

FOR IMMEDIATE RELEASE**Contact Information:**

ORIX Corporation
Corporate Planning Office
Tel: +81-3-5419-5042
Fax: +81-3-5419-5901
URL: <http://www.orix.co.jp/grp/en/>

Renovated 88 Year-old Tateshina Grand Hotel Taki-no-yu to Reopen on Saturday April 21, 2012

Lobby Fireplace, Large Baths with Waterfall Views, and Buffet Restaurant Featuring Local Ingredients

TOKYO, Japan — April 5, 2012 — ORIX Real Estate Corporation, a subsidiary of ORIX Corporation, announced today the reopening of Tateshina Grand Hotel on Saturday, April 21, 2012, following renovations of the lobby, large baths with a garden view, restaurant and some guest rooms. The renovated hotel also features a newly added outdoor garden view hot spring bath within the large bath area. Tateshina Grand Hotel Taki-no-yu is a Japanese hot spring inn located in the Tateshina Onsen area of Chino City, Nagano Prefecture. ORIX Real Estate began operating the inn in September 2011 as part of its rehabilitation business for Japanese inns.

Tateshina Grand Hotel Taki-no-yu is a long-standing Japanese inn with an 88-year history. The hotel has a proud history of having received the current Emperor of Japan as a guest on four occasions while he was Crown Prince. The latest renovations focused on the following five points: (1) Renovate the lobby into a relaxing space where visitors can appreciate the warmth and scent of wood; (2) Renovate the large baths with a garden and waterfall view; (3) Build a new outdoor hot spring bath within the garden-view bath area; (4) Renovate the main dining area into a buffet restaurant featuring locally produced ingredients; and (5) Build additional guest suites.



Buffet restaurant



Buffet offerings

The centerpiece of the reopening will be the buffet restaurant. This restaurant will offer more than 70 kinds of dishes featuring locally produced ingredients in an open kitchen format. Examples include “highland vegetables” grown in Kawakami Village, Minamisakugun, Nagano Prefecture. These vegetables have received high marks from chefs across Japan, with the region known as one of the country’s finest vegetable growing areas. Other examples include original food ingredients from the Shinshu region such as Shinshu poultry and Shinshu salmon. Guests may indulge in these blessings of nature, born of the Shinshu region’s great outdoors. Freshly made pizza and bread baked in a symbolic tower-shaped stone oven will also be served.

Tateshina Grand Hotel Taki-no-yu will offer new appeal in terms of dining and hot springs, while retaining its traditional attractiveness as a long-standing hot springs inn. While continuing to evolve into a Japanese inn

that is even more endearing to customers, including those who have enjoyed the hotel over many years, Tateshina Grand Hotel Taki-no-yu will strive to provide an enjoyable and relaxing destination and a memorable stay for all.

■ **Overview of Tateshina Grand Hotel Taki-no-yu Renovations**

Lobby

The Lobby, where the hotel will first greet its guests, has been renovated into a space exuding relaxation and warmth, through the addition of indirect lighting that uses walls to reflect light into the lobby, as well as a fireplace. Suspended from the ceiling will be lights based on the motif of “*onbashira*”—wood used in the traditional local *onbashira* festival. In this way, the lobby is grounded in tradition and elegance while featuring a modern interior design.



The lobby

Large baths with a garden view— Iwao no yu and Yusen

The hotel renovated its large baths with a garden view, namely Iwao no yu and Yusen, which feature a close-up view of a waterfall.

The large baths have been entirely redesigned as spacious bathing areas. Iwao no yu has a new large sliding window with a view of the waterfall, while Yusen has a new outdoor hot springs bath called Miyama no yu, which will let bathers enjoy the sound of the waterfall and the scent of the forest with all senses. Bathing stations have been redesigned as booths, while lie-down baths, a mist sauna, and lacquered buckets, are offered.



Iwao no yu bath

Guest Rooms

Certain guest rooms have been upgraded to Japanese-Western style suites fitted with a bed(s), sofa, tatami mat area, and private baths with views.

On fine days, the private baths will offer views of the Central Japan Alps. Certain interior fittings of the guest rooms feature the artwork of Mr. Takashi Shinohara, an artist with an atelier in Fujimi Town, Suwagun, Nagano Prefecture.



Miyama no yu bath

Restaurant

The main dining area has been transformed into a buffet restaurant called Seeds. This stylish dining space blends the warmth of wooden materials from the Tateshina Forest with the natural texture of stone.

The central stone tower has been fitted with a wood-fired stone oven. Pizza made using Shinshu miso and baked goods will be served fresh from the oven.



Buffet restaurant

In addition, a salad bar will offer 15 different types of vegetables with 12 choices of dressing based on the concept of offering a healthy menu. The vegetables will be selected mainly from among “highland vegetables” grown in Kawakami Village, Minamisakugun, Nagano Prefecture. These vegetables have received high marks from chefs across Japan, with the region known as one of the country’s finest vegetable growing areas. The restaurant will also offer some 70 different dishes focusing on locally produced ingredients, including cuisine incorporating original Shinshu ingredients such as Shinshu salmon and Shinshu poultry. The restaurant will employ an open kitchen format and will be designed to provide an enjoyable dining experience to guests of all ages. For example, there will be a “live cooking performance” kitchen where guests can enjoy freshly cooked meals prepared by chefs right in front of them, while conversing with them. Another amenity is a Kids’ Menu Corner featuring a low buffet table for children.

The restaurant's name "Seeds" reflects the dual meaning of this word as both "seeds" and "a source." The name embodies the hotel's spirit of hospitality in seeking to provide guests with an attractive new culinary culture unique to Shinshu ("source") by arranging and utilizing Shinshu's locally produced ingredients ("seeds") in the characteristic style of Tateshina Grand Hotel Taki-no-yu.

Overview of Renovated Facilities

Lobby	Total area: 775m ²
Large bath with a garden view – Iwao no yu	Bath area 186 m ² capacity: 23 people
Large bath with a garden view – Yusen	Bath area: 178 m ² , capacity: 20 people
Guest rooms	Size: 63 m ² , 2 rooms
Restaurant	Total area: 1,049 m ² , seating capacity: 320

* Renovation work was performed between January 10 and April 20, 2012

■ **About Tateshina Grand Hotel Taki-no-yu**

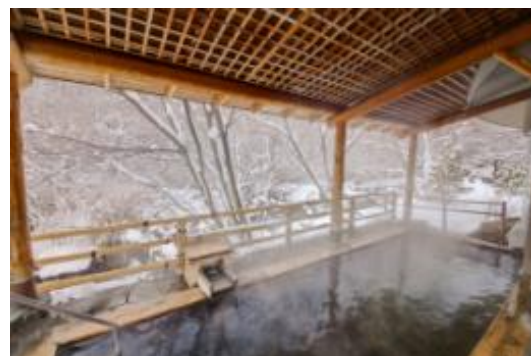
First opened in 1923, Tateshina Grand Hotel Taki-no-yu is an 88-year old traditional Japanese hot springs inn in the Shinshu Tateshina Onsen area. The site is surrounded by a lush forest where fauna such as the Japanese serow, which has been designated as a special natural treasure, foxes and *tanuki* raccoon dogs can frequently be seen. Running through the center of the site is the Takinoyu River and waterfall. The hotel has long been popular as a lodge where visitors can enjoy the natural hot springs with a view over a mountain stream. The hotel has two private hot springs, namely a sodium bicarbonate spring that is good for the skin and a simple thermal spring. Historically, the feudal warlord Shingen Takeda is said to have treated his battle wounds at these hot springs. The hot springs are popular among women as springs that promote beautiful skin due to their high concentration of metasilicate, a mineral component of the hot springs that enhances skin beauty. The Shingen Notenburo outdoor bath has become a symbol of the hotel as a bath with abundant natural charm where people can enjoy bathing while listening to the sound of the waterfall and mountain stream. Besides seasons when new green leaves shine brilliantly in the sun, the deep red hues of autumn leaves and the silent setting of a deep winter snowfall also provide an exceptional bathing experience. The hotel also has an outdoor bath facing the Takinoyu River that is available for private bookings, which is popular with families and couples.

In addition, the hotel has the large banquet hall Kobushi, which is one of the Tateshina area's largest banquet halls with a capacity of 600 people. Banquet halls and conference rooms of all other sizes are also available. In this way, the hotel can flexibly accommodate groups of all different sizes.

With heartfelt hospitality and service by all employees, Tateshina Grand Hotel Taki-no-yu is committed to providing an enjoyable and relaxing destination and a memorable stay for all.



Exterior view



Keiryu no yu hot spring bath

-more-

■ **Japanese Hot Spring Inns Operated by ORIX Real Estate**

- Suginoi Hotel – Beppu Onsen, Oita Prefecture

<http://www.suginoi-hotel.com/english/index.html> (In English)

(1) Capacity: 592 guest rooms accommodating 2,636 guests

(2) Support from ORIX Real Estate: From Sept. 2002



- Onyado Toho – Higashiyama Onsen, Aizu-Wakamatsu City, Fukushima Prefecture

<http://www.onyado-toho.co.jp/en/>

(1) Capacity: 148 guest rooms accommodating 751 guests

(2) Support from ORIX Real Estate: June 2004



- Otsuki Hotel – Atami Onsen, Atami City, Shizuoka Prefecture

<http://www.wafuukan.com/> (In Japanese)

(1) Capacity: Otsuki Hotel Wafuukan (Japanese style): 24 guest rooms accommodating 130 guests

Hotel Mikuras (Western style): 62 guest rooms accommodating 176 guests

(2) Support from ORIX Real Estate: November 2005



* Naruko Hotel – Naruko Onsen (Osaki City, Miyagi Prefecture) began receiving support in November 2006. Rehabilitation was completed by ORIX Real Estate in October 2011, and the hotel was bought back by the previous management team.

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."