



OERM to Process Combustible Waste for Ogawa Area Waste Management Authority **~Reducing CO₂ emissions by using waste to fuel power generation~**

TOKYO, Japan - May 17, 2021 - ORIX Environmental Resources Management Corporation (“OERM”) announced today that it has signed an agreement with the Ogawa Area Waste Management Authority (Ogawa-machi, Hiki, Saitama Prefecture; Manager: Tsuneo Matsumoto) to undertake the processing of combustible waste. In what is an unusual move in the industry, the Authority—which comprises several local governments—will close its garbage incineration facilities and outsource the processing of combustible waste to private businesses over the long term.

The Ogawa Area Waste Management Authority is made up of five local governments situated near OERM’s Yorii Plant in Saitama Prefecture: Ogawa-machi, Ranzan-machi, Namegawa-machi, and Tokigawa-machi in Hiki, as well as Higashichichibu-mura in Chichibu. Under this agreement, for a period of 10 years beginning in April 2022, OERM will process all household and business combustible waste produced within these four towns and one village, primarily at the dry methane fermentation biogas power generation facility*¹ it is scheduled to operate.

The Ogawa Area Waste Management Authority owns and operates a garbage incineration facility in Ogawa-machi, Hiki; however, the facility was built 45 years ago, and it has deteriorated with age. In order to resolve this problem, the Authority made the decision to outsource its waste incineration to private businesses and, following a public tender for proposals, in March 2021 it offered the waste incineration contract to OERM.

At OERM’s biogas renewable energy power generation facility, food and other combustible waste is fermented using methanogens to generate biogas, which is then used to fuel power generation; using combustible waste as a source of energy, instead of incinerating it, reduces waste processing CO₂ emissions. OERM will use the advanced waste processing facility it operates at Yorii Plant and also work together with third-party general waste processing facilities to provide support for the biogas power generation facility, thereby guaranteeing stable and continuous waste processing operations over the long term.

Since 2006, OERM has operated a zero-emission*² advanced waste processing facility at the Sainokuni Resource Circulation Plant in Yorii-machi, Saitama. Run as a Private Finance Initiative (PFI), the facility uses cutting-edge thermal decomposition and gasification and reforming methods. Going forward, OERM intends to use the expertise it has accumulated to reduce its environmental burden, carry out sustainable waste processing, and so contribute to the stability of local communities.

*¹ For further information, please refer to the news release: [“ORIX Environmental Resources Management to Construct Japan’s Largest Dry Biogas Power Generation Facility”](#) (September 19, 2019)

*² A facility that achieves 100% recycling by recycling melted solids, metals and other generated matter such that it does not rely on final disposal sites.

■ Overview of the biogas power generation facility

Address	Second Stage Business District, Sainokuni Resource Circulation Plant, Saitama Prefecture Environmental Management Center Nishinoiri, Yorii-machi, Osato, Saitama Prefecture
Maximum processing capacity	100 tons per day
Generation capacity	1,600 kW
Annual power generation	Approximately 9,800,000 kWh Equivalent to the annual power consumption of approximately 3,140 households*3

*3 Calculation based on consumption of 3,120 kWh per year per household; Source: Electricity Rate of the Average Model, Tokyo Electric Power Company Holdings, Incorporated.

■ Image from May 2021, showing the biogas power generation facility under construction



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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 31 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, 2021)

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, 2020 – March 31, 2021.”