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**FOR IMMEDIATE RELEASE**

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**Artificial Light Plant Factory\*<sup>1</sup> Established in Yabu City, Hyogo Prefecture**  
**- Industrial-Academic-Government Cooperation Initiative to Cultivate Loose-leaf Lettuce -**

TOKYO, Japan — September 17, 2013 — ORIX Real Estate Corporation (hereinafter “ORIX Real Estate”), a subsidiary of ORIX Corporation, announced today that it will establish an artificial light plant factory to cultivate loose-leaf lettuce in Yabu City, Hyogo Prefecture.

This initiative will involve cultivating loose-leaf lettuces (non-head-forming lettuces\*<sup>2</sup>) by leasing a gymnasium at an abandoned school (the former Minamidani Elementary School) from Yabu City in Hyogo Prefecture and building and operating an artificial light plant factory inside the gymnasium. It is an industrial, academic and local government cooperation initiative, based initially on proposal by the School of Policy Studies of Kansei Gakuin University, which supports and conduct research on issues such as falling population in depopulated areas from the perspective of local revitalization, and supported by Yabu City which is active in promoting effective utilization of abandoned school. By effectively utilizing an abandoned school, this initiative will revitalize and create new employment in an area suffering depopulation. For city of Yabu, this is the first participation in the industrial-academic-government business. In addition, cultivation and facility expertise will be provided by MORIHISA Co., Ltd. (Kobe City, Hyogo Prefecture) a company that boasts 30-year history in research and development track record of plant factory.

The advantage of cultivating loose-leaf lettuces in artificial light plant factories is that crops are less affected by seasons, weather and other factors. There is also less risk of contamination by foreign substances as crops can be grown without the use of any agricultural chemicals and outside air is shut out. Consequently, processing cost can be reduced, along with merits including reduction of impact on the environment and preservation of nutritional value. In addition, because there is no concern about crop failure, lettuces can be grown stably with high efficiency in growing racks up to eight racks high. We aim for production capability of approximately 3,000 plants per day, or approximately 1 million plants (84 tons) per year after half a year past the launch of lettuce cultivation business. The lettuces will be distributed and sold through the cooperation with local companies. Further, the lettuces are scheduled to use the supply system of ORIX Group’s nationwide branch network which includes food supermarkets and restaurant businesses. They will also supply accommodation facilities run by the ORIX Group.

Approximately 50,000 tons of non-head-forming lettuces are grown in Japan. Of this amount, non-head-forming lettuces harvested in plant factories accounts for about 2,500 tons (approximately 5%). There are concerns in Japan that the volume of lettuce produced will decrease in the future due to the increasing age of agricultural workers and the lack of successors taking over agricultural businesses. Furthermore, in recent years, spikes in lettuce price due to abnormal weather and unease regarding food safety as a result of the effect of PM2.5 and other factors has prompted a rising need in the food service industry and other sectors for a stable supply of lettuces at stable prices unaffected by the season, weather or other factors.

Through this initiative, ORIX Real Estate will aim to produce and stably supply safe and delicious vegetables.

\*1 A factory that uses artificial light to cultivate plants under almost bacteria-free conditions. As cultivation is largely unaffected by seasons, weather or other factors, vegetables can be grown stably without using agricultural chemicals. Broadly speaking, there are two types of plant factory: factories that use only artificial light and factories that use natural sunlight.

\*2 A type of lettuce that grows as leaves without forming into a head. Ordinary lettuces are called head lettuces.

## Facility Outline

Location:	Oyachokadono, Yabu City, Hyogo Prefecture (The gymnasium of the former Minamidani Elementary School)
Leased area:	Approx. 482 m <sup>2</sup> (Approx. 146 <i>tsubo</i> )
Structure and size:	Steel-framed/2 aboveground floors
Cultivation method:	Complete Artificial Light Plant Factory (Small area with a high yield; No agricultural chemicals; Uses MORIHISA Co., Ltd.'s patented reflective board technology to use fluorescent light as the source of light to grow produce)
No. of cultivation shelves:	13 m x 11 rows, 8 racks high, height: 7 meters
Produce:	Loose-leaf lettuces
Business cooperation:	MORIHISA Co., Ltd. (Kobe City, Hyogo Prefecture, Total plant factory engineering)

## Schedule

Construction Commencement: November 2013 (planned)  
Construction Completion/Trial Cultivation Begins: March 2014 (planned)  
Cultivation Business Commencement: June 2014 (planned)



The gymnasium of the former Minamidani Elementary School



Loose-leaf lettuces



Rack Cultivation System

## About ORIX

ORIX Corporation (TSE: 8591; NYSE: IX) is an integrated financial services group based in Tokyo, Japan, providing innovative value-added products and services to both corporate and retail customers. With operations in 34 countries and regions outside of Japan, ORIX's activities include corporate financial services, such as leases and loans, as well as automobile operations, rental operations, real estate, life insurance, banking and loan servicing. For more details, please visit our website: <http://www.orix.co.jp/grp/en/>

These documents may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under "Risk Factors" in the Company's annual report on Form 20-F filed with the United States Securities and Exchange Commission and under "4. Risk Factors" of the "Summary of Consolidated Financial Results" of the "Consolidated Financial Results April 1, 2012 – March 31, 2013."