



ORIX Yatsugatake Farm to Increase Its Annual Production Capacity to 300-Ton

TOKYO, Japan – September 27, 2016 – ORIX Yatsugatake Farm Co. Ltd. (“OYF”), a subsidiary of ORIX Corporation (“ORIX”), announced today that it has completed phase two of construction of the hydroponic greenhouse that it operates in Yatsugatake Highlands, Nagano Prefecture. This extends the total cultivation area of the facility to approximately 11,700 m², and enables annual production of 300 tons¹ of leaf vegetables. Shipment will begin in October.

OYF is an agricultural corporation jointly established by ORIX and Honda Engei Co., Ltd. (“Honda Engei”), another agricultural production corporation. OYF launched production of spinach, arugula, and other leaf vegetables for fresh consumption in September 2015 using a hydroponic greenhouse. By using hydroponics to shorten the growing period, OYF is able to generate 19 harvests per year and produce and sell vegetables all year round.

ORIX is partnering with businesses throughout Japan and currently developing vegetable production projects at five locations. The total cultivation area of the production projects reaches approximately 149,200 m². Using technologies to control cultivation environment such as temperature, humidity, CO₂, light intensity, and other know-how in hydroponics, ORIX is aiming to sell products with “four fixed factors” (fixed prices, fixed quality, fixed timing, and fixed quantities). Utilizing the ORIX Group’s sales network and other channels, the harvested vegetables are sold on a stable basis mainly to retail and food service industry clients in the greater Tokyo, Chubu, and Kansai areas. ORIX reorganized its specialized agriculture team and established the new Agribusiness Department in 2016. ORIX will continue to expand these projects while further developing their sales channels.

Japanese agriculture is facing the challenge of declining production volumes due to the aging population and the shortage of younger generations working in farming. Meanwhile, the agricultural sector is the subject of much expectation, with an aggressive agricultural policy and strengthened international competitiveness part of the Japanese government’s growth strategy. Amid this situation, ORIX is building an efficient production framework through expanded project scale, standardization, and mechanization in order to provide a stable supply of agricultural products to consumers.

Going forward, ORIX will continue to leverage the ORIX Group’s sales network and develop competitive agriculture projects with high added value while building up industry know-how through various business partnerships throughout Japan.

¹ 300 tons of vegetables is equivalent to the quantity of green and yellow vegetables consumed by approximately 11,600 people annually on a per capital basis. (Reference: “Circumstances Surrounding Vegetable Consumption” (Japanese language), January 2013, Ministry of Agriculture, Forestry and Fisheries of Japan)

■ Company Overview

Company Name: ORIX Yatsugatake Farm Co., Ltd.
 Established: April 10, 2015
 Location: 1312 Tatsuzawa, Fujimi-machi, Suwa-gun, Nagano Prefecture
 Representative: Shunsuke Iijima

■ Facility Overview

Cultivation Area: Approx. 11,700 m² (total of Phase 2 construction)
 Cultivation technique: Solution culture hydroponics (pesticide-free)
 Products: Spinach, arugula, chrysanthemum greens, watercress, etc.
 Main shipping destinations: Kanto, Chubu, Kansai regions



■ ORIX Agriculture Division Development

Company Establishment	Company Name	Production Site	Ownership Structure	Business Overview
October 2004	Kada Green Farm	Wakayama City, Wakayama Prefecture	70% Kagome, 30% ORIX	Mainly produces fresh tomatoes for Kagome
February 2014	ORIX Agriculture	Yabu City, Hyogo Prefecture	100% ORIX	Constructed a new fully artificial light-based indoor cultivating facility for leaf lettuce and other vegetables
April 2015	ORIX Yatsugatake Farm	Fujimi-machi, Suwa-gun, Nagano Prefecture	97% ORIX, 3% Honda Engei	Constructed a new hydroponic greenhouse for leaf vegetables Phase 2 construction completed in Sept. 2016 to expand cultivation area
June 2015	Yabu Farm	Yabu City, Hyogo Prefecture	25 % JA Tajima, 5% Yabu Partners, 20% ORIX	Outdoor cultivation of bell peppers and soybeans
April 2016	Smart Agriculture IWATA	Iwata City, Shizuoka Prefecture	51% Fujitsu, 39% ORIX, 10% Masuda Seed	Cultivation of soil-grown kale, In the future, expected to begin cultivation of hydroponic tomatoes, bell peppers, kale, and leaf vegetables

Related Links

Agricultural Corporation Newly Established in Yatsugatake Highlands of Nagano Prefecture: Efficient Large-Scale Production Using Hydroponics and Direct Distribution Network to Be Developed
http://www.orix.co.jp/grp/en/news/2015/150715_ORIXE.html (July 15, 2015)

Production to Start at the Large-Scale Hydroponics Greenhouse in Yatsugatake Highlands Following Construction Completion
http://www.orix.co.jp/grp/en/news/2015/150915_ORIXE2.html (September 15, 2015)

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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 37 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/>

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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, 2015 – March 31, 2016."