



ORIX USA Acquires Lancaster Pollard

Complementary businesses are the foundation for building U.S. housing infrastructure

ORIX Corporation (“ORIX”), a leading integrated financial services group, announced the acquisition of Lancaster Pollard Holdings, LLC (“Lancaster Pollard”) through ORIX USA Corporation (“OUC”), its local subsidiary in the United States. Based in Columbus, Ohio, Lancaster Pollard is a provider of integrated investment banking, mortgage banking, balance sheet lending and private equity services focused on the full continuum of senior living and healthcare clients. Lancaster Pollard is also a leading FHA/HUD Lean senior living lender. After signing a definitive agreement to acquire Lancaster Pollard on June 9, 2017, OUC completed the transaction on Sept. 12, 2017.

“As a continued commitment to building American infrastructure, OUC has made another investment in a high-value brand serving the senior living and healthcare sectors,” said Hideto Nishitani, OUC’s Chairman, President and CEO. “The acquisition of Lancaster Pollard is a natural extension of OUC’s successful strategy of acquiring leaders in affordable, seniors and healthcare housing finance, as evidenced by our previous acquisitions of RED Capital Group and Boston Financial Investment Management. Having these three companies under the OUC umbrella extends our ability to improve the quality of life in our communities through investments in seniors housing and healthcare.”

Lancaster Pollard is a new separate subsidiary of OUC alongside RED Capital Group (“RED”) and Boston Financial Investment Management (“Boston Financial”). All three OUC subsidiaries will continue to operate as separate companies with their current management. Andrew Garvey, Senior Managing Director and Head of ORIX Commercial Mortgage Servicing, will have overall responsibility across the three businesses, managing the synergistic growth opportunities provided by the larger platform.

“There is a great deal of synergy between Lancaster Pollard, RED and Boston Financial, with all three companies focused on the vital sectors of housing and healthcare for our most in-need populations,” said Lancaster Pollard CEO Nick Gesue. “Our firm and OUC share strong and unique high-performance cultures. With its proven track record of profitability and growth, OUC holds the intellectual and financial capital that will fuel and accelerate the growth of our company. We’re thrilled with the confidence that one of the largest global financial services companies has shown in our platform and employees, and together we are positioned for a new chapter in our company’s history, focused on innovation and growth.”

With a strategy of growing its multifamily, seniors and affordable housing businesses, OUC bought an 88 percent stake in RED in May 2010, making it the foundation of ORIX Commercial Mortgage Servicing. Last year, OUC reaffirmed its commitment to RED by purchasing the remaining 12 percent interest in the company. RED is recognized for its 27 years of industry expertise, innovative and comprehensive structures, and consistently high rankings. The company has provided over \$75 billion of integrated debt and equity capital since 1990. RED is a Fannie Mae DUS® lender, a MAP- and Lean FHA lender and a Freddie Mac small balance lender with a combined mortgage servicing portfolio exceeding \$16 billion.

In July 2016, OUC acquired Boston Financial. The acquisition combined the financial strength and innovative capital solutions of OUC with Boston Financial’s 48-year history and track record as one of the largest syndicators in the Low-Income Housing Tax Credit (LIHTC) industry. Since its inception, Boston Financial has raised over \$11 billion of low-income housing and historic tax credit equity, and acquired over 2,400 properties.

Moving forward under the ORIX Commercial Mortgage Servicing umbrella, Lancaster Pollard will focus on the financial, capital and advisory needs of senior living and healthcare clients, and RED will do the same in the affordable and market rate multifamily sectors. Boston Financial will continue to provide tax credit equity and related development capital to all three housing sectors.

“ORIX Commercial Mortgage Servicing is well-positioned to make a positive impact on the U.S. housing infrastructure through the subsidiaries of Boston Financial, Lancaster Pollard and RED,” Garvey said. “Further, we believe that having RED focus on its leading position in affordable and market rate multifamily housing and Lancaster Pollard focus on its leading position in seniors and healthcare housing will provide clients with the highest level of expertise and service and also ensure optimal coordination with the housing agencies and FHA. Together, this group of well-known, industry-leading brands will provide a comprehensive product offering, seasoned sector expertise, unparalleled client coverage and high levels of service.”

Advisors for OUC on the transaction included Beekman Advisors Inc. and Houlihan Lokey Inc. for financial and Weil, Gotshal & Manges LLP for legal. For Lancaster Pollard, Credit Suisse Securities (USA) LLC served as financial advisor and Kramer Levin Naftalis & Frankel LLP as legal advisor.

For more information, visit www.orix.com/lancasterpollard.

Contact Information:

ORIX Corporation
Corporate Planning Department
Tel: +81-3-3435-3121

About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is an opportunistic, diversified, innovation-driven global powerhouse with a proven track record of profitability. Established in 1964, ORIX at present operates a diverse portfolio of businesses in the operations, financial services, and investment spaces. ORIX's highly complementary business activities span industries including: energy, private equity, infrastructure, automotive, ship and aircraft, real estate and retail financial services. ORIX has also spread its business globally by establishing locations in a total of 36 countries and regions across the world. Through its business activities, ORIX has long been committed to corporate citizenship and environmental sustainability. For more details, please visit our website: <http://www.orix.co.jp/grp/en/>

ORIX USA Corporation

Since 1981, ORIX USA has provided innovative capital solutions that clients need to propel their business to the next level. Based in Dallas, ORIX USA has a team of more than 900 employees spanning more than 30 offices across the U.S. and Brazil. ORIX USA and its family of companies offer investment capital and asset management services to clients in the corporate, real estate, municipal and energy sectors, while holding \$8 billion of assets and managing an additional \$34 billion, approximately. Its parent company, ORIX Corporation, is a Tokyo-based, publicly owned international financial services company with operations in 36 countries and regions worldwide. ORIX Corporation is listed on the Tokyo (8591) and New York Stock (IX) Exchanges. For more information on ORIX USA, visit www.orix.com.

Lancaster Pollard

Lancaster Pollard helps health care and senior living providers expand and improve their services by providing a full range of investment banking, mortgage banking, private equity, balance sheet financing and M&A advisory services. Lancaster Pollard & Co. LLC, a registered broker/dealer, underwrites taxable and tax-exempt bonds and provides debt placement and syndication and M&A advisory services. Lancaster Pollard Mortgage Company originates, underwrites and services mortgage loans insured or guaranteed by governmental agencies. Lancaster Pollard Finance Co. LLC provides balance sheet financing. The Propero™ Seniors Housing Equity Fund, LLC provides equity financing for the new development and acquisition of seniors housing and care properties. Lancaster Pollard has provided over \$20 billion in debt and equity capital since its inception and its mortgage servicing portfolio exceeds \$6 billion. The firm's home office is in Columbus, Ohio, and it has regional banking offices in Atlanta, Austin, Bozeman, Chicago, Denver, Kansas City, Minneapolis, Newport Beach and Philadelphia. www.lancasterpollard.com

Caution Concerning Forward Looking Statements:

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 "1.Summary of Consolidated Financial Results" of the "Consolidated Financial Results April 1, 2016 - March 31, 2017