



ORIX Bank Begins Offering Real Estate Equity Loans with Family Trust Scheme

TOKYO, Japan - April 23, 2020 - ORIX Bank Corporation (“ORIX Bank”) announced that it has begun offering real estate equity loans with a family trust scheme.

Family trusts are a system of civil trusts that enables individuals to provide for a decline in competency due to dementia or other conditions, and the resulting loss of the ability to make their own decisions regarding property management and asset succession, by putting their assets in the care of trusted family members. Even in the event that the settlor (the individual who entrusts property) loses the ability to make decisions, this scheme enables management, operation, or disposal of entrusted property by the trustee (a family member entrusted with property management), making possible property management that protects the livelihoods of both the settlor and family members as well as smooth succession of assets in accordance with the settlor’s intentions.

This product is a type of reverse mortgage loan that has the features of a family trust. It targets customers aged 55 years or older and provides loans as post-retirement funds, using the borrower’s home, rental or other real estate as security. The monthly payment is limited to interest, and the principal can be repaid in a lump sum by the borrower’s heirs or through selling the property put up as security when the borrower dies. By using a family trust scheme, the borrower can entrust a family member serving as the trustee with repayment, the selling of entrusted property, and other procedures.

With the growing need for post-retirement funds, the number of reverse mortgage loan borrowers increased more than fourfold in fiscal 2019 from a year earlier^{*1}. Moreover, it is estimated that by 2025, one in five people aged 65 years or older will develop dementia^{*2}, meaning that provision for property management and disposal after retirement is required. ORIX Bank offers a Family Trust Support Service designed to assist in the formation of family trusts^{*3}, and real estate investment loans for entrusted property placed in family trusts^{*4}. With this product, ORIX Bank will provide further financial support to ease concerns over property management and asset succession arising from the development of dementia or other conditions.

ORIX Bank will continue working to provide products and services meeting a variety of customer needs that change with the aging of the population.

*1 Source: Japan Housing Finance Agency press release dated May 28, 2019, Borrowings Using “Reverse 60”

*2 Source: Cabinet Office, Annual Report on the Aging Society: 2017

*3 [ORIX Bank Begins Family Trust Support Service](#) (press release dated September 25, 2018)

*4 [ORIX Bank Begins Offering Real Estate Investment Loans that Accommodate Family Trusts](#) (press release dated August 8, 2019)

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About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group which 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 entering Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in 37 countries and regions across the world.

Going forward, ORIX intends to utilize its strengths and expertise, which generate new value, to establish an independent ORIX business model that continues to evolve perpetually. In this way, ORIX will engage in business activities that instill vitality in its companies and workforce, and thereby contribute to society. For more details, please visit our website: <https://www.orix.co.jp/grp/en/>
(As of March 31, 2019)

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, 2018 – March 31, 2019."