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Wood Chip Biomass Power Plant to Commence Operation

TOKYO, Japan – September 29, 2011 – ORIX Corporation (TSE: 8591; NYSE: IX), a leading integrated financial services group, announced today that it has commenced operation of the Agatsuma Biomass Power Plant in Agatsuma-gun, Gunma Prefecture. The plant will be Japan's third-largest wood chip-fired thermal power station in terms of power generation capacity.

Wood chip-fired power generation works by using wood chips (produced by crushing biomass resources^{*1} such as pruned branches and waste wood materials) as fuel to heat a boiler, and then using the steam from the boiler to power a turbine to generate electricity. The use of biomass resources as an alternative to fossil fuels not only helps to reduce CO₂ emissions, but also enables more environmentally friendly power generation through the use of thermal recycling^{*2} technology. Furthermore, the use of biomass resources helps to promote the optimal use of waste wood materials.



The Agatsuma Biomass Power Plant has a power generation capacity of 13,600 kW, with annual power transmission planned at 85 million kWh. Converted to ordinary household electricity use, this equates to the annual power consumption of approximately 24,000 households. Plans call for purchasing the wood chip fuel from wood chip suppliers within Gunma Prefecture and from neighboring prefectures, and supplying the power generated to customers via the Power Producer and Supplier (PPS) channel.

The power generation facilities of the power plant have been certified as a green power facility by the Green Energy Certification Center, Japan (GECCJ) of The Institute of Energy Economics, Japan. With this certification, electricity generated at the power plant will be certified as green power produced from renewable energy sources. Part of the environmental added value will be converted into certificates and sold as Certificates of Green Power.

ORIX conducts a diverse range of businesses in the environmental and energy fields, including the electric power business and the operation of waste processing facilities. The electric power business includes ESCO (Energy Service Company) businesses, solar power system integrator services, an electric power trading business and a bulk electric power purchasing service. Going forward, ORIX aims to continue accumulating business expertise and providing new value-added services to customers by actively working to develop various businesses, including those that make effective use of renewable energy sources.

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*1 Biomass refers to renewable organic resources derived from biological matter other than fossil fuels.

*2 Thermal recycling refers to the process of collecting and utilizing heat energy generated from combustion, rather than merely incinerating waste materials.

■ Outline of the Power Generation Business

Power plant name:	Agatsuma Biomass Power Plant
Location:	460-1 Oaza Okazaki, Higashiagatsumacho, Agatsuma-gun, Gunma Prefecture
Power generation method:	Steam power generation by steam turbine
Primary fuel:	Wood chips
Annual fuel consumption: approx.	Approx. 130,000 tons
Power generation capacity:	13,600 kW (generating-end output)
Annual power transmission:	85 million kWh

■ Outline of Operating Company

Company name:	Agatsuma Bio Power Co., Ltd.
Location:	460-1 Oaza Okazaki, Higashiagatsumacho, Agatsuma-gun, Gunma Prefecture
Representative:	Yasushi Kitera
Established: January	January 2006
Shareholders:	ORIX Corporation (96.49%); Tokyo Gas Co., Ltd. (3.51%)



Internally circulating fluidized bed boiler



Wood chips

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, 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."