

Segment Overview

Please refer to pages 71-72 for Breakdown of Assets and Revenues by Segment and pages 75-76 for Group Companies in each segment.

Segment	Corporate Financial Services	Maintenance Leasing	Real Estate
Operation Overview	Lending, leasing and various fee businesses	Automobile leasing and rentals, car sharing, and precision measuring equipment and IT-related equipment rentals and leasing	Real estate development, rental and financing; facility operation, REIT asset management, and real estate investment and advisory services
Segment Profits	¥24.9 billion	¥37.1 billion	¥18.0 billion
Segment Assets	¥992.1 billion	¥622.0 billion	¥962.4 billion
Segment Asset ROA	1.6%	3.9%	1.1%
Number of Employees	2,317	2,670	4,277

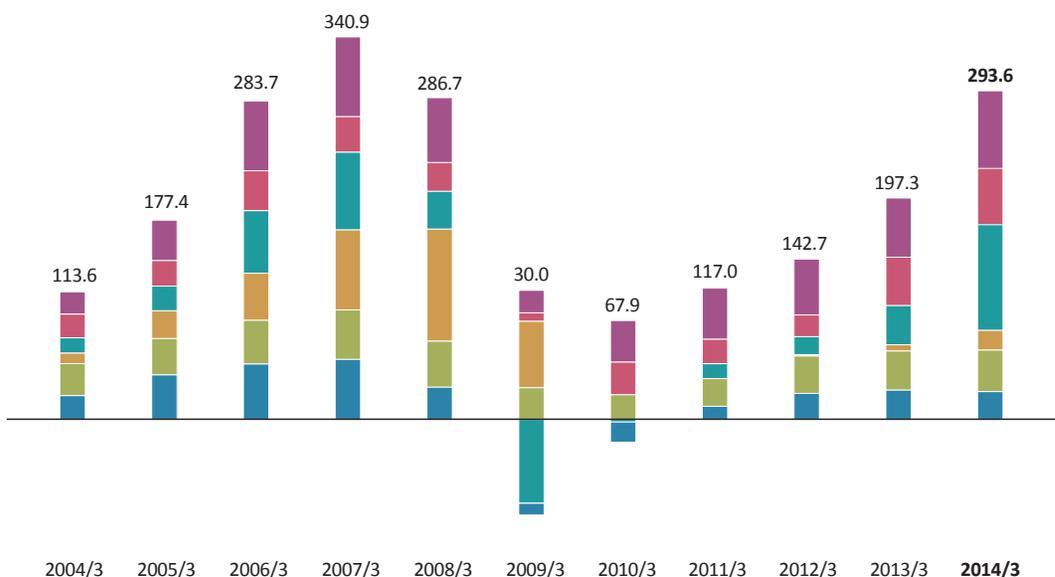
Summary of Performance during the FY2014.3

- Base profits declined to 85% YoY due to a decrease in average balance of loans
- Recorded reversal of provisions due to improvement in overall asset quality
- Fee revenues from sales of solar power generation systems increased 2.5 times YoY
- Continued positive growth cycle in assets and base profits while maintaining high profitability
- Increased base profits due to increases in assets in automobile business and gains from sales of used cars
- Recorded impairments from a part of rental business
- Maintained high level of base profits due to robust facilities operation business
- Increased capital gains due to a favorable market
- Both provisions and impairments decreased
- Assets were reduced to below 1 trillion yen due to NRL collection and sales of rental properties

Segment Profits

(Billions of yen)

- Overseas Business
- Retail
- Investment and Operation
- Real Estate
- Maintenance Leasing
- Corporate Financial Services



Investment and Operation	Retail	Overseas Business
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Environment and energy-related business, principal investment and loan servicing (asset recovery)

Life insurance, banking and card loan business

Leasing, lending, investment in bonds, investment banking, asset management, and ship-and aircraft-related operations

¥94.1 billion

¥49.9 billion

¥69.7 billion

¥565.7 billion

¥2,167.0 billion

¥1,972.1 billion

11.5%

1.5%

2.6%

7,482

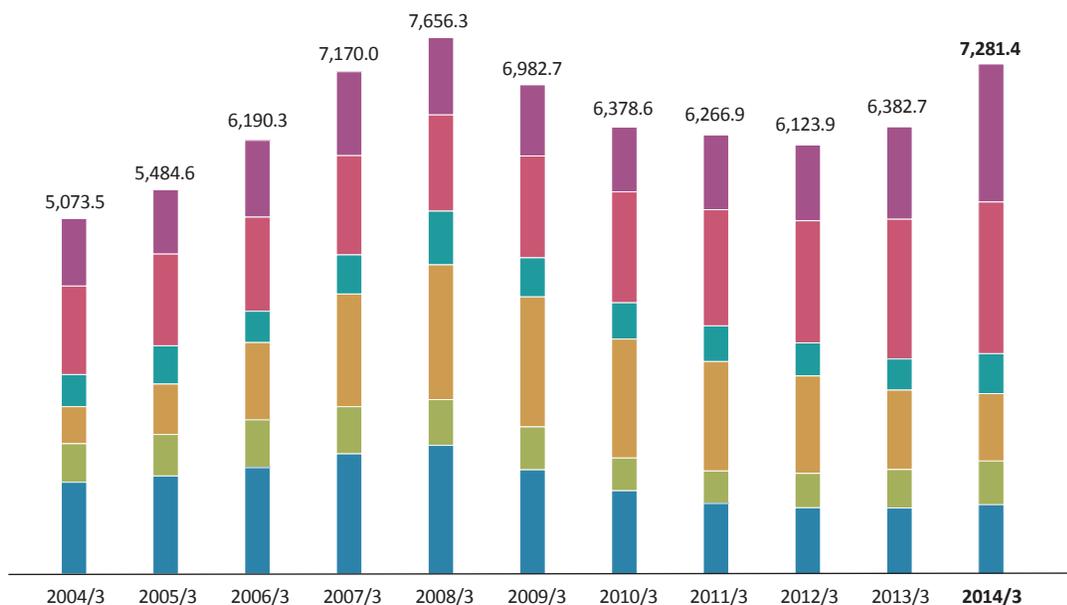
1,629

6,414

- Increased profits from an investee acquired during the FY2013.3
- Recognized valuation gain from the consolidation of Daikyo
- Completed new investment in environment- and energy-related companies
- Started development of a maximum total output of 425 MW in mega-solar power generation business

- Base profits increased due to increased life insurance and related investment income
- Assets increased due to growth in ORIX Bank's housing loans and ORIX Life's policies in force
- Recorded capital gains by selling partial shares in Monex Group

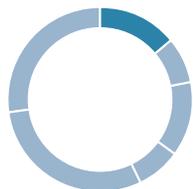
- Base profits increased significantly due to the consolidation of Robeco
- Growth in the fee business in the United States, aircraft business, and the leasing business in Asia
- Recognized substantial capital gains mainly in the United States
- Recorded impairments for weak performing investees



Segment Assets
(Billions of yen)

- Overseas Business
- Retail
- Investment and Operation
- Real Estate
- Maintenance Leasing
- Corporate Financial Services

Corporate Financial Services



Asset composition:

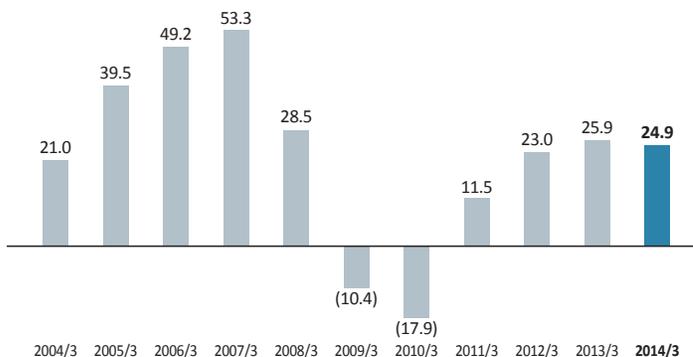
14%



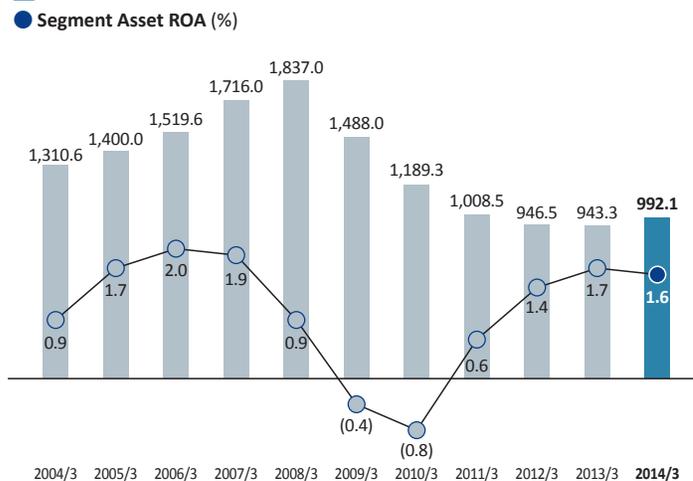
Toward Further Value Creation

- The Corporate Financial Services segment creates value mainly through an increase in segment assets by expanding corporate leasing and lending to domestic SMEs and an increase in fee revenues by providing diversified products and services of the ORIX Group.
- The segment, as Group RM, in alliance with other business segments, proposes solutions for customers' management issues and expands business opportunities and the client base of the ORIX Group.
- The segment asset ROA was 1.6% for the FY2014.3, which is relatively high for the financing-based business. However, this level is lower than ORIX Group's target, which is 2.5%. This segment aims to improve the ROA by expanding fee revenues, which do not require assets, such as sales of solar power generation systems and provision of various services.

■ Segment Profits (Billions of yen)

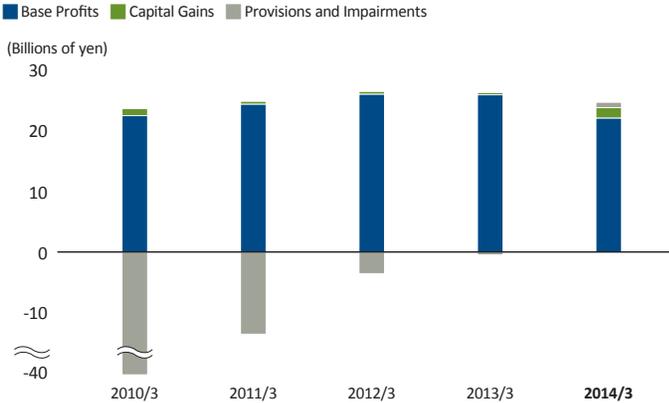


■ Segment Assets (Billions of yen)



Five-Year Trends in Profits

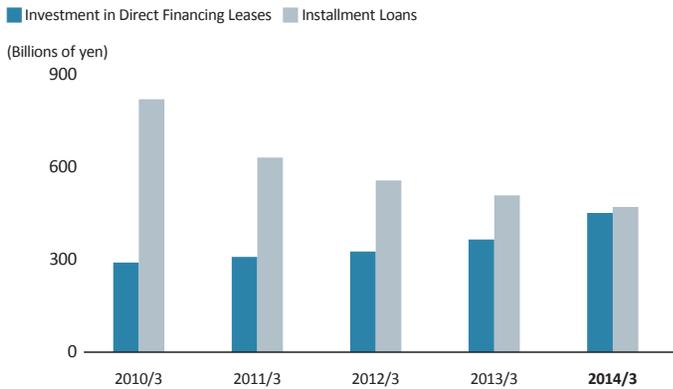
Trends in Profits by Factor



- After the financial crisis, this segment recorded significant provisions mainly for loans to real estate business proprietors. Subsequently, we swiftly promoted the collection and reduction of assets. We also shifted to reinforcing transactions with businesses other than real estate business proprietors. As a result, we made progress on asset turnover, which led to the improvement of asset quality and the diversification of the customer portfolio. Provisions continued to decrease, and a reversal of provisions was recorded for the FY2014.3.
- Although the asset balance continued to decline until the FY2013.3, stable base profits have been maintained over the past five years with the contribution of fee revenues. In addition, the asset balance for the FY2014.3 turned upward.

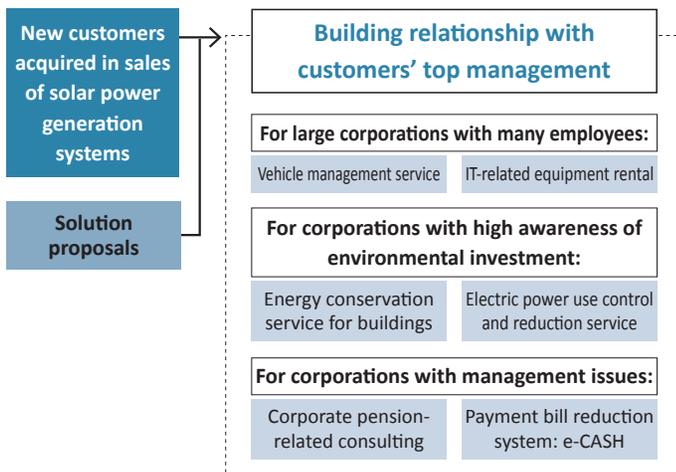
Value Creation in the Focus Business Areas

Balance of the Investment in Direct Financing Leases and Installment Loans



- The balance of installment loans has continued to decline because of our selective lending, which led to collections exceeding new loans made. The balance of investment in direct financing leases has grown steadily.
- In recent years, new transaction volumes of leases and loans have been steadily increasing. Sales of solar power generation systems now integrate the financing efforts for their installation, and as a result of such efforts the loan balance is close to reaching the bottom.
- We aim to expand the segment assets by participating in project finance relating to infrastructure, as well as by moving into areas where we expect business opportunities with the anticipated regulatory reforms such as agriculture and healthcare.

Case Studies of Matrix Sales to New Customers



- In this segment, we promote “matrix sales” through which our sales staff will propose one-stop optimal solutions to our customers. Our sales staff strives to understand customers’ situations through transactional activities, thereby identifying specific needs and management issues. To address such identified needs and issues, our sales staff offers the diversified products and services of the Group, thereby strengthening the trust relationship with customers and enhancing the presence of ORIX as a reliable partner they can consult.
- Recently, we have been developing matrix sales to customers with which we started business via commercial equipment—solar power generation systems. We are expanding the group-wide client base by building relationship with customers’ top management and expanding the revenue opportunities of the ORIX Group.

Maintenance Leasing



Asset composition:

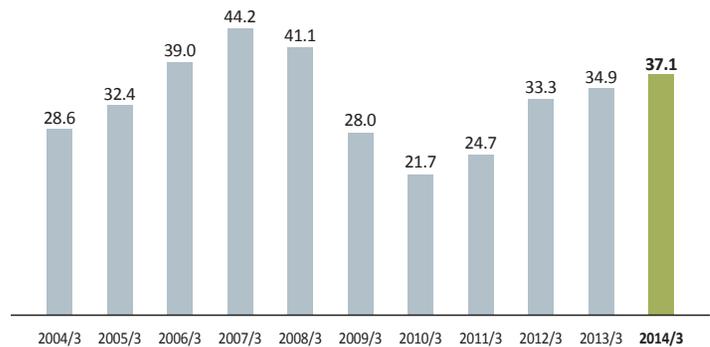
8%



Toward Further Value Creation

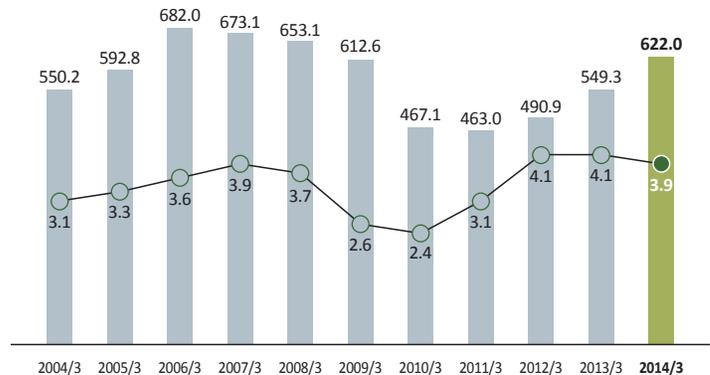
- The Maintenance Leasing segment mainly consists of automobile leasing and rentals, as well as electronic measuring and IT-related equipment rental and leasing. The creation of value in this segment means evolving the services that we offer and increasing the balance of the segment assets.
- As this segment provides asset management and maintenance services, both of which involve a high level of expertise and added value, the ROA has been maintained at a high level. In recent years, we have focused our efforts on improving cost efficiency, in which also contributes to a stable ROA of around 4%.
- ORIX's automobile leasing is deemed to be among the top-rated in Japan with regard to business scale and service lineup. We believe that there is room for growth domestically by raising our market share. We will promote business expansion through the provision of value-added services based on a precise analysis of customer needs.

■ Segment Profits (Billions of yen)



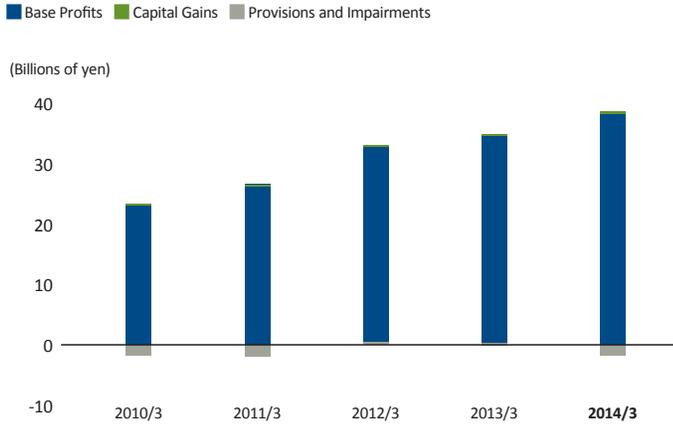
■ Segment Assets (Billions of yen)

● Segment Asset ROA (%)



Five-Year Trends in Profits

Trends in Profits by Factor



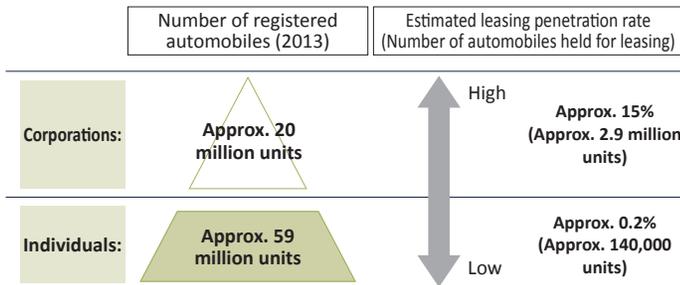
- Base profits mostly account for the segment profits in this segment, and the segment profits have achieved stable growth over the past five years.
- The major contributors to the base profits are the operating lease revenues, maintenance service revenues and gains from sales of used cars. Our cost-reduction measures have been successful, whereas the profit contribution of value-added services has been increasing.
- Because there are almost no capital gains or provisions and impairments, base profits are equal to segment profits in the segment's profit structure.

Value Creation in the Focus Business Areas



- ORIX Auto Corporation has developed a wide range of business operations from car leasing, rental and car sharing, based on the concept of "conversion from ownership to utilization" of vehicles. Furthermore, it offers total services concerning the use of cars from auto maintenance and management to distribution of cars.
- Although Japan's automobile market is at a mature stage, given a low leasing penetration rate, we believe ORIX's automobile business is a promising field with possibilities in the market for both corporations and individuals.
- Although the primary customers are large corporations, we will strengthen our marketing to smaller enterprises and individuals that have not yet used leasing services and develop new products and services, thereby creating new markets.

Number of Vehicle Units Registered in Japan and the Estimated Leasing Penetration Rate



Source: Estimation by ORIX based on the values released by the Japan Automotive Leasing Association and the Automobile Inspection & Registration Information Association

- The examples of our efforts aimed at small sized corporations are as follows:
 - 1) Proposal of cost reduction for vehicles by reducing the number of vehicles owned to an appropriate number through analyzing the usage status of customer's cars, and utilizing car rental and car sharing.
 - 2) Proposal of "One-Price Used-Car Lease*," which enables used cars to be utilized in businesses safely and reasonably.
- For individual customers, we are focusing on car leasing and expanding new products and sales channel. We are enhancing the level of services which enables customers to easily use new cars. Such measures include the provision of lease products that let customers own the leased vehicles once the contract terminates, while holding down the monthly payment, and opening new car leasing shops on internet shopping websites.

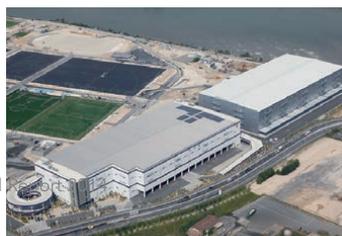
*Under this leasing, vehicles which were managed by ORIX will be mainly provided, and will be covered by a used car certificate exclusively issued by ORIX. Various line-ups of car types are provided, as well as easily understandable price setting with a fixed leasing fee according to its products and categories.

Real Estate



Asset composition:

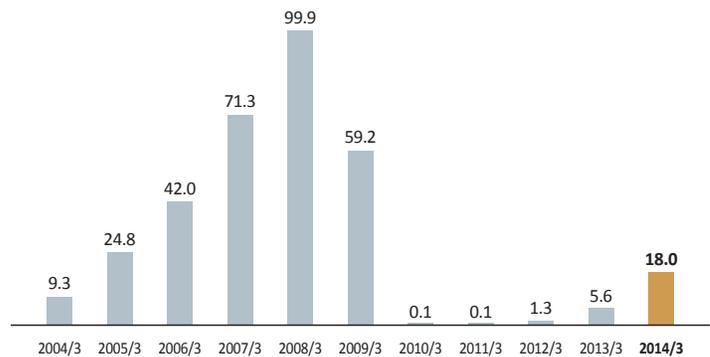
13%



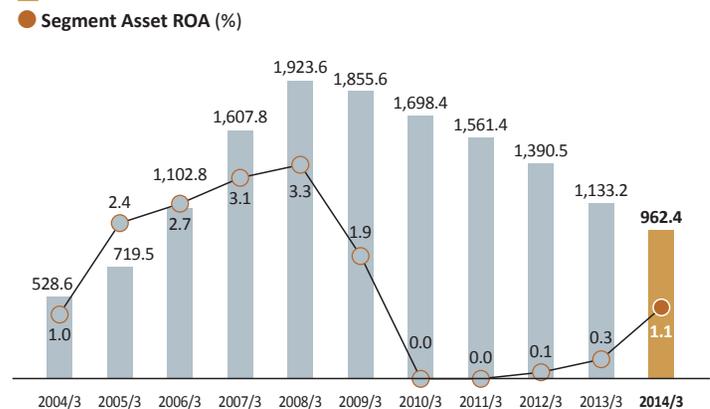
Toward Further Value Creation

- The Real Estate segment, equipped with broad expertise in each field of real estate, has an established comprehensive value chain in all aspects of its real estate business, which covers the property development and rental (including office buildings, commercial facilities, logistics centers and residential condominiums), facilities operation, asset management and real estate finance.
- At one time, revenues from condominium sales and nonrecourse loans (NRLs) and other revenues, which are easily affected by real estate market conditions, accounted for most of the segment profits. Since the financial crisis, we have reduced such assets.
- By converting our business model to the facilities operation business and the asset management business, capitalizing on the segment's expertise, a stable profit structure is becoming established and ROA is improving. This segment creates value by establishing a solid profit structure that is not susceptible to real estate market conditions.

■ Segment Profits (Billions of yen)

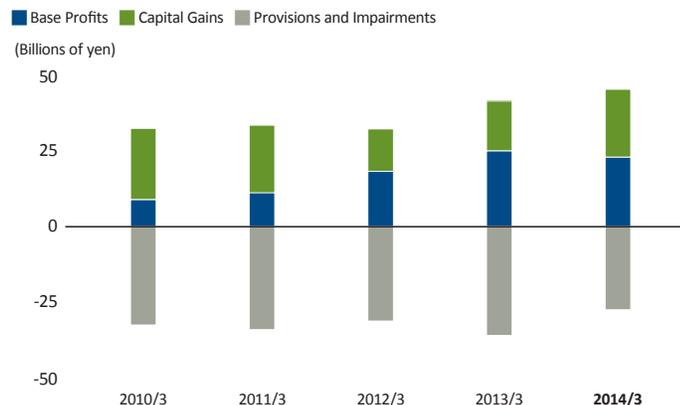


■ Segment Assets (Billions of yen)



Five-Year Trends in Profits

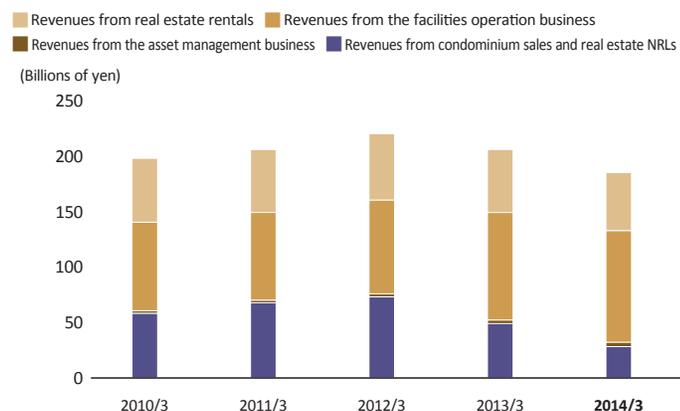
Trends in Profits by Factor



- This segment quickly reduced assets such as condominium development and NRLs after the financial crisis, which reduced the balance of segment assets significantly. However, the segment focused efforts on maintaining or improving the value of rental assets and expanding the facilities operation business and the asset management business, thereby increasing base profits steadily.
- Following the reduction of assets, provisions and impairments have continued to remain at high levels, but they have been reduced during the FY2014.3.
- In the FY2014.3, the segment promoted sales of rental properties, capitalizing on favorable market conditions in the domestic real estate market, resulting in an increase in capital gains.

Value Creation in the Focus Business Areas

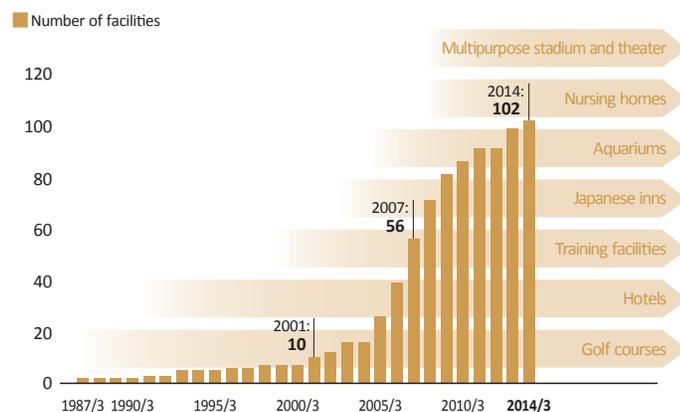
Trend of Segment Revenues*—Revenue composition has changed in line with the changing portfolio



*Excluding gains on sales of real estate under operating leases

- To build a portfolio that ensures stable revenues, the Real Estate segment is converting its business models. We are considerably reducing assets that are susceptible to trends in real estate market conditions and low-profitability assets and raising the revenue contribution from the facilities operation business with high-quality operations, as well as of stable rent income from office buildings, commercial facilities and logistics centers.
- In the asset management business, we intend to increase profitability by supplying appropriate services targeting a broad range of investors, including the operation of ORIX JREIT Inc., and large co-investment business projects.

Expansion of the Facilities Operation Business—Both the number of facilities and facility types have increased



- The facilities operation business handles the operation and development of properties including hotels, Japanese inns, aquariums, golf courses, training facilities, nursing homes, a multipurpose stadium and a theater, and so forth. We now have 102 of such facilities as of March 31, 2014.
- ORIX's facilities operation business has such strengths as prudent information collection with regard to changes in consumers' behaviors and the creation and development of detailed devices.
- In this segment, we pursue the further creation of value by providing customers with "real experience," "pleasure" and "satisfaction," which occurs at every ORIX facility.

Investment and Operation



Asset composition:

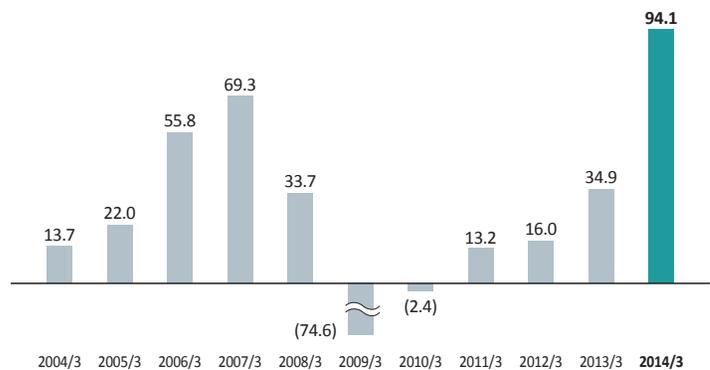
8%



Toward Further Value Creation

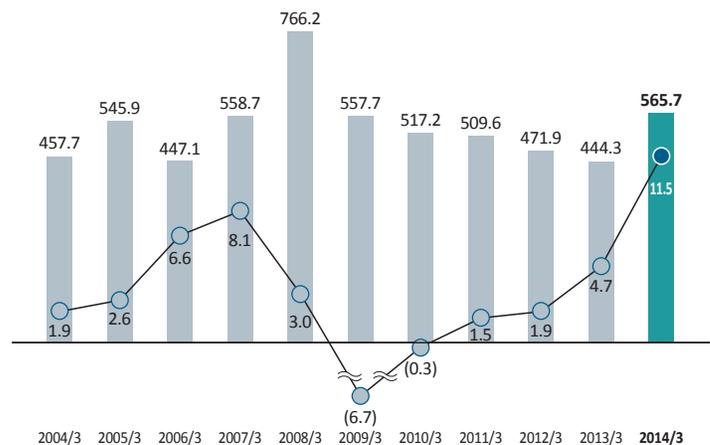
- This segment has shifted its priority business portfolio from loan servicing to the principal investment business and the environment and energy-related business in response to changes in its business environment. We will realize further value creation with the stable growth in profits of the environment and energy-related business and the capital gains of the principal investment business as the key drivers for growth.
- As for the domestic renewable energy-related business within the environment and energy-related business, stable profits can be expected as mega solar projects are starting operation sequentially. In the future, we intend to expand on a global-scale the wind power and geothermal power generation businesses and provide electric power trading and energy-saving-related services while enhancing our expertise.
- As ORIX's principal investments are conducted only with its own funds, unlike many other private equity (PE) funds, we can flexibly address investment terms and/or capital increases. This business strives to acquire sustainable capital gains through active investments in Japan and overseas, by taking advantage of our strength that enables raising the value of investees using the ORIX Group's network and expertise.

■ Segment Profits (Billions of yen)



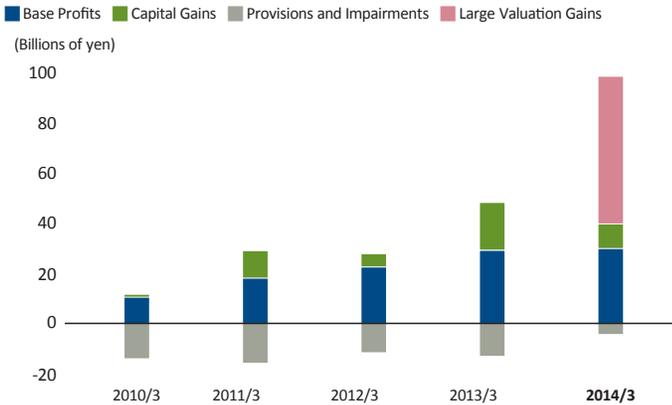
■ Segment Assets (Billions of yen)

● Segment Asset ROA (%)



Five-Year Trends in Profits

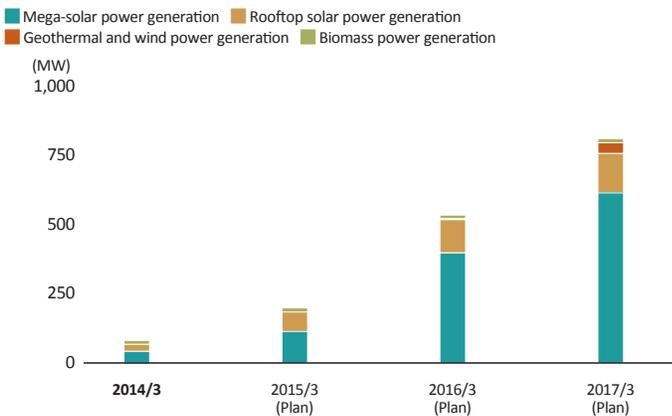
Trends in Profits by Factor



- Although base profits have been reported mainly from the loan servicing business over the past five years, growth in profits is expected, primarily based on revenues from the environment and energy-related business and the principal investment business going forward. A large valuation gain which was attributable to the conversion of Daikyo's preferred shares held by ORIX to common shares, was reported for the FY2014.3.
- In the environment and energy-related business, profit contributions up to the FY2014.3 have been limited although contracts for mega solar projects have progressed smoothly. Base profits are expected to increase as a result of start of mega solar operation in the near future.
- In principal investment business, capital gains are projected to increase as the optimum timing for selling existing investments is expected to come sequentially.

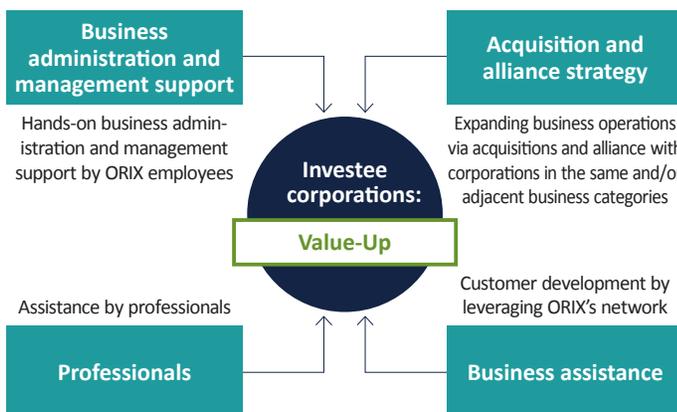
Value Creation in the Focus Business Areas

Environment and Energy-Related Business: Forecast Volume of Power Generation of Renewable Energy



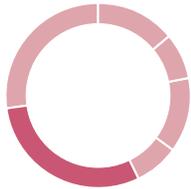
- As for the renewable energy-related business, we have obtained concession rights of 425MW in power generation projects including mega-solar and rooftop solar power generation projects by the end of March 2014 and plan to operate facilities for most of these projects within about two years.
- We are also studying the possibility of developing operations in the geothermal and wind power generation business.

Principal Investment Business: Value-Up Strategy for Investee Corporations



- In the principal investment business, targeting mainly "Niche and top-class companies," we are conducting sourcing activities with such themes as "business succession," "management buyout (MBO) (delisting)" and "sales and carveout of subsidiaries."
- We emphasize a hands-on style investment and therefore conduct business administration and management support for each investee corporation in an integrated manner. Business assistance is provided by the relevant ORIX business units, as required, in the pursuit of "Value-up" in all aspects, including the support activity to develop new customers and expand sales channels.

Retail



Asset composition:

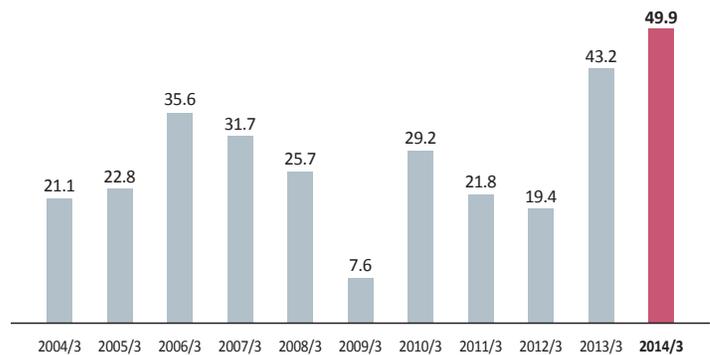
30%



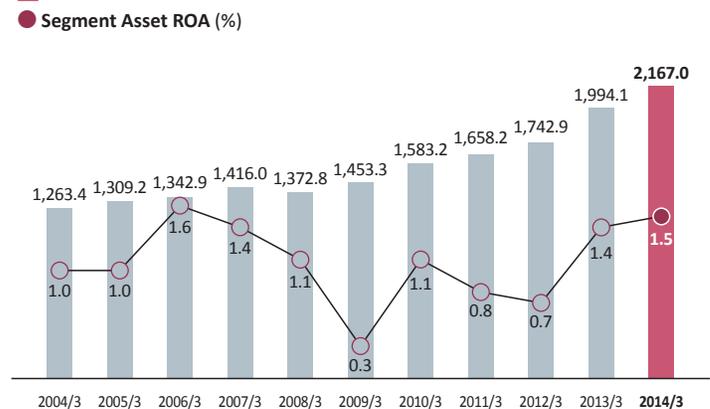
Toward Further Value Creation

- The Retail segment consists of the life insurance business, the banking business and the card loan business. This segment creates value by increasing segment assets. As all of these businesses are stock-related as opposed to flow-related, the impact of economic and market fluctuations is relatively small compared with other business segments, thereby contributing to reducing the Group-wide profit fluctuation risk.
- Compared with other segments in which segment assets were reduced after the financial crisis, this segment has increased its assets since the FY2008.3, when the assets were at their bottom, steadily growing its base profits. We intend to continue the profit growth by expanding assets.
- A critical challenge for this segment is to raise the ROA. Although the segment asset ROA for the FY2014.3 improved to 1.5% from 0.7% for the FY2012.3, it is still lower than the Group-wide target of 2.5%. Even so, the Retail segment has achieved higher ROA than that of other companies in the same industry by focusing its businesses on its areas of strength. We aim to improve the ROA by increasing assets in the highly profitable life insurance and card loan businesses.

■ Segment Profits (Billions of yen)

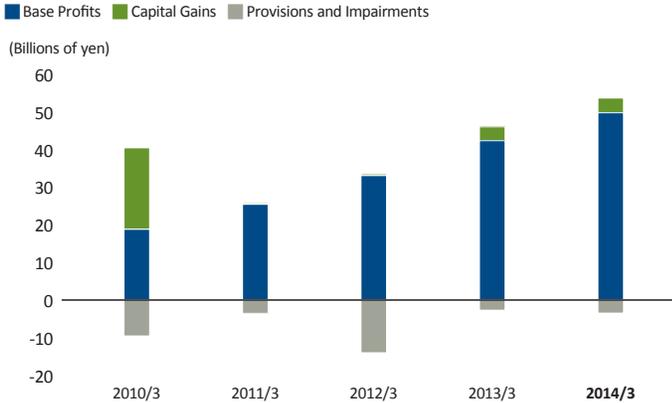


■ Segment Assets (Billions of yen)



Five-Year Trends in Profits

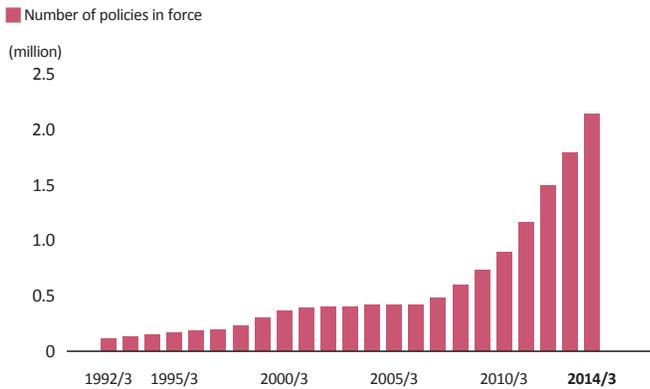
Trends in Profits by Factor



- In the Retail segment, base profits are growing consistently via the expansion of segment assets.
- Despite the temporary capital gains for the FY2010.3 (gains from sales of subsidiary shares and valuation gains of subsidiary shares) and impairment losses for the FY2012.3 (write-downs of equity-method affiliates), base profits are basically equal to segment profits in the segment's profit structure.

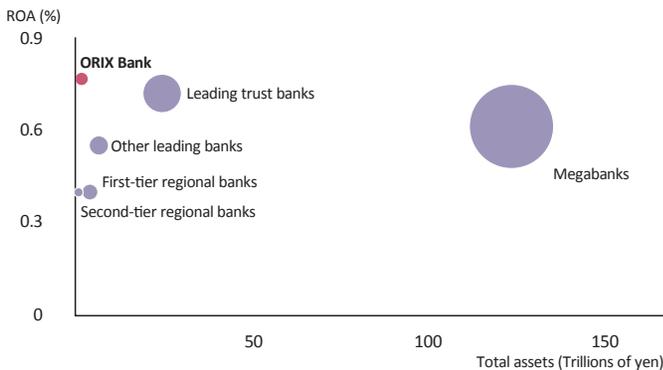
Value Creation in the Focus Business Areas

Life Insurance Business: Number of ORIX Life's Insurance Policies in Force



- As a result of having provided insurance products that meet the needs of the times against the backdrop of women's advancement into society and the response to advanced medical treatment, the number of ORIX Life's insurance policies in force increased mainly for products in "third-sector" such as medical and cancer insurance. ORIX's insurance contracts exceeded the benchmark of 2 million in three years and three months after having passed 1 million in September 2010.
- In the future, by using the ORIX Group's consulting sales channel, we will focus on expansion of sales of "first-sector" products such as traditional life insurance.
- While currently having 31 operating bases, we will expand them nationwide, thereby increasing the number of insurance policies.

Banking Business: ROA of Domestic Banks and the Scale of Their Assets (FY2014.3)



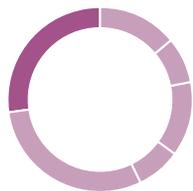
* ROA is calculated based on net income before income taxes and total assets.

* Average values except for ORIX Bank.

* The size of the circles represents total assets.

- ORIX Bank's marked feature is its high profitability compared with other banks, which may be attributable to its cost competitiveness in business development that takes advantage of the non-branch feature.
- The banking business segment mainly handles loans for real estate investments including condominiums and apartment buildings. In recent years, it entered into the corporate loans business and the card loans business and most recently it started handling jointly operated designated money trust.
- ORIX Bank endeavors to increase the balance of card loans as the core of the Group's card loan business and further raise ROA as a streamlined and highly profitable bank.

Overseas Business



Asset composition:

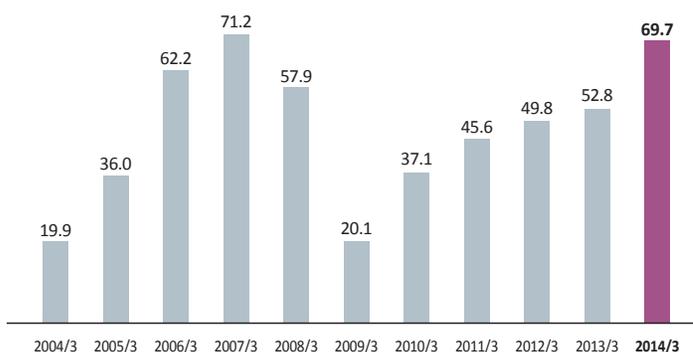
27%



Toward Further Value Creation

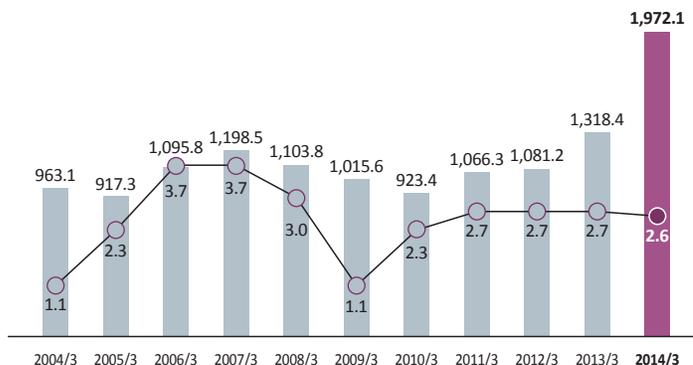
- This segment currently offers financial services in 36 countries and regions worldwide. This segment creates value through expansion of existing businesses, as well as M&As of corporations in good standing that are suited to our strategy of accelerating “Finance + Services” such as Robeco.
- At the overseas local affiliates, this segment has consistently promoted the localization of management. In addition, it has proactively been developing customer-oriented business operations jointly with local partners. In Asia, we are mainly involved in leasing, but we are diversifying businesses in accordance with each country’s growth stage and local customers’ needs.
- Segment assets and profits temporarily declined after the financial crisis. However, they recovered subsequently mainly at the local subsidiaries in Asia, and the ROA has been maintained at high levels. Profitability has improved significantly in the FY2014.3 partly due to the profit contribution from Robeco, which has been consolidated.

■ Segment Profits (Billions of yen)



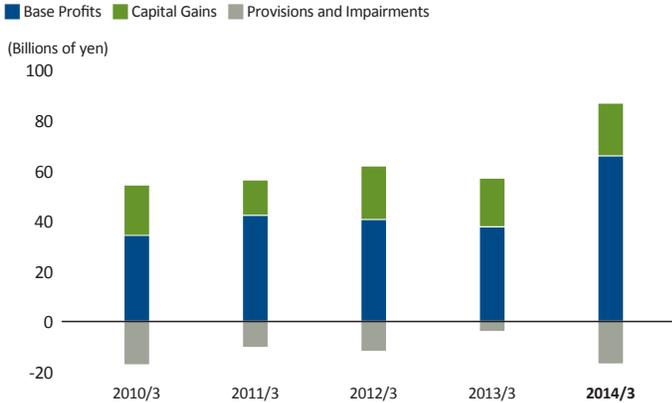
■ Segment Assets (Billions of yen)

● Segment Asset ROA (%)



Five-Year Trends in Profits

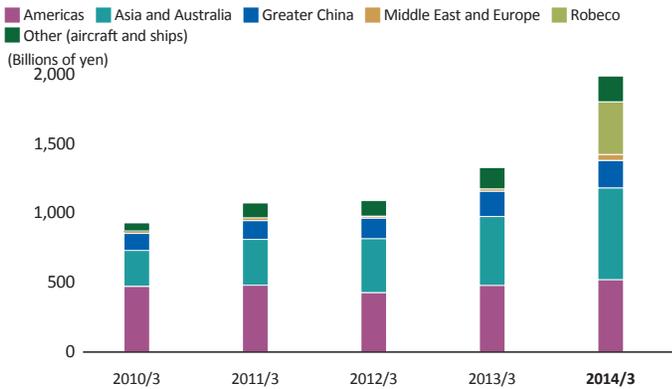
Trends in Profits by Factor



- Base profits of this segment are derived from the leasing business mainly in Asia, the loan business and the investment advisory business in the United States and the asset management business conducted by Robeco mainly in Europe and the United States. Future growth in base profits is expected through business development in peripheral fields of the leasing business and the expansion of Robeco business areas.
- Considerable amount of capital gains have been reported every year with regard to bond investment in the United States and equity investment centering in Asia.

Value Creation in the Focus Business Areas

Balance of Segment Assets by Region—Expanding Mainly in Asia and Robeco



- In this segment, assets in the Americas have been of almost the same scale, whereas assets in Asia and Australia are increasing steadily. In addition, investments in aircraft included in “Other” also have increased. In the FY2014.3, segment assets significantly increased due to consolidation of Robeco.
- We will remain active in moving into and making investments in untapped regions in addition to further business expansion in countries where we already have operations.
- Meanwhile, we will promote the diversification of businesses to absorb the growth of emerging countries in Asia and aim to advance into the retail field to incorporate the increasing middle-income groups in emerging areas of Asia.

Balance of Robeco’s Assets under Management



- Robeco’s assets under management have grown steadily since ORIX acquired Robeco in July 2013.
- Robeco pursues further growth in this segment by increasing the number of its operating bases in Europe, which currently forms the core operating base, and reinforcing its sales structure in the United States.
- Robeco aims for dramatic business expansion in Japan, other parts of Asia and the Middle East, by taking advantage of the ORIX Group’s network.

*The balance before the purchase includes Robeco Direct (not purchased by ORIX).