)	170.75	+14.6%	104.76	+3.6%

Exchange rate FY2025(Fcst.) : 1US\$=150.00yen 1Euro=159.00yen

\*Decrease in Parent Company's Ordinary income is due to a decrease in dividends from subsidiaries.



# Capital Investment

**FY25 Capital Investment Forecast**

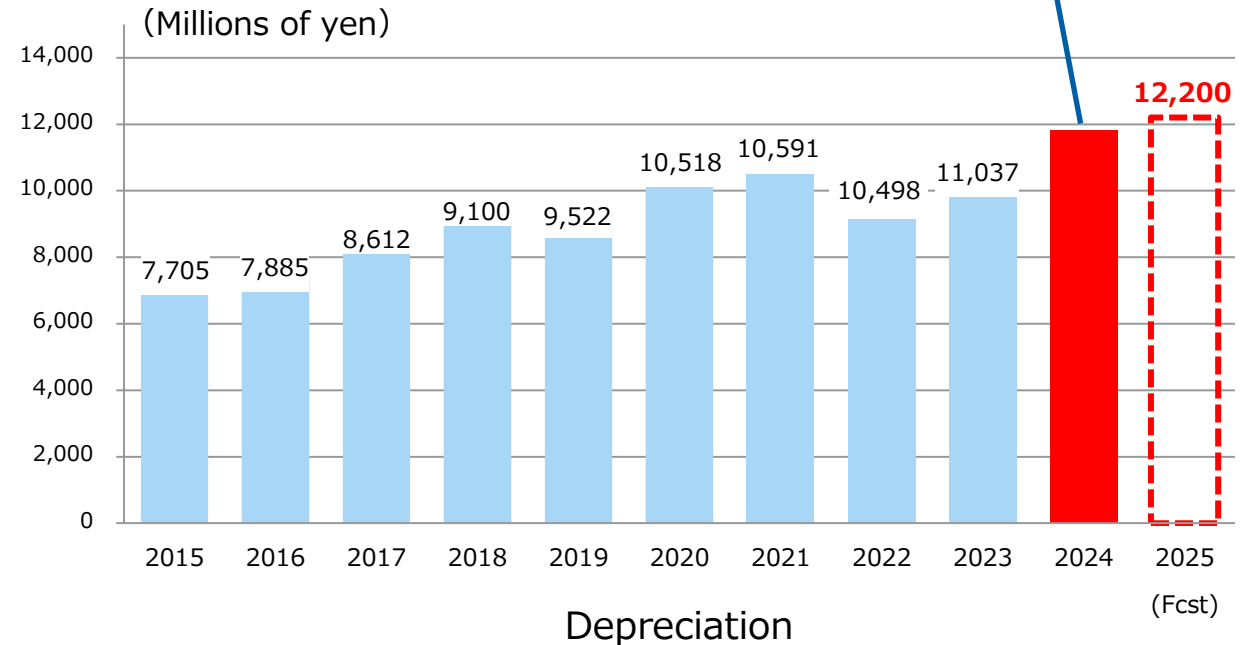
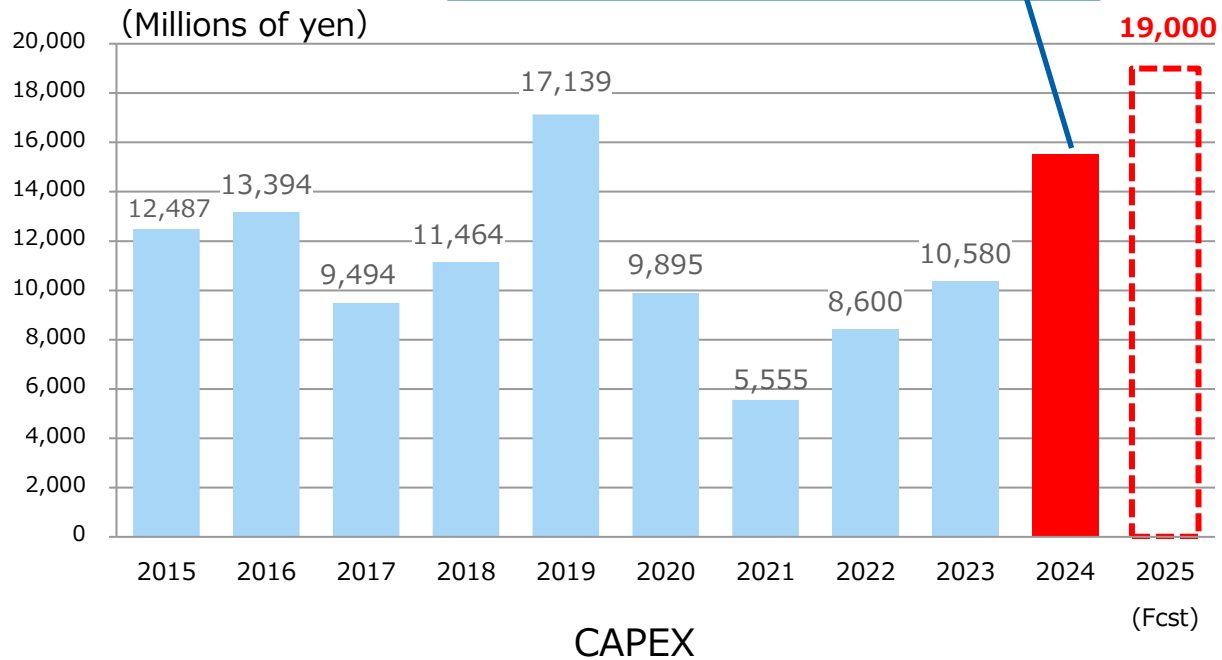
**19.0 billion yen**

**Breakdown**

Including 1.1 billion yen carried over from FY24 budget.  
New factory for carbide end mills, machinery and equipment, etc.

**CAPEX : 15,509**

**Depreciation : 11,824**



# Exchange Rate

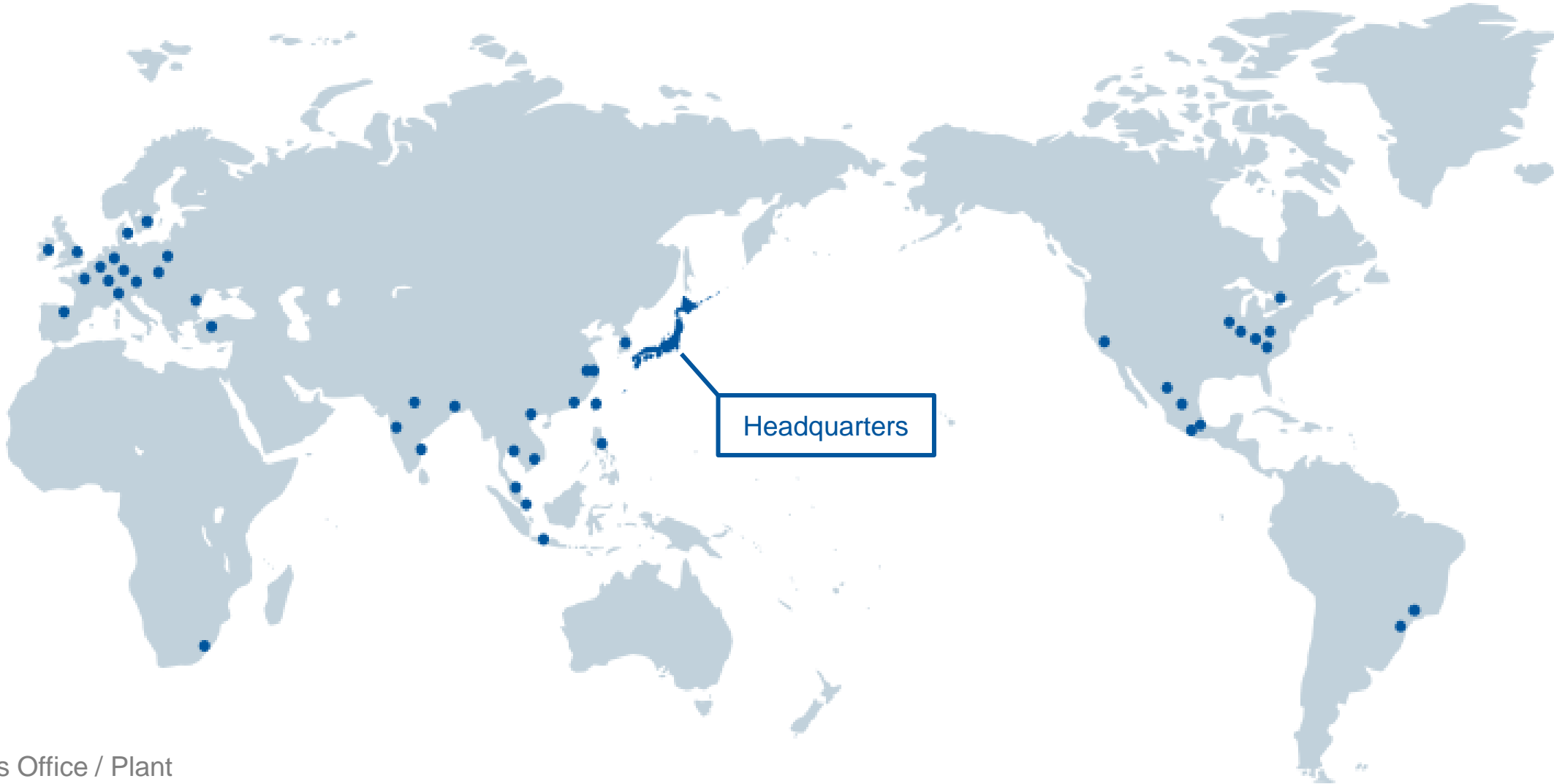
(Yen)

	1US\$	1Euro	1RMB
FY20	106.94円	121.60円	15.41円
FY21	109.41円	130.04円	16.94円
FY22	130.61円	137.60円	19.42円
FY23	140.44円	151.87円	19.79円
FY24	150.88円	163.71円	20.98円
FY25(Fcst)	150.00円	159.00円	21.00円

# Selected Financial Data (Consolidated)

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net sales	(mil.yen)	101,031	111,917	105,561	120,198	131,368	126,964	104,388	126,156	142,525	147,703	155,517
Sales growth rate	(%)	14.3%	10.8%	-5.7%	13.9%	9.3%	-3.4%	-18.0%	20.9%	13.0%	3.6%	5.3%
Cost of sales	(mil.yen)	58,061	61,865	59,179	69,711	74,833	73,281	65,715	76,969	83,459	87,254	92,042
Gross profit	(mil.yen)	42,970	50,051	46,382	50,486	56,535	53,682	38,673	49,186	59,065	60,448	63,475
SG&A expenses	(mil.yen)	25,554	28,454	28,135	31,349	34,015	34,128	30,276	33,081	37,166	40,648	44,606
Operating income	(mil.yen)	17,415	21,597	18,246	19,137	22,520	19,554	8,396	16,105	21,898	19,800	18,868
Ordinary income	(mil.yen)	17,568	21,510	17,813	19,144	22,567	19,710	8,950	16,141	23,648	21,350	19,825
Net income	(mil.yen)	9,989	12,518	10,134	13,993	14,710	13,686	5,639	10,989	16,534	14,307	13,439
Gross profit margin	(%)	42.5%	44.7%	43.9%	42.0%	43.0%	42.3%	37.0%	39.0%	41.4%	40.9%	40.8%
SG&A to Sales ratio	(%)	25.3%	25.4%	26.7%	26.1%	25.9%	26.9%	29.0%	26.2%	26.1%	27.5%	28.7%
Operating income margin	(%)	17.2%	19.3%	17.3%	15.9%	17.1%	15.4%	8.0%	12.8%	15.4%	13.4%	12.1%
Ordinary income margin	(%)	17.4%	19.2%	16.9%	15.9%	17.2%	15.5%	8.6%	12.8%	16.6%	14.5%	12.7%
Net income margin	(%)	9.9%	11.2%	9.6%	11.6%	11.2%	10.8%	5.4%	8.7%	11.6%	9.7%	8.6%
Average FX rate: 1USD	(yen)	102.98	121.03	109.78	112.33	110.53	109.36	106.94	109.41	130.61	140.44	150.88
Average FX rate: 1Euro	(yen)	139.37	134.92	121.39	126.20	130.68	122.53	121.60	130.04	137.60	151.87	163.71
Total assets	(mil.yen)	142,302	155,129	156,081	166,712	178,020	190,414	200,112	209,757	228,852	250,124	257,256
Total shareholders' equity	(mil.yen)	91,458	102,566	92,216	115,810	125,332	129,078	129,338	143,811	164,659	181,561	166,633
Net income per share	(yen)	105.20	131.78	110.59	153.70	150.47	140.06	57.94	112.63	171.54	149.29	148.94
Cash dividends per share (end of Q2)	(yen)	14.00	26.00	22.00	21.00	22.00	23.00	11.00	14.00	23.00	28.00	28.00
(year-end)	(yen)	20.00	20.00	28.00	25.00	25.00	24.00	11.00	22.00	37.00	32.00	32.00
Total shareholders' equity per share	(yen)	963.15	1,079.12	1,024.34	1,191.65	1,279.29	1,328.08	1,327.22	1,472.45	1,721.14	1,892.35	1,962.21
Average number of shares	(ths)	94,959	94,991	91,640	91,044	97,761	97,716	97,335	97,573	96,388	95,838	90,233
ROA (operating income basis)	(%)	12.6%	14.5%	11.7%	11.9%	13.1%	10.6%	4.3%	7.9%	10.0%	8.3%	7.4%
ROE	(%)	11.7%	12.9%	10.4%	13.5%	12.2%	10.8%	4.4%	8.0%	10.7%	8.3%	7.7%
Equity ratio	(%)	64.3%	66.1%	59.1%	69.5%	70.4%	67.8%	64.6%	68.6%	72.0%	72.6%	64.8%
Total asset turnover ratio		0.73	0.75	0.68	0.74	0.76	0.69	0.53	0.62	0.65	0.62	0.61
Operating CF	(mil.yen)	19,688	19,588	16,333	20,820	20,310	19,261	17,038	26,982	20,175	23,331	28,557
Investing CF	(mil.yen)	-3,119	-16,976	-16,843	-7,566	-13,351	-20,314	-17,133	-6,961	-12,170	-8,543	-21,741
Financing CF	(mil.yen)	-12,813	-6,216	-778	-11,137	-4,723	3,465	9,658	-14,264	-14,740	-3,831	-7,985
Cash flow margin	(%)	19.5%	17.5%	15.5%	17.3%	15.3%	15.1%	16.3%	21.4%	14.2%	15.8%	18.4%

# Expansion of Overseas Business



● Sales Office / Plant

