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**ORIX Announces Interim Adoption of Cooperative Preparatory Study for
JICA PPP Infrastructure Project
- Feasibility Study for Largest Sewerage Treatment System in Indonesia -**

TOKYO, Japan – June 20, 2011 – ORIX Corporation (TSE: 8591; NYSE: IX), a leading integrated financial services group, announced today that it has assumed the representative role in a consortium consisting of seven companies, namely, ORIX, Oriental Consultants Co., Ltd., Nihon Suido Consultants Co., Ltd., Nippon Koei Co., Ltd., Nihon Hels Industry Corporation, Yokohama Water Co., Ltd., and PADECO Co., Ltd. in the interim adoption of a cooperative preparatory study for a Public Private Partnership (PPP) infrastructure project invited entries by Japan International Cooperation Agency (JICA) and that contract preparations are progressing.

The consortium will study the development of sewer pipelines and waste water treatment plants (waste water treatment plant and sludge treatment plant) through PPP in Jakarta City, Indonesia for nine months and report an evaluation of the feasibility to JICA.

The study will specifically look into the following items, in pursuit of future business feasibility through combined public and private efforts.

Study Content

1. Identify the need and effect of implementing PPP for waste water treatment plant development
2. Arrange an optimal roles of public and private sector and consult with the Indonesian government to promote the business
3. Assess tariff policy, project and operational costs to ensure the sustainability of the business
4. Organize formations, setting up funding and implementation plans
5. Analyze risks and examine fund raising (municipal bonds and subsidies)
6. Formulate a model for sewerage treatment system in Indonesia based on the results of the study

This study will evaluate the commercialization of the first membrane water reclamation business at the largest sewage treatment plant in the country, and consider the implementation of a single framework that includes construction, operation and maintenance with the aim of creating a model for sewerage treatment field in Indonesia for the Japanese companies to participate in.

Combining JICA's relationship through ODA to Indonesia and a vast knowledge by supporting infrastructure development with the operational know-how of the private sector and sewerage know-how of a Japanese municipality, this consortium of seven companies will pursue operational efficiency and consider the future viability of businesses such as sewage treatment plant development in Indonesia.

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Overview of Study Contents

1. Schedule

Work Item	2011				2012				
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
1 Confirm the current state of and future plan for sewage treatment in Jakarta	→	→	→						
2 Confirm the plan to facilitate sewage treatment in Jakarta	→	→	→	→					
3 Consider PPP scheme		→	→		→	→	→		
4 Consider overall facility design, construction and operational costs			→	→	→	→	→		
5 Consider PPP business plan					→	→	→	→	→
6 Evaluate feasibility							→	→	→
7 Training						→	→	→	→
8 Create final report									→

*The final report is scheduled to be submitted to JICA in May 2012.

2. Division of Roles

	Company	Role
Representative	ORIX Corporation	Deputy project management/ Finance and capital planning/ Risk analysis
Member	Oriental Consultants Co., Ltd.	Project management/ Pipeline facilities' planning/ Area-wide sludge treatment reuse planning/Area-wide sludge treatment disposal planning/ Operational coordination
	Nihon Suido Consultants Co., Ltd.	Waste water treatment plant planning / Treatment water reuse planning/ Cost estimate
	Nippon Koei Co., Ltd.	PPP organization and project planning
	Nihon Hens Industry Corporation	Integrated monitoring system planning/ Facilities' management planning
	Yokohama Water Corporation	Tariff policy/ Training
	PADECO Co., Ltd.	PPP legal system/ Risk analysis/ PPP economic and financial planning/ Environmental considerations

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Background and National Policies of Indonesia

Jakarta City is the capital of Indonesia (Jakarta metropolitan area, population: approx. 24mil) and the central city of Jabotabek (population approx. 9.6mil). In Jakarta City, transportation, water resource development, and water and sewage infrastructure development are severely delayed, due to the concentration of city functions and industries, in addition to a sharp population increase. Moreover, rapid urbanization triggered ground sinkage, a consequence of decreased green space and groundwater overuse, as well as frequent flooding, disrupting city functions and delaying sewer development. These reasons call for urgent action from environmental and public health perspectives.

In 1991, Jakarta City designed a master plan for municipal wastewater, sewage and public health management. However, the sewage project did not proceed as planned. Currently, the sewer system penetration rate remains at approximately 2%. On the other hand, Indonesia is placing sewage treatment plants and development of related facilities as their top priorities in order to achieve the target of improving the sewer system penetration rate to 20% in 15 cities including Jakarta City, outlined in the national mid-term development plan (2010-2014).

Relationship with Japanese Government Policies

The Japanese government is promoting the export of packaged infrastructure in accordance with the new growth strategy as resolved by the Cabinet in June 2010. The sewage system project development is the foundation to improving the water environment, and this proposal that considers managing not just the construction but also maintenance through a PPP scheme is in line with the new growth strategy. In addition, Japan and Indonesia signed a Memorandum of Cooperation for the “Jakarta Metropolitan Special Area and Investment Promotion (MPA)” framework in December 2010, for the purpose of infrastructure construction in the Jakarta metropolitan area and improving the investment environment. Water and sewage systems are included in the scope of infrastructure requiring accelerated development.

This project is expected to become the leading model for sewage treatment system in Indonesia, as it includes core facilities for sewage treatment and the improvement of the water environment in central Jakarta. Furthermore, the simultaneous promotion of methods of sewage and rainwater treatment with sights on reusing treated wastewater (reclaimed water) is an advanced endeavor in the South East Asian region.

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 27 countries and regions worldwide, ORIX’s activities include corporate financial services, such as leases and loans, as well as automobile operations, rental operations, real estate, life insurance, trust and banking and loan servicing. For more details, please visit our website at: <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, 2010 – March 31, 2011.”

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