



## ORIX Reports Consolidated Financial Results for Q1 FY2019.3 Net Income of 79.9 bn yen and ROE 11.9%

Tokyo, Japan – July 30, 2018 – ORIX Corporation (“ORIX”) announced today that for the three-month period ended June 30, 2018 (“the first consolidated period”), total revenues were 603.9 billion yen, a 24% decrease year on year. Income before income taxes was 111.0 billion yen, a 18% decrease year on year, and net income was 79.9 billion yen, a 11% decrease year on year.

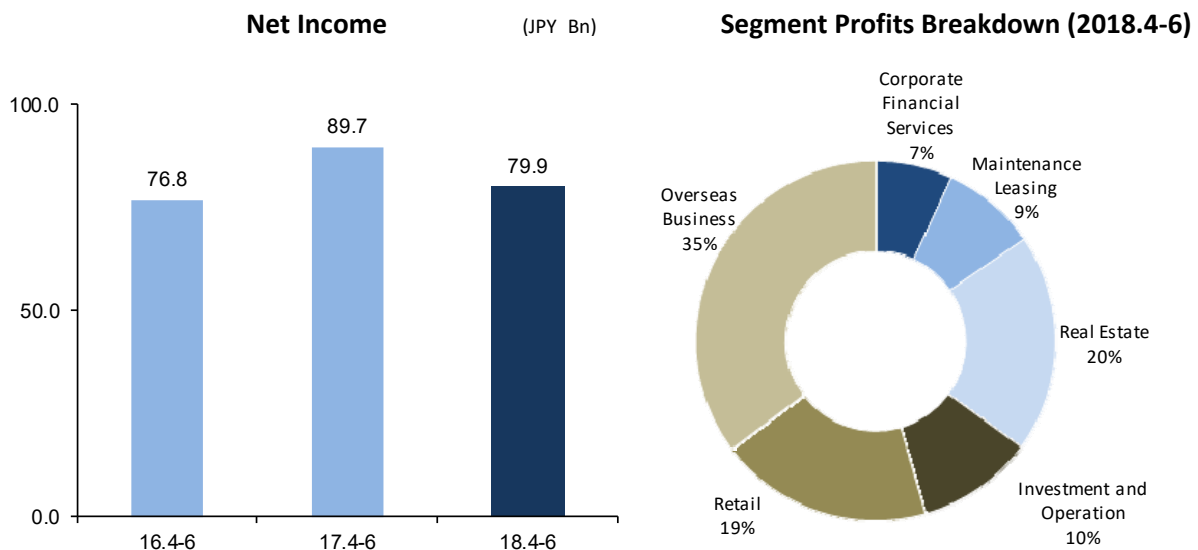
During the first consolidated period, consolidated total revenues decreased YoY mainly due to decreases in sales of goods and real estate in subsidiaries in the principal investment business. Although gains on sales of real estate and subsidiaries and affiliates decreased, net income showed steady progress, toward achieving the mid-term management target from FY2019.3, “annual net income growth at between 4-8%”. Annualized ROE was 11.9% which exceeded our mid-term target of 11%.

### ■ Major Performance Indicators

(JPY Bn)	2017.4-6	2018.4-6	Year on Year Change (%)
Total Revenues	792.3	603.9	(24%)
Income before Income Taxes	135.6	111.0	(18%)
Net Income*	89.7	79.9	(11%)
ROE(annualized)*	14.3%	11.9%	-

	2018.3	2018.6	Year on Year Change (%)
Total Assets	11,426.0	11,371.9	(0%)
Segment Assets	9,098.9	9,117.2	0%
Shareholders’ Equity*	2,682.4	2,712.2	1%
Shareholders’ Equity Ratio*	23.5%	23.9%	-

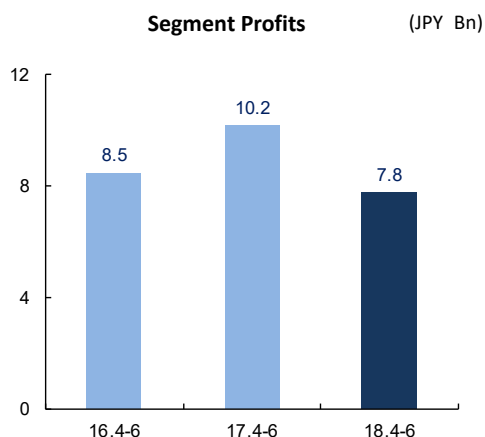
\*“Net Income” and “Shareholders’ Equity” used in this release are the same as “Net Income attributable to ORIX Corporation Shareholders” and “ORIX Corporation Shareholders’ Equity” referred to in the financial statement “Consolidated Financial Results April 1, 2018 – June 30, 2018.” “Return on Equity (ROE, annualized)” and “Shareholders’ Equity Ratio” are calculated based on “ORIX Corporation Shareholders’ Equity.”



## Summary of Segment Performance (April 1, 2018 to June 30, 2018)

### Corporate Financial Services

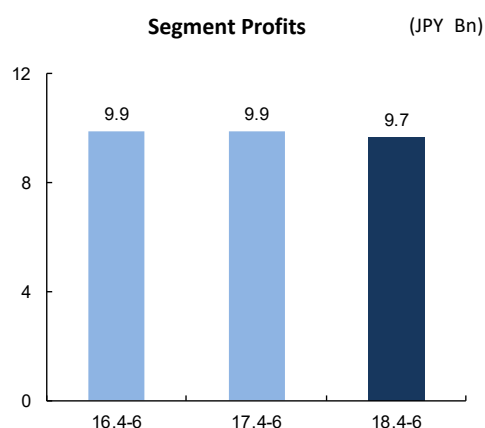
(Loan, leasing and fee business)



- Services income increased due to our stable fee businesses, despite a decrease in finance revenues from decreases in average investment balance in direct financing leases and installment loans.
- In the same period of the previous fiscal year, 2.5 bn yen gain from selling shares of affiliates and investment securities was recognized.
- Segment profits decreased 24% YoY to 7.8 bn yen.

### Maintenance Leasing

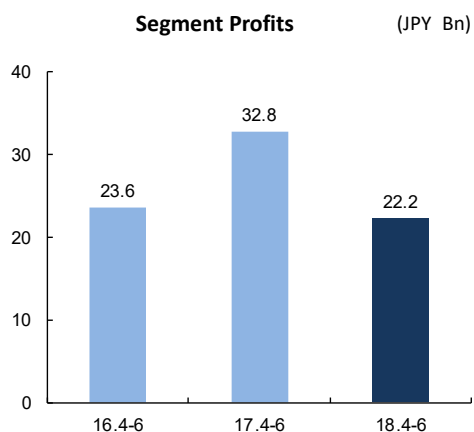
(Automobile leasing and rentals, car-sharing, and test and measurement instruments and IT-related equipment rentals and leasing)



- Lease assets in the automobile leasing business steadily increased.
- Gains on sales of used vehicles decreased YoY.
- Segment profits decreased 2% YoY to 9.7 bn yen.

### Real Estate

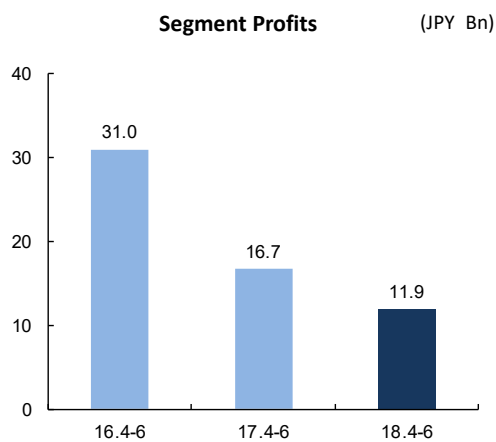
(Real estate development and rental, facility operation, REIT asset management, and real estate investment and advisory services)



- Gains on sales of properties decreased YoY.
- Profits from asset management business were recognized steadily.
- Segment profits decreased 32% YoY to 22.2 bn yen.

## Investment and Operation

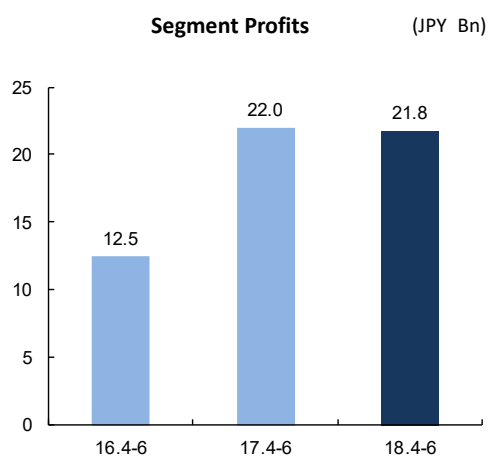
(Environment and energy, principal investment, loan servicing (asset recovery), and concession)



- Profits decreased due to decreases in gains on sales of shares and in sales of real estate in DAIKYO INCORPORATED.
- Profits from concession business increased steadily.
- Segment profits decreased 29% YoY to 11.9 bn yen.

## Retail

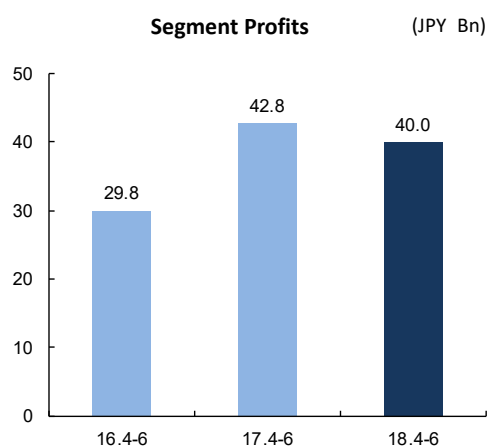
(Life insurance, banking and card loan)



- Profits from assets under variable annuity and variable life insurance contracts decreased, despite revenues from life insurance premiums increased due to an increase in in-force policies.
- In banking business, finance revenues increased in line with an increase in installment loans such as housing loan.
- Segment profits decreased 1% YoY to 21.8 bn yen.

## Overseas Business

(Leasing, loan, bond investment, asset management and aircraft- and ship-related operations)



- Profits from the Americas business and aircraft business increased.
- Profits decreased due to a decrease in net income of affiliates in Asia.
- Segment profits decreased 7% YoY to 40.0 bn yen.

For more detail, please refer to the financial statement “Consolidated Financial Results April 1, 2018 – June 30, 2018” and Supplementary Information available on the ORIX website.

URL: <https://www.orix.co.jp/grp/en/ir/settlement/>

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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 38 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: <https://www.orix.co.jp/grp/en/>

(As of March 31, 2018)

**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 that 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 “1. Summary of Consolidated Financial Results” of the “Consolidated Financial Results April 1, 2017 – March 31, 2018.”