

ORIX Corporation

(TSE: 8591; NYSE: IX)

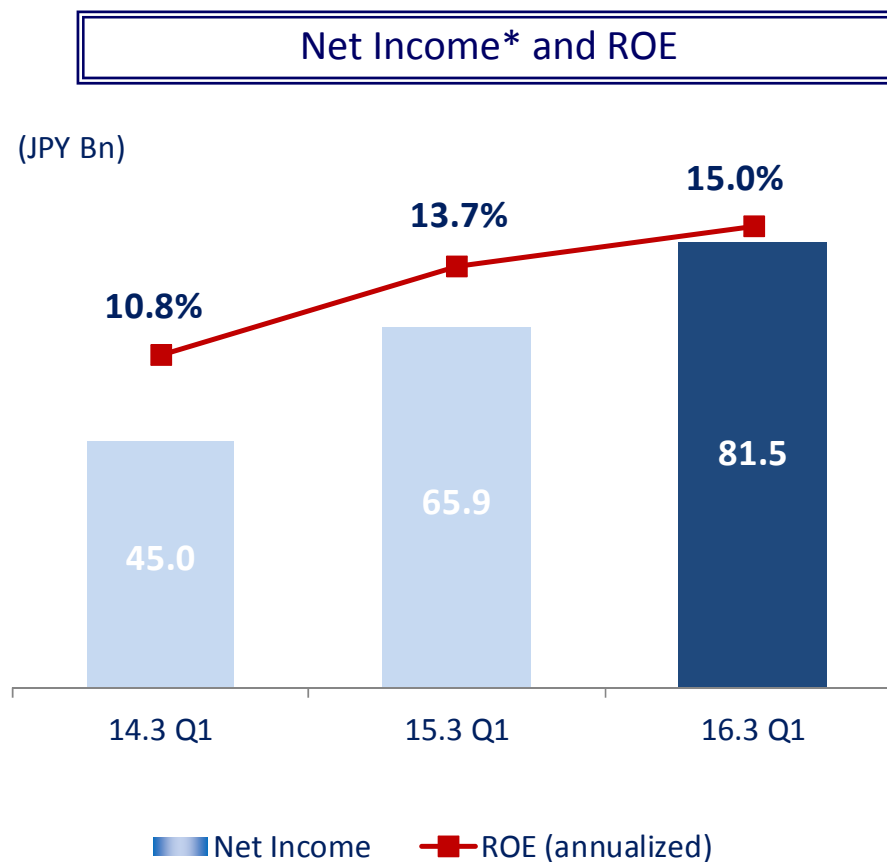
Conference Call

First Quarter Consolidated Financial Results
For the Three Month Period Ended June 30, 2015

July 30, 2015

Overview (1)

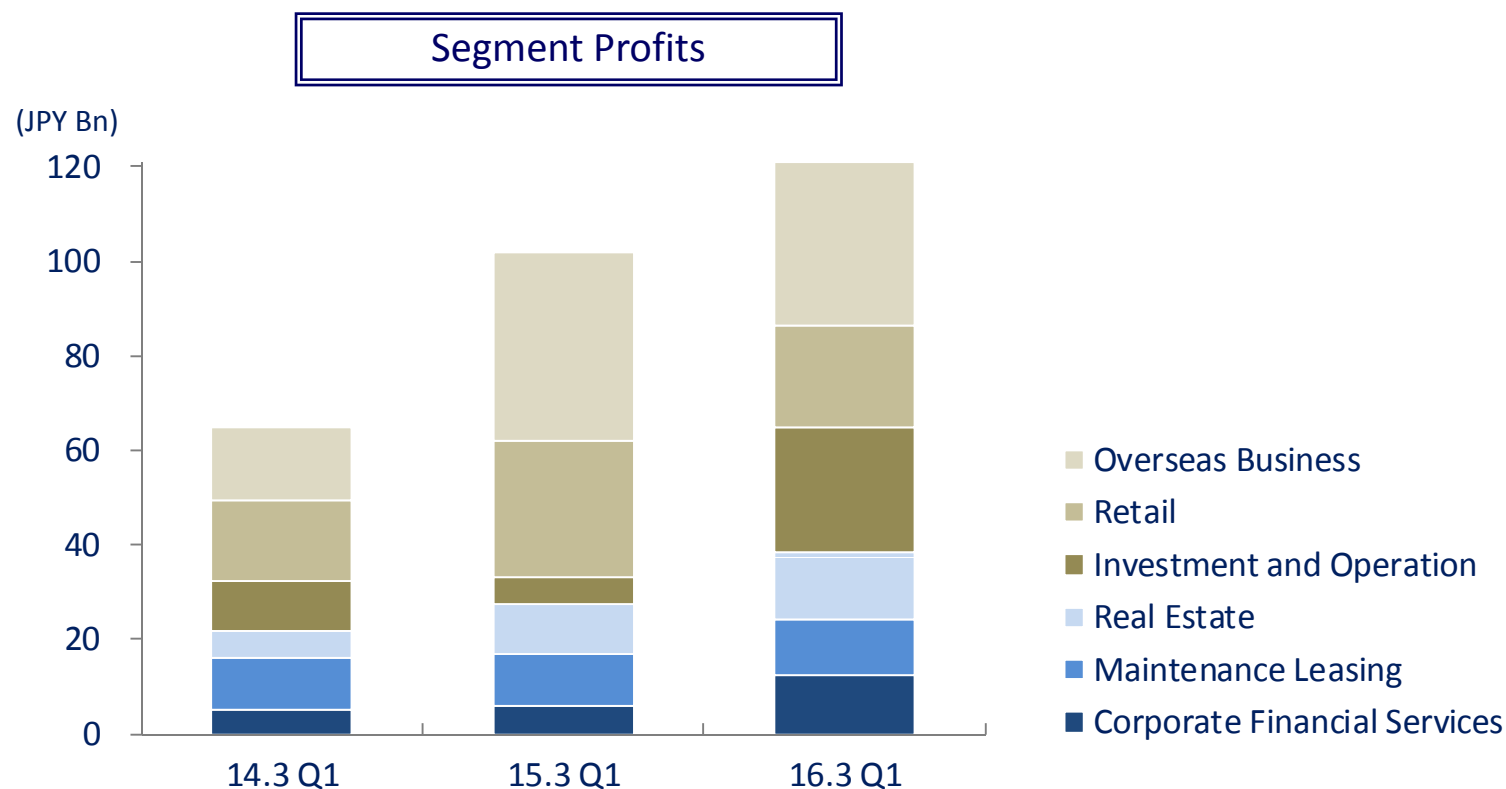
- ✓ 81.5 bn yen in net income, up 24% YoY
- ✓ Achieved annualized ROE of 15.0%



* Net Income refers to Net Income Attributable to ORIX Corporation Shareholders

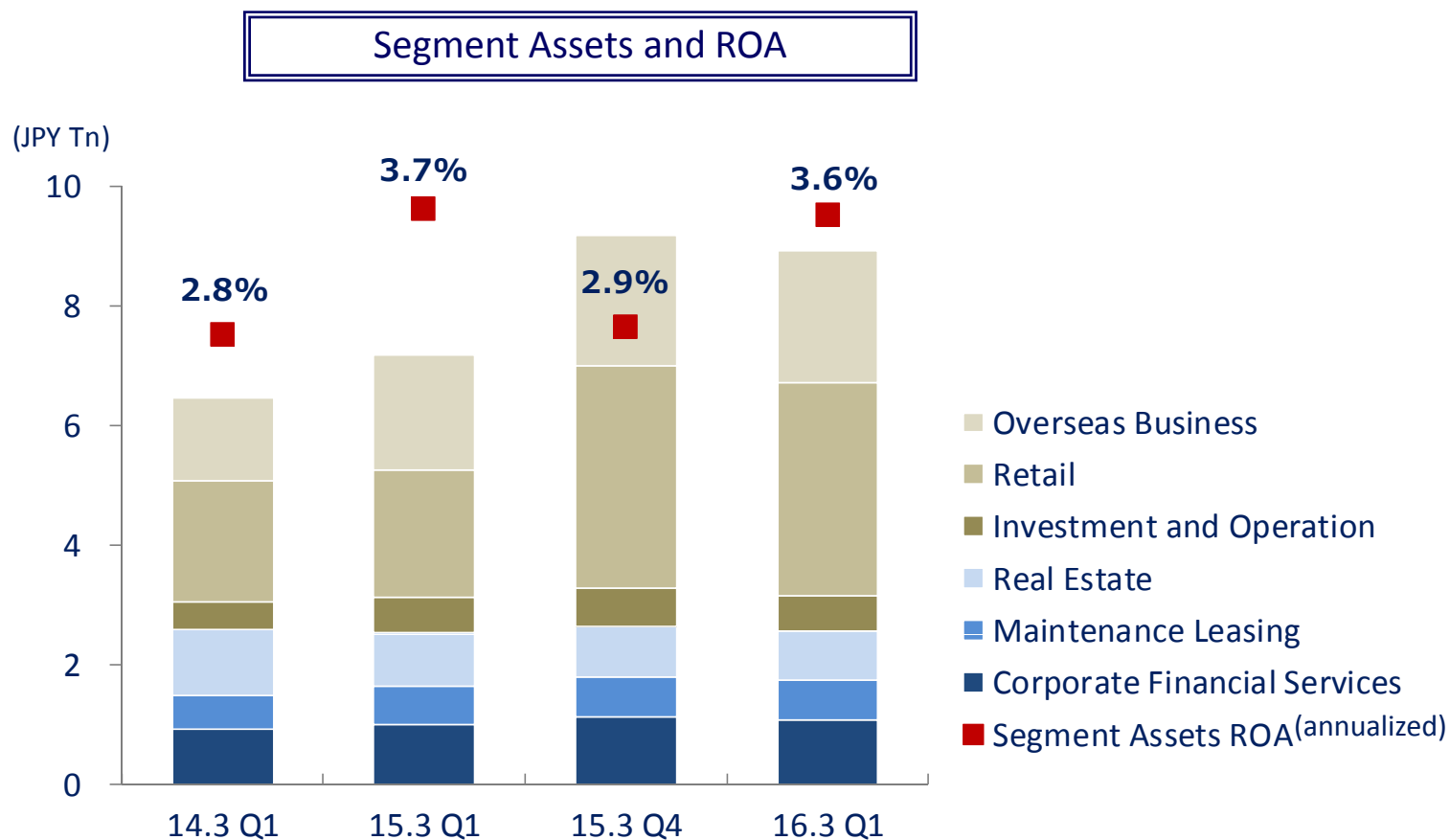
Overview (2)

- ✓ Segment profits up 19% YoY
- ✓ Profits increase largely driven by Investment and Operation, Corporate Financial Services, and Real Estate segments
- ✓ Retail and Overseas Business segments had profit decrease YoY due to large capital gains recorded in Q1 FY2015.3



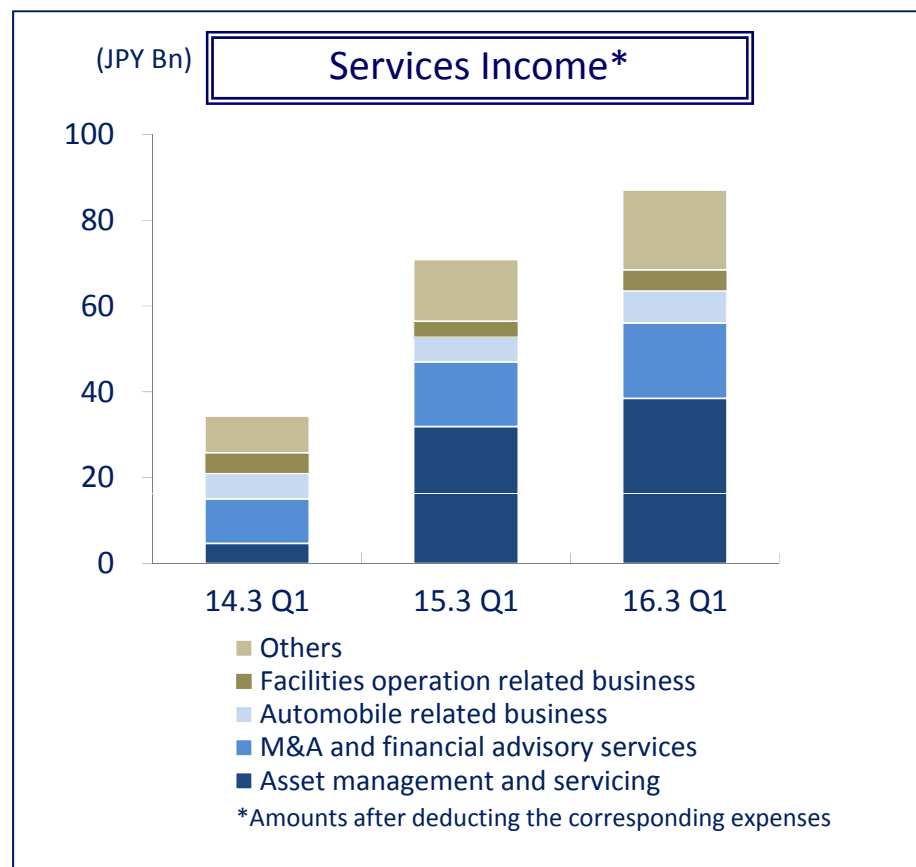
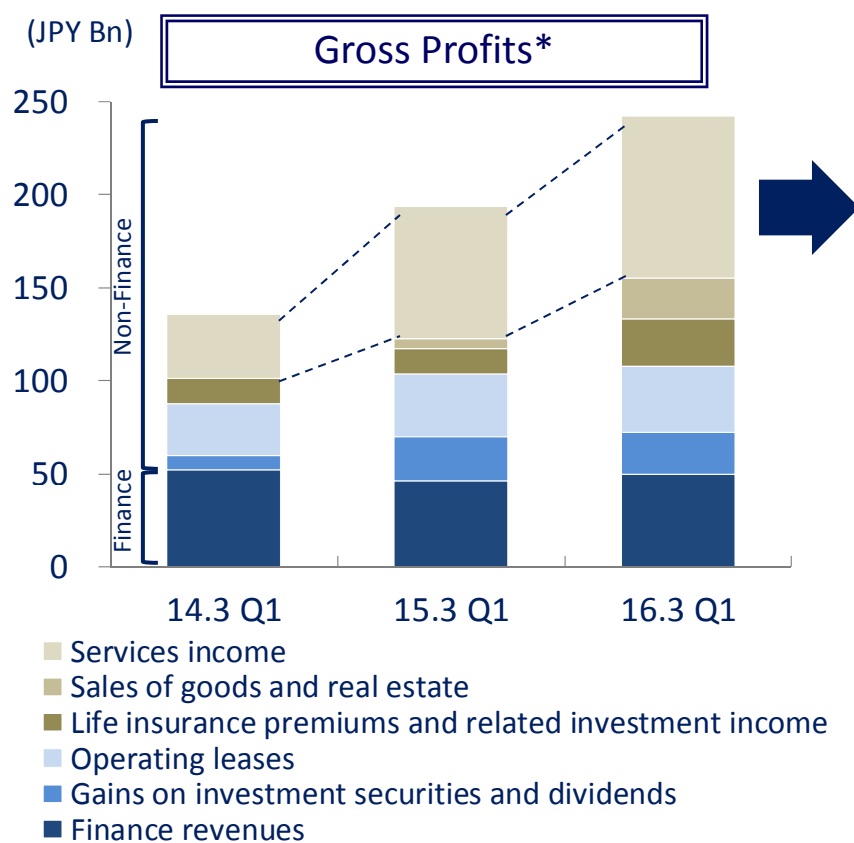
Overview (3)

- ✓ Segment assets decreased 3% compared to the end of FY2015.3
- ✓ In Retail segment, HLIKK assets decreased, and Real Estate segment assets continued to downsize



Overview (4)

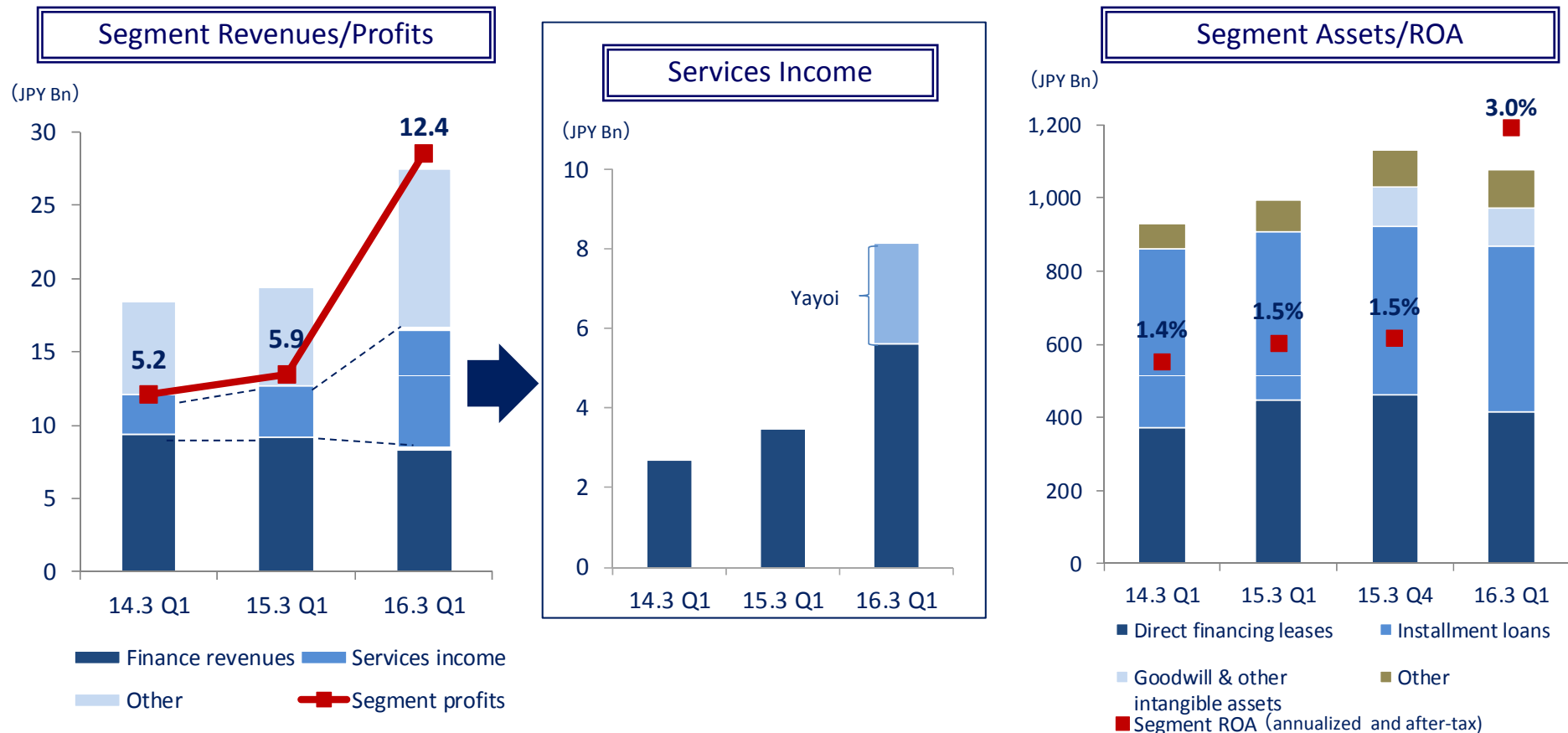
- ✓ Profits growth driven by expansion in non-finance businesses
- ✓ All components of services income have grown with asset management business contributing the largest share



*Except for gains on investment securities and dividends and finance revenues, all amounts are after deducting the corresponding costs and expenses

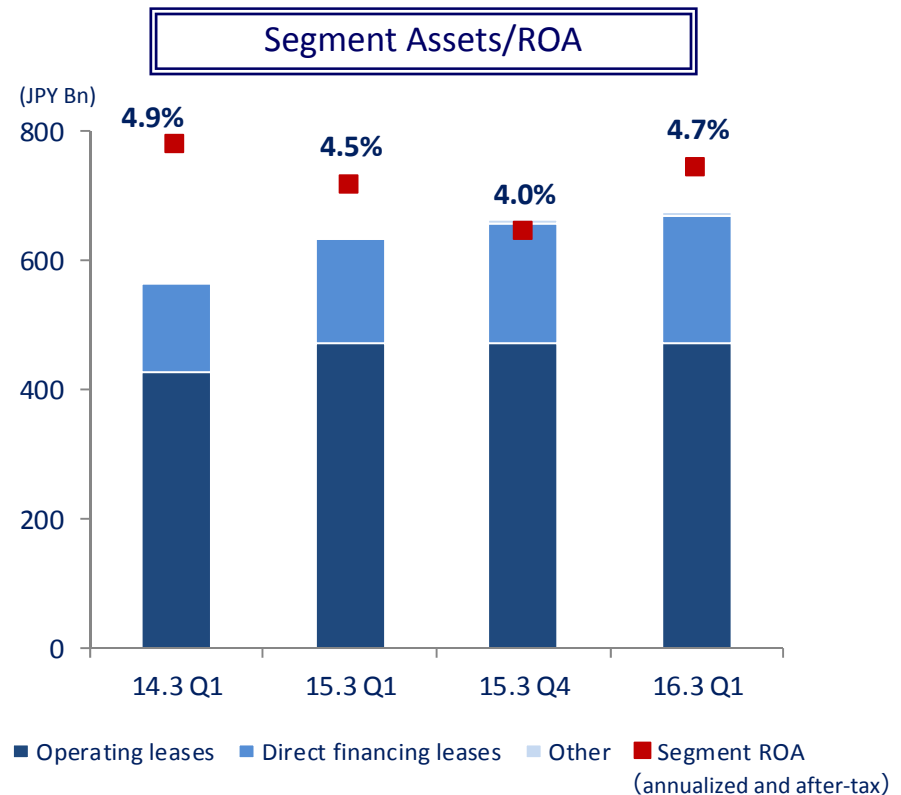
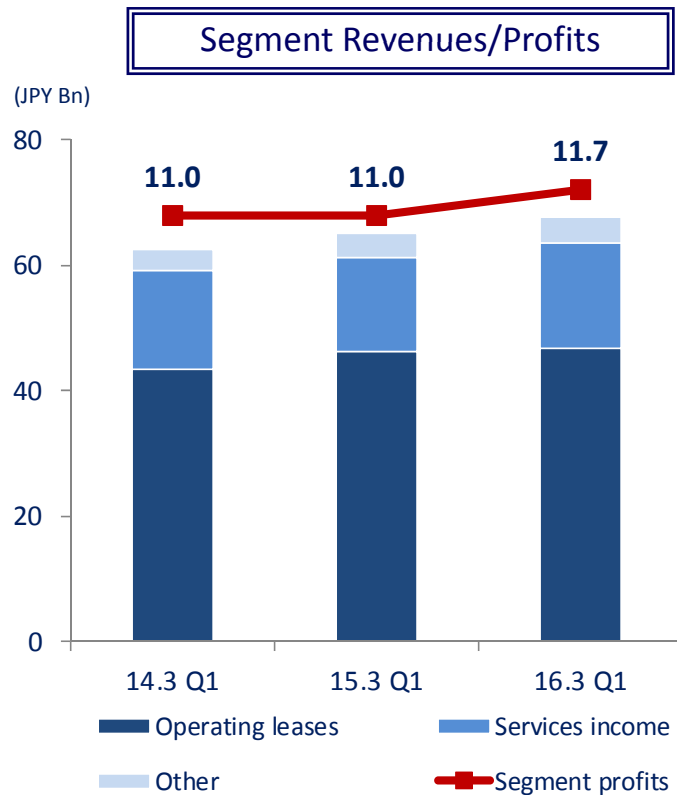
Segment Performance (Corporate Financial Services)

- ✓ Segment profits doubled YoY to 12.4 bn yen
- ✓ Non-finance revenues such services income expanded with contribution from Yayoi
- ✓ Transaction volume and variety increased, fee revenues increased steadily



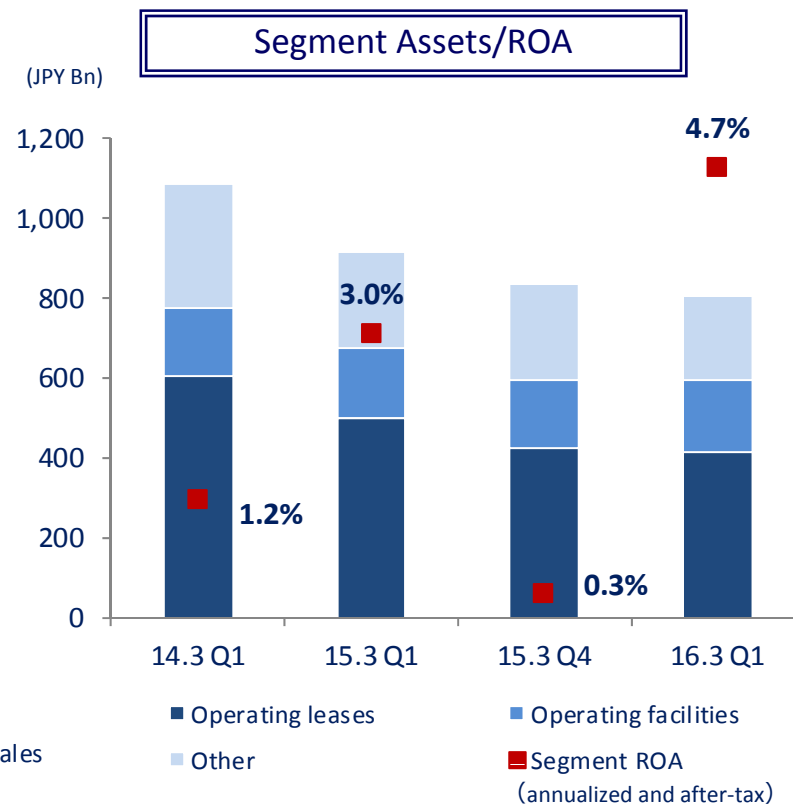
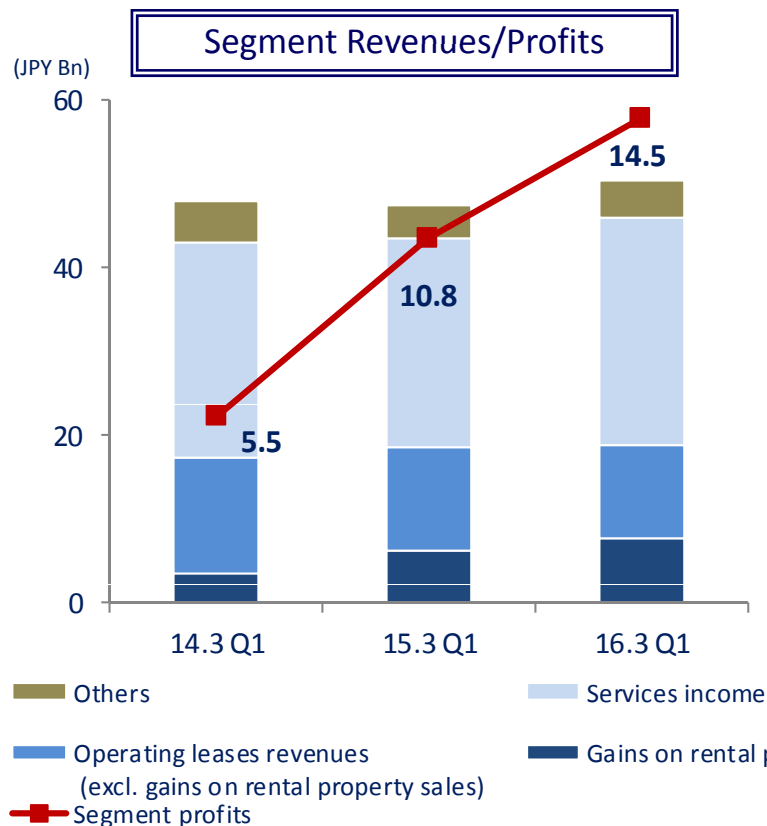
Segment Performance (Maintenance Leasing)

- ✓ Segment profits increased 6% YoY to 11.7bn yen
- ✓ Auto-related assets increased steadily
- ✓ Services income from value-added services contributed to stable and high ROA



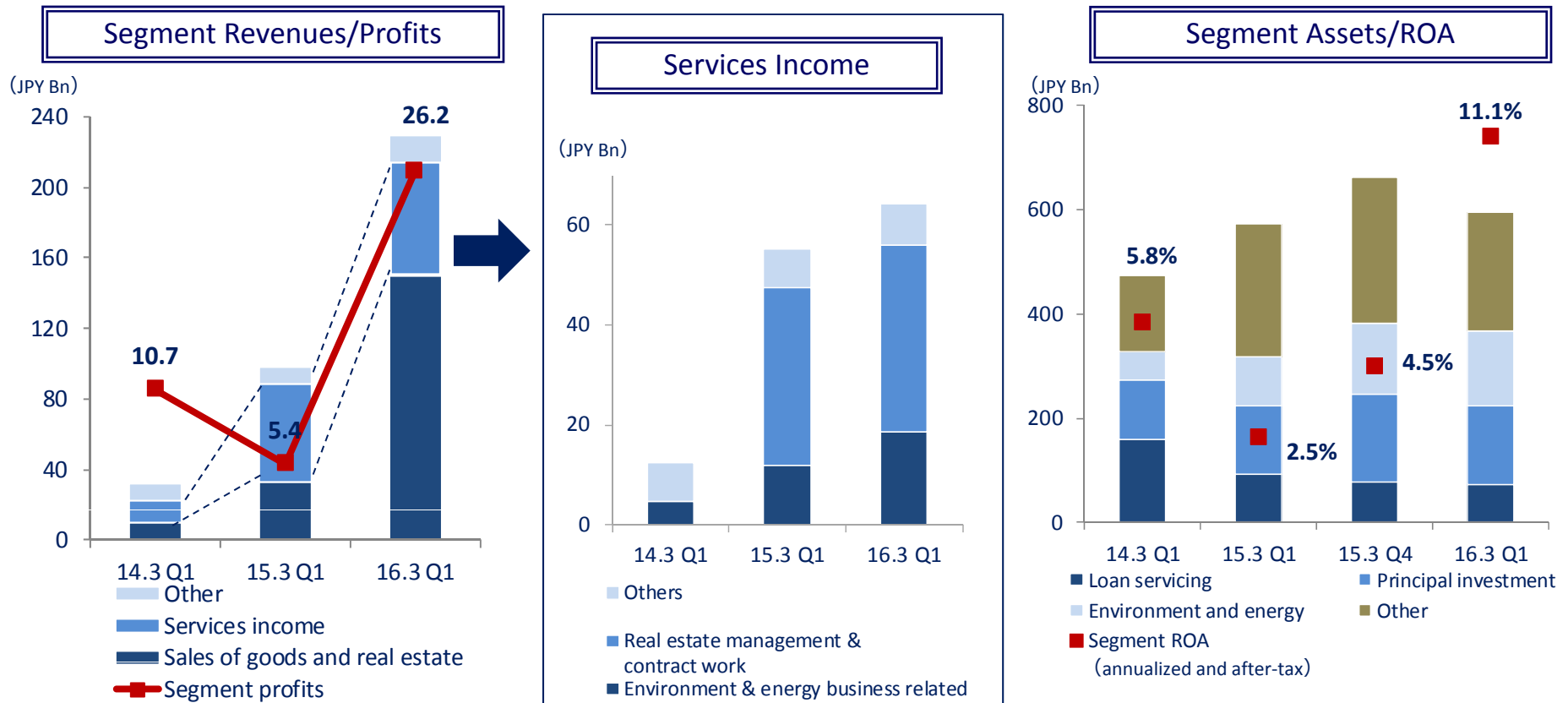
Segment Performance (Real Estate)

- ✓ Segment profits increased 33% YoY to 14.5 bn yen
- ✓ Stable contribution from services income including those from facility operation
- ✓ In line with reduction in assets, operating expenses such as interest expense, costs of operating leases, and write-downs all decreased year-on-year



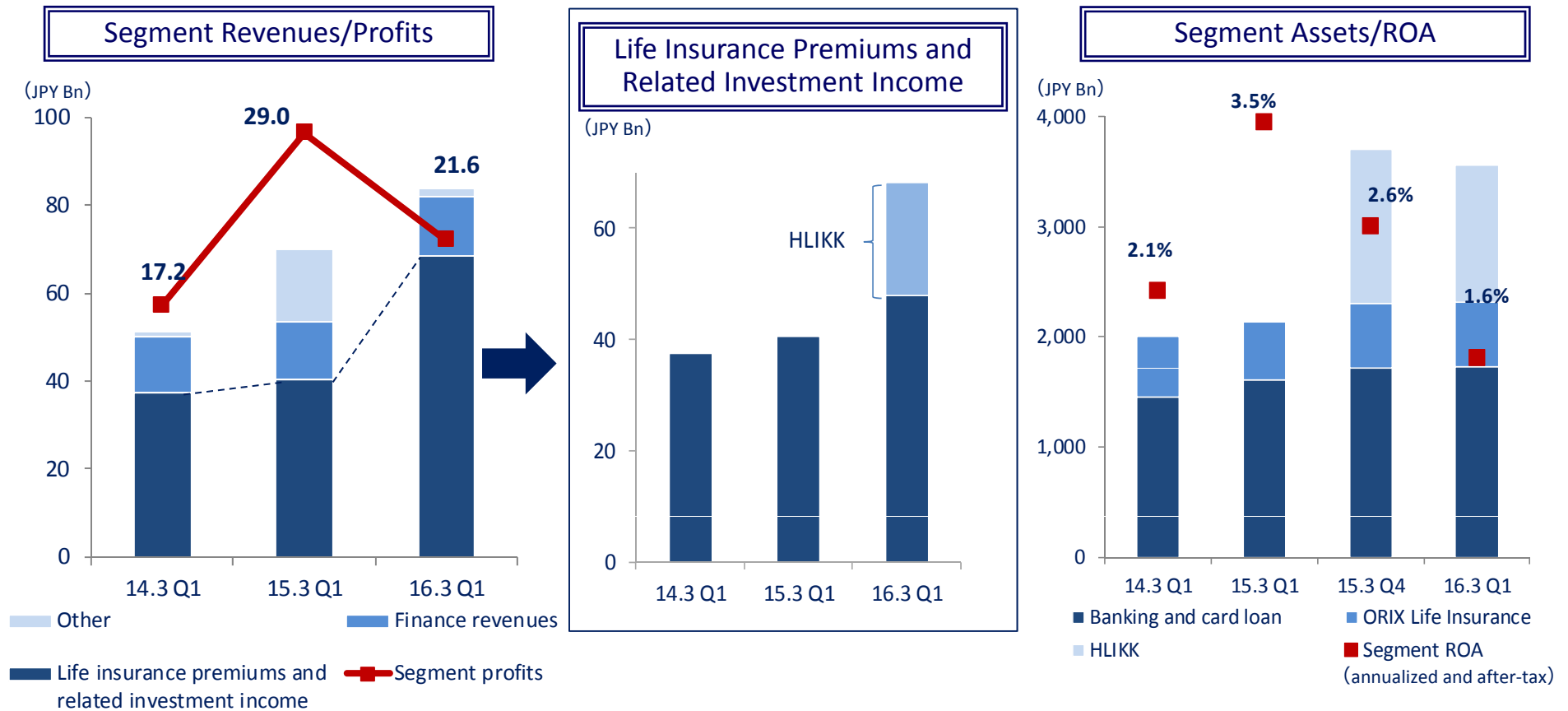
Segment Performance (Investment and Operation)

- ✓ Segment profits increased by 4.8 times YoY to 26.2 bn yen
- ✓ Recorded capital gains from sales of investees, and profit contributions from investees remain solid
- ✓ Expansion of environment and energy related assets



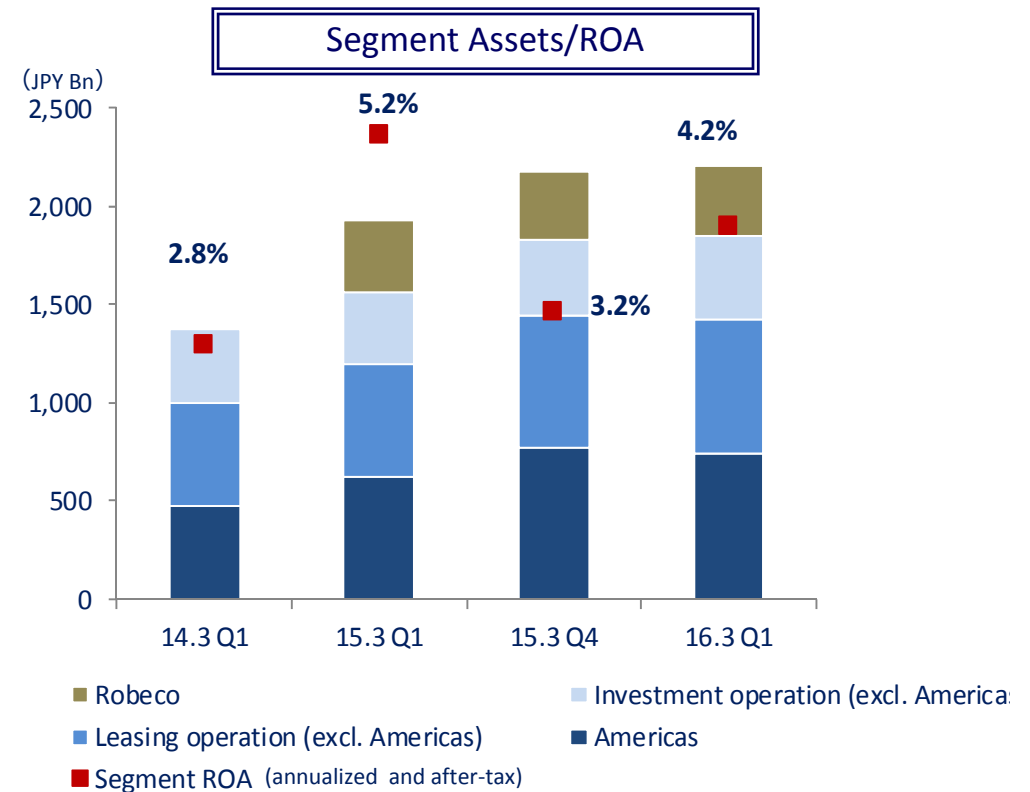
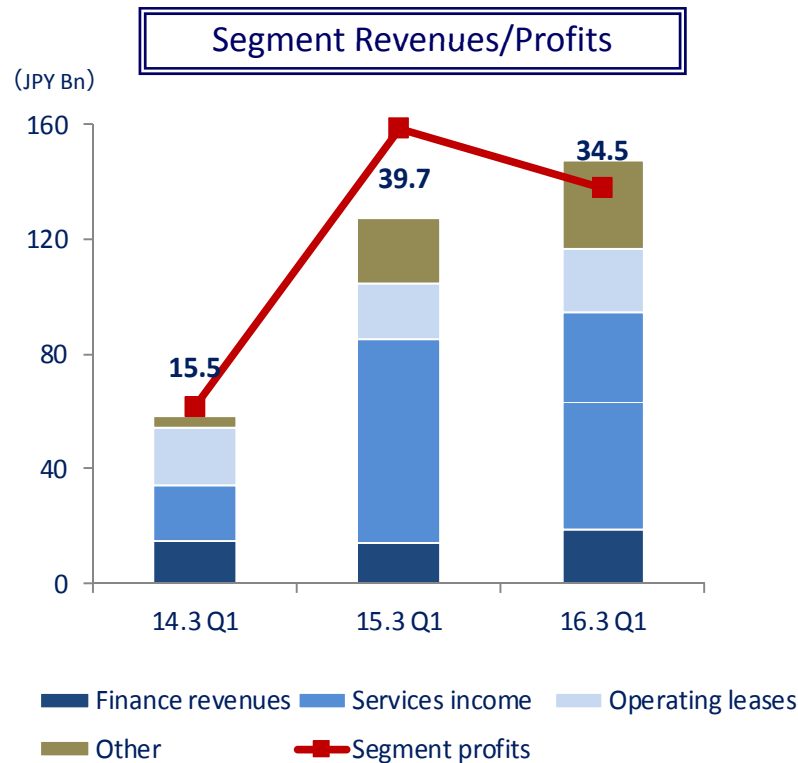
Segment Performance (Retail)

- ✓ Segment profits decreased 25% YoY to 21.6 bn yen
- ✓ Segment profits achieved positive growth YoY without considering the impact of gains on sale of Monex Group shares recorded in Q1 FY15.3
- ✓ Life insurance premiums and related investment income remain strong



Segment Performance (Overseas Business)

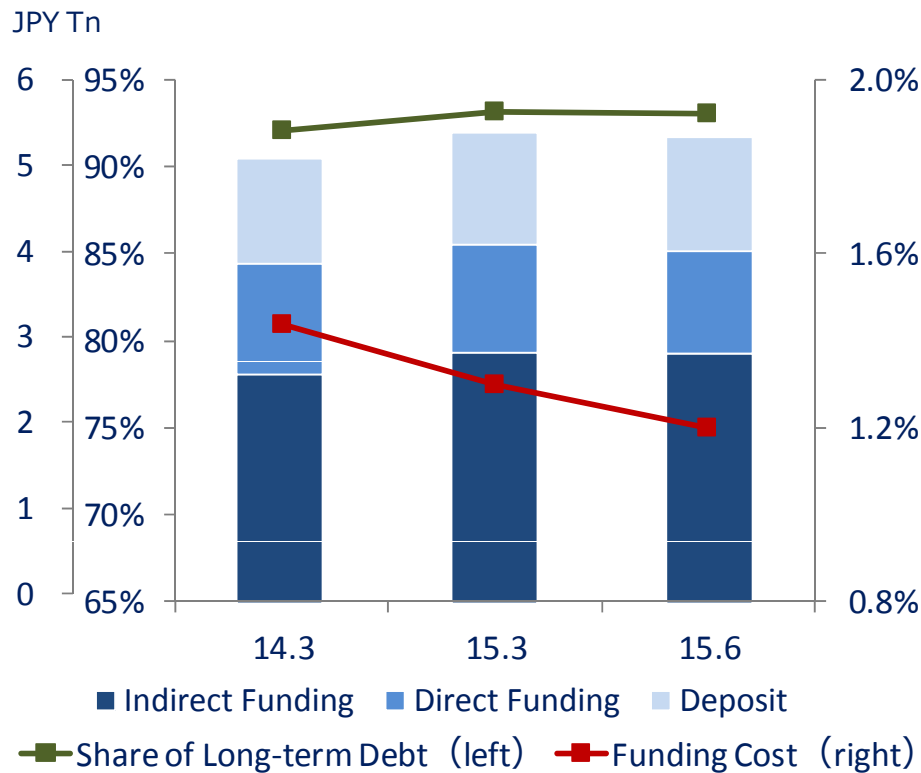
- ✓ Segment profits decreased 13% YoY to 34.5 bn yen
- ✓ Revenues from corporate loans and incomes from fund investment in the Americas increased
- ✓ Services income driven by Robeco continues to be in good shape



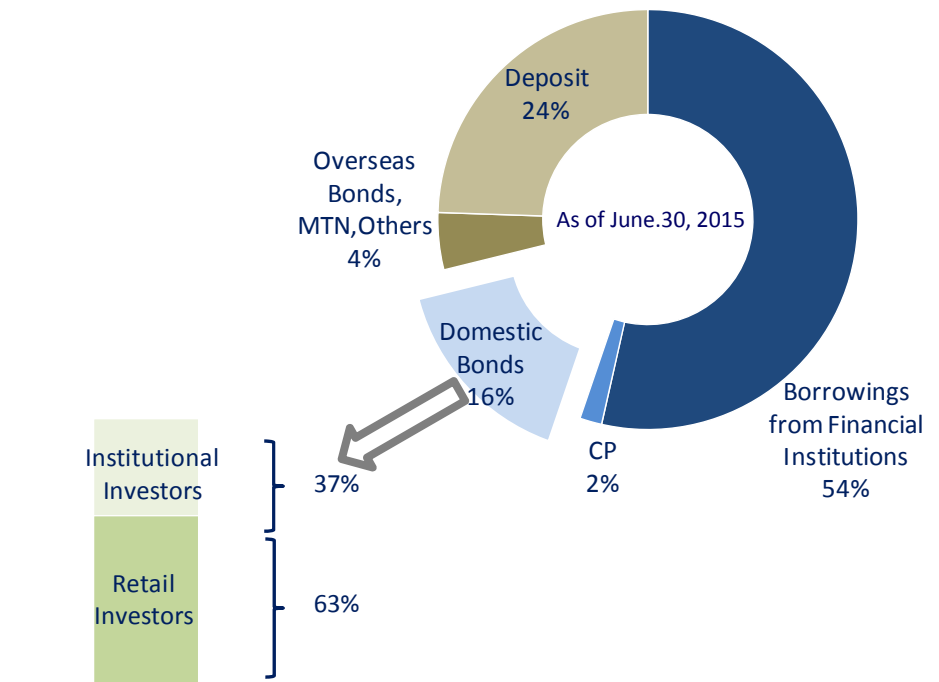
Financials 1 Funding Structure

- ✓ Achieving both stabilization of funding and cost-control
- ✓ Pursue further lengthening and stabilization of funding

Breakdown of Funding*, Trend in Share of Long-term Debt* and Funding Cost



Funding Composition*

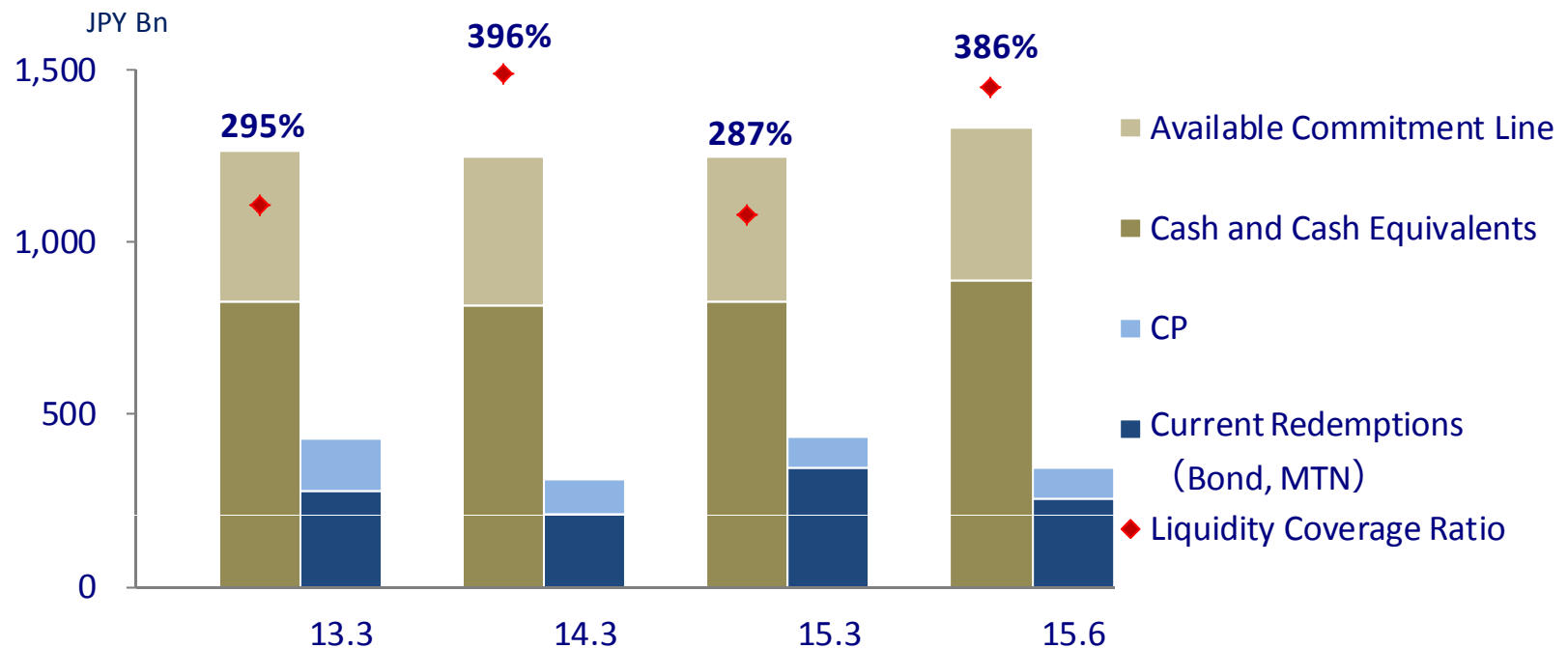


*Funding Balance and Share of Long-term Debt Exclude ABS and CMBS

Financials 2 Liquidity on hand

- ✓ Maintained high level of liquidity.

Liquidity vs Short-Term Capital Market Liabilities



Financials 3 Bond Issuances and Maturity Ladder

✓ Diversifying local funding sources to support business development in Asia

■ Publicly Issued Bonds - Issued in FY2016.3 (as of end of June, 2015)

	Issued	Amount	Term (year)	Issued to	Coupon	T Spread
【ORIX /Domestic Bond】						
184	Apr 30,2015	JPY 35 bil	5	Retail Investors	0.337%	25bp
		Total: JPY 35 bil	(Retail Investors: JPY 35 bil)			

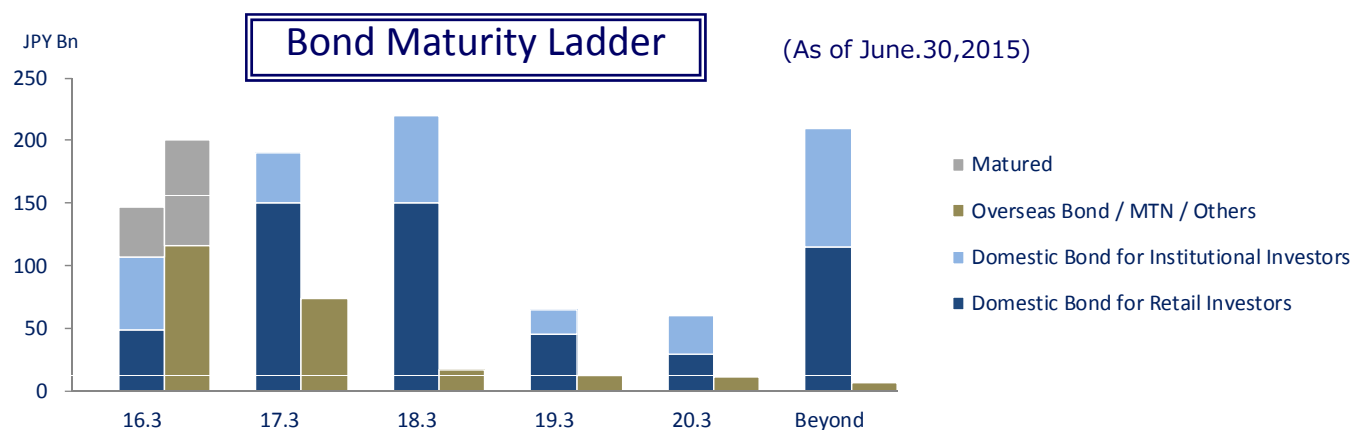
【Local Subsidiary /Bond・MTN】

Thai Baht Bond	Apr 3,2015	THB 1,500mil (JPY 5.4 bil)	3	Institutional Investors	2.790%	-
Thai Baht Bond	Apr 3,2015	THB 500mil (JPY 1.8 bil)	5	Institutional Investors	3.250%	-
Malaysia Ringgit MTN	Apr 3,2015	MYR 50mil (JPY 1.6 bil)	1.5	Institutional Investors	4.400%	-
Korea Won Bond	Apr 24,2015	KRW 20,000mil (JPY 2.2 bil)	2	Institutional Investors	1.865%	-
Korea Won Bond	Apr 24,2015	KRW 30,000mil (JPY 3.3 bil)	3	Institutional Investors	1.942%	-
Malaysia Ringgit MTN	Apr 30,2015	MYR 50mil (JPY 1.6 bil)	2	Institutional Investors	4.400%	-
		Total: JPY 16 bil	(Institutional Investors: JPY 16 bil)			

*Other than above, during July 2015, we have raised funds as below

【ORIX】

U.S.Dollars MTN	July 23,2015	USD 300mil (JPY 37.2 bil)	5	Institutional Investors	2.950%	130bp
【Local Subsidiary /Bond】						
Korea Won Bond	July 1,2015	KRW 30,000mil (JPY 3.3 bil)	3	Institutional Investors	2.105%	-



Financials 4 Asset Quality

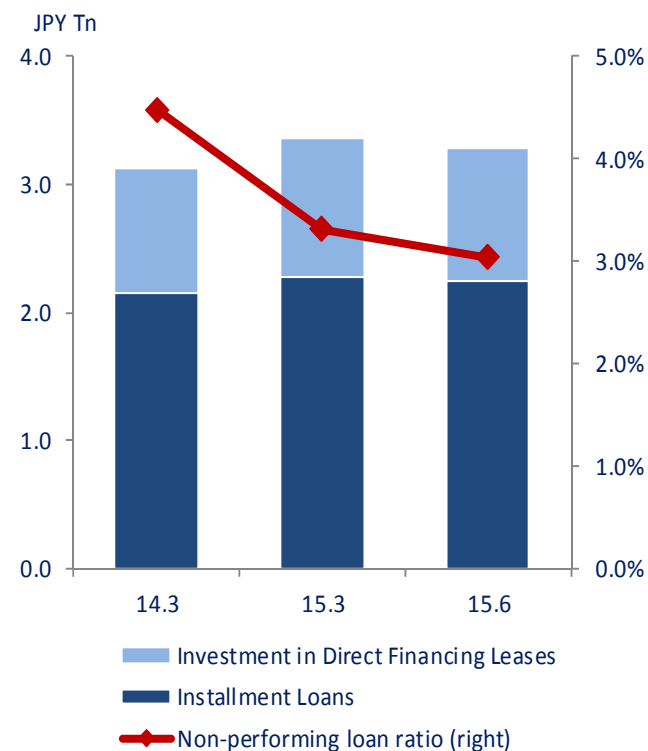
- ✓ Coverage ratio against loans individually evaluated for impairment is 89%
- ✓ Non-performing loan ratio continues to improve

Coverage Ratio of Loans Individually Evaluated for Impairment

(JPY Bn)	14.3	15.3	15.6
Loans individually evaluated for impairment (a)	120	89	80
Estimated collectable amount	78	62	* 54
Amount covered by collaterals such as real estate	69	52	46
Coverage (b)	111	80	71
Amount covered by collaterals such as real estate	69	52	46
Valuation Allowance (Provision)	42	27	25
Coverage ratio (b)/(a)	92.8%	89.3%	89.3%

* Sum of amount expected to be fully collected through collaterals from loans individually evaluated for impairment (JPY14.1Bn) and amount expected to be collected through collaterals from impaired loans requiring valuation allowance (JPY40.2Bn)

Changes in Non-Performing Loan Ratio



※ The above exclude the effects of adopting the accounting standards regarding the consolidation of VIEs.

Summary

Q1 net income achieved at 81.5 bn yen, up 24% YoY and a new record Q1 result

Annualized segment asset ROA and ROE at 3.6% and 15.0% respectively

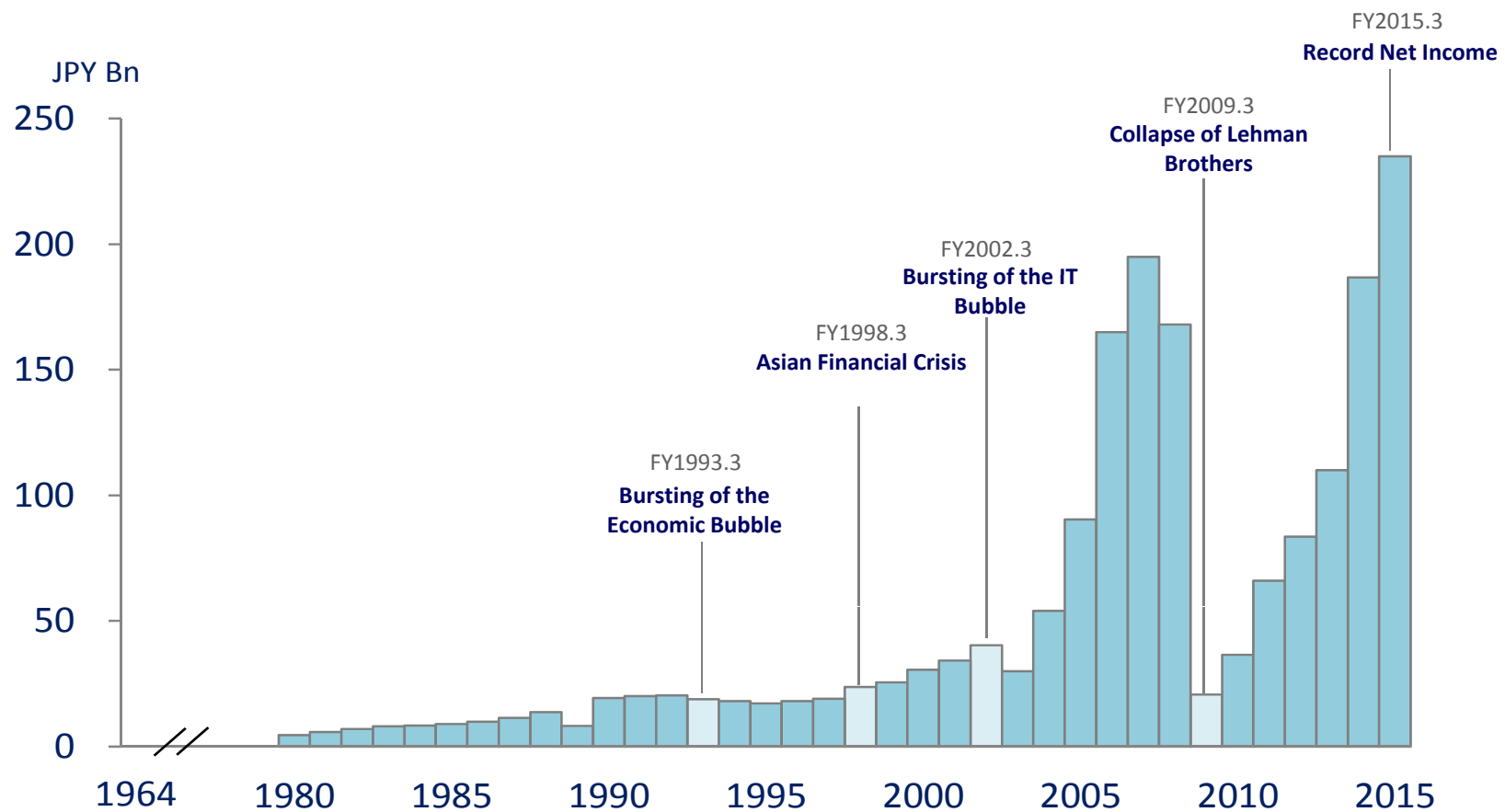
Steady expansion of non-finance businesses highlighted by services income growth

Appendix

About ORIX Sustainable Growth

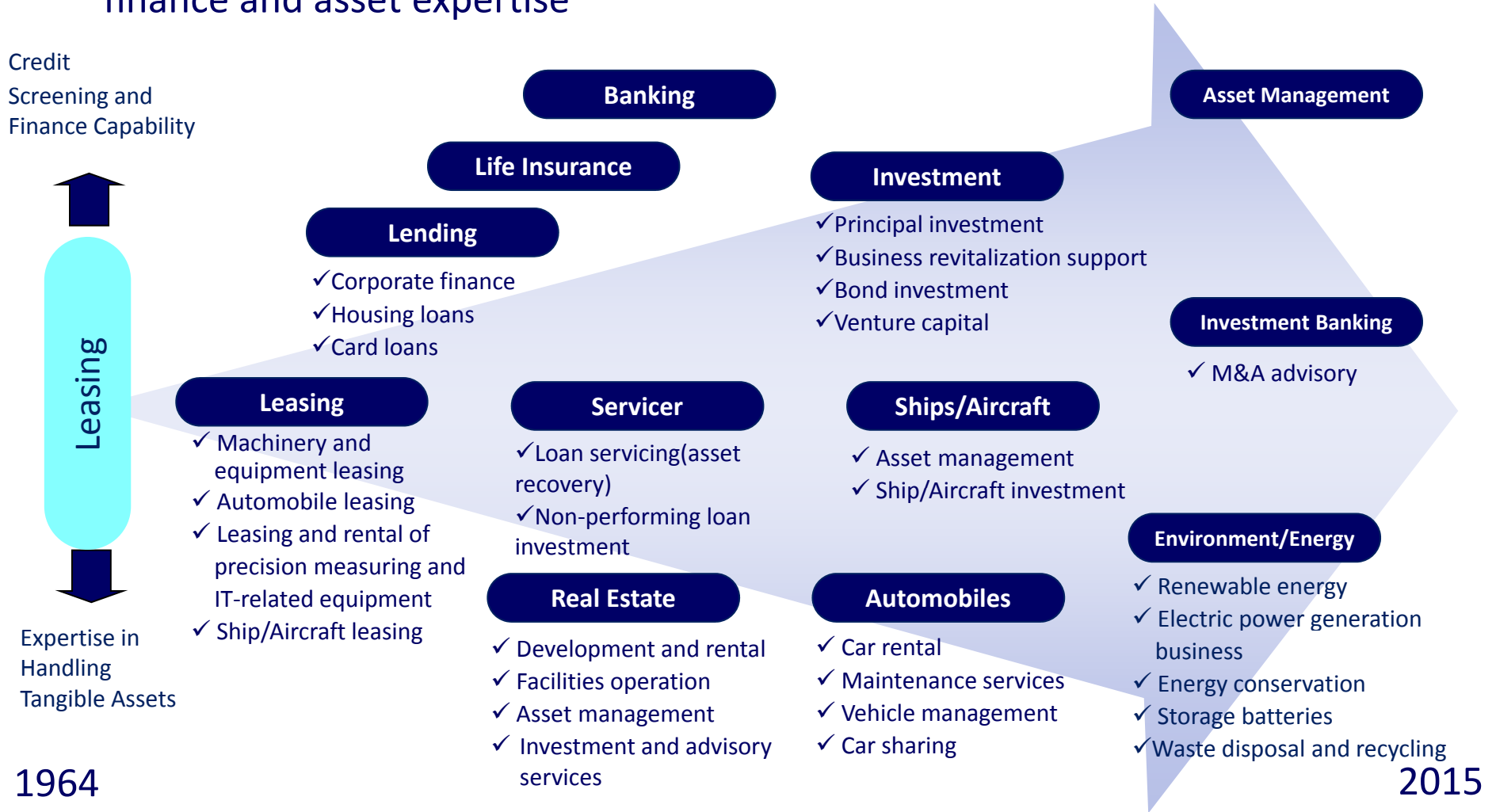
- ✓ Maintaining profitable for the past 50 years and achieving sustainable profit growth

Net Income Attributable to ORIX Corporation



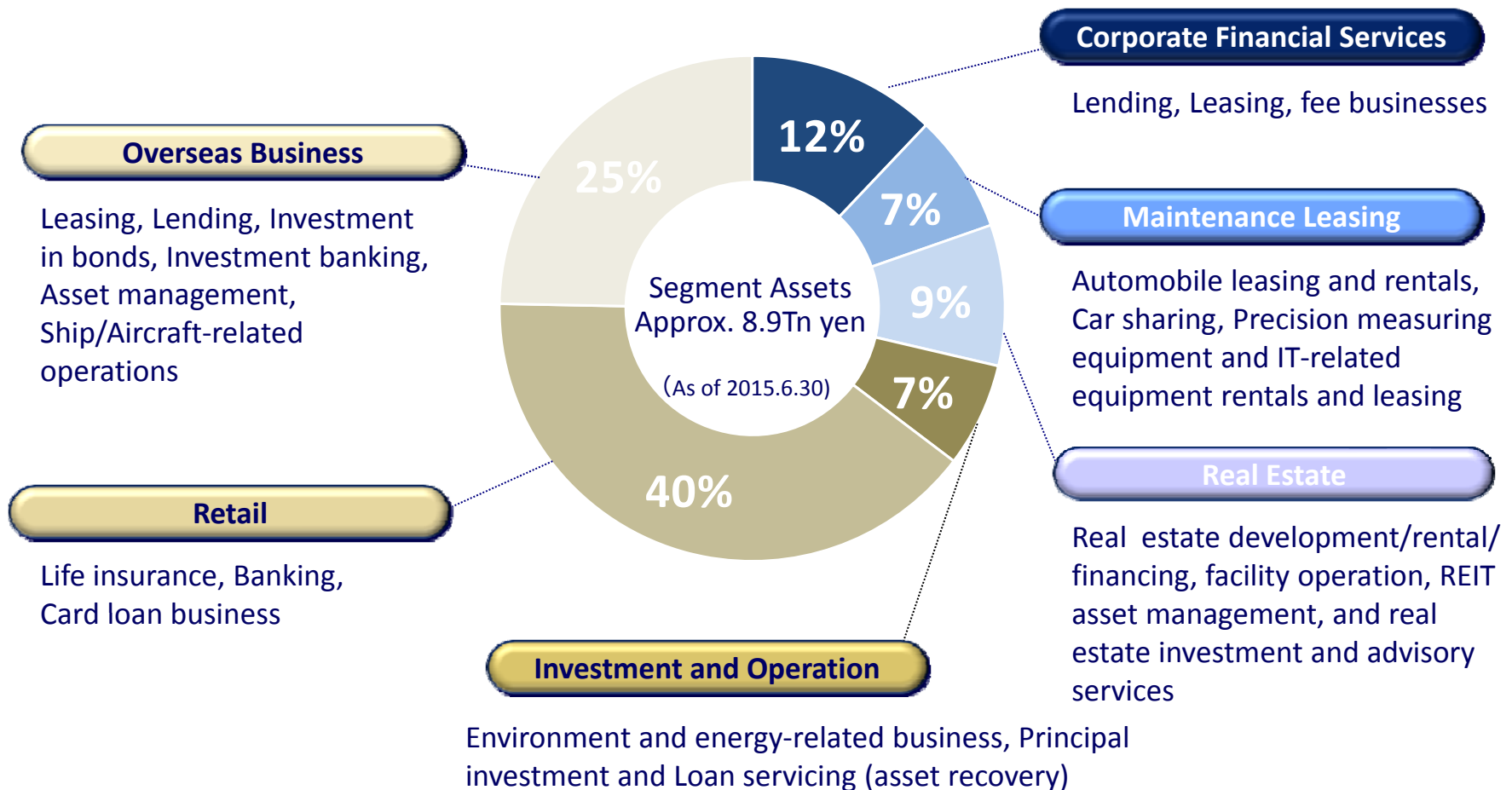
About ORIX Business expertise and Group-wide capability

✓ ORIX evolved by advancing into neighboring areas while increasing its finance and asset expertise



About ORIX Assets by Segment

- ✓ Maximizing core competencies of each segment while creating group synergy



About ORIX Extensive Overseas Network

- ✓ Expanded its global reach starting with Hong Kong in 1971, using knowhow developed in Japan
- ✓ Not as ambitious as to call it a globalization, but rather it is a way of eliminating barriers that exist in Japan

36 Countries and Regions worldwide
(As of 2015.3.31)

Business Network
Development

- | | |
|--------------------------|--|
| 1971 Hong Kong | 1994 Oman |
| 1972 Singapore | 1995 Poland |
| 1973 Malaysia | 1997 Egypt |
| 1975 Indonesia | 2001 Saudi Arabia, South Korea |
| 1977 Philippines | 2002 United Arab Emirates |
| 1978 Thailand | 2004 China |
| 1980 Sri Lanka | 2005 Kazakhstan |
| 1986 Pakistan, Australia | 2010 Vietnam |
| 1988 New Zealand | 2013 Bahrain, Mongolia, Cambodia,
Netherlands (acquired Robeco) |
| 1991 Taiwan, Ireland | |
| 1993 India | |

- 1981 Established ORIX USA
- 1997 Launched Commercial Mortgage-Backed Securities (CMBS) servicing business
- 2006 Acquired investment bank (Houlihan Lokey)
- 2010 Acquired loan servicing business (RED Capital)
- 2010 Acquired fund management company (Mariner Investment)
- 2012 Established Brazilian Subsidiary

Asia, Australia, and Europe

Japan

Americas

Appendix(1) Performance overview

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Total Revenues	1,375.3	2,174.3	266.4	425.3	606.1	143%
Net Income *1	187.4	234.9	45.0	65.9	81.5	124%
Segment Assets	7,267.8	9,170.2	6,450.0	7,186.0	8,918.7	124%
Total Assets	9,067.0	11,443.6	8,218.9	8,954.8	11,252.0	126%
Shareholders' Equity	1,919.3	2,152.2	1,690.2	1,941.6	2,186.7	113%
Shareholders' Equity Ratio *2	21.8%	19.3%	22.0%	22.3%	20.1%	-2.2%
ROE	10.5%	11.5%	10.8%	13.7%	15.0%	1.3%
Return on Segment Assets (ROA)	2.7%	2.9%	2.8%	3.7%	3.6%	0.0%
D/E Ratio *2	2.0x	1.9x	2.2x	2.0x	1.8x	-0.2x

*1 Net Income Attributable to ORIX Corporation Shareholders

*2 Performance indicators shown are Non-GAAP financial measures. For a qualitative reconciliation of the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, please see page 35.

Appendix(2) Profits by Segment

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Corporate Financial Services	24.9	25.5	5.2	5.9	12.4	212%
Maintenance Leasing	37.1	40.4	11.0	11.0	11.7	106%
Real Estate	18.0	3.5	5.5	10.8	14.5	133%
Investment and Operation	95.8	42.4	10.7	5.4	26.2	482%
Retail	49.9	120.6	17.2	29.0	21.6	75%
Overseas Business	69.7	104.1	15.5	39.7	34.5	87%
Total Segment Profits	295.2	336.5	65.3	101.8	120.8	119%

The Company evaluates the performance of segments based on income before income taxes and discontinued operations, adjusted for results of discontinued operations, net income attributable to the non-controlling interests and net income attributable to the redeemable non-controlling interests before applicable tax effect.

Appendix(3) Assets by Segment

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Corporate Financial Services	992.1	1,132.5	928.6	994.8	1,076.1	108%
Maintenance Leasing	622.0	662.9	567.1	637.1	675.0	106%
Real Estate	962.4	835.4	1,084.8	916.0	802.5	88%
Investment and Operation	552.2	660.0	472.1	572.4	593.1	104%
Retail	2,167.0	3,700.6	2,021.9	2,131.1	3,562.7	167%
Overseas Business	1,972.1	2,178.9	1,375.5	1,934.5	2,209.4	114%
Total Segment Assets	7,267.8	9,170.2	6,450.0	7,186.0	8,918.7	124%

Appendix(4) Income Statement Data

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	191.7	186.9	52.2	46.1	49.6	108%
Gains on investment securities and dividends	27.2	56.4	7.6	23.9	22.9	96%
Operating leases	114.0	124.9	28.2	33.9	35.4	105%
Life insurance premiums and related investment income	47.1	79.5	13.6	13.1	25.3	192%
Sales of goods and real estate	16.9	48.8	-1.5	5.6	21.8	386%
Services income	230.2	339.9	34.3	70.8	87.0	123%
Gross Profits*1	627.1	836.5	134.2	193.5	242.1	125%
Interest expense	83.0	72.6	22.8	18.7	18.0	96%
Selling, general and administrative expenses	316.9	427.8	60.3	93.3	114.4	123%
Provisions/Impairments	45.2	55.5	5.8	3.1	3.4	110%
Other (income) and expense, net	-21.0	23.7	-9.8	-2.0	-2.2	-
Operating Income	203.0	256.8	55.0	80.4	108.5	135%
Equity in Net Income of Affiliates	18.4	30.5	3.9	4.2	6.2	145%
Gains on Sales of Subsidiaries and Affiliates...etc	64.9	56.7	3.0	19.8	9.2	46%
Income before Income Taxes and Discontinued Operations	286.3	344.0	61.9	104.5	123.9	119%
Net Income Attributable to ORIX Corporation Shareholders	187.4	234.9	45.0	65.9	81.5	124%

*1 Each revenue component deducted with corresponding costs and expenses

Appendix(5) Funding

(JPY Bn)

Funding	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
CP	101.0	89.6	107.8	162.0	90.7	-71.3
Borrowings from Financial Institutions	2,631.4	2,882.6	2,290.8	2,583.0	2,870.8	287.8
Bonds / MTN	1,174.8	1,153.9	1,313.1	1,147.6	1,088.7	-58.9
Deposits	1,206.4	1,287.4	1,097.3	1,195.3	1,311.7	116.4
Short-term Debt, Long-term Debt and Deposits (excl.ABS,CMBS)	5,113.6	5,413.5	4,809.0	5,087.9	5,361.9	274.0
Share of Long-Term Debt (excl. ABS, CMBS) *1	92%	93%	92%	91%	93%	2%

Funding Costs (including Deposits)	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Domestic Currency	0.9%	0.7%	1.0%	0.8%	0.7%	-0.1%
Foreign Currency	3.1%	2.7%	3.3%	2.8%	2.6%	-0.2%

Liquidity	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Available Commitment Line (1)	427.2	419.4	433.8	412.0	441.9	29.9
Cash and Cash Equivalents (2)	818.0	827.5	731.7	796.4	887.3	91.0
Liquidity (1+2)	1,245.3	1,246.9	1,165.5	1,208.4	1,329.2	120.8
Marketable Short-term Debt (3) *2	314.2	434.3	384.2	428.8	344.1	-84.7
Liquidity Coverage Ratio (1+2)/(3)	396%	287%	303%	282%	386%	105%

*1 Performance indicator is a Non-GAAP financial measure. For a qualitative reconciliation of the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, please see page 35.

*2 Marketable Short-term Debt is the total of bonds and MTN expected to reach maturity within 1 year and the balance of CP.

Appendix(6) Corporate Financial Services

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	37.2	35.6	9.4	9.2	8.4	92%
Operating leases	25.6	24.5	6.1	6.1	6.2	102%
Services income	14.9	22.0	2.7	3.5	8.1	234%
Segment Revenues	78.8	85.5	18.4	19.4	27.6	142%
Segment Expenses	54.6	60.6	13.2	13.7	15.4	112%
Segment Profits	24.9	25.5	5.2	5.9	12.4	212%
Investment in Direct Financing Leases	450.3	461.7	373.9	446.9	414.6	
Installment Loans	470.7	461.3	485.9	460.8	453.0	
Segment Assets	992.1	1,132.5	928.6	994.8	1,076.1	
ROA	1.6%	1.5%	1.4%	1.5%	3.0%	

Appendix(7) Maintenance Leasing

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	9.5	11.1	2.3	2.9	3.0	105%
Operating leases	177.1	185.7	43.4	46.2	46.7	101%
Services income	60.3	62.5	15.7	14.9	16.8	112%
Segment Revenues	251.3	263.5	62.4	65.1	67.5	104%
Segment Expenses	214.3	223.0	51.4	54.0	55.9	103%
Segment Profits	37.1	40.4	11.0	11.0	11.7	106%
Investment in Direct Financing Leases	150.0	184.9	135.6	162.2	196.7	
Investment in Operating Leases	468.0	473.0	427.4	470.8	473.3	
Segment Assets	622.0	662.9	567.1	637.1	675.0	
ROA	3.9%	4.0%	4.9%	4.5%	4.6%	

Appendix(8) Real Estate (1)

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Operating leases	66.6	63.8	17.4	18.6	18.8	101%
<i>Gains on Rental Property Sales</i>	13.8	14.9	3.5	6.2	7.6	124%
Services income	101.8	104.1	25.6	24.9	27.0	109%
Sales of goods and real estate and other	28.8	10.4	2.9	2.8	3.9	136%
Segment Revenues	203.4	182.3	48.0	47.5	50.3	106%
Segment Expenses	190.3	188.1	43.5	39.0	36.6	94%
Segment Profits	18.0	3.5	5.5	10.8	14.5	133%
Investment in Operating Leases	527.1	423.8	601.7	499.3	414.6	
Property under Facility Operations	166.6	172.2	172.5	174.7	180.4	
Advances for Investment in Operating Leases	61.6	44.7	56.2	50.4	37.6	
Investment in Affiliates	62.5	91.3	66.4	61.2	91.4	
Other	144.6	103.4	188.0	130.4	78.5	
Segment Assets	962.4	835.4	1,084.8	916.0	802.5	
ROA	1.1%	0.2%	1.2%	3.0%	4.7%	

Appendix(9) Real Estate (2)

■ Breakdown of Real Estate Segment Assets

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Rental Property	665.8	566.9	733.1	616.7	553.2	90%
Under Lease	536.9	471.5	607.0	506.1	458.1	91%
Under Development	128.9	95.4	126.1	110.6	95.1	86%
Condo Assets	31.1	16.5	52.6	29.9	15.0	50%
NRL / Specified Bonds	48.8	27.9	86.2	43.3	17.5	40%
Operating Facilities	159.8	163.9	160.7	168.6	164.2	97%
Other	56.9	60.2	52.2	57.5	52.6	91%
Total	962.4	835.4	1,084.8	916.0	802.5	88%

■ Rental Property Sales/Gains

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Amount of Rental Property Sales	101.0	129.3	33.5	52.4	28.9	55%
Gains on Rental Property Sales	13.8	14.9	3.5	6.2	7.6	124%

Appendix(10) Investment and Operation

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	18.4	15.7	5.2	4.7	3.7	80%
Gains on investment securities and dividends	9.7	9.3	4.4	2.5	8.2	336%
Sales of goods and real estate	120.6	371.4	9.7	33.3	150.3	451%
Services income	86.1	260.4	12.5	55.2	64.2	116%
Segment Revenues	236.9	666.1	32.2	97.8	229.2	234%
Segment Expenses	208.9	632.3	24.2	93.8	211.6	226%
Equity in Net Income of Affiliates and others	67.8	8.6	2.8	1.4	8.6	632%
Segment Profits	95.8	42.4	10.7	5.4	26.2	482%
Installment Loans	118.8	93.2	141.1	107.6	93.1	
Investment in Securities	95.1	112.9	111.4	81.2	83.7	
Property under Facility Operations	53.6	90.9	39.1	53.9	78.2	
Inventories	81.7	116.5	3.8	97.4	109.1	
Investment in Affiliates	59.8	51.1	94.8	65.0	54.1	
Segment Assets	552.2	660.0	472.1	572.4	593.1	
ROA	11.9%	4.5%	5.8%	2.5%	11.1%	

Appendix(11) Retail

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	50.4	52.5	12.5	12.8	13.5	105%
Life insurance premiums and related investment income	155.8	352.5	37.6	40.5	68.6	170%
Gains on investment securities and dividends and other	5.4	20.9	1.2	16.5	1.8	11%
Segment Revenues	211.6	426.0	51.3	69.8	83.8	120%
Segment Expenses	165.7	342.1	37.6	41.0	62.7	153%
Equity in Net Income of Affiliates and others	3.9	36.7	3.6	0.2	0.5	270%
Segment Profits	49.9	120.6	17.2	29.0	21.6	75%
Installment Loans	1,276.8	1,376.7	1,214.4	1,280.4	1,390.2	
Investment in Securities	776.1	2,246.9	672.4	739.0	2,097.1	
Segment Assets	2,167.0	3,700.6	2,021.9	2,131.1	3,562.7	
ROA	1.5%	2.6%	2.1%	3.5%	1.6%	

Appendix(12) Overseas Business (1)

(JPY Bn)

	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Finance revenues	57.3	63.3	15.0	14.2	19.0	134%
Gain on investment securities and dividends	15.8	30.5	4.0	5.6	9.6	173%
Operating leases	76.6	82.1	20.6	19.4	21.7	112%
Services income	228.8	321.5	19.0	70.8	75.9	107%
Segment Revenues	412.2	561.9	58.6	127.6	147.2	115%
Segment Expenses	337.9	463.1	41.7	104.8	113.2	108%
Equity in Net Income(Loss) of Affiliates and others	-4.6	5.3	-1.4	16.9	0.5	3%
<i>Net Income Attributable to Redeemable Noncontrolling Interests</i>	-9.1	-23.1	-1.5	-4.4	-3.6	-
Segment Profits	69.7	104.1	15.5	39.7	34.5	87%
Investment in Direct Financing Leases	332.6	386.6	312.3	334.2	385.5	
Installment Loans	246.8	344.1	211.8	310.2	300.6	
Investment in Operating Leases	264.0	278.7	248.7	251.8	326.6	
Investment in Securities	323.3	404.3	287.0	348.8	399.6	
Investment in Affiliates	143.5	209.0	164.0	156.9	217.2	
Segment Assets	1,972.1	2,178.9	1,375.5	1,934.5	2,209.4	
ROA	2.6%	3.2%	2.8%	5.2%	4.2%	

Appendix(13) Overseas Business (2)

■ Overseas Business segment assets breakdown

(JPY Bn)

By Region	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Americas	518.1	776.2	474.2	621.4	738.1	119%
Asia / Australia	655.6	591.5	501.3	543.6	597.8	110%
Greater China	196.6	249.2	188.4	198.7	256.5	129%
Middle East / Europe	41.9	43.1	38.7	40.1	46.0	115%
Robeco	375.1	346.3	-	368.5	358.6	97%
Other	184.9	172.5	173.0	162.2	212.3	131%
Total	1,972.1	2,178.9	1,375.5	1,934.5	2,209.4	114%

By Operation	FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1	Change (YoY)
Americas	518.1	776.2	474.2	621.4	738.1	119%
Leasing Operation (excl. Americas)	567.5	672.1	521.4	575.5	686.5	119%
Investment Operation (excl. Americas)	511.5	384.2	379.9	369.1	426.1	115%
Robeco	375.1	346.3	-	368.5	358.6	97%
Total	1,972.1	2,178.9	1,375.5	1,934.5	2,209.4	114%

Appendix(14) Reconciliation Table of Non-GAAP Financial Measurement

These materials include certain financial measures presented on a basis not in accordance with U.S. GAAP, or non-GAAP measures, including total assets and long-term liabilities excluding liabilities in line with securitized transactions (ABS, CMBS), as well as other measures or ratios calculated based thereon, presented on an adjusted basis, which excludes payables under securitized leases, loan receivables and investment in securities and reverses the cumulative effect on retained earnings of applying the accounting standards for the consolidation of VIEs, effective April 1, 2010.

Our management believes these non-GAAP financial measures may provide investors with additional meaningful comparisons between our financial condition as of March 31, 2015, as compared to prior periods. Effective April 1, 2010, we adopted ASU 2009-16 and ASU 2009-17, which changed the circumstances under which we are required to consolidate certain VIEs. Our adoption of these accounting standards caused a significant increase in our consolidated assets and liabilities and a decrease in our retained earnings without affecting the net cash flow and economic effects of our investments in such consolidated VIEs. Accordingly, our management believes that providing financial measures that exclude assets and liabilities attributable to consolidated VIEs as a supplement to financial information calculated in accordance with U.S. GAAP enhances the overall picture of our current financial position and enables investors to evaluate our historical financial and business trends without the large balance sheet fluctuation caused by our adoption of these accounting standards.

We provide these non-GAAP financial measures as supplemental information to our consolidated financial statements prepared in accordance with U.S. GAAP, and they should not be considered in isolation or as a substitute for the most directly comparable U.S. GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures presented in accordance with U.S. GAAP as reflected in our consolidated financial statements for the periods provided, are included in page 35 .

Appendix(15) Reconciliation Table of Non-GAAP Financial Measurement

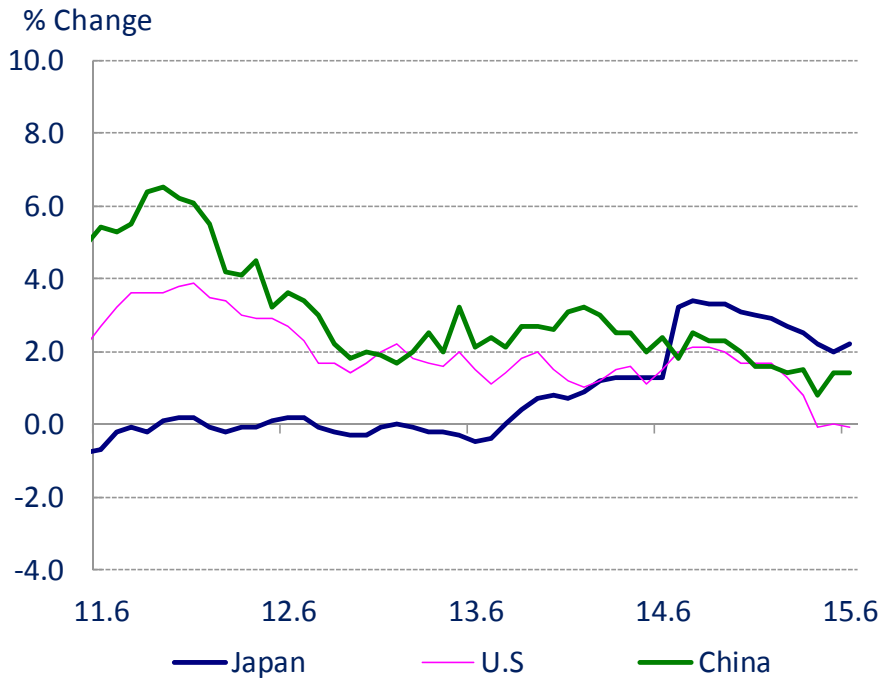
(JPY Bn)

Key Ratio		FY14.3	FY15.3	14.3 Q1	15.3 Q1	16.3 Q1
Total Assets	(a)	9,067.0	11,443.6	8,218.9	8,954.8	11,252.0
Deduct: Payables under Securitized Leases, Loan Receivables and Investment in Securities		253.8	291.6	497.5	225.4	365.2
Adjusted Total Assets	(b)	8,813.1	11,152.0	7,721.5	8,729.3	10,886.9
Short-Term Debt		308.3	284.8	300.6	334.5	282.5
Long-Term Debt	(c)	3,852.7	4,132.9	3,908.5	3,783.5	4,132.8
Deduct: Payables under Securitized Leases, Loan Receivables and Investment in Securities		253.8	291.6	497.5	225.4	365.2
Adjusted Long-Term Debt	(d)	3,598.8	3,841.3	3,411.1	3,558.1	3,767.7
Long- and Short-Term Debt (excluding deposit)	(e)	4,161.0	4,417.7	4,209.1	4,118.0	4,415.4
Adjusted Long- and Short-Term Debt (excluding deposit)	(f)	3,907.2	4,126.1	3,711.7	3,892.6	4,050.2
ORIX Corporation Shareholders' Equity	(g)	1,919.3	2,152.2	1,690.2	1,941.6	2,186.7
Deduct: The Cumulative Effect on Retained Earnings of Applying the Accounting Standards for the Consolidation of VIEs under ASU 2009-16 and ASU 2009-17 Effective April 1, 2010		-5.2	-3.1	-10.2	-3.4	-2.9
Adjusted ORIX Corporation Shareholders' Equity	(h)	1,924.5	2,155.3	1,700.4	1,945.0	2,189.6
ORIX Corporation Shareholders' Equity Ratio	(g)/(a)	21.2%	18.8%	20.6%	21.7%	19.4%
Adjusted ORIX Corporation Shareholders' Equity Ratio	(h)/(b)	21.8%	19.3%	22.0%	22.3%	20.1%
D/E Ratio (times)	(e)/(g)	2.2x	2.1x	2.5x	2.1x	2.0x
(Long- and Short-Term Debt/ORIX Corporation Shareholders' Equity)						
Adjusted D/E Ratio (times)	(f)/(h)	2.0x	1.9x	2.2x	2.0x	1.8x
(Adjusted Long- and Short-Term Debt/ORIX Corporation Shareholders' Equity)						
Long-Term Debt Ratio (including ABS, CMBS)	(c)/(e)	93%	94%	93%	92%	94%
Adjusted Long-Term Debt Ratio (excluding ABS, CMBS)	(d)/(f)	92%	93%	92%	91%	93%

Reference Data

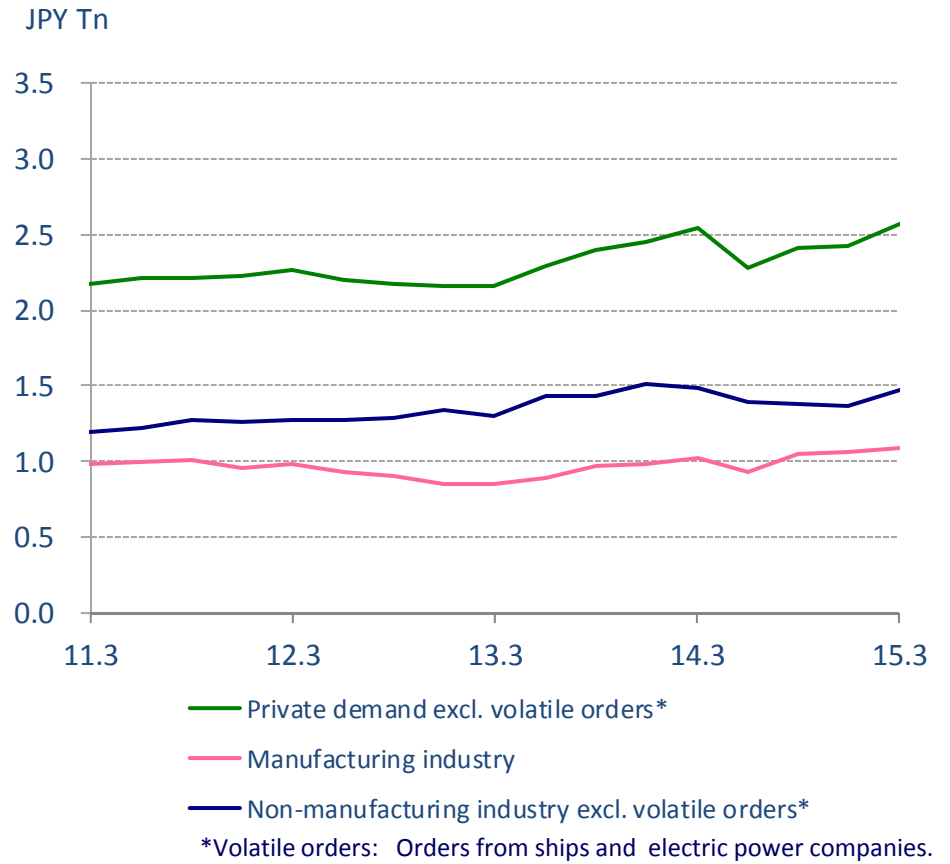
Macro Economic Indicators

National CPI (Ex Fresh Food) (YoY Change)



Source: Bloomberg

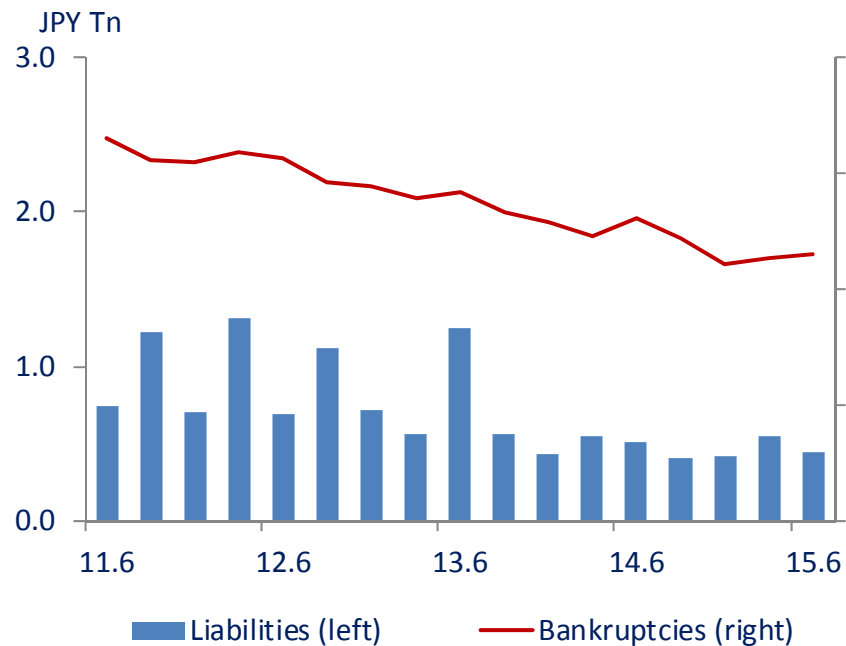
Trends in Machinery Orders



Source: Cabinet Office, Government of Japan

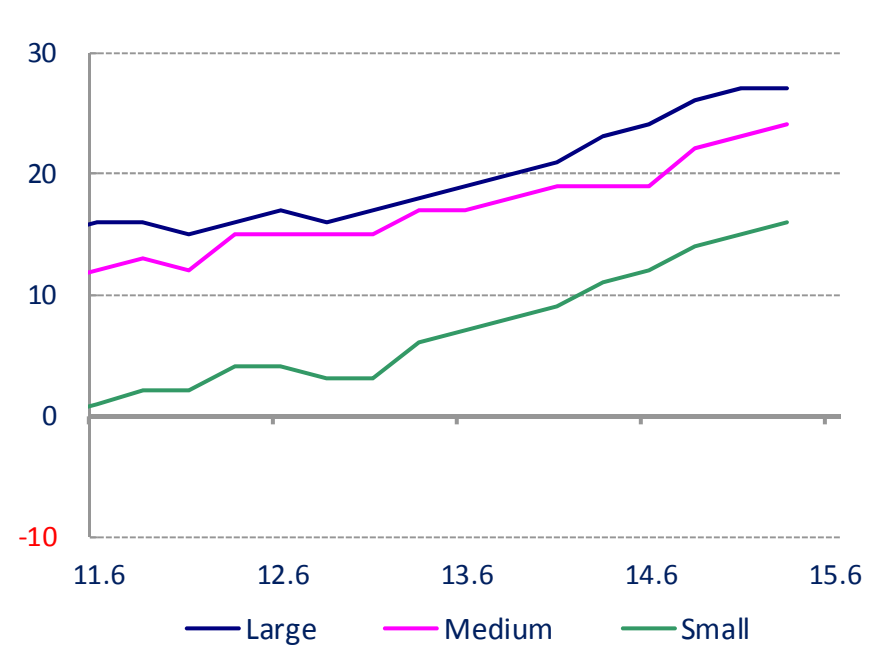
Japanese Corporate Indices

Corporate Bankruptcies (Quarterly Basis)



Source: Teikoku Databank, Ltd.

Tankan Corporate Diffusion Index (Quarterly Basis)



Source: Bank of Japan

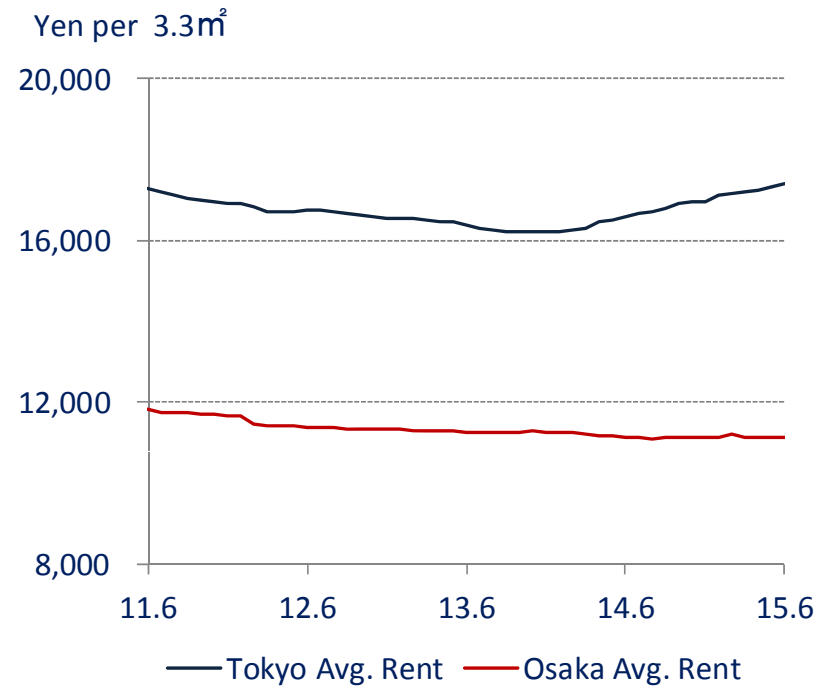
Japanese Real Estate Indicators

Japan TSE REIT Index



Source: Tokyo Stock Exchange

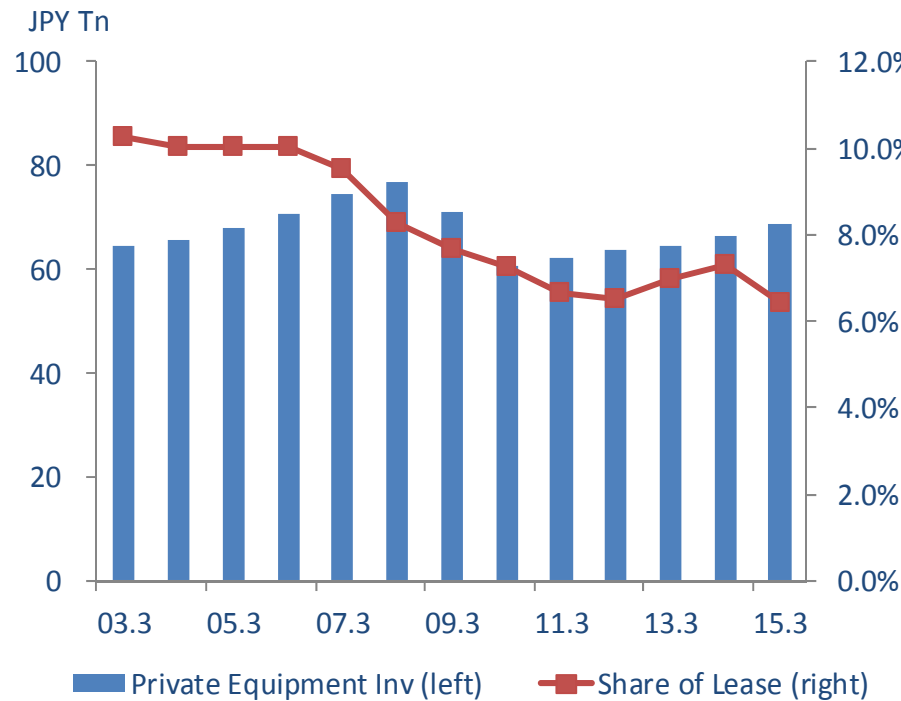
Office Rental Rates



Source: Miki Shoji

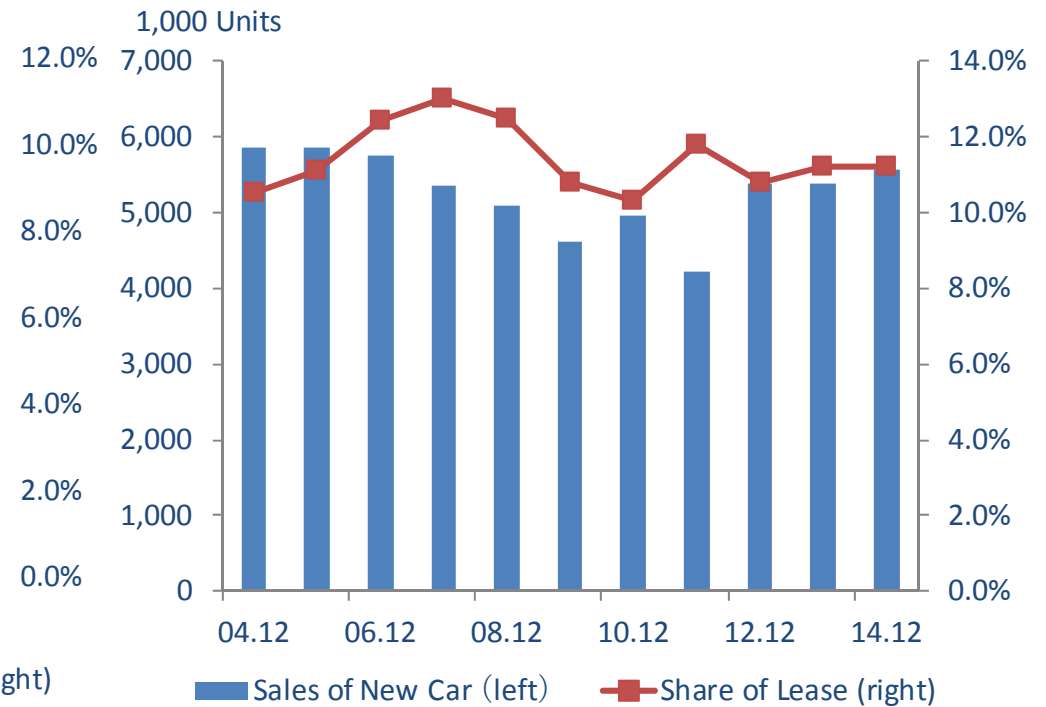
Domestic Lease Business Indicators

Private Equipment Investment



Source: Japan Leasing Association

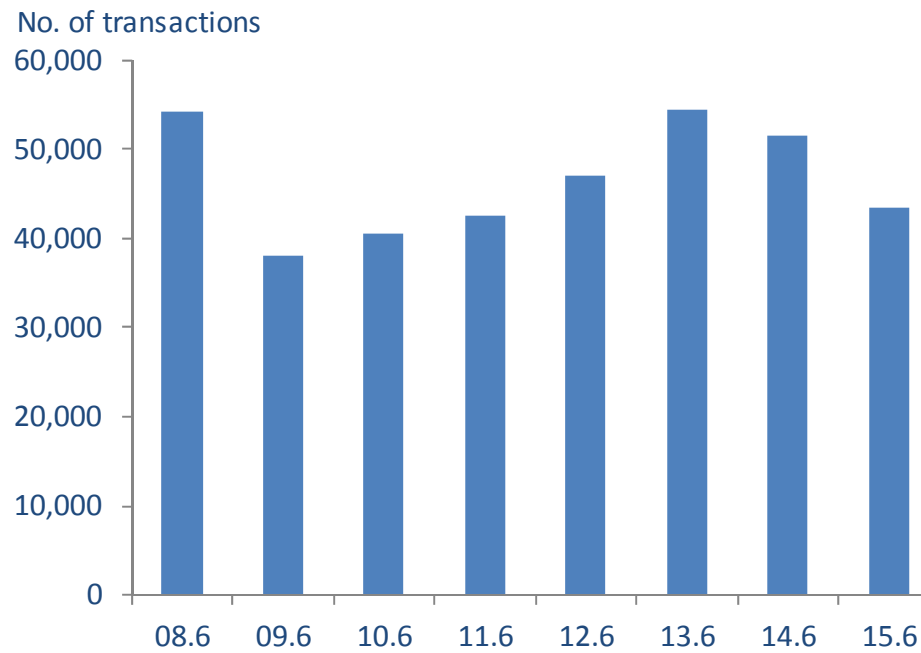
New Car Sales



Source: Japan Automotive Leasing Association

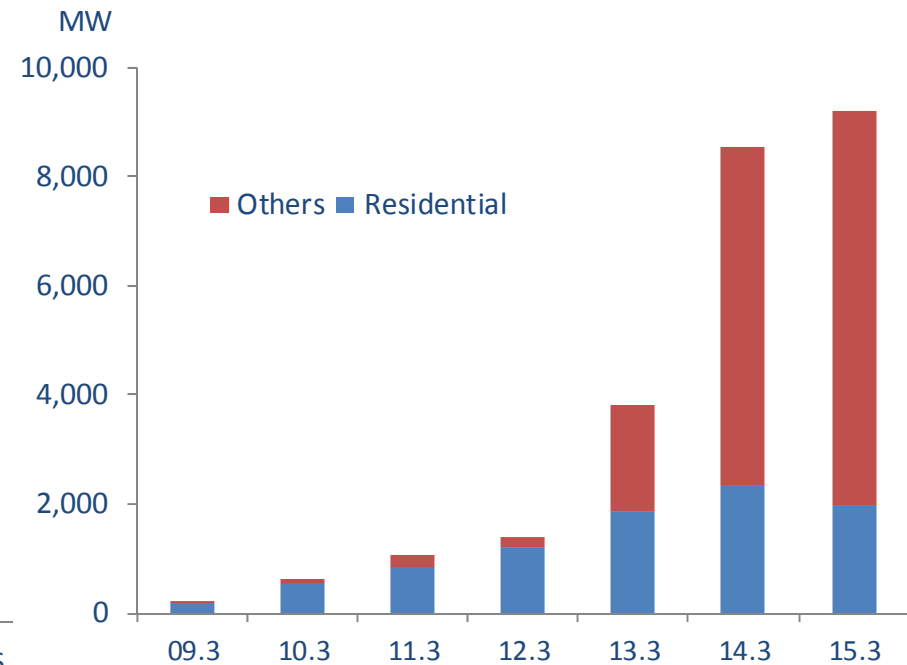
Other Domestic Indicators

Number of condominium sold in the Tokyo metropolitan area



Source: Real Estate Economy Research Institute

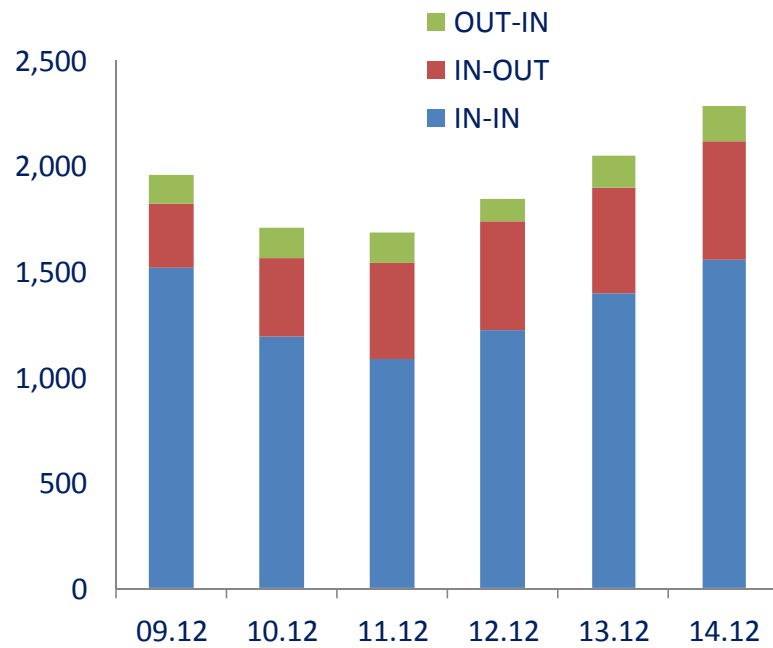
Domestic Shipping Amount of Solar Cell



Source: Japan Photovoltaic Energy Association

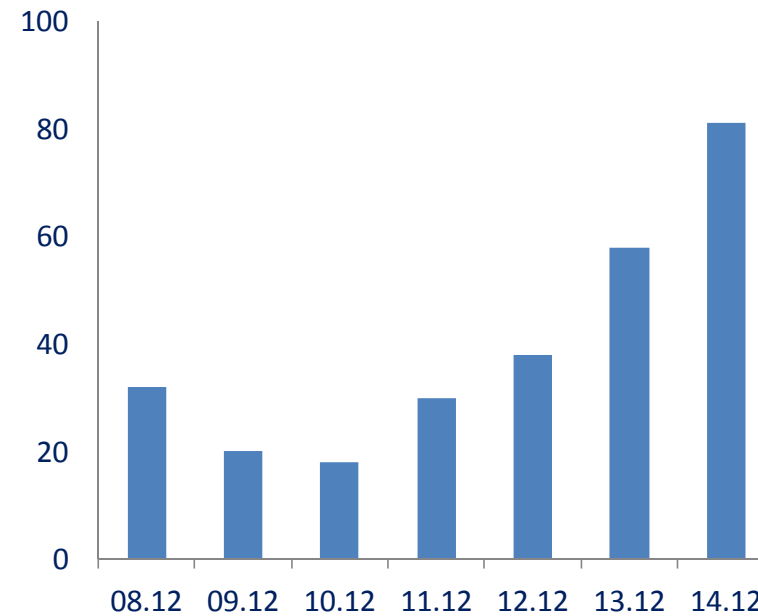
Other Domestic Indicators

The number of M&A deals



Source: RECOF Corporation

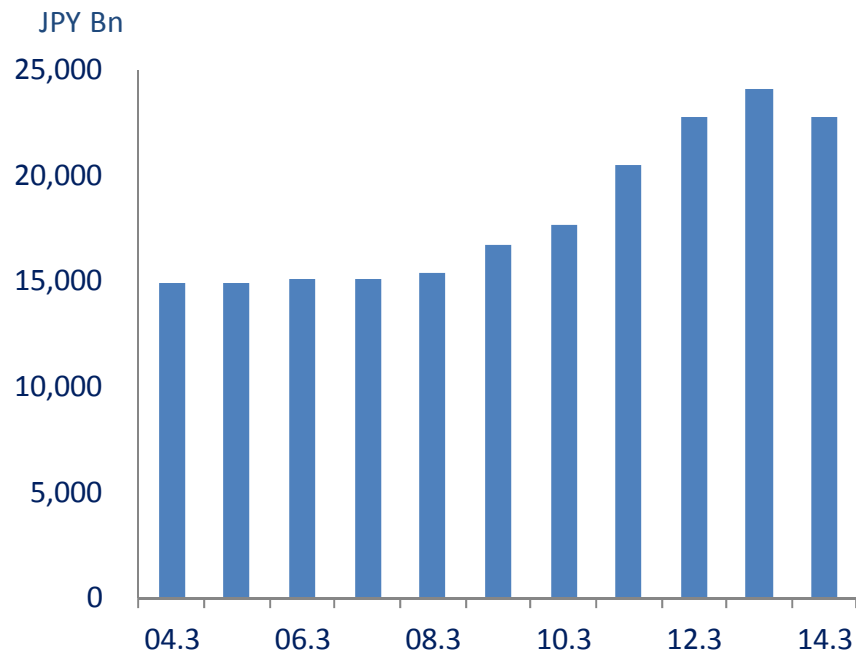
The number of the New Listed Companies



Source: Tokyo Stock Exchange

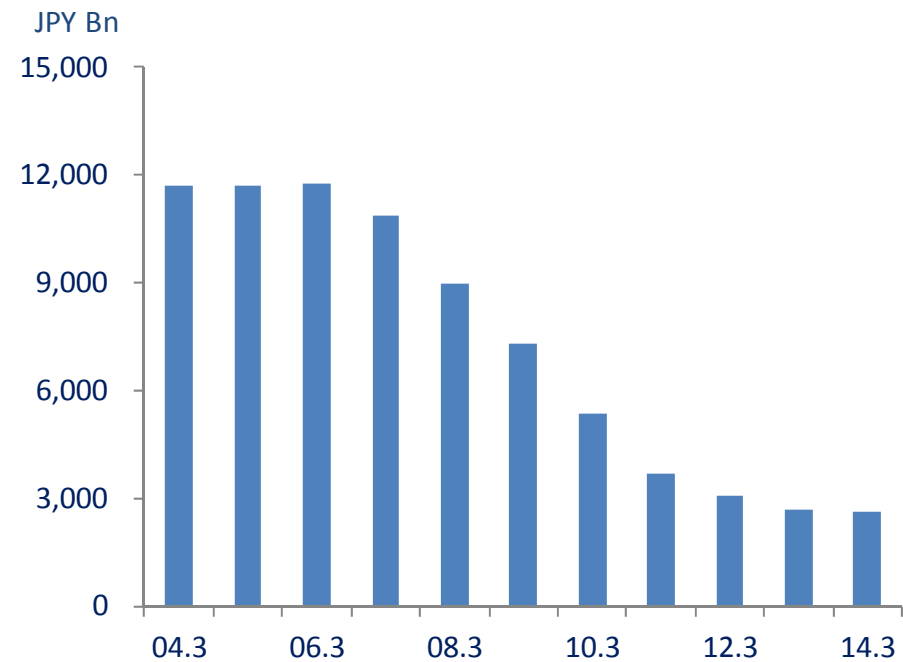
Other Domestic Indicators

Premium Income for Individual Insurance



Source: Japan Statistics Bureau

Consumer Finance Loan Balance



Source: Japan Financial Services Agency

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