

Financial Section

Eleven-Year Summary

ORIX Corporation and Subsidiaries
Years Ended March 31

	2006	2007	2008	2009
Financial Position:				
Investment in Direct Financing Leases	¥1,437,491	¥1,258,404	¥1,098,128	¥ 914,444
Installment Loans	2,926,036	3,490,326	3,766,310	3,304,101
Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses	(97,002)	(89,508)	(102,007)	(158,544)
Allowance/Investment in Direct Financing Leases and Installment Loans (%)	2.2	1.9	2.1	3.8
Investment in Operating Leases	720,096	862,049	1,019,956	1,226,624
Investment in Securities	682,798	875,581	1,121,784	926,140
Property under Facility Operations	91,856	152,106	197,295	189,560
Total Assets	7,232,094	8,194,991	8,981,012	8,353,852
Short-term Debt, Long-term Debt and Deposits	4,925,753	5,483,922	6,263,017	5,919,639
ORIX Corporation Shareholders' Equity	946,961	1,186,366	1,258,906	1,157,269
Revenues and Expenses:				
Total Revenues	¥ 899,679	¥1,101,323	¥1,101,364	¥1,014,289
Total Expenses	692,774	824,758	926,837	961,003
Provision for Doubtful Receivables and Probable Loan Losses	16,227	13,807	33,223	77,015
Income before Income Taxes and Discontinued Operations	241,691	310,478	235,075	11,195
Income from Continuing Operations	147,579	186,510	141,496	15,054
Net Income Attributable to ORIX Corporation Shareholders	165,459	195,323	168,454	20,674
ROA (%)	2.49	2.53	1.96	0.24
ROE (%)	19.8	18.3	13.8	1.7
Per Share Data (Yen):				
Net Income Attributable to ORIX Corporation Shareholders:				
Basic Earnings per Share	¥ 187.34	¥ 216.40	¥ 184.81	¥ 23.25
Diluted Earnings per Share	178.04	208.84	180.57	22.07
ORIX Corporation Shareholders' Equity per Share	1,053.46	1,300.36	1,391.10	1,294.48
Cash Dividends	9.00	13.00	26.00	7.00
Operations:				
Direct Financing Leases:				
New Equipment Acquisitions	¥ 800,802	¥ 636,723	¥ 574,859	¥ 364,734
Installment Loans:				
New Loans Added	1,834,192	2,226,282	2,331,331	1,055,014
Operating Leases:				
New Equipment Acquisitions	317,645	348,561	465,909	426,715
Investment in Securities:				
New Securities Added	235,932	331,055	688,148	374,614
Other Operating Transactions:				
New Assets Added	132,017	215,409	152,480	76,269
Number of Employees	15,067	16,662	18,702	18,920

Notes: 1. In fiscal 2011, the Company and its subsidiaries adopted FASB Accounting Standards Update 2009-16 (ASC 860 ("Transfers and Servicing")) and FASB Accounting Standards Update 2009-17 (ASC 810 ("Consolidation")). The effects of adopting these updates on the Company and its subsidiaries' financial conditions at the initial adoption date were an increase of ¥1,147.4 billion in total assets, an increase of ¥1,169.0 billion in total liabilities and a decrease of ¥22.5 billion in retained earnings, net of tax, in the consolidated balance sheets.

2. Cash dividends represent the amount of dividend per share for the corresponding fiscal year.

Millions of yen

2010	2011	2012	2013	2014	2015	2016
¥ 756,481	¥ 830,853	¥ 900,886	¥ 989,380	¥1,094,073	¥ 1,216,454	¥ 1,190,136
2,464,251	2,983,164	2,769,898	2,691,171	2,315,555	2,478,054	2,592,233
(157,523)	(154,150)	(136,588)	(104,264)	(84,796)	(72,326)	(60,071)
4.9	4.0	3.7	2.8	2.5	2.0	1.6
1,213,223	1,270,295	1,309,998	1,395,533	1,379,741	1,296,220	1,349,199
1,104,158	1,175,381	1,147,390	1,093,668	1,214,452	2,846,257	2,344,792
186,396	207,480	194,576	218,697	295,863	278,100	327,016
7,722,017	8,561,910	8,332,830	8,439,710	9,066,961	11,443,628	10,996,906
5,263,104	6,075,076	5,828,967	5,560,847	5,367,412	5,705,110	5,689,002
1,287,179	1,306,582	1,380,736	1,643,596	1,919,346	2,152,198	2,310,431
¥ 887,290	¥ 938,258	¥ 963,721	¥1,052,477	¥1,375,292	¥ 2,174,283	¥ 2,369,202
856,326	865,992	841,506	901,624	1,172,244	1,917,454	2,081,461
71,857	31,065	19,186	10,016	13,838	11,631	11,717
56,748	90,271	127,515	172,572	286,339	344,017	391,302
35,723	65,437	82,907	118,890	187,786	254,960	270,990
36,512	66,021	83,509	111,909	187,364	234,948	260,169
0.45	0.81	0.99	1.33	2.14	2.29	2.32
3.0	5.1	6.2	7.4	10.5	11.5	11.7
¥ 35.83	¥ 61.42	¥ 77.68	¥ 102.87	¥ 147.75	¥ 179.47	¥ 198.73
30.58	51.83	65.03	87.37	143.20	179.21	198.52
1,197.55	1,215.44	1,284.15	1,345.63	1,465.77	1,644.60	1,764.34
7.50	8.00	9.00	13.00	23.00	36.00	45.75
¥ 232,629	¥ 351,116	¥ 405,660	¥ 455,433	¥ 560,665	¥ 595,351	¥ 527,575
598,046	721,189	743,113	918,579	1,034,726	1,110,054	1,102,279
189,915	297,954	246,822	295,765	326,329	313,996	463,770
519,769	791,054	699,709	758,292	930,526	1,030,426	898,230
24,186	40,763	37,876	12,931	50,455	148,071	164,500
17,725	17,578	17,488	19,043	25,977	31,035	33,333

3. Balance sheet data and income statement data have been changed from beginning in the third consolidated fiscal period of fiscal 2015. The amounts in the previous years have been retrospectively reclassified for this change.

4. During fiscal 2015, we eliminated the accounting period gap that previously existed between DAIKYO and ORIX. The amounts in the previous years have been retrospectively reclassified for this change.

Financial Section

Consolidated Balance Sheets

ORIX Corporation and Subsidiaries
For the Years Ended March 31, 2014, 2015 and 2016 (FY2014.3 is unaudited)

Millions of yen

	2014	2015	2016
ASSETS			
Cash and Cash Equivalents	¥ 818,039	¥ 827,518	¥ 730,420
Restricted Cash	87,035	85,561	80,979
Investment in Direct Financing Leases	1,094,073	1,216,454	1,190,136
Installment Loans	2,315,555	2,478,054	2,592,233
	The amounts of ¥12,631 million as of March 31, 2014, ¥15,361 million as of March 31, 2015 and ¥20,673 million as of March 31, 2016 are measured at fair value by electing the fair value option under FASB ASC 825.		
Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses	(84,796)	(72,326)	(60,071)
Investment in Operating Leases	1,379,741	1,296,220	1,349,199
Investment in Securities	1,214,452	2,846,257	2,344,792
	The amounts of ¥11,433 million as of March 31, 2014, ¥16,891 million as of March 31, 2015 and ¥27,367 million as of March 31, 2016 are measured at fair value by electing the fair value option under FASB ASC 825.		
Property under Facility Operations	295,863	278,100	327,016
Investment in Affiliates	297,325	378,087	530,667
Trade Notes, Accounts and Other Receivable	193,369	348,404	294,638
Inventories	106,031	165,540	139,950
Office Facilities	128,060	131,556	120,173
Other Assets	1,222,214	1,464,203	1,356,774
	The amount of ¥36,038 million as of March 31, 2015 and ¥37,855 million as of March 31, 2016 are measured at fair value by electing the fair value option under FASB ASC 825.		
Total Assets	¥9,066,961	¥11,443,628	¥10,996,906

Notes: 1. Balance sheet data and income statement data have been changed from beginning in the third consolidated fiscal period of fiscal 2015. The amounts in the previous years have been retrospectively reclassified for this change.

2. During fiscal 2015, we eliminated the accounting period gap that previously existed between DAIKYO and ORIX. The amounts in the previous years have been retrospectively reclassified for this change.

Millions of yen

	2014	2015	2016
LIABILITIES			
Short-term Debt	¥ 308,331	¥ 284,785	¥ 349,624
Deposits	1,206,413	1,287,380	1,398,472
Trade Notes, Accounts and Other Payable	263,823	335,936	266,216
Policy Liabilities and Policy Account Balances	454,436	2,073,650	1,668,636
The amount of ¥1,254,483 million as of March 31, 2015 and ¥795,001 million as of March 31, 2016 are measured at fair value by electing the fair value option under FASB ASC 825.			
Income Taxes:			
Current	23,188	9,445	17,398
Deferred	288,683	336,069	341,360
Long-term Debt	3,852,668	4,132,945	3,940,906
Other Liabilities	519,877	598,446	534,008
Total Liabilities	6,917,419	9,058,656	8,516,620
Redeemable Noncontrolling Interests	53,177	66,901	7,467
Commitments and Contingent Liabilities			
EQUITY			
Common Stock:	219,546	220,056	220,469
Authorized	2,590,000,000 shares		
Issued			
March 31, 2014	1,322,777,628 shares		
March 31, 2015	1,323,644,528 shares		
March 31, 2016	1,324,058,828 shares		
Additional Paid-in Capital	255,449	255,595	257,629
Retained Earnings	1,468,172	1,672,585	1,864,241
Accumulated Other Comprehensive Income (Loss):			
Net unrealized gains on investment in securities	38,651	50,330	47,185
Defined benefit pension plans	(6,230)	(19,448)	(23,884)
Foreign currency translation adjustments	(31,949)	431	(24,766)
Net unrealized losses on derivative instruments	(434)	(940)	(4,757)
Sub-Total	38	30,373	(6,222)
Treasury Stock, at Cost:	(23,859)	(26,411)	(25,686)
March 31, 2014	13,333,334 shares		
March 31, 2015	15,001,557 shares		
March 31, 2016	14,544,808 shares		
ORIX Corporation Shareholders' Equity	1,919,346	2,152,198	2,310,431
Noncontrolling Interests	177,019	165,873	162,388
Total Equity	2,096,365	2,318,071	2,472,819
Total Liabilities and Equity	¥9,066,961	¥11,443,628	¥10,996,906

3. The Company's shares held through the Board Incentive Plan Trust (2,153,800 shares as of March 31, 2015 and 1,696,217 shares as of March 31, 2016) are included in the number of treasury stock shares as of March 31, 2015 and 2016.

Financial Section

Consolidated Statements of Income

ORIX Corporation and Subsidiaries
For the Years Ended March 31, 2014, 2015 and 2016

Millions of yen

	2014	2015	2016
Revenues:			
Finance revenues	¥ 191,700	¥ 186,883	¥ 200,889
Gains on investment securities and dividends	27,181	56,395	35,786
Operating leases	330,606	363,095	373,910
Life insurance premiums and related investment income	155,406	351,493	189,421
Sales of goods and real estate	179,884	450,869	834,010
Services income	490,515	765,548	735,186
Total revenues	1,375,292	2,174,283	2,369,202
Expenses:			
Interest expense	82,968	72,647	72,821
Costs of operating leases	216,568	238,157	245,069
Life insurance costs	108,343	271,948	121,282
Costs of goods and real estate sold	162,989	402,021	748,259
Services expense	260,278	425,676	445,387
Other (income) and expense, net	(21,001)	23,674	(3,729)
Selling, general and administrative expenses	316,851	427,816	422,692
Provision for doubtful receivables and probable loan losses	13,838	11,631	11,717
Write-downs of long-lived assets	23,421	34,887	13,448
Write-downs of securities	7,989	8,997	4,515
Total expenses	1,172,244	1,917,454	2,081,461
Operating Income	203,048	256,829	287,741
Equity in Net Income of Affiliates	18,368	30,531	45,694
Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses, net	64,923	20,575	57,867
Bargain Purchase Gain	—	36,082	—
Income before Income Taxes and Discontinued Operations	286,339	344,017	391,302
Provision for Income Taxes	98,553	89,057	120,312
Income from Continuing Operations	187,786	254,960	270,990
Discontinued Operations			
Income from discontinued operations, net	12,182	463	—
Provision for income taxes	(4,681)	(166)	—
Discontinued operations, net of applicable tax effect	7,501	297	—
Net Income	195,287	255,257	270,990
Net Income Attributable to the Noncontrolling Interests	3,815	15,339	10,002
Net Income Attributable to the Redeemable Noncontrolling Interests	4,108	4,970	819
Net Income Attributable to ORIX Corporation Shareholders	¥ 187,364	¥ 234,948	¥ 260,169

Notes: 1. Pursuant to FASB ASC 205-20 ("Presentation of Financial Statements—Discontinued Operations"), the results of operations which meet the criteria for discontinued operations are reported as a separate component of income.
2. Balance sheet data and income statement data have been changed from beginning in the third consolidated fiscal period of fiscal 2015. The amounts in the previous years have been retrospectively reclassified for this change.
3. During fiscal 2015, we eliminated the accounting period gap that previously existed between DAIKYO and ORIX. The amounts in the previous years have been retrospectively reclassified for this change.

Yen

Amounts per Share of Common Stock for Income Attributable to ORIX Corporation Shareholders:			
Basic:			
Income from continuing operations	¥ 142.00	¥ 179.24	¥ 198.73
Discontinued operations	5.75	0.23	—
Net income attributable to ORIX Corporation Shareholders	147.75	179.47	198.73
Diluted:			
Income from continuing operations	137.63	178.99	198.52
Discontinued operations	5.57	0.22	—
Net income attributable to ORIX Corporation Shareholders	143.20	179.21	198.52
Cash Dividends	23.00	36.00	45.75

Note: Cash Dividends represent the amount of dividend per share for the corresponding fiscal year.

Consolidated Statements of Comprehensive Income

ORIX Corporation and Subsidiaries
For the Years Ended March 31, 2014, 2015 and 2016

Millions of yen

	2014	2015	2016
Net Income	¥195,287	¥255,257	¥270,990
Other comprehensive income (loss), net of tax			
Net change of unrealized gains (losses) on investment in securities	10,603	9,867	(3,121)
Net change of defined benefit pension plans	3,570	(14,952)	(4,123)
Net change of foreign currency translation adjustments	36,928	37,155	(26,957)
Net change of unrealized gains (losses) on derivative instruments	1,487	(561)	(4,063)
Total other comprehensive income (loss)	52,588	31,509	(38,264)
Comprehensive Income	247,875	286,766	232,726
Comprehensive Income Attributable to the Noncontrolling Interests	16,003	7,314	7,414
Comprehensive Income Attributable to the Redeemable Noncontrolling Interests	8,207	14,265	1,738
Comprehensive Income Attributable to ORIX Corporation Shareholders	¥223,665	¥265,187	¥223,574

Financial Section

Consolidated Statements of Changes in Equity

ORIX Corporation and Subsidiaries

For the Years Ended March 31, 2014, 2015 and 2016

Millions of yen

	ORIX Corporation Shareholders' Equity					Total ORIX Corporation Shareholders' Equity	Noncontrolling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock			
Balance at March 31, 2013	¥194,039	¥229,600	¥1,305,044	¥(36,263)	¥(48,824)	¥1,643,596	¥43,977	¥1,687,573
Contribution to subsidiaries						—	89,233	89,233
Transaction with noncontrolling interests		239				239	2,055	2,294
Comprehensive income, net of tax:								
Net income			187,364			187,364	3,815	191,179
Other comprehensive income								
Net change of unrealized gains on investment in securities				9,677		9,677	926	10,603
Net change of defined benefit pension plans				3,357		3,357	213	3,570
Net change of foreign currency translation adjustments				21,810		21,810	11,019	32,829
Net change of unrealized gains on derivative instruments				1,457		1,457	30	1,487
Total other comprehensive income						36,301	12,188	48,489
Total comprehensive income						223,665	16,003	239,668
Cash dividends			(15,878)			(15,878)	(2,099)	(17,977)
Conversion of convertible bond	25,066	24,878				49,944	—	49,944
Exercise of stock options	441	422				863	—	863
Acquisition of treasury stock					(19)	(19)	—	(19)
Acquisition of Robeco			(5,471)		24,880	19,409	27,850	47,259
Adjustment of redeemable noncontrolling interests to redemption value			(2,851)			(2,851)	—	(2,851)
Other, net		310	(36)		104	378	—	378
Balance at March 31, 2014	¥219,546	¥255,449	¥1,468,172	¥38	¥(23,859)	¥1,919,346	¥177,019	¥2,096,365
Contribution to subsidiaries						—	26,447	26,447
Transaction with noncontrolling interests		(505)		96		(409)	(40,735)	(41,144)
Comprehensive income, net of tax:								
Net income			234,948			234,948	15,339	250,287
Other comprehensive income (loss)								
Net change of unrealized gains (losses) on investment in securities				11,679		11,679	(1,812)	9,867
Net change of defined benefit pension plans				(13,218)		(13,218)	(1,734)	(14,952)
Net change of foreign currency translation adjustments				32,284		32,284	(4,424)	27,860
Net change of unrealized gains (losses) on derivative instruments				(506)		(506)	(55)	(561)
Total other comprehensive income (loss)						30,239	(8,025)	22,214
Total comprehensive income						265,187	7,314	272,501
Cash dividends			(30,117)			(30,117)	(4,172)	(34,289)
Exercise of stock options	510	504				1,014	—	1,014
Acquisition of treasury stock					(3,423)	(3,423)	—	(3,423)
Disposal of treasury stock		(697)	(174)		871	—	—	—
Adjustment of redeemable noncontrolling interests to redemption value			(220)			(220)	—	(220)
Other, net		844	(24)			820	—	820
Balance at March 31, 2015	¥220,056	¥255,595	¥1,672,585	¥30,373	¥(26,411)	¥2,152,198	¥165,873	¥2,318,071
Contribution to subsidiaries						—	6,801	6,801
Transaction with noncontrolling interests		1,918				1,918	(10,519)	(8,601)
Comprehensive income, net of tax:								
Net income			260,169			260,169	10,002	270,171
Other comprehensive income (loss)								
Net change of unrealized gains (losses) on investment in securities				(3,145)		(3,145)	24	(3,121)
Net change of defined benefit pension plans				(4,436)		(4,436)	313	(4,123)
Net change of foreign currency translation adjustments				(25,197)		(25,197)	(2,679)	(27,876)
Net change of unrealized gains (losses) on derivative instruments				(3,817)		(3,817)	(246)	(4,063)
Total other comprehensive income (loss)						(36,595)	(2,588)	(39,183)
Total comprehensive income						223,574	7,414	230,988
Cash dividends			(76,034)			(76,034)	(7,181)	(83,215)
Exercise of stock options	413	409				822	—	822
Acquisition of treasury stock					(2)	(2)	—	(2)
Disposal of treasury stock		(426)	(53)		727	248	—	248
Adjustment of redeemable noncontrolling interests to redemption value			7,557			7,557	—	7,557
Other, net		133	17			150	—	150
Balance at March 31, 2016	¥220,469	¥257,629	¥1,864,241	¥(6,222)	¥(25,686)	¥2,310,431	¥162,388	¥2,472,819

Note: Changes in the redeemable noncontrolling interests are not included in the table.

Consolidated Statements of Cash Flows

ORIX Corporation and Subsidiaries

For the Years Ended March 31, 2014, 2015 and 2016

Millions of yen

	2014	2015	2016
Cash Flows from Operating Activities:			
Net income	¥ 195,287	¥ 255,257	¥ 270,990
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	206,670	229,583	244,853
Provision for doubtful receivables and probable loan losses	13,838	11,631	11,717
Equity in net income of affiliates (excluding interest on loans)	(18,159)	(30,267)	(44,333)
Gains on sales of subsidiaries and affiliates and liquidation losses, net	(64,923)	(20,575)	(57,867)
Bargain purchase gain	—	(36,082)	—
Gains on sales of available-for-sale securities	(14,149)	(32,077)	(32,126)
Gains on sales of operating lease assets	(23,692)	(34,425)	(38,340)
Write-downs of long-lived assets	23,421	34,887	13,448
Write-downs of securities	7,989	8,997	4,515
Decrease (Increase) in restricted cash	22,366	(1,922)	9,009
Decrease in trading securities	21,300	441,554	461,298
Decrease (Increase) in inventories	25,581	(13,481)	20,935
Increase in trade notes, accounts and other receivable	(17,572)	(20,742)	(8,224)
Increase (Decrease) in trade notes, accounts and other payable	26,505	34,275	(41,004)
Increase (Decrease) in policy liabilities and policy account balances	28,429	(506,043)	(405,014)
Deferred tax provision	52,344	41,338	42,528
Income taxes payable, net	18,695	(39,264)	47,065
Other, net	(25,924)	(65,033)	11,112
Net cash provided by operating activities	478,006	257,611	510,562
Cash Flows from Investing Activities:			
Purchases of lease equipment	(859,568)	(907,484)	(991,154)
Principal payments received under direct financing leases	459,003	488,522	515,053
Installment loans made to customers	(1,035,564)	(1,109,458)	(1,101,807)
Principal collected on installment loans	1,264,645	977,272	948,057
Proceeds from sales of operating lease assets	251,904	272,040	239,911
Investment in affiliates, net	(45,084)	(27,698)	(70,569)
Proceeds from sales of investment in affiliates	15,429	2,128	20,991
Purchases of available-for-sale securities	(897,246)	(982,415)	(864,874)
Proceeds from sales of available-for-sale securities	318,697	511,868	464,232
Proceeds from redemption of available-for-sale securities	473,126	398,280	381,099
Purchases of held-to-maturity securities	(8,519)	(20,522)	(538)
Purchases of other securities	(24,761)	(27,489)	(32,818)
Proceeds from sales of other securities	26,501	67,982	48,594
Purchases of property under facility operations	(48,195)	(81,311)	(91,492)
Acquisitions of subsidiaries, net of cash acquired	(94,586)	(73,240)	(47,324)
Sales of subsidiaries, net of cash disposed	—	47,800	39,437
Other, net	(11,096)	(4,076)	(9,327)
Net cash used in investing activities	(215,314)	(467,801)	(552,529)
Cash Flows from Financing Activities:			
Net increase (decrease) in debt with maturities of three months or less	(106,783)	3,819	(4,707)
Proceeds from debt with maturities longer than three months	1,211,797	1,337,870	1,376,125
Repayment of debt with maturities longer than three months	(1,501,403)	(1,178,401)	(1,470,325)
Net increase in deposits due to customers	127,610	80,924	111,220
Cash dividends paid to ORIX Corporation shareholders	(15,878)	(30,117)	(76,034)
Contribution from noncontrolling interests	11,089	7,919	6,117
Cash dividends paid to redeemable noncontrolling interests	(1,224)	(3,030)	(11,272)
Net increase (decrease) in call money	(5,000)	6,000	36,500
Other, net	2,088	(11,552)	(15,625)
Net cash provided by (used in) financing activities	(277,704)	213,432	(48,001)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	6,755	6,237	(7,130)
Net Increase (Decrease) in Cash and Cash Equivalents	(8,257)	9,479	(97,098)
Cash and Cash Equivalents at Beginning of Year	826,296	818,039	827,518
Cash and Cash Equivalents at End of Year	¥ 818,039	¥ 827,518	¥ 730,420

Notes: 1. Cash flow statement data have been changed from beginning in the third consolidated fiscal period of fiscal 2015 because of changes in classification method of balance sheet and income statement. The amounts in the previous years have been retrospectively reclassified for this change.

2. During fiscal 2015, we eliminated the accounting period gap that previously existed between DAIKYO and ORIX. The amounts in the previous years have been retrospectively reclassified for this change.

Financial Section

Breakdown of Assets and Revenues by Segment

Fiscal Year Ended March 31, 2016

Segment Assets

Millions of yen

	Corporate Financial Services	Maintenance Leasing	Real Estate	Investment and Operation	Retail	Overseas Business	Total
Segment Assets	¥1,049,867	¥731,329	¥739,592	¥704,156	¥3,462,772	¥2,284,733	¥8,972,449
Investment in Direct Financing Leases	431,603	245,257	21,541	21,133	1,198	351,010	1,071,742
Installment Loans	411,824	—	5,821	75,996	1,496,407	407,870	2,397,918
Investment in Operating Leases	28,695	481,031	375,050	24,378	52,359	375,401	1,336,914
Investment in Securities	36,542	1,214	5,861	71,705	1,893,631	383,227	2,392,180
Property under Facility Operations	11,294	718	177,510	130,568	—	23,762	343,852
Inventories	53	374	3,597	98,016	—	37,782	139,822
Advances for Investment in Operating Leases	1,737	314	38,486	404	—	5,302	46,243
Investment in Affiliates	22,755	1,996	91,010	108,237	911	305,674	530,583
Advances for Property under Facility Operations	304	—	8,829	38,628	—	39	47,800
Goodwill and Other Intangible Assets Acquired in Business Combinations	105,060	425	11,887	135,091	18,266	394,666	665,395

Segment Revenues

Millions of yen

	Corporate Financial Services	Maintenance Leasing	Real Estate	Investment and Operation	Retail	Overseas Business	Total
Segment Revenues	¥107,150	¥271,662	¥191,540	¥1,028,355	¥254,289	¥526,008	¥2,379,004
Finance revenues	34,215	12,067	6,720	12,625	55,318	75,004	195,949
Gain on investment securities and dividends	7,073	24	1,345	10,270	762	16,113	35,587
Operating leases	25,461	188,815	60,253	9,395	—	91,973	375,897
Life insurance premiums and related investment income	—	—	—	—	190,805	—	190,805
Sales of goods and real estate	4,657	3,915	12,592	718,902	—	92,833	832,899
Services income	35,744	66,841	110,630	277,163	7,404	250,085	747,867

Note: Figures in the table above may vary from figures reported in the consolidated statements of income and the consolidated balance sheets because items considered as corporate assets and revenues are not included.

Main Components of Segment Assets

	Corporate Financial Services	Maintenance Leasing	Real Estate	Investment and Operation	Retail	Overseas Business
Investment in Direct Financing Leases	Corporate leasing and sales finance	Auto leasing	Real estate leasing	Leasing of energy saving equipments	—	Leasing and sales finance of local subsidiaries
Installment Loans	Corporate loans	—	Non-recourse loans	Loans purchased under loan servicing unit	Housing loans, card loans, and corporate loans	Corporate loans in the US, auto loans and corporate loans in Asia
Investment in Operating Leases	Lease renewal and real estate leasing	Leasing, rental, lease renewal of auto and precision measuring equipments	Real estate rental	Rental properties owned by Daikyo	ORIX Life Insurance's operating assets (rental properties)	Auto leasing in local subsidiaries and aircraft leasing
Investment in Securities	Investment in listed shares	—	Investment in specified bonds	Investment in listed shares, PE funds and preferred shares	Corporate and government bonds, listed shares, the assets under management of variable annuity and variable life insurance contracts	Investment in municipal bonds and CMBS in the US, investment in funds in the US, Europe and Asia
Property under Facility Operations	Solar power facilities (JV with Kyudenko)	—	Operating facilities including hotels, Japanese inns, aquariums, golf courses, etc.	Environment and energy related facilities and equipments	—	Mortgage servicing rights in the US
Inventories	—	—	Condominiums	Daikyo's condominiums and product inventories owned by PE investees	—	Investees' (consolidated subsidiaries) operating assets
Advances for Investment in Operating Leases	—	—	Rental properties under development	—	—	Vessels under construction
Investment in Affiliates	Investment in joint leasing company with regional banks	—	Joint development of rental properties	PE investment, investment in power business abroad, investment in concession business	—	Investment in joint leasing company in Asia, the ME, and Africa, and PE investment in Asia, investment in U.S. investment banks
Advances for Property under Facility Operations	—	—	Operating facilities under development	Environment and energy related facilities and equipments under development	—	—
Goodwill and Other Intangible Assets Acquired in Business Combinations	Goodwill and intangible assets resulting from M&As					

Main Components of Segment Revenues

	Corporate Financial Services	Maintenance Leasing	Real Estate	Investment and Operation	Retail	Overseas Business
Finance revenues	Leasing and sales finance revenues and interest revenues from corporate loans	Auto leasing revenues	Revenues from real estate leasing and interest revenues on non-recourse loans and specified bonds	Gains on loan collection in loan servicing and leasing revenues from energy saving equipments	Interest revenues from housing loans and card loans	Leasing and sales finance revenues and interest revenues of local subsidiaries, and interest revenues from CMBS in the US
Gain on investment securities and dividends	Gains on sales of listed shares	—	—	Gains on sales of investees and equity income/dividends from investees and PE funds	Gains on sales of corporate and government bond held by ORIX Bank	Gains on sales of investees and equity income from PE funds, gains on sales of municipal bonds in the US
Operating leases	Lease renewal revenues and revenues from real estate leasing	Auto and precision measuring equipment leasing, rental, and leasing renewal revenues and gains on sales from used cars	Rental revenues from rental properties and gains on sales of rental properties	Rental revenues from Daikyo's rental properties	—	Auto leasing revenues of local subsidiaries and aircraft leasing revenues
Life insurance premiums and related investment income	—	—	—	—	Life insurance premiums and related investment income	—
Sales of goods and real estate	Revenues from sales of software in Yayoi	Revenues from sales of used rental equipments	Gains on sales of condominiums	Revenues from sales of goods by investees and Daikyo's gains on sales of condominiums	—	Revenues from sales of goods by investees (subsidiaries)
Services income	Revenues from after-services of Yayoi, insurance agency commissions, solar power generation related fees	Revenues from vehicle maintenance services	Revenues from operating facilities such as hotels, Japanese inns, aquariums, golf courses, etc., asset management fees and real estate investment advisory fees	Income from Daikyo's real estate management service and contract work, sales revenues from solar power generation and electric power retailing	Guarantee fees on other financial institutions' card loans	Robeco's asset management fee revenues, and income from auto maintenance services of local subsidiaries

Financial Section

Guide to Non-GAAP Financial Measurement

ORIX Corporation and Subsidiaries
Years Ended March 31

		2006	2007	2008	2009
Short-term Debt		¥1,336,414	¥1,174,391	¥1,330,147	¥ 798,167
Long-term Debt	a	3,236,055	3,863,057	4,462,187	4,453,845
Deduct: Payables under Securitized Leases, Loan Receivables and Investment in Securities		106,333	260,529	374,920	358,969
Adjusted Long-term Debt	b	3,129,722	3,602,528	4,087,267	4,094,876
Short- and Long-term Debt (excluding deposits)	c	4,572,469	5,037,448	5,792,334	5,252,012
Adjusted Long- and Short-term Debt (excluding deposits)	d	4,466,136	4,776,919	5,417,414	4,893,043
ORIX Corporation Shareholders' Equity	e	946,961	1,186,366	1,258,906	1,157,269
Deduct: The Cumulative Effect on Retained Earnings of Applying the Accounting Standards for the Consolidation of VIEs under ASU 2009-16 and ASU 2009-17, effective April 1, 2010		—	—	—	—
Adjusted ORIX Corporation Shareholders' Equity	f	946,961	1,186,366	1,258,906	1,157,269
Debt/Equity Ratio (Times)	c / e	4.8	4.2	4.6	4.5
Adjusted Debt/Equity Ratio (Times)	d / f	4.7	4.0	4.3	4.2
Share of Long-term Debt (%)	a / c	71	77	77	85
Adjusted Share of Long-term Debt (%)	b / d	70	75	75	84

This Integrated Report contains certain financial measures presented on a basis not in accordance with U.S. GAAP (commonly referred to as Non-GAAP financial measures), including long-term debt and ORIX Corporation shareholders' equity, as well as other measures or ratios calculated based on these measures, presented on an adjusted basis. The adjustment excludes payables under securitized leases, loan receivables and investment in securities and reverses the cumulative effect on retained earnings of applying the accounting standards for the consolidation of VIEs, effective April 1, 2010.

Our management believes these Non-GAAP financial measures provide investors with additional meaningful comparisons between our financial condition as of March 31, 2016, as compared with prior periods. Effective April 1, 2010, we adopted ASU 2009-16 and ASU 2009-17, which changed the circumstances under which we are required to consolidate certain VIEs. Our adoption of these accounting standards caused a significant increase in our consolidated assets and liabilities and a decrease in our retained earnings without affecting the net cash flow and economic effects of our investments in such consolidated VIEs.

Millions of yen

2010	2011	2012	2013	2014	2015	2016
¥ 573,565	¥ 478,633	¥ 457,973	¥ 420,726	¥ 308,331	¥ 284,785	¥ 349,624
3,836,270	4,531,268	4,267,480	4,061,534	3,852,668	4,132,945	3,940,906
202,224	1,018,190	874,705	679,766	253,827	291,635	276,054
3,634,046	3,513,078	3,392,775	3,381,768	3,598,841	3,841,310	3,664,852
4,409,835	5,009,901	4,725,453	4,482,260	4,160,999	4,417,730	4,290,530
4,207,611	3,991,711	3,850,748	3,802,494	3,907,172	4,126,095	4,014,476
1,287,179	1,306,582	1,380,736	1,643,596	1,919,346	2,152,198	2,310,431
—	(21,947)	(19,248)	(16,593)	(5,195)	(3,060)	(411)
1,287,179	1,328,529	1,399,984	1,660,189	1,924,541	2,155,258	2,310,842
3.4	3.8	3.4	2.7	2.2	2.1	1.9
3.3	3.0	2.8	2.3	2.0	1.9	1.7
87	90	90	91	93	94	92
86	88	88	89	92	93	91

Accordingly, our management believes that providing certain financial measures that exclude liabilities and ORIX Corporation shareholders' equity attributable to consolidated VIEs as a supplement to financial information calculated in accordance with U.S. GAAP enhances the overall picture of our current financial position and enables investors to evaluate our historical financial and business trends without the large balance sheet fluctuation caused by our adoption of these accounting standards.

We provide these Non-GAAP financial measures as supplemental information to our consolidated financial statements prepared in accordance with U.S. GAAP, and they should not be considered in isolation or as a substitute for the most directly comparable U.S. GAAP measures. The tables set forth above provide reconciliations of these Non-GAAP financial measures to the most directly comparable financial measures presented in accordance with U.S. GAAP as reflected in this Integrated Report for the periods provided.