



ORIX, Yabu Partners, JA Tajima and Local Farmers to Establish Corporate Farming

TOKYO, Japan - July 9, 2015 - ORIX Corporation ("ORIX"), a leading integrated financial services group, announced today that, in accordance with Article 3 of the Agricultural Land Act, Yabu Farm Corporation ("Yabu Farm") which were jointly established by ORIX Agriculture Corporation ("ORIX Agriculture"), a wholly owned subsidiary of ORIX, Yabu Partners Corporation ("Yabu Partners"), a wholly owned corporation of Yabu City, Japan Agricultural Cooperatives Tajima ("JA Tajima") and local agricultural producers have jointly applied for the status of agricultural production corporation in Yabu City, a national strategic special zone, on June 5, 2015.



(Yabu Farm's planned site for agricultural production)

In this initiative, a farm land of approximately 1.2 hectares will be leased to Yabu Farm from participating farmers of Oyabu Region in Yabu City, Hyogo Prefecture and outdoor-grown Yabu City's signature agricultural products, such as green peppers, black soybeans, onions and garlics will be produced in the land for the first year. Yabu Farm will grow those vegetables based on a special cultivation¹ method and intends to produce functional vegetables in the future as well. ORIX aims to sell Yabu Farm's vegetables directly to customers and earn high revenues by utilizing direct sales channels established in selling lettuces produced at the Yabu vegetable factory which has already been in production. Whereas JA Tajima will be responsible for supplying material, improving quality of agricultural products and providing instructions on farming in accordance with the special cultivation method. Yabu Partners will be in charge of supporting start-up agricultural producers, creating hiring opportunities, expanding sales channels, and activating local regions by means of "local production for local consumption." The role of local agricultural producers will be to provide farm lands and produce agricultural products.

As it has been decided that Mr. Yosuke Yamamoto who runs a local transportation company, YAMAMOTO EXPRESS INC., will participated in this initiative, and Yabu Farm will have a multilayer framework consisting of production, sales and logistics in Yabu City, enabling the farm to promote new agricultural business models in mountainous and inter-mountain areas.

Located on the north-eastern part of Yabu City's paddy field zone by the Maruyama River, Oyabu Region is also

¹ The cultivation method in which agricultural products are cultivated with 50% or less of the number of uses of reduction-target agrichemicals and 50% or less of nitrogen components contained in chemical fertilizers, compared to those used conventionally to produce vegetables in the area. Defined in the Guideline issued by the Ministry of Agriculture, Forestry and Fisheries of Japan in March 2007.

called "Sengoku Den (literally translated as 1,000 koku² rice paddy field)" as the region was fertile and used to produce as much as 1,000 koku rice crop. However, uncultivated areas have been gradually increasing due to the aging population of agricultural producers facing difficulty finding successors. With the help of local agricultural producers in Oyabu Region and other areas in the vicinity, Yabu Farm aims to increase the production of agricultural products by expanding the farmlands up to ten hectares during the next five years. Yabu Farm also aims to revitalize local communities through the production of processed products using Yabu City's specialty, such as Asakura peppers, by coordinating with processors.

Since July 1, 2014, ORIX and its wholly-owned subsidiary, ORIX Agriculture Corporation (former OA Farm Corporation), have been running a lettuce factory (artificial light plant factory) in Yabu City, using a gymnasium of the City's abolished elementary school. This is the first initiative for ORIX to participate in the agricultural business and open garden farming by establishing an agricultural production corporation. Yabu City's municipal government and agricultural producers have been actively promoting agricultural measures to resolve issues of increasing uncultivated lands and decreasing the number of successors. As a result, Yabu City was designated as a national strategic special zone in March 2014, for being a reform base for mountainous and intermountain agriculture businesses. In Yabu City, in order to promote privatized agricultural production corporations' participation in the agricultural business, deregulations, such as the transfer of farmlands' rights from the Agricultural Committee to the mayor and relaxation of board member requirements for privatized agricultural production corporations have been implemented ahead of other parts of the country. Yabu Farm is also the agricultural production corporation established leveraging this deregulation.

In Japan, approximately 73% of the lands, which is equivalent of 40% of areas under cultivation, is located in agriculturally disadvantaged mountainous and intermountain areas. Yabu Farm is hoping to become a model corporation for the country's mountainous and intermountain areas which are facing similar issues as Yabu City. Yabu Farm, with the expectation of further deregulations, will produce safe and delicious vegetables through new-supply chains and make the agriculture more profitable while promoting further revitalization of communities, with the citizens of Yabu City.

<Yabu Farm Corporation Overview>

Location: Oyabu, Yabu City, Hyogo Prefecture

Established on: June 5, 2015

Capital: 4 million yen

Shareholders: ORIX Agriculture Corporation, JA Tajima, Yabu Partners Corporation, local agricultural producers (total seven and one of them is the president of YAMAMOTO EXPRESS INC.)

<Yabu Farm's production overview>

Location: Oyabu, Yabu City, Hyogo Prefecture and Yabu Market

Land size: Approximately 1.2 hectare

Production: Green peppers, black beans, onions, garlics, etc.

² And old unit of measurement of rice crop harvest

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About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group that provides innovative products and services to its customers by constantly pursuing new businesses. Established in 1964, from its start in the leasing business, ORIX has advanced into neighboring fields and at present has expanded into lending, investment, life insurance, banking, asset management, automobile-related, real estate and environment and energy-related businesses. Since its first overseas expansion into Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in a total of 36 countries and regions across the world. Moving forward, ORIX aims to contribute to society while continuing to capture new business opportunities. For more details, please visit our website:

<http://www.orix.co.jp/grp/en/>

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 "Summary of Consolidated Financial Results" of the "Consolidated Financial Results April 1, 2014 – March 31, 2015."