

Consolidated Summary Report for the Fiscal year ended November 30, 2005

January 5, 2006

Company name : OSG Corporation
 Shares Listed : Tokyo stock exchange 1st section (Code number 6136)
 : Nagoya stock exchange 1st section
 Location of the head office : Aichi Prefecture
 Representative: : Teruhide Osawa, President
 Contact person: : Koji Sonobe, Director, Head of Support Center
 : TEL: 0533-82-1113 URL: <http://www.osg-ir.com>
 Date of the meeting of the Board of Directors : January 5, 2006
 for FY 2005 financial results

1. Results of FY2005 (December 1, 2004 - November 30, 2005)

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

	Net Sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
FY2005	78,130	18.4	14,125	28.1	13,887	31.9
FY2004	65,975	20.8	11,029	48.6	10,529	57.0

	Net income		Net income per share - basic	Net income per share - diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to net sales
	Million yen	%	Yen	Yen	%	%	%
FY2005	8,758	55.1	89.10	86.90	18.4	15.9	17.8
FY2004	5,647	25.2	60.32	55.66	14.6	13.6	16.0

Note 1: Equity in earnings of affiliated companies: FY2005 ¥151 million, FY2004 ¥138 million.

Note 2: Average number of shares issued and outstanding in each year (consolidated): FY2005 95,791,931 shares
 FY2004 91,356,755 shares

Note 3: Whether or not to change the accounting method: No

Note 4: Regarding net sales, operating income, ordinary income and net income, the right figures show percentage of changes from the previous year.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of Shareholder's equity	Shareholders' equity per share
	Million yen	Million yen	%	yen
FY2005	93,598	54,647	58.4	554.90
FY2004	81,150	40,464	49.9	442.03

Note: Numbers of shares issued and outstanding at the end of each year (consolidated)
 <FY2005> 98,078,926 <FY2004> 91,233,289 shares

(3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash & cash equivalents at the end of the year
	Million yen	Million yen	Million yen	Million yen
FY2005	7,820	(7,200)	(897)	6,075
FY2004	11,585	(7,496)	(2,870)	6,112

(4) Scope of consolidation and equity method			
Number of Consolidated subsidiaries	44 companies		
Number of unconsolidated subsidiaries accounted for under the equity method	1 company		
Number of affiliated companies accounted for under the equity method	1 company		
(5) Changes in scope of consolidation and equity method			
Consolidated subsidiaries	(increase) 3	(decrease) 0	
Affiliated companies accounted for under the equity method	(increase) 0	(decrease) 0	

2 . Business forecast for the year ending November 30, 2006
(December 1, 2005 - November 30, 2006)

	Net sales	Operating income	Ordinary income	Net income
	Million yen	Million yen	Million yen	yen
Semi-Annual	45,000	8,800	8,500	4,800
Annual	91,200	17,900	17,400	9,700

(Reference) Prospected net income per share (annual) : 98.90 yen

[Note regarding forecast]

The above forecasts for operating 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	(Millions of yen : amounts less than one million yen are omitted)				
	FY2005 As of Nov. 30, 2005		FY2004 As of Nov. 30, 2004		Change
Current Assets					
Cash and time deposits	6,219		6,269		
Notes and accounts receivable	16,136		13,772		
Marketable securities	0		1		
Inventories	19,523		15,069		
Deferred tax assets	1,554		1,318		
Other	2,065		1,200		
Allowance for doubtful accounts	(206)		(176)		
Total current assets	45,294	48.4%	37,455	46.2%	7,838
Fixed Assets					
Tangible Assets					
Building and structures	12,047		10,575		
Machinery and equipment	15,086		13,718		
Land	9,787		9,614		
Construction in progress	1,846		1,333		
Other	1,277		1,159		
Total tangible assets	40,045	42.8%	36,400	44.8%	3,644
Intangible Assets					
Goodwill	959		752		
Other	781		556		
Total intangible assets	1,741	1.8%	1,309	1.6%	431
Investments and Other Assets					
Investment securities	3,771		3,458		
Capital contribution	59		90		
Long-term loan receivable	29		49		
Deferred tax assets	1,369		1,197		
Other	1,503		1,460		
Allowance for doubtful accounts	(216)		(272)		
Total investments and other assets	6,517	7.0%	5,984	7.4%	532
Total fixed assets	48,303	51.6%	43,694	53.8%	4,609
Total	93,598	100.0%	81,150	100.0%	12,447

Consolidated Summary Balance Sheet
OSG Corporation

Liabilities and Capital	(Millions of yen : amounts less than one million yen are omitted)				
	FY2005		FY2004		Change
	As of Nov. 30, 2005		As of Nov. 30, 2004		
Current Liabilities					
Notes and accounts payable	5,269		4,749		
Short-term borrowings	5,697		3,266		
Bonds, current portion	-		627		
Long-term borrowings, current portion	571		573		
Income taxes payable	2,983		3,006		
Accrued expenses	5,139		4,578		
Deferred tax liabilities	0		-		
Other	1,690		1,220		
Total current liabilities	21,351	22.8%	18,021	22.2%	3,329
long-term Liabilities					
Bonds	50		6,160		
Long-term borrowings	7,852		7,675		
Liabilities for employees' retirement benefits	3,055		2,987		
Retirement allowance for directors and corporate auditors	68		306		
Deferred tax liabilities	349		404		
Other	487		474		
Total long-term liabilities	11,862	12.7%	18,009	22.2%	(6,147)
Total liabilities	33,213	35.5%	36,030	44.4%	(2,817)
Minority Interests	5,736	6.1%	4,654	5.7%	1,081
Shareholders' Equity					
Common stock	10,404	11.1%	10,404	12.8%	-
Capital surplus	14,380	15.4%	12,333	15.2%	2,047
Retained earnings	32,356	34.6%	25,636	31.6%	6,720
Unrealized gain on available-for-sale securities	1,026	1.1%	737	0.9%	289
Foreign currency translation adjustments	(2,670)	(2.9%)	(3,842)	(4.7%)	1,172
Treasury stock	(850)	(0.9%)	(4,804)	(5.9%)	3,953
Total shareholders' equity	54,647	58.4%	40,464	49.9%	14,182
Total	93,598	100.0%	81,150	100.0%	12,447

Consolidated Summary Statement of Income
OSG Corporation

(Millions of yen : amounts less than one million yen are omitted)

	FY2005		FY2004		Change
	2004/12/1- 2005/11/30		2003/12/1- 2004/11/30		
Net Sales	78,130	100.0%	65,975	100.0%	12,154
Cost of Sales	47,783	61.2%	40,807	61.9%	6,976
Gross profit	30,346	38.8%	25,168	38.1%	5,177
Selling, General and administrative expenses	16,220	20.8%	14,139	21.4%	2,081
Operating income	14,125	18.0%	11,029	16.7%	3,096
Other Income					
Interest income	78		52		
Dividend income	28		30		
Exchange gain	176		-		
Purchase discount	59		51		
Equity in earnings of subsidiaries and affiliates	151		138		
Other - net	321		257		
Total other income	815	1.1%	530	0.8%	284
Other Expenses					
Interest expense	205		200		
Sales discount	656		576		
Other - net	192		254		
Total other expenses	1,054	1.3%	1,031	1.5%	22
Ordinary income	13,887	17.8%	10,529	16.0%	3,358
Extraordinary gain					
Gain on sales of property, plant and equipment	145		34		
Gain on sales of securities	603		5		
Gain from the prior-term adjustment	-		14		
Total extraordinary gain	748	0.9%	55	0.1%	693
Extraordinary loss					
Loss on disposal of property, plant and equipment	129		148		
Loss on sales of property, plant and equipment	19		28		
Loss on sales of securities	5		1		
Write down of securities	-		0		
Loss from evaluation of golf membership	4		36		
Loss from the prior-term adjustment	-		55		
Other - net	-		0		
Total extraordinary loss	159	0.2%	272	0.4%	(112)
Income before income taxes	14,476	18.5%	10,312	15.7%	4,164
Income taxes - current	5,507	7.0%	4,474	6.8%	1,033
Income taxes - deferred	(625)	(0.8%)	(404)	(0.6%)	(220)
Minority interests	836	1.1%	594	0.9%	241
Net income	8,758	11.2%	5,647	8.6%	3,110

Consolidated Summary Statement of Cash Flows
OSG Corporation

(Millions of yen : amounts less than one million yen are omitted)

	FY2005	FY2004
	2004/12/1- 2005/11/30	2003/12/1- 2004/11/30
Operating Activities:		
Income before income taxes and minority interest	14,476	10,312
Depreciation and amortization	5,182	4,445
Amortization on goodwill	152	75
Provision for doubtful receivables	35	30
Change in liability for employees' retirement benefits	51	14
Change in retirement allowance for directors and corporate auditors	(238)	(3)
Loss on disposals of property, plant and equipment	129	148
Loss on sales of property, plant and equipment	19	28
Gain on sales of property, plant and equipment	(145)	(34)
Write-down of investment securities	-	0
Gain on sales of securities	(603)	(5)
Interest and dividend income	(106)	(83)
Interest expense	205	200
Equity in earnings of subsidiaries & affiliates	(151)	(138)
Change in notes and accounts receivable	(1,719)	(1,727)
Change in inventories	(3,977)	(365)
Change in notes and account payable	283	1,013
Change in accrued expenses	402	423
Other - net	(575)	123
Sub-total	13,420	14,457
Interest and dividend income received	182	128
Interest expense paid	(205)	(203)
Income taxes - paid	(5,577)	(2,797)
Net cash provided by operating activities	7,820	11,585
Investing Activities:		
Payments for time deposits	(217)	(277)
Proceeds from refund of time deposits	249	244
Purchases of marketable securities	-	(0)
Proceeds from sales of marketable securities	1	12
Purchases of investment securities	(7)	(21)
Proceeds from sales of investment securities	1,185	18
Acquisitions of property, plant and equipment	(7,850)	(6,183)
Proceeds from sales of property, plant and equipment	430	137
Payment for purchase of subsidiaries' stock	(171)	(1,028)
Payment for purchase of affiliated companies' stock	-	(50)
Other - net	(820)	(348)
Net cash used in investing activities	(7,200)	(7,496)
Financing Activities:		
Change in short-term borrowings	2,357	1,142
Proceeds from long-term debt	744	531
Repayment of long-term borrowings	(707)	(1,131)
Redemption of bonds	(636)	-
Dividends paid	(1,889)	(1,274)
Dividends paid to minority shareholders	(156)	(120)
Purchase of treasury stock	(611)	(2,018)
Other - net	1	-
Net cash used in financing activities	(897)	(2,870)
Effect of exchange rate change on cash and cash equivalents	239	114
Net increase (decrease) in cash and cash equivalents	(36)	1,331
Cash and cash equivalents at beginning of year	6,112	4,638
Cash and cash equivalents of newly consolidated subsidiaries at beginning of year	-	141
Cash and cash equivalents at end of year	6,075	6,112

Operations by Geographical Segment

Results for FY2005 (Dec. 1, 2004 through Nov. 30, 2005)

							Millions of yen	
	Japan	The Americas	Europe	Asia	Total	Eliminations	Consolidated	
Sales to customers	49,267	12,285	4,576	12,001	78,130	-	78,130	
Interarea transfers	10,047	301	58	1,043	11,450	(11,450)	-	
Total sales	59,314	12,587	4,634	13,044	89,580	(11,450)	78,130	
Operating expenses	49,650	10,771	4,040	10,971	75,433	(11,428)	64,004	
Operating income	9,664	1,815	594	2,073	14,147	(21)	14,125	
Assets	73,662	10,622	4,787	18,880	107,952	(14,353)	93,598	

Results for FY2004 (Dec. 1, 2003 through Nov. 30, 2004)

							Millions of yen	
	Japan	The Americas	Europe	Asia	Total	Eliminations	Consolidated	
Sales to customers	43,174	9,847	3,903	9,050	65,975	-	65,975	
Interarea transfers	7,851	179	7	341	8,379	(8,379)	-	
Total sales	51,026	10,027	3,910	9,391	74,355	(8,379)	65,975	
Operating expenses	43,055	8,855	3,386	8,101	63,399	(8,453)	54,946	
Operating income	7,970	1,171	523	1,289	10,956	73	11,029	
Assets	67,405	8,772	4,269	14,559	95,007	(13,856)	81,150	

Sales to Foreign Customers

Results for FY2005 (Dec. 1, 2004 through Nov. 30, 2005)

						Millions of yen		
	The Americas	Europe	Asia	Other	Total			
Foreign sales	12,263	4,772	12,386	40	29,462			
Net sales						78,130		
Ratio of foreign sales to net sales	15.7%	6.1%	15.8%	0.1%	37.7%			

Results for FY2004 (Dec. 1, 2003 through Nov. 30, 2004)

						Millions of yen		
	The Americas	Europe	Asia	Other	Total			
Foreign sales	9,591	4,073	9,338	33	23,037			
Net sales						65,975		
Ratio of foreign sales to net sales	14.5%	6.2%	14.1%	0.1%	34.9%			

Net sales, broken down by Products Segment

	FY2005 (2004/12/1-2005/11/30) (Millions of yen)	Change (up from FY2004) (%)
Cutting tools:		
Thread-cutting tools	22,496	17.8
Milling cutters	22,824	17.8
Other cutting tools	13,905	18.3
Total	59,226	17.9
Forming tools	7,447	27.9
Measuring tools	1,310	12.5
Other:		
Machine	3,045	14.6
LHS	1,670	3.3
Other	5,429	21.1
Total	10,145	15.9
Total	78,130	18.4