

**Questions and Answers from the Nomura Investment and Global Real Estate Forum  
2011 (November 28 – December 2, 2011)**

Q. First half performance was strong, but opacity in the business environment such as the European debt crisis is increasing. What is the current situation of ORIX?

A. ORIX has almost no exposure in Europe and there is no direct impact on performance stemming from the European debt crisis. Currently ORIX is not concerned about a slowdown in performance or downside risk, but is continuing its cautious stance considering the global impact of the European debt crisis. As a result, ORIX's full year forecast of JPY77.5 billion for the fiscal year ended March 31, 2012 remains unchanged.

Q. Is ORIX receiving offers to purchase non-core assets from European and US financial institutions?

A. ORIX is receiving inquiries about business sales and M&A, but there is nothing concrete at the current moment. ORIX is evaluating transactions that are attractive in terms of size and price and wants to focus on those where it can increase corporate value such as a strategic investment where ORIX can capitalize on its added value or a pure investment where an exit can be reasonably forecasted. There is no fixed investment budget for this fiscal year. However, ORIX has already been receiving a number of offers.

Q. What are ORIX's strengths in expanding in Asia?

A. ORIX has been expanding in Asia for almost 40 years starting with its entrance into Hong Kong in 1971. ORIX forms an alliance with an influential partner in each region and provides services to local clients. ORIX maintained its operations even as the countries in the region were severely impacted by the Asian Currency Crisis in 1997 and many foreign companies pulled out. Based on this, ORIX has a basic policy of cautious response. Diversified investments and thorough observation of each transaction by top management are especially important, and ORIX will continue to take these steps as it looks for the right timing to take action.

Q. Is ORIX impacted by financial tightening and the drop in real estate values in China?

A. Demand for leasing has strengthened due to financial tightening. However, ORIX will continue to cautiously select transactions. Also, ORIX's real estate-related exposure is limited only to the Chinese headquarters project in Dalian, for which risk is believed to be limited as 2/3 of the investment amount having been raised by a non-recourse loan from a major financial institution. There are many reasons to be concerned about risk, such as inflation, in China. However, ORIX believes that business chances are increasing, considering the GDP growth rate and timing of monetary easing, and will maintain caution as it operates in China.

Q. What is the impact from the flooding in Thailand?

A. ORIX's local subsidiary in Thailand has approx. USD300 million in assets (approx. JPY23 billion) and the flood damage is limited. Additionally, as leasing equipment losses due to flood damage is covered by insurance, there is no impact on performance. ORIX expects that new business volume may be impacted going forward, but it is believed that this will steadily recover.

Q. What is the outlook for the real estate portfolio? (Vacancy rates, NOI yields, asset balance, etc.)

A. Vacancy rates and NOI yields are believed to be at the bottom in the Japanese real estate market. The NOI yields of properties under lease in ORIX's portfolio are stable. The vacancy rate temporarily increased due to the completion of a large-scale logistics center at the end of June 2011, but it has since decreased at the end of September. ORIX will continue to control the asset level in the Real Estate segment towards the fiscal year-end goal of JPY1.45 trillion.

Q. How is funding impacted by the current market environment volatility?

A. Funding has not been impacted. ORIX's borrowings are diversified among approx. 200 domestic and overseas financial institutions, each of which remains unchanged in its stance toward lending. In addition, borrowing from European financial institutions is less than 2% of overall funding. The domestic CP and bond markets also remain unaffected. ORIX continues to diversify overseas funding such as being the first Japanese corporation to issue Korean won denominated bonds in South Korea in October and making its second issuance of RMB denominated bonds in November. Furthermore, ORIX had over JPY1 trillion in cash, cash equivalents and available commitment lines at the end of September 2011, representing liquidity on hand of more than 200% of marketable short-term liabilities (CP, bonds and other direct funding expected to reach maturity within 1 year).

Q. When and how do you expect to achieve 10% ROE?

A. ORIX aims for 10% ROE as a mid- to long-term target. The ROA is currently approx. 1%<sup>\*1</sup>, and the D/E ratio is approx. 3x<sup>\*2</sup>. ORIX will continue to improve its ROA through the acquisition of quality assets and turning over assets to include high-profitability assets. ORIX believes that the current level of leverage will be the bottom and will slowly increase it going forward.

\*1. ROA (Return on Assets) was 1.08% as of September 2011

\*2. Adjusted D/E Ratio (Short-and Long-term Debt / Shareholders' Equity) was 2.8x as of September 2011

Q. Japanese corporate governance has been getting a lot of attention. What is ORIX's governance framework?

A. ORIX believes that corporate governance is vital to carry out business activities in line with the basic management policy. As such, ORIX has created a highly transparent corporate governance framework. Outside Directors were implemented in 1999 and the Company with Committees model was introduced in 2003 (with the new Company with Committees model adopted in line with the enactment of the Companies Act of Japan in 2006). Currently, the Nominating, Audit and Compensation Committees are comprised solely of Outside Directors, with each Outside Director possessing a high level of expertise in their respective field.

Q. What is ORIX's current policy for shareholder returns including dividends and share buybacks?

A. Regarding dividends, ORIX believes in providing stable and continuous returns. ORIX has yet to decide the amount, but it will reflect fiscal year-end performance and actual progress toward the growth strategy during the second half of the fiscal year. As for share buybacks, ORIX will take into account the adequate level of retained earnings and act flexibly and accordingly by considering such factors as changes in the economic environment, trend in stock prices and financial situation.

**Disclaimer:**

These materials have been prepared by ORIX Corporation ("ORIX" or the "Company") solely for your information and are subject to change without notice.

The information contained in these materials has not been independently verified and its accuracy is not guaranteed. No representations, warranties or undertakings, express or implied, are made as to, and no reliance should be placed on, the accuracy, fairness, or completeness, or correctness of the information or the opinions presented or contained in these materials.

These materials contain forward-looking statements that reflect the Company's intent, belief and current expectations about future events and financial results. These statements can be recognized by the use of words such as "expects," "plans," "will," "estimates," "projects," "intends," or words of similar meaning. These forward-looking statements are not guarantees of future performance. They are based on a number of assumptions about the Company's operations and are subject to risks, uncertainties and other factors beyond the Company's control. Accordingly, actual results may differ materially from these forward-looking statements. Factors that could cause such differences include, but are not limited to, those described under "Risk Factors" in the Company's most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission and under "Business Risk" of the securities report (yukashouken houkokusho) filed with the Director of the Kanto Local Finance Bureau.

Some of the financial information in these materials is unaudited.

These materials contain non-GAAP financial measures, including adjusted long-term and interest-bearing debt, adjusted total assets and adjusted ORIX Corporation shareholders' equity, as well as other measures and ratios calculated on the basis thereof. These non-GAAP financial measures should not be considered in isolation or as a substitute for the most directly comparable financial measures included in our consolidated financial statements and presented in accordance with U.S. GAAP. Reconciliations of these non-GAAP financial measures to the most directly comparable U.S. GAAP measures are included in the Consolidated Financial Results Supplementary Information for the Six-Months Ended September 30, 2011.

The Company believes that it will be considered a "passive foreign investment company" for United States Federal income tax purpose in the year to which these consolidated financial results relate and for the foreseeable future by reason of the composition of its assets and the nature of its income. A U.S. holder of the shares or ADSs of the Company is therefore subject to special rules generally intended to eliminate any benefits from the deferral of U.S. Federal income tax that a holder could derive from investing in a foreign corporation that does not distribute all of its earnings on a current basis. Investors should consult their tax advisors with respect to such rules, which are summarized in the Company's annual report.

Nothing in this document shall be considered as an offer to sell or solicitation of an offer to buy any security, commodity or other instrument, including securities issued by the Company or any affiliate thereof.