



ORIX

Answers,  
Custom Fit.

# ORIX Corporation

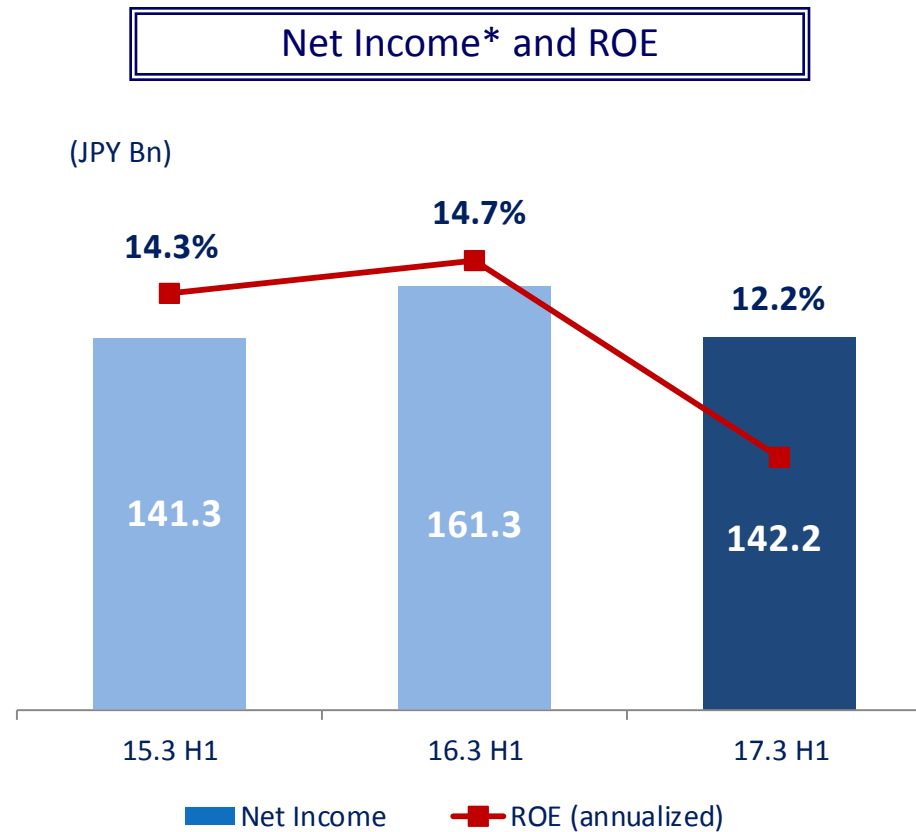
Second Quarter Consolidated Financial Results  
For the Six-Month Period Ended September 30, 2016

October 27, 2016

(TSE: 8591; NYSE: IX)

# Overview (1)

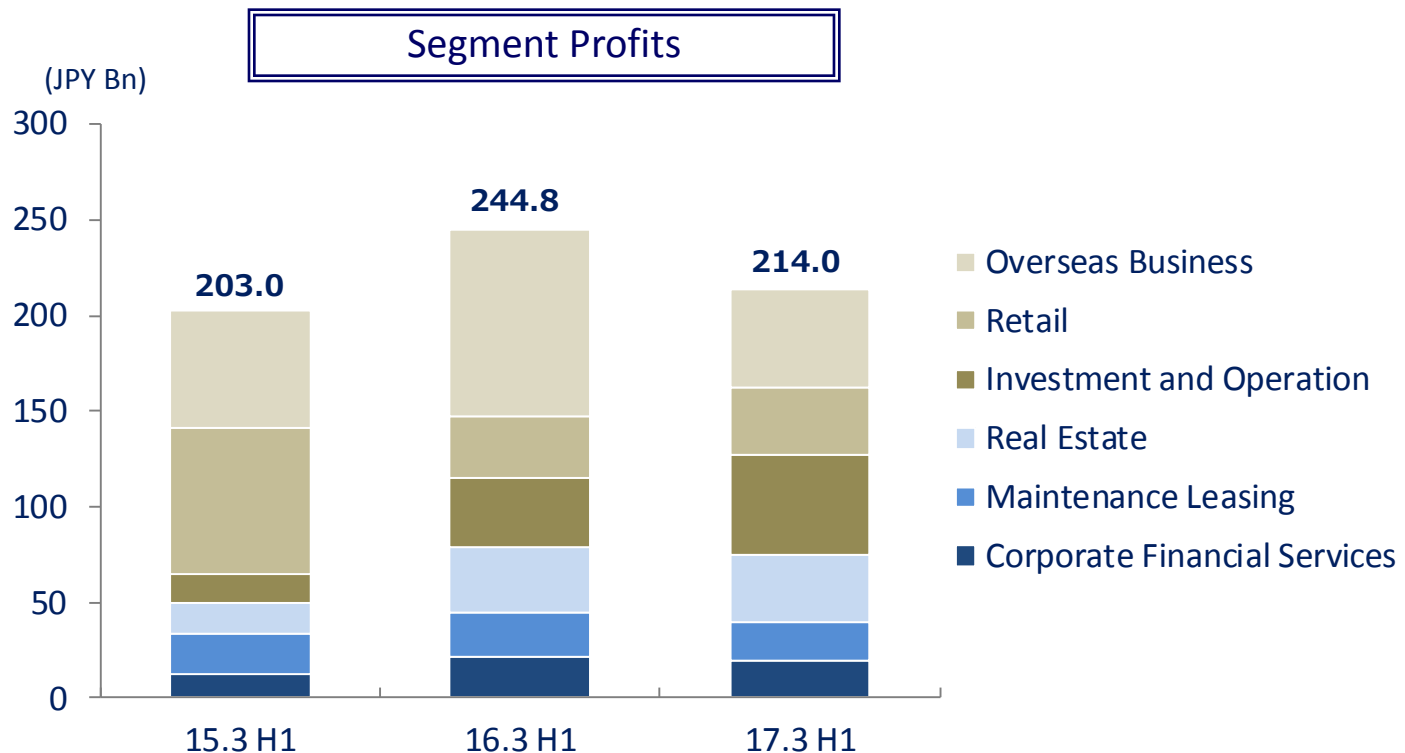
- ✓ 142.2bn yen in net income, down by 12% YoY
- ✓ Annualized ROE at 12.2%



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

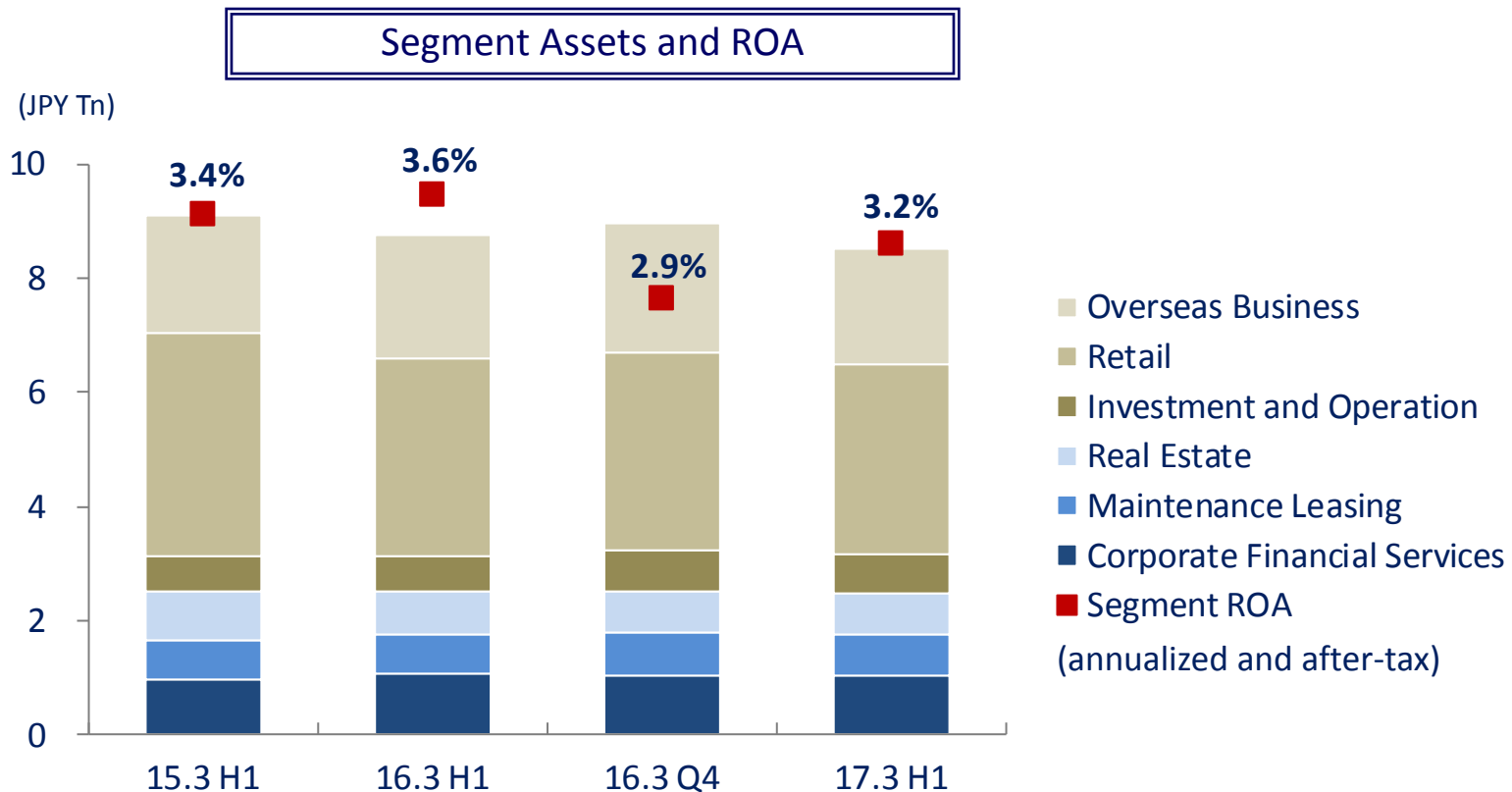
# Overview (2)

- ✓ Segment profits at 214bn yen, down by 13% YoY
- ✓ Positive profit growth in Investment and Operation, Retail and Real Estate
- ✓ Overseas Business resulted lower profits YoY due to gains from Houlihan Lokey's IPO last year, and a stronger yen



# Overview (3)

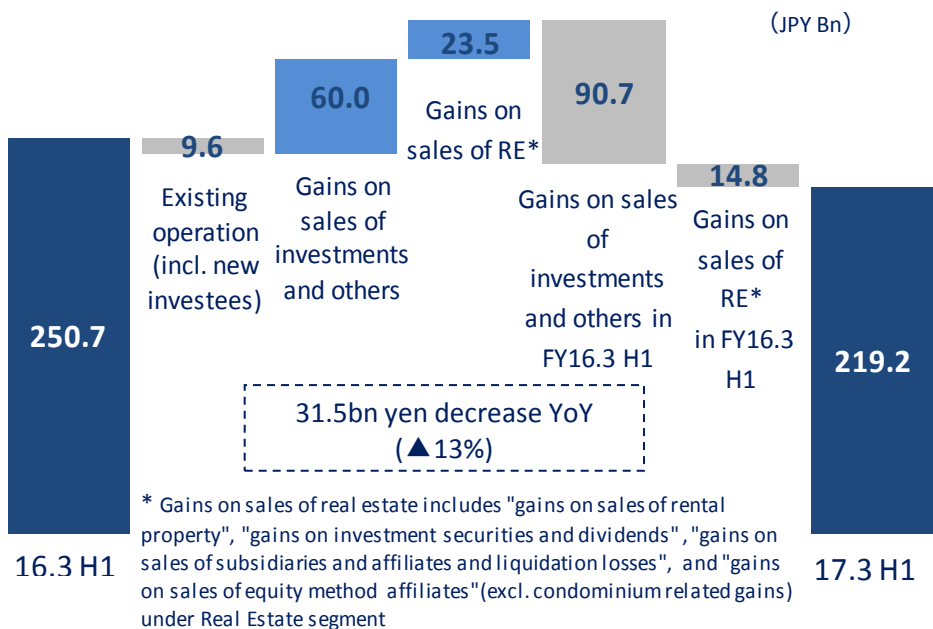
- ✓ Segment assets at 8,536.2bn yen, down by 5% YTD
- ✓ Overseas Business assets decreased by 10% due to a stronger yen
- ✓ Segment Assets ROA maintained above 3%



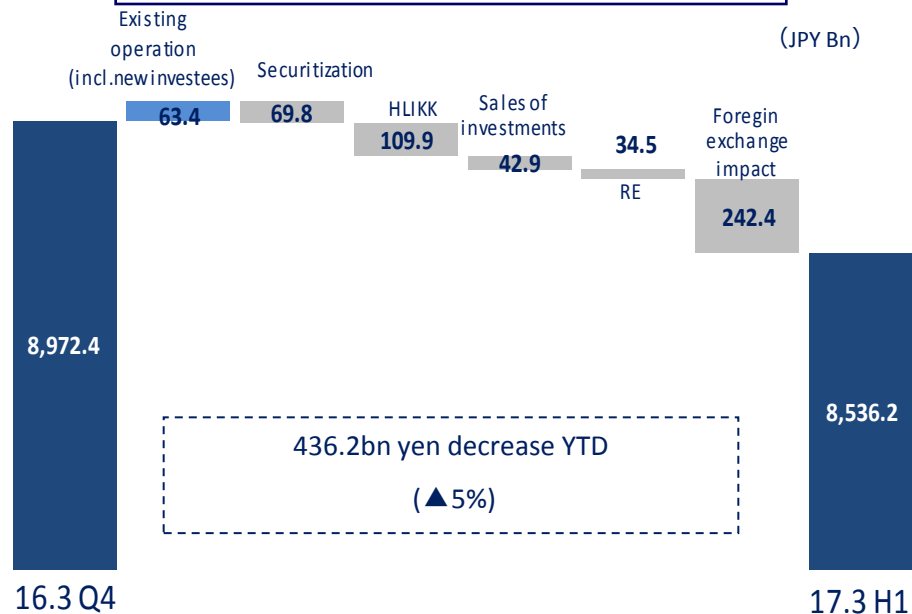
# Overview (4)

- Pretax profits: 31.5bn yen decrease YoY (▲13%)
  - ✓ Recent strong yen reduced pretax profits by 7.3bn yen YoY
  - ✓ Houlihan Lokey's IPO boosted pretax profits last year by 39.6bn yen; higher gains on sales of Real Estate assets YoY
- Segment assets: 436.2bn yen decrease YTD (▲5%)
  - ✓ More than half of the asset decrease was due to a stronger yen; HLIKK's run-off business continues to shrink
  - ✓ Asset increase in existing operation came from Environment and energy business and PE investment; Overseas Business assets increased YoY in local currency

YoY Changes in Pretax Profits



YTD Changes in Segment Assets

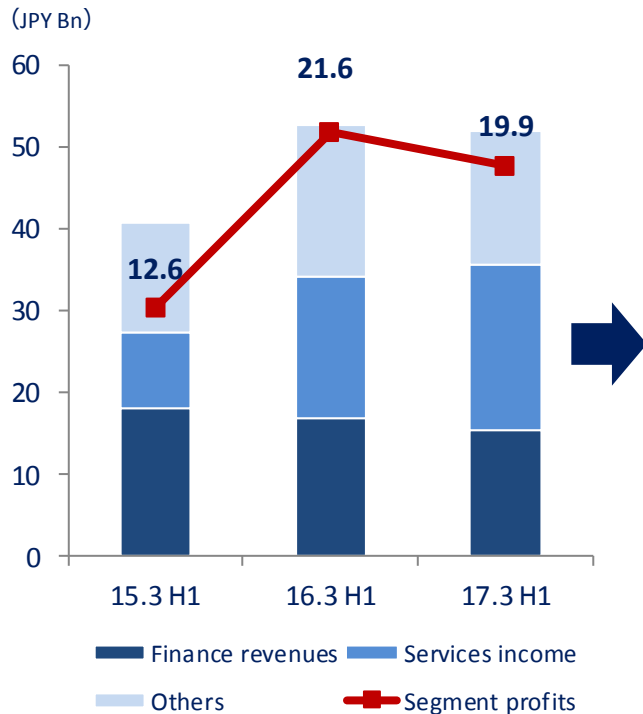


# Segment Performance (1) (Corporate Financial Services)

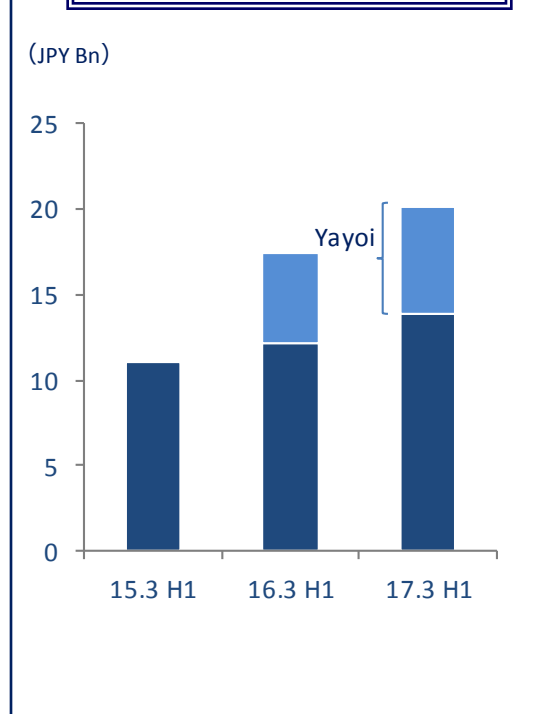


- Segment profits: 19.9bn yen, down by 1.7bn yen YoY (▲8%)
  - ✓ Finance revenues decreased due to lower installment loan balance
  - ✓ Services income continued to increase steadily
- Segment assets: 1,034.4bn yen, down by 15.5bn yen YTD (▲1%)
  - ✓ Installment loan balance decreased

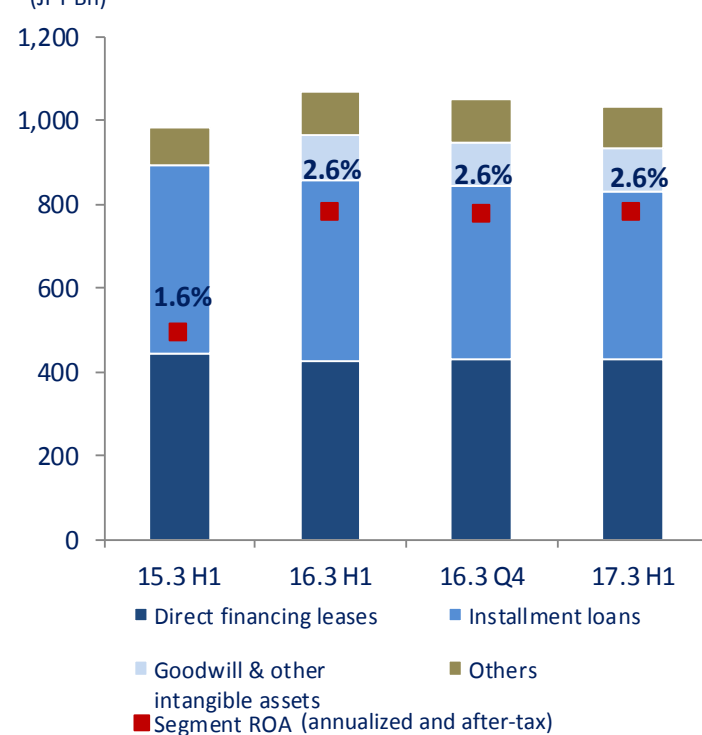
Segment Revenues/Profits



Services Income



Segment Assets/ROA



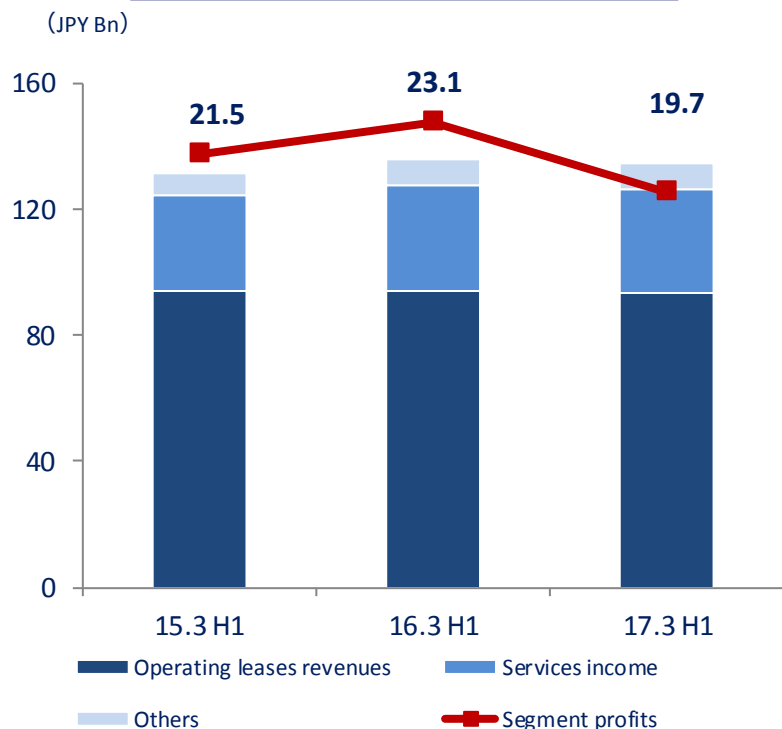
# Segment Performance (2)

## (Maintenance Leasing)

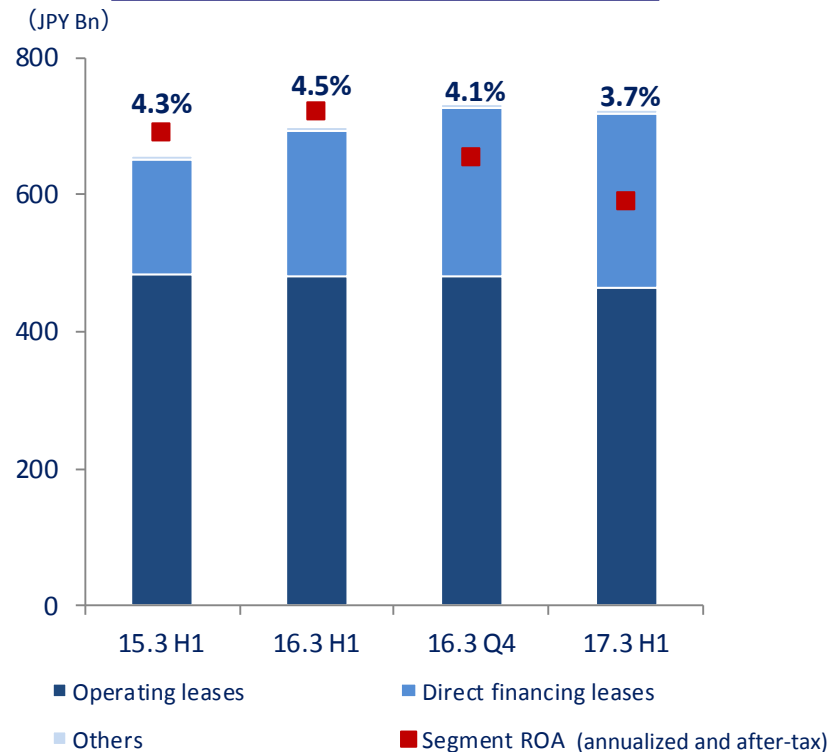


- Segment profits: 19.7bn yen, down by 3.5bn yen YoY (▲ 15%)
  - ✓ Gains on sales of used car decreased by 1.3bn yen YoY
- Segment assets: 724.2bn yen, down by 7.2bn yen YTD (▲ 1%)
  - ✓ Assets decreased due to securitization (37.5bn yen)

Segment Revenues/Profits

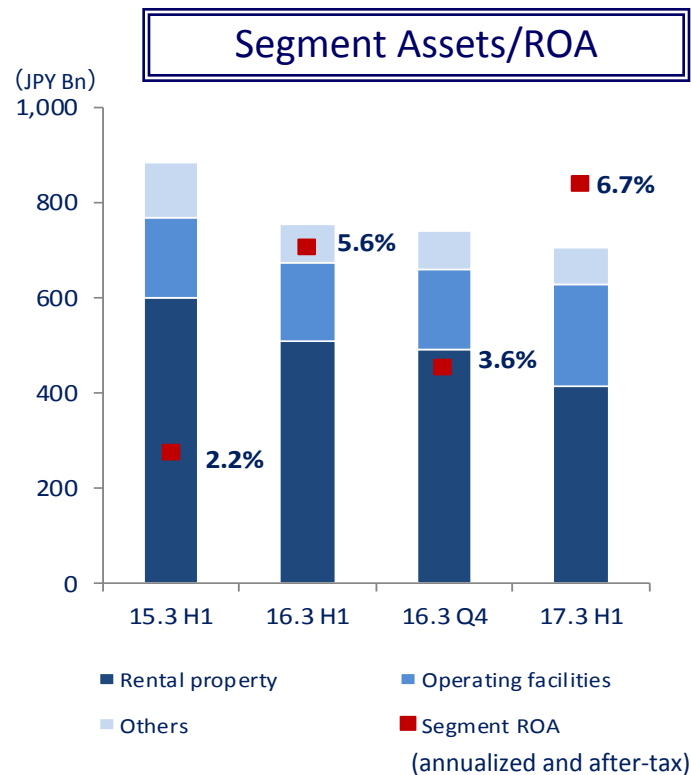
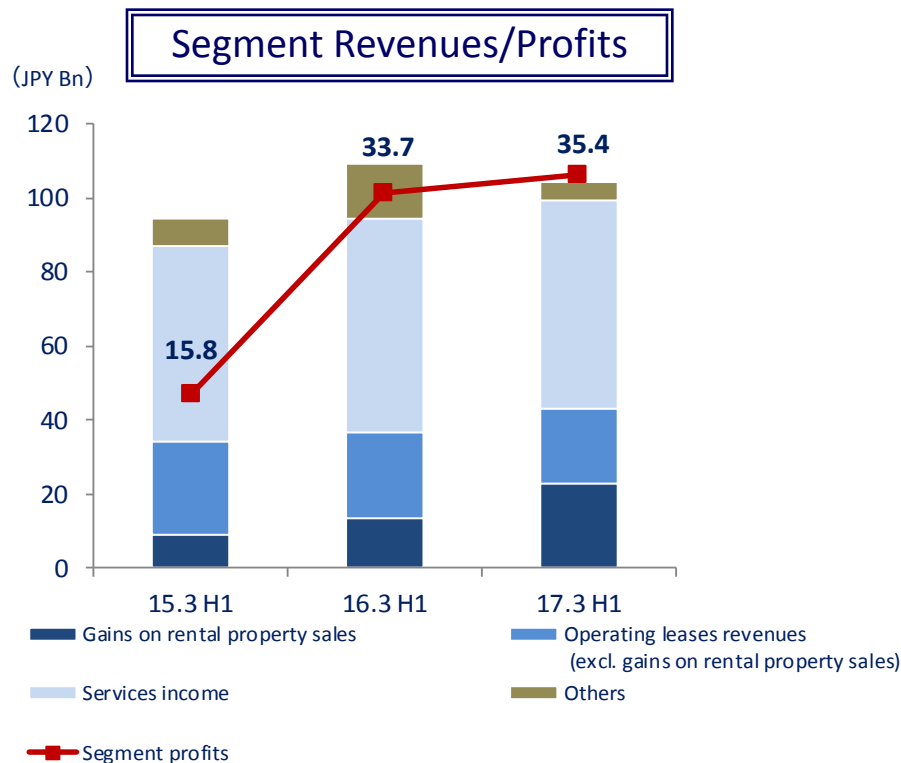


Segment Assets/ROA



# Segment Performance (3) (Real Estate)

- Segment profits: 35.4bn yen, up by 1.7bn yen YoY (+5%)
  - ✓ Realized capital gains from well-timed sales of RE assets
- Segment assets: 705.1bn yen, down by 34.5bn yen YTD (▲5%)
  - ✓ Assets decreased due to rental property sales



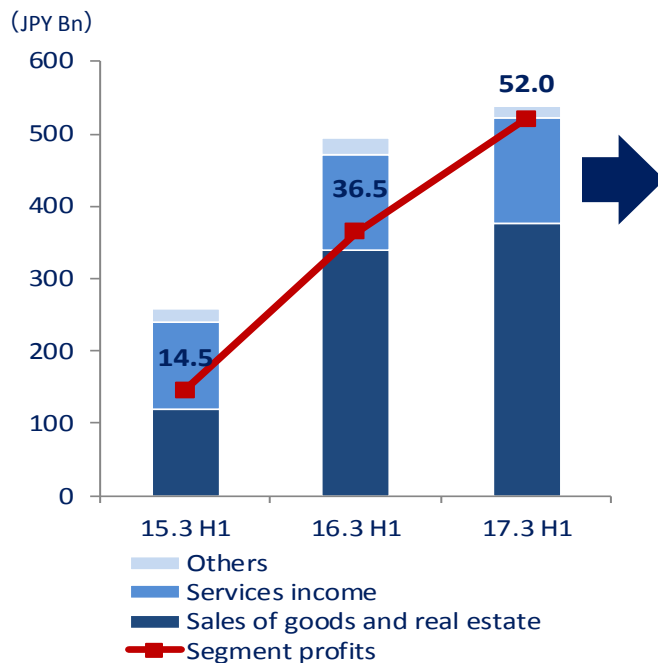


# Segment Performance (4) (Investment and Operation)

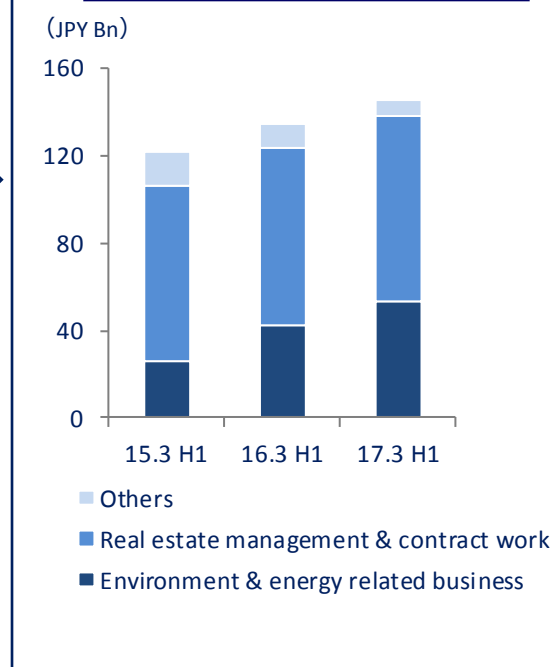


- Segment profits: 52bn yen, up by 15.6bn yen YoY (+43%)
  - ✓ Profit growth largely driven by exit of PE investments and services income growth in Environment and energy business
- Segment assets: 695.8bn yen, down by 8.4bn yen YTD (▲1%)
  - ✓ While assets decreased due to sales of investments, assets in Environment and energy business grew primarily in mega solar projects

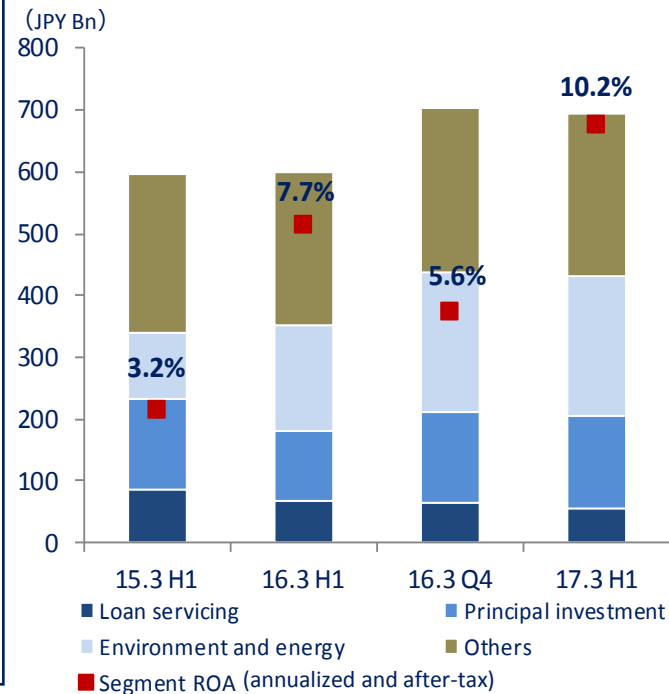
Segment Revenues/Profits



Services Income



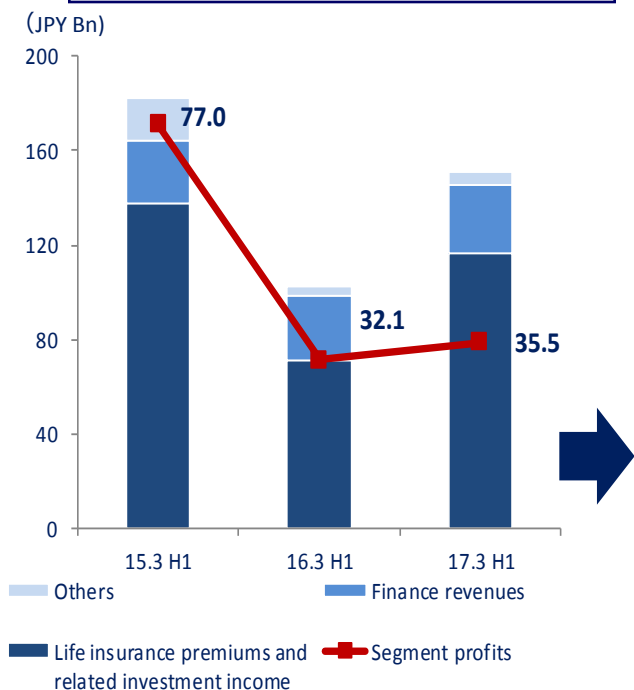
Segment Assets/ROA



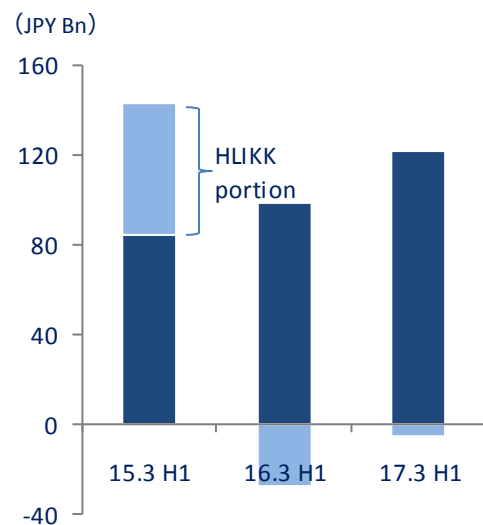
# Segment Performance (5) (Retail)

- Segment profits: 35.5bn yen, up by 3.4bn yen YoY (+11%)
  - ✓ Life insurance premiums and related investment income improved; Finance revenues from banking business also increased
- Segment assets: 3,325.4bn yen, down by 137.4bn yen YTD (▲4%)
  - ✓ Increase in banking assets; decrease in HLIKK's run-off business

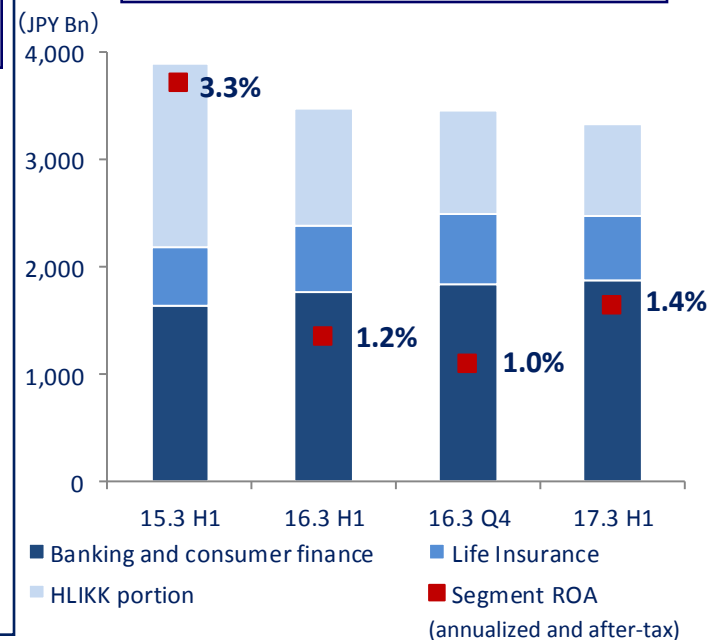
Segment Revenues/Profits



Life Insurance Premiums and Related Investment Income



Segment Assets/ROA

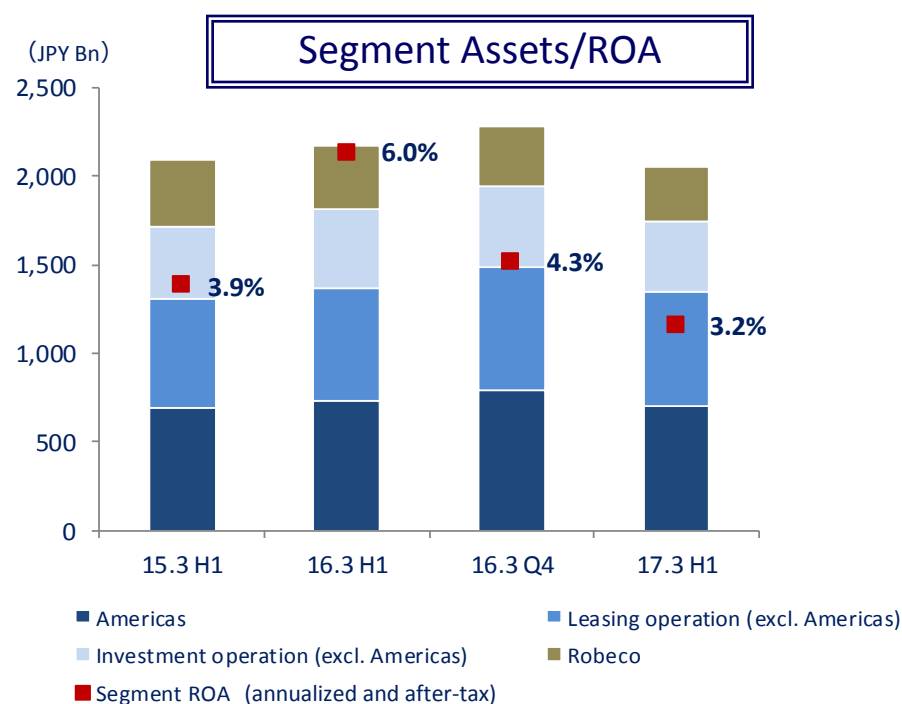
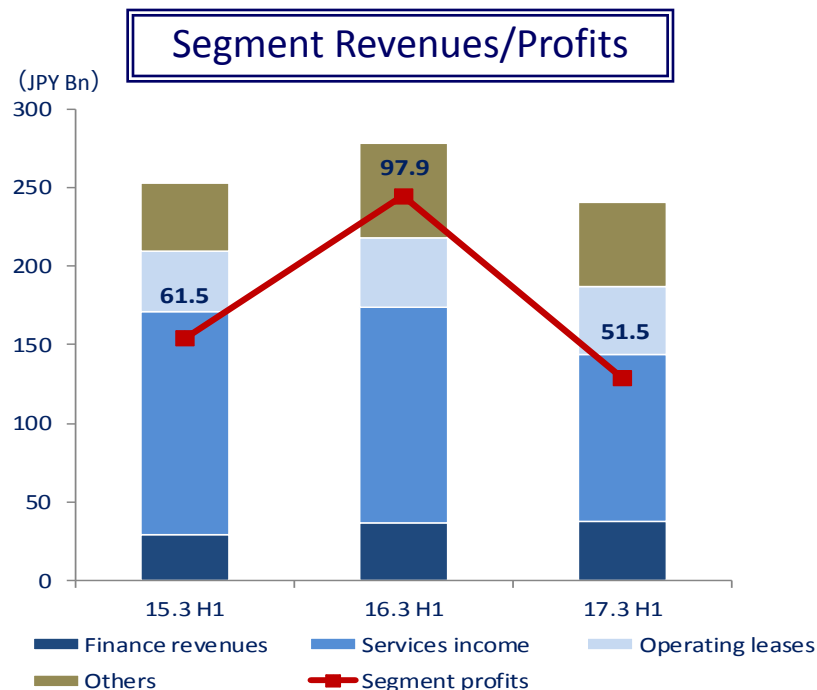


# Segment Performance (6)

## (Overseas Business)



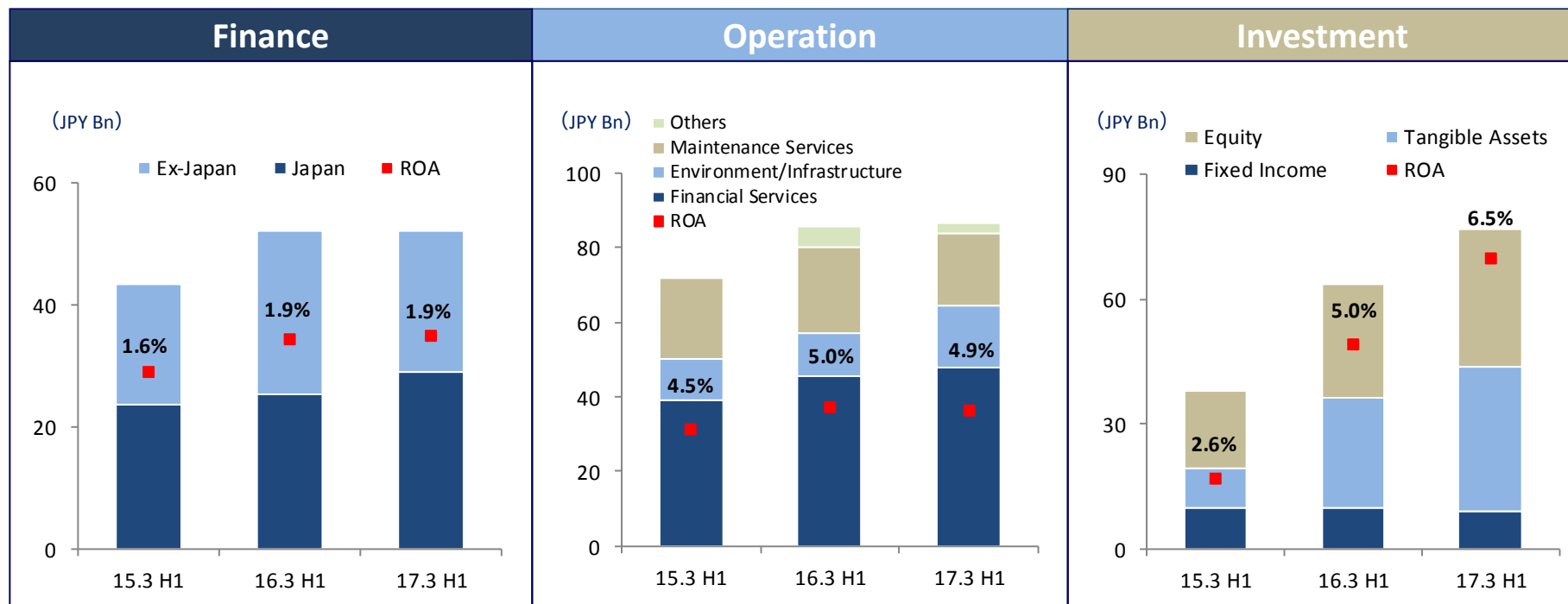
- Segment profits: 51.5bn yen, down by 46.4bn yen YoY (▲47%)
  - ✓ 7.3bn yen decrease due to a stronger yen; there were gains (39.6bn yen) from Houlihan Lokey's IPO last year
  - ✓ Higher profits contributed by Aircraft-related operations
- Segment assets: 2,051.5bn yen, down by 233.3bn yen YTD (▲10%)
  - ✓ 242.4bn yen decrease due to a stronger yen (increase in local currency)



# Performance in Three Categories

- ✓ “Investment”, which recognized capital gains from PE investment exits and sales of RE assets, was a major driver behind the overall profits growth
- ✓ “Finance” and “Operation” also achieved steady profits growth if FX impacts were disregarded

## Segment Profits (3 Categories)



(\*1) FY15.3 H1 Segment Profits in Operation excludes bargain purchase gains (c.36.1bn yen) and ordinary profit/loss contribution associated with HLIKK, and capital gains (c. 15bn yen) from the sales of Monex shares

(\*2) FY16.3 H1 Segment Profits in Operation excludes capital gains/valuation gains (c. 39.6bn yen) associated with the IPO of Houlihan Lokey and ordinary profit/loss contribution from HLIKK

(\*3) FY17.3 H1 Segment Profits in Operation excludes ordinary profit/loss contribution from HLIKK

# Mid-Term Strategic Direction

- ✓ Continue to implement growth strategy and identify business opportunities amid uncertain macro environment
- ✓ Focus on expanding stable earning streams and developing brand new businesses

## FY17.3 H1 Progress

Businesses	Major Progress
Infrastructure (Concession)	<ul style="list-style-type: none"> <li>• Kansai Airports operation commenced. Inquiries on other concession projects have increased</li> </ul>
PE Investment	<ul style="list-style-type: none"> <li>• Executed 5 new investments in both Japan and overseas</li> </ul>
Aircraft related Business	<ul style="list-style-type: none"> <li>• Agreed to purchase 35 aircrafts in sequence (total value of 180bn yen)</li> </ul>
Asset Management	<ul style="list-style-type: none"> <li>• Acquired Boston Financial, the largest LIHTC syndicator in the U.S.</li> </ul>
Environment and Energy	<ul style="list-style-type: none"> <li>• Mega solar power generation making good progress (as of end of September, 920MW of capacity secured, of which 510MW already in operation )</li> <li>• Agreed to invest in hydropower generation business in Vietnam</li> </ul>
Real Estate	<ul style="list-style-type: none"> <li>• Continue to make new investments in logistics facilities and further expand operating facilities portfolio</li> </ul>
Life Insurance	<ul style="list-style-type: none"> <li>• Established new direct sales channels in Tokyo and Osaka</li> </ul>

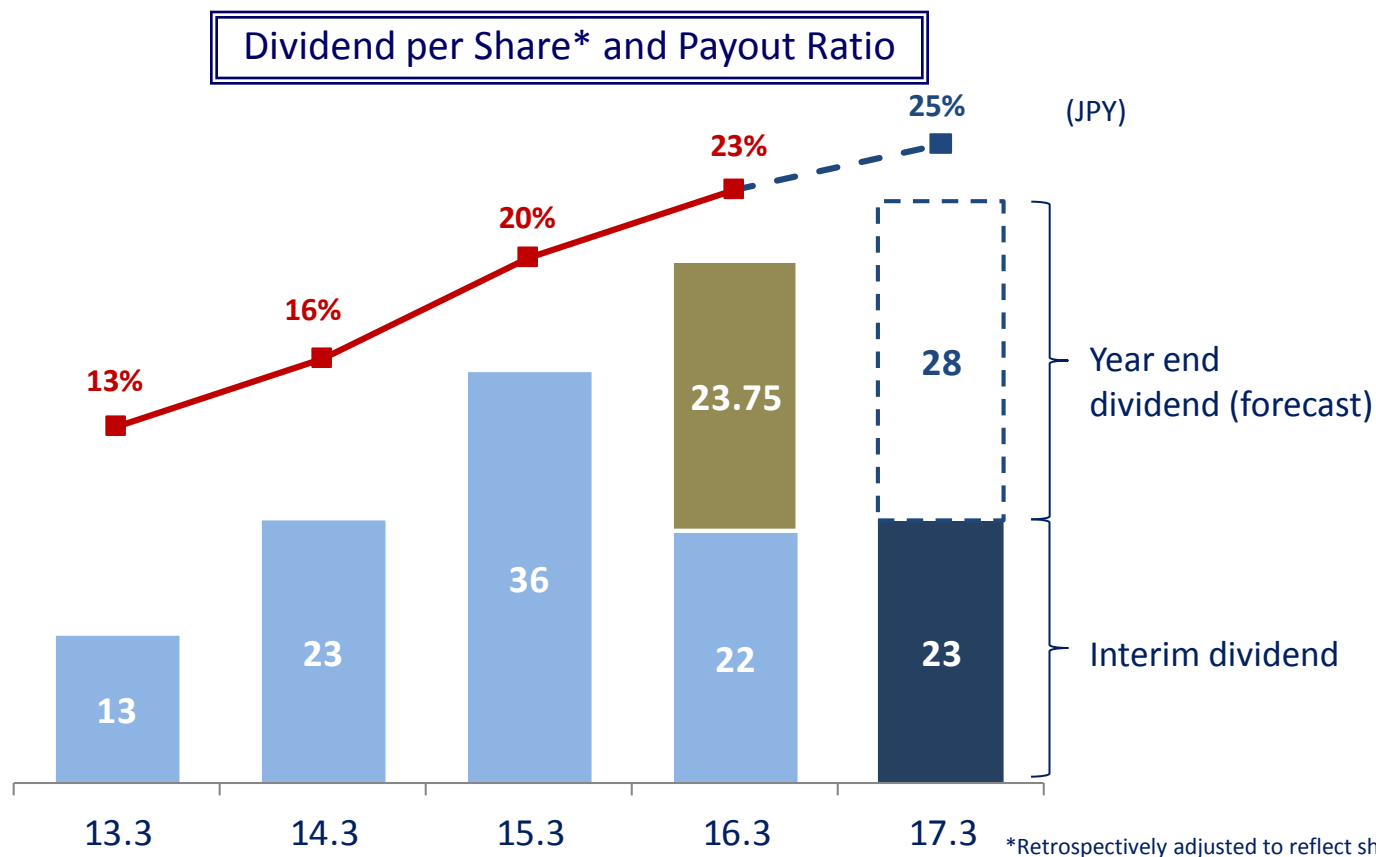
# Share Buybacks

- Despite solid financial performance, ORIX share price stays below PBR 1X
- Buybacks will be implemented when share price deviates significantly from its intrinsic value
- Buybacks can contribute to efficient capital allocation and enhance long-term shareholder value

<b>Number of share repurchase</b>	Up to 39 million shares 2.97% of the number of shares outstanding(excl. treasury shares)
<b>Total amount of shares</b>	Up to 50bn yen
<b>Implementation period</b>	October 27, 2016 to March 31, 2017
<b>Method</b>	Market purchase at Tokyo Stock Exchange

# Dividends

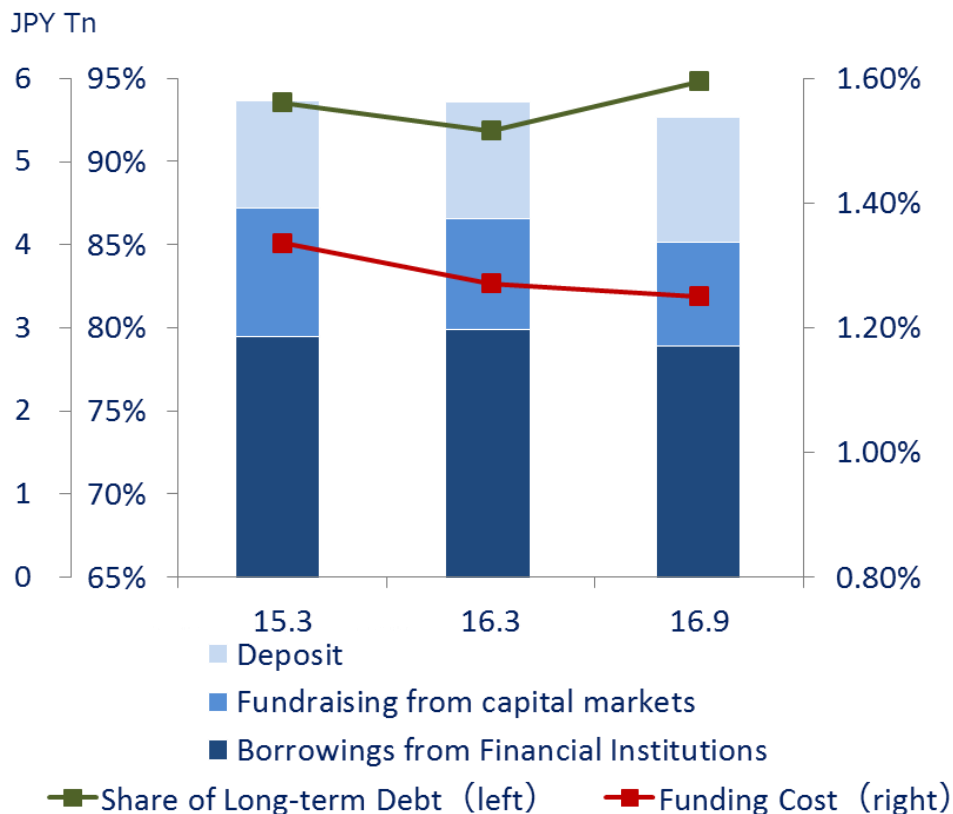
- ✓ Interim dividend at 23 yen per share; Year end dividend forecast at 28 yen per share
- ✓ Full year dividend forecast at 51 yen per share implies a 11% increase YoY
- ✓ Dividend payout ratio target for FY2017.3 at 25%
- ✓ Target stable dividend growth inline with sustainable profit growth



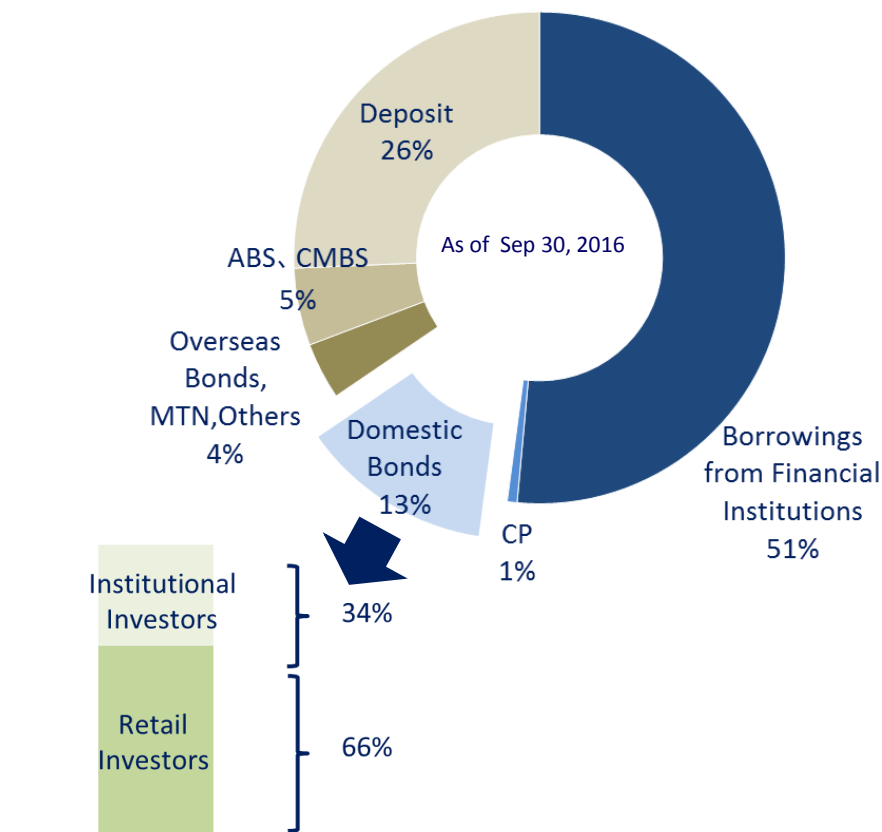
# Financials (1) Funding Structure

- ✓ Lengthening and stabilization of funding
- ✓ Funding cost control

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



Funding Composition

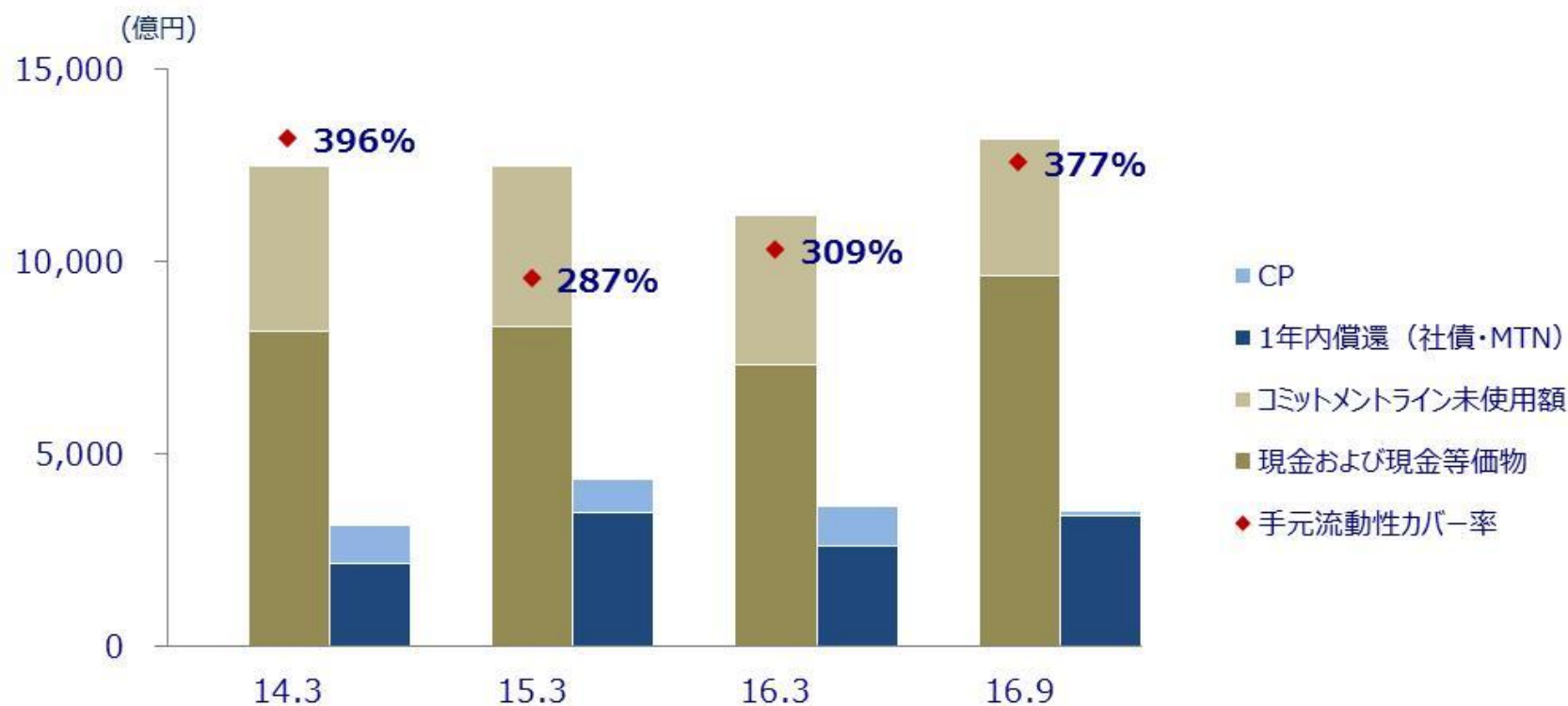




# Financials (2) Liquidity on hand

- ✓ Maintained high level of liquidity.

Liquidity vs Short-Term Capital Market Liabilities



# Financials (3) Bond Issuances and Maturity Ladder

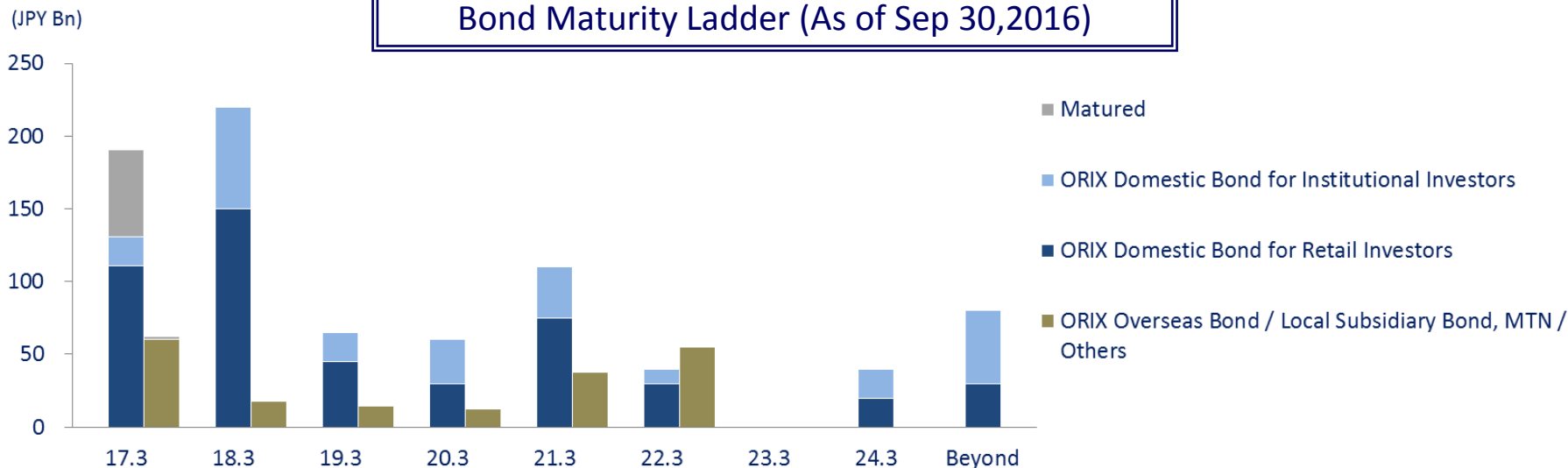


- ✓ Promote diversification on funding sources
- ✓ Issued bonds in right market by appropriate currency to support business development

## ■ Bonds issued in FY2017.3

		Issued	Amount	Term (year)	Issued to	Coupon	T Spread
ORIX /Domestic Bond	#186	July 14, 2016	JPY 10.0 bil	5	Institutional Investors	0.080%	-
	#187	July 14, 2016	JPY 10.0 bil	10	Institutional Investors	0.280%	-
ORIX/Overseas Bond	U.S.Dollars MTN	April 13, 2016	USD 500mil (JPY 50.6 bil)	5	Institutional Investors	2.650%	150bp
Local Subsidiary/ Bond·MTN	Korea Won Bond	April 8, 2016	KRW 10,000mil (JPY 0.9 bil)	4	Institutional Investors	2.090%	-
	Korea Won Bond	April 28, 2016	KRW 30,000mil (JPY 2.8 bil)	5	Institutional Investors	2.167%	-
	Malaysia Ringgit MTN	April 29, 2016	MYR 50mil (JPY 1.2 bil)	1	Institutional Investors	4.170%	-
	Korea Won Bond	May 26, 2016	KRW 20,000mil (JPY 1.8 bil)	1yr9m	Institutional Investors	2.500%	-
	Indian Rupee Bond	August 3, 2016	INR 1,200mil (JPY 1.8 bil)	3	Institutional Investors	8.700%	-
	Malaysia Ringgit MTN	August 15, 2016	MYR 50mil (JPY 1.2 bil)	2	Institutional Investors	4.050%	-

Bond Maturity Ladder (As of Sep 30,2016)



# Financials (4) Asset Quality

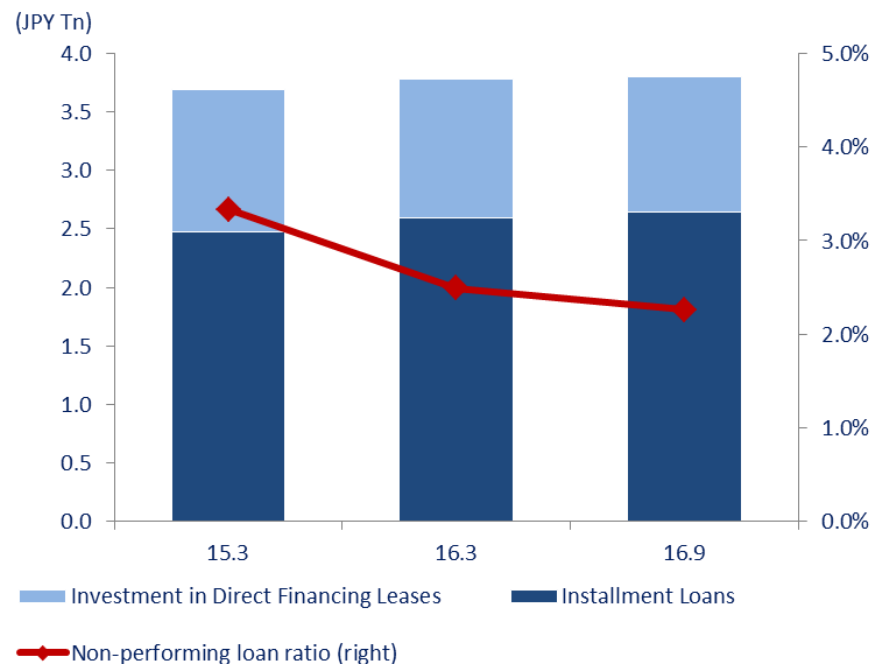
✓ Non-performing loan ratio continues to improve

## Coverage Ratio of Loans Individually Evaluated for Impairment

(JPY Bn)	15.3	16.3	16.9
Loans individually evaluated for impairment (a)	101.0	73.6	65.8
Estimated collectable amount	66.7	51.1	* 46.4
Amount covered by collaterals such as real estate	57.1	40.6	36.8
Coverage (b)	91.5	63.1	56.3
Amount covered by collaterals such as real estate	57.1	40.6	36.8
Valuation Allowance (Provision)	34.4	22.5	19.4
Coverage ratio (b)/(a)	90.5%	85.8%	85.5%

- The amount consists of loans individually evaluated for impairment which is covered by collaterals such as real estate (JPY 36.8Bn), and receivable which cashflow is expected to be collected other than collateral disposal (JPY 9.6Bn).

## Changes in Non-Performing Loan Ratio



**Net income at 142.2bn yen, annualized ROE at 12.2%**

**Despite a YoY decrease in net income, overall results still considered solid**

**With a focus on “Operation” and “Investment”, continue to develop new businesses and further strengthen stable earning streams**

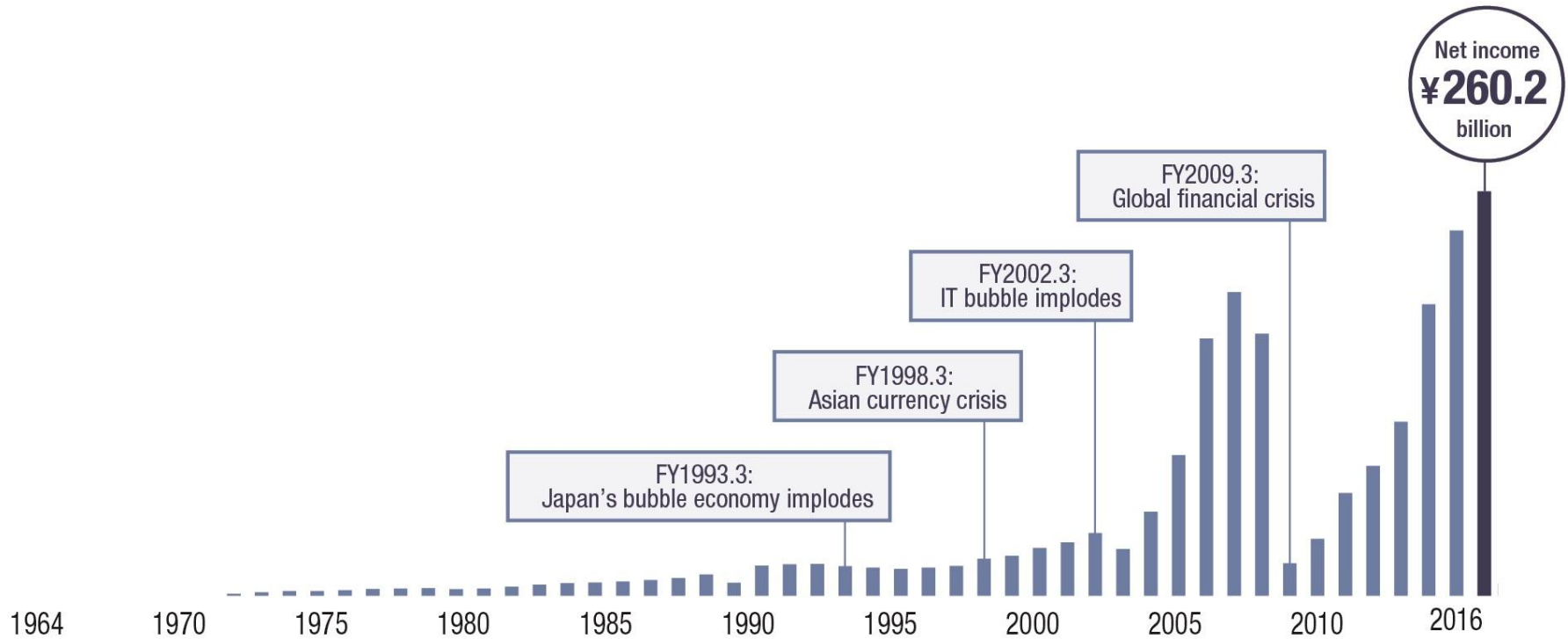
# Appendix

# About ORIX Proven Track Record of Profitability



✓ ORIX has maintained profitability for the past 51 consecutive years

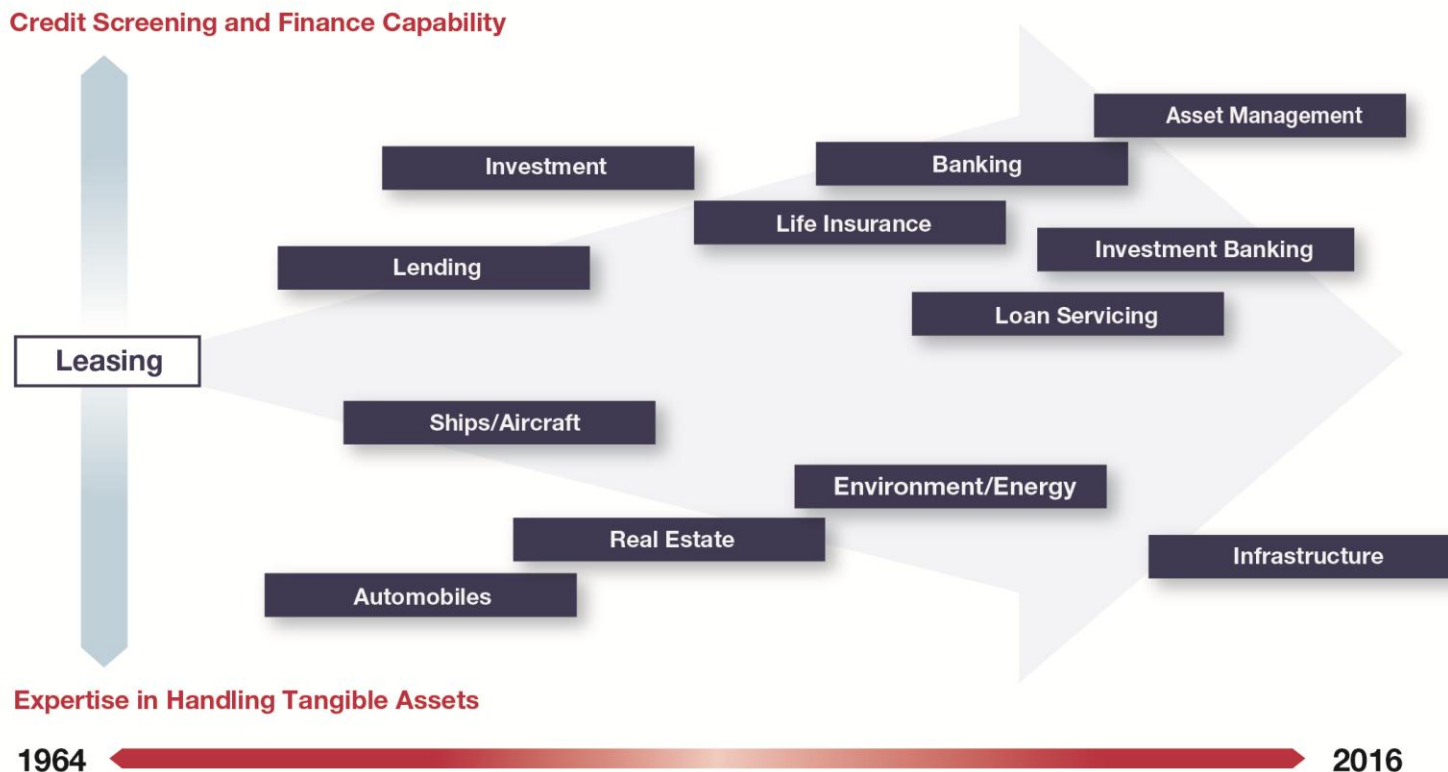
## Net Income Attributable to ORIX Corporation Shareholders



# About ORIX Evolving and Dynamic Portfolio



- ✓ ORIX leverages its operational know-how to evolve, diversify and adapt its portfolio to take advantage of changing macroeconomic conditions

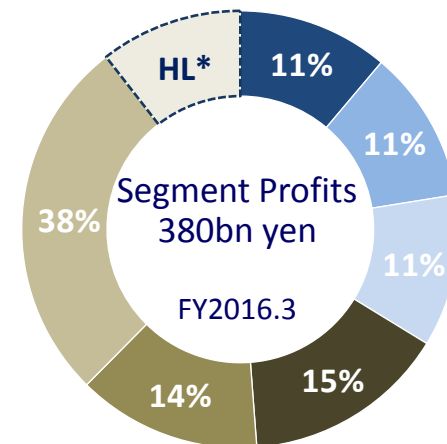


# About ORIX Business by Segment

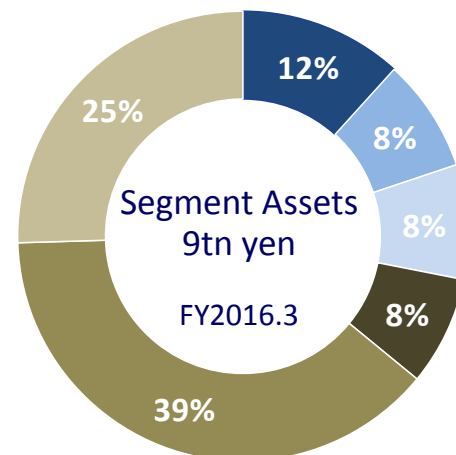


- ✓ Our highly diversified company contains many complementary businesses, providing ample opportunity for synergies and knowledge sharing

<b>Corporate Financial Services</b>	Lending, Leasing, Fee businesses
<b>Maintenance Leasing</b>	Automobile leasing and rentals, Car sharing, Test and measurement instruments and IT-related equipment rentals and leasing
<b>Real Estate</b>	Real estate development/rental, facility operation, REIT asset management, and real estate investment and advisory services
<b>Investment and Operation</b>	Environment and energy business, Principal investment and Loan servicing, Infrastructure (Concession) business
<b>Retail</b>	Life insurance, Banking, Card loan business
<b>Overseas Business</b>	Leasing, Lending, Investment in bonds, Asset management, Ship/Aircraft-related operations



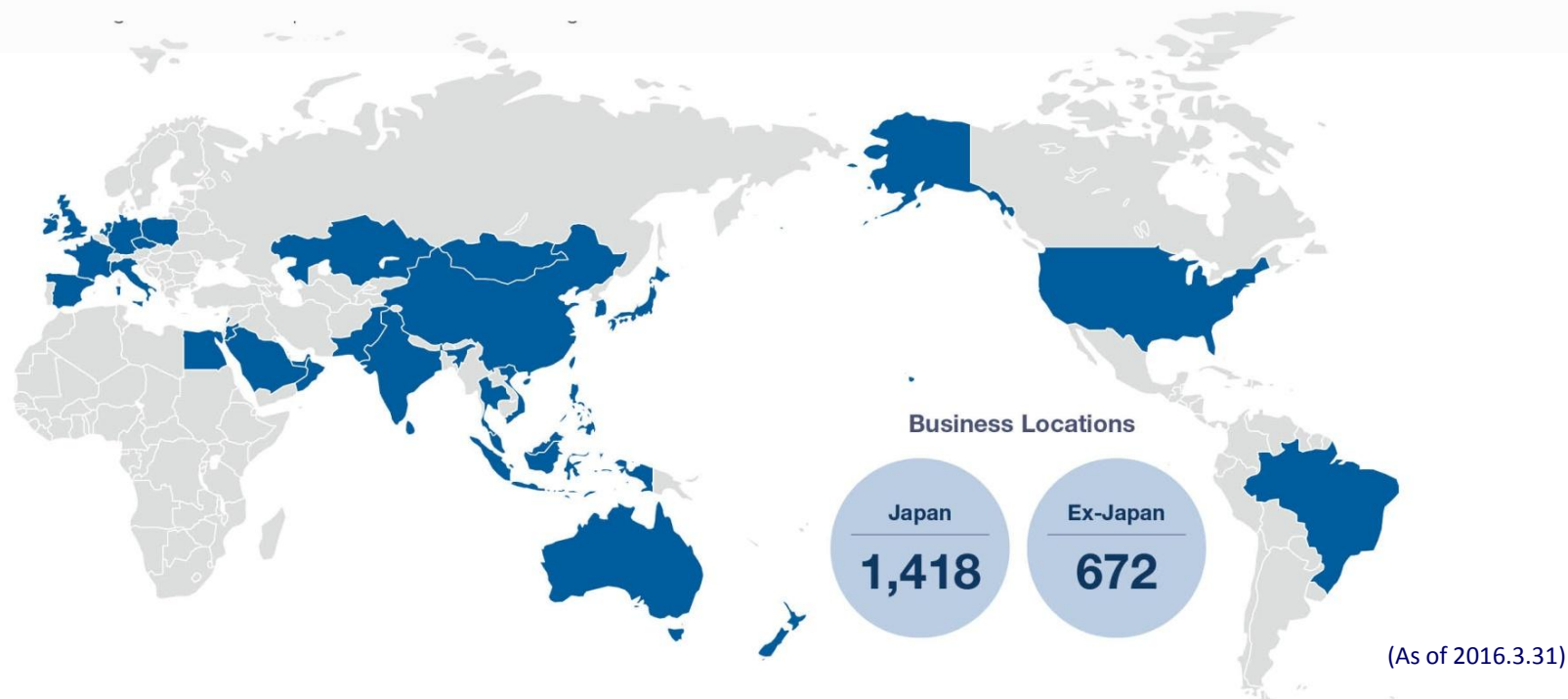
\*Houlihan Lokey IPO resulted 39.6bn yen of capital gains and valuation gains in Overseas Business





# About ORIX Global Network

- ✓ ORIX has spread its business globally by expanding operations in 37 countries and regions worldwide



1970s	1980s	1990s	2000s	2010s
<b>Global Network</b>				
7 Countries	12 Countries	18 Countries	26 Countries	<b>37 Countries</b>
Overseas expansion mainly through leasing business in Asia		Further overseas expansion via diversification into aircraft-related and equity investment businesses		Expansion of business operations through acquisition of Robeco and development of the environment and energy business

# Appendix(1) Performance Overview



(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Total Revenues	2,174.3	2,369.2	955.6	1,170.2	1,221.1	104%
Net Income *1	234.9	260.2	141.3	161.3	142.2	88%
Segment Assets	9,170.2	8,972.4	9,118.9	8,766.0	8,536.2	97%
Total Assets	11,439.9	10,992.9	11,205.9	11,076.5	10,782.7	97%
Shareholders' Equity	2,152.2	2,310.4	2,036.3	2,249.2	2,365.0	105%
Shareholders' Equity Ratio	18.8%	21.0%	18.2%	20.3%	21.9%	1.6%
ROE	11.5%	11.7%	14.3%	14.7%	12.2%	-2.5%
Return on Segment Assets (ROA)	2.86%	2.87%	3.45%	3.60%	3.25%	-0.35%
D/E Ratio	2.1x	1.9x	2.1x	1.9x	1.7x	-0.2x

\*1 Net Income Attributable to ORIX Corporation Shareholders

# Appendix(2) Profits by Segment

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Corporate Financial Services	25.5	42.4	12.6	21.6	19.9	92%
Maintenance Leasing	40.4	42.9	21.5	23.1	19.7	85%
Real Estate	3.5	42.9	15.8	33.7	35.4	105%
Investment and Operation	42.4	57.2	14.5	36.5	52.0	143%
Retail	120.6	51.8	77.0	32.1	35.5	111%
Overseas Business	104.1	142.9	61.5	97.9	51.5	53%
<b>Total Segment Profits</b>	<b>336.5</b>	<b>380.1</b>	<b>203.0</b>	<b>244.8</b>	<b>214.0</b>	<b>87%</b>

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)

	15.3	16.3	14.9	15.9	16.9	Change (YTD)
Corporate Financial Services	1,132.5	1,049.9	983.6	1,068.5	1,034.4	99%
Maintenance Leasing	662.9	731.3	656.1	699.3	724.2	99%
Real Estate	835.4	739.6	885.2	753.9	705.1	95%
Investment and Operation	660.0	704.2	596.8	599.0	695.8	99%
Retail	3,700.6	3,462.8	3,907.0	3,473.2	3,325.4	96%
Overseas Business	2,178.9	2,284.7	2,090.1	2,172.1	2,051.5	90%
<b>Total Segment Assets</b>	<b>9,170.2</b>	<b>8,972.4</b>	<b>9,118.9</b>	<b>8,766.0</b>	<b>8,536.2</b>	<b>95%</b>

# Appendix(4) Income Statement Data

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	186.9	200.9	91.2	101.2	96.6	95%
Gains on investment securities and dividends	56.4	35.8	31.3	31.3	15.2	49%
Operating leases	124.9	128.8	64.1	68.9	74.8	109%
Life insurance premiums and related investment income	79.5	68.1	29.3	38.7	44.3	115%
Sales of goods and real estate	48.8	85.8	16.8	44.0	43.2	98%
Services income	339.9	289.8	148.6	162.5	145.0	89%
<b>Gross Profits*1</b>	<b>836.5</b>	<b>809.2</b>	<b>381.4</b>	<b>446.6</b>	<b>419.1</b>	<b>94%</b>
Interest expense	72.6	72.8	36.7	35.9	35.3	99%
Selling, general and administrative expenses	427.8	422.7	197.1	216.3	203.7	94%
Provisions/Impairments	55.5	29.7	10.6	7.4	14.4	195%
Other (income) and expense, net	23.7	-3.7	2.0	4.6	-0.7	-15%
<b>Operating Income</b>	<b>256.8</b>	<b>287.7</b>	<b>135.0</b>	<b>182.5</b>	<b>166.3</b>	<b>91%</b>
Equity in Net Income of Affiliates	30.5	45.7	10.2	11.9	15.8	133%
Gains on Sales of Subsidiaries and Affiliates...etc	56.7	57.9	55.9	56.4	37.1	66%
<b>Income before Income Taxes and Discontinued Operations</b>	<b>344.0</b>	<b>391.3</b>	<b>201.1</b>	<b>250.7</b>	<b>219.2</b>	<b>87%</b>
<b>Net Income Attributable to ORIX Corporation Shareholders</b>	<b>234.9</b>	<b>260.2</b>	<b>141.3</b>	<b>161.3</b>	<b>142.2</b>	<b>88%</b>

\*1 Each revenue component deducted with corresponding costs and expenses

# Appendix(5) Funding

(JPY Bn)

Funding	15.3	16.3	14.9	15.9	16.9	Change (YoY)
CP	89.6	102.4	163.2	70.1	14.0	-56.1
Borrowings from Financial Institutions	2,881.6	2,970.6	2,684.4	2,874.1	2,769.1	-105.0
Bonds / MTN	1,151.5	938.1	1,109.4	1,086.2	942.5	-143.7
Deposits	1,287.4	1,398.5	1,218.2	1,332.7	1,490.2	157.5
ABS, CMBS	291.3	275.5	237.3	336.7	288.3	-48.4
<b>Short-term Debt, Long-term Debt and Deposits</b>	<b>5,701.4</b>	<b>5,685.0</b>	<b>5,412.5</b>	<b>5,699.8</b>	<b>5,504.1</b>	<b>-195.7</b>
<b>Share of Long-Term Debt</b>	<b>94%</b>	<b>92%</b>	<b>92%</b>	<b>93%</b>	<b>95%</b>	<b>2%</b>

Liquidity	15.3	16.3	14.9	15.9	16.9	Change (YoY)
Available Commitment Line (1)	419.4	389.9	409.8	396.5	356.3	-40.2
Cash and Cash Equivalents (2)	827.5	730.4	832.3	949.1	961.8	12.7
Liquidity (1+2)	1,246.9	1,120.3	1,242.1	1,345.6	1,318.2	-27.4
Marketable Short-term Debt (3) *1	434.1	362.3	362.0	319.0	349.2	30.2
Liquidity Coverage Ratio (1+2)/(3)	287%	309%	343%	422%	377%	-45%

Funding Costs (including Deposits)	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Domestic Currency	0.76%	0.64%	0.80%	0.66%	0.53%	-0.13%
Foreign Currency	2.87%	2.74%	2.80%	2.67%	2.75%	0.08%

\*1 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)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	35.6	34.2	18.1	16.8	15.5	92%
Operating leases	24.5	25.5	12.2	12.4	12.2	99%
Services income	22.0	35.7	9.2	17.4	20.1	115%
Sales of goods and real estate and others	3.4	11.7	1.3	6.1	4.2	68%
<b>Segment Revenues</b>	<b>85.5</b>	<b>107.2</b>	<b>40.8</b>	<b>52.7</b>	<b>52.0</b>	<b>99%</b>
Segment Expenses	60.6	65.5	28.4	31.5	33.9	108%
<b>Segment Profits</b>	<b>25.5</b>	<b>42.4</b>	<b>12.6</b>	<b>21.6</b>	<b>19.9</b>	<b>92%</b>

Investment in Direct Financing Leases	461.7	431.6	443.3	423.9	430.8
Installment Loans	461.3	411.8	450.2	435.2	401.4
<b>Segment Assets</b>	<b>1,132.5</b>	<b>1,049.9</b>	<b>983.6</b>	<b>1,068.5</b>	<b>1,034.4</b>
<b>ROA</b>	<b>1.54%</b>	<b>2.59%</b>	<b>1.64%</b>	<b>2.61%</b>	<b>2.61%</b>

# Appendix(7) Maintenance Leasing

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	11.1	12.1	5.1	6.3	6.4	102%
Operating leases	185.7	188.8	93.9	94.4	93.3	99%
Services income	62.5	66.8	30.6	33.2	33.3	100%
<b>Segment Revenues</b>	<b>263.5</b>	<b>271.7</b>	<b>131.7</b>	<b>135.9</b>	<b>134.8</b>	<b>99%</b>
Segment Expenses	223.0	228.7	110.1	112.8	115.2	102%
<b>Segment Profits</b>	<b>40.4</b>	<b>42.9</b>	<b>21.5</b>	<b>23.1</b>	<b>19.7</b>	<b>85%</b>

Investment in Direct Financing Leases	184.9	245.3	167.9	213.8	254.6
Investment in Operating Leases	473.0	481.0	483.8	480.5	464.6
<b>Segment Assets</b>	<b>662.9</b>	<b>731.3</b>	<b>656.1</b>	<b>699.3</b>	<b>724.2</b>
<b>ROA</b>	<b>4.03%</b>	<b>4.10%</b>	<b>4.31%</b>	<b>4.51%</b>	<b>3.69%</b>



# Appendix(8) Real Estate (1)

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	4.1	6.7	2.2	5.5	0.8	15%
Operating leases	63.8	60.3	34.4	36.7	43.3	118%
<i>Gains on Rental Property Sales</i>	<i>14.9</i>	<i>16.1</i>	<i>8.9</i>	<i>13.7</i>	<i>23.0</i>	<i>168%</i>
Services income	104.1	110.6	52.6	57.5	55.9	97%
Sales of goods and real estate and others	10.4	13.9	5.2	9.3	4.1	44%
<b>Segment Revenues</b>	<b>182.3</b>	<b>191.5</b>	<b>94.4</b>	<b>109.0</b>	<b>104.1</b>	<b>95%</b>
Segment Expenses	188.1	154.6	82.2	76.6	70.1	92%
<b>Segment Profits</b>	<b>3.5</b>	<b>42.9</b>	<b>15.8</b>	<b>33.7</b>	<b>35.4</b>	<b>105%</b>

Investment in Operating Leases	423.8	375.1	476.5	378.9	348.4
Property under Facility Operations	172.2	177.5	177.3	180.8	179.9
Advances for Investment in Operating Leases	44.7	38.5	53.1	36.9	22.5
Investment in Affiliates	91.3	91.0	63.3	92.3	91.0
Others	103.4	57.5	115.0	65.0	63.3
<b>Segment Assets</b>	<b>835.4</b>	<b>739.6</b>	<b>885.2</b>	<b>753.9</b>	<b>705.1</b>
<b>ROA</b>	<b>0.25%</b>	<b>3.62%</b>	<b>2.19%</b>	<b>5.64%</b>	<b>6.70%</b>

# Appendix(9) Real Estate (2)

## ■ Breakdown of Real Estate Segment Assets

(JPY Bn)

	15.3	16.3	14.9	15.9	16.9	Change (YTD)
Rental Property	566.9	493.4	600.9	510.1	415.7	84%
Under Lease	471.5	406.1	498.7	416.8	353.6	87%
Under Development	95.4	87.3	102.2	93.3	62.1	71%
Condo Assets	16.5	5.9	24.0	8.6	5.5	93%
NRL / Specified Bonds	27.9	6.6	32.2	16.1	5.5	83%
Operating Facilities	163.9	168.1	168.7	165.3	212.9	127%
Others	60.2	65.6	59.4	53.8	65.5	100%
<b>Total</b>	<b>835.4</b>	<b>739.6</b>	<b>885.2</b>	<b>753.9</b>	<b>705.1</b>	<b>95%</b>

## ■ Rental Property Sales/Gains

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Amount of Rental Property Sales	129.3	96.4	79.8	76.9	56.6	74%
Gains on Rental Property Sales	14.9	16.1	8.9	13.7	23.0	168%

# Appendix(10) Investment and Operation

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	15.7	12.6	8.3	6.5	5.3	82%
Gains on investment securities and dividends	9.3	10.3	4.6	9.7	6.2	64%
Sales of goods and real estate	371.4	718.9	119.1	338.3	377.4	112%
Services income	260.4	277.2	121.4	134.1	145.6	109%
<b>Segment Revenues</b>	<b>666.1</b>	<b>1,028.4</b>	<b>257.7</b>	<b>493.5</b>	<b>539.0</b>	<b>109%</b>
Segment Expenses	632.3	983.2	245.6	465.8	522.1	112%
Equity in Net Income of Affiliates and others	8.6	12.1	2.5	8.7	35.1	401%
<b>Segment Profits</b>	<b>42.4</b>	<b>57.2</b>	<b>14.5</b>	<b>36.5</b>	<b>52.0</b>	<b>143%</b>

Installment Loans	93.2	76.0	104.3	86.5	64.8
Investment in Securities	112.9	71.7	81.8	80.1	59.9
Property under Facility Operations	90.9	130.6	66.3	82.9	161.4
Inventories	116.5	98.0	102.1	107.3	113.0
Investment in Affiliates	51.1	108.2	63.8	54.6	65.3
<b>Segment Assets</b>	<b>660.0</b>	<b>704.2</b>	<b>596.8</b>	<b>599.0</b>	<b>695.8</b>
<b>ROA</b>	<b>4.49%</b>	<b>5.58%</b>	<b>3.24%</b>	<b>7.70%</b>	<b>10.16%</b>

# Appendix(11) Retail

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	52.5	55.3	26.0	27.2	28.9	106%
Life insurance premiums and related investment income	352.5	190.8	138.0	71.2	116.4	164%
Services income and others	20.9	8.2	18.0	4.1	5.8	142%
<b>Segment Revenues</b>	<b>426.0</b>	<b>254.3</b>	<b>182.1</b>	<b>102.4</b>	<b>151.1</b>	<b>148%</b>
Segment Expenses	342.1	203.3	141.4	71.1	115.6	162%
Equity in Net Income of Affiliates and others	36.7	0.8	36.4	0.8	0.0	0%
<b>Segment Profits</b>	<b>120.6</b>	<b>51.8</b>	<b>77.0</b>	<b>32.1</b>	<b>35.5</b>	<b>111%</b>

Installment Loans	1,376.7	1,496.4	1,313.0	1,425.1	1,609.1
Investment in Securities	2,246.9	1,893.6	2,482.5	1,974.4	1,645.2
<b>Segment Assets</b>	<b>3,700.6</b>	<b>3,462.8</b>	<b>3,907.0</b>	<b>3,473.2</b>	<b>3,325.4</b>
<b>ROA</b>	<b>2.64%</b>	<b>0.96%</b>	<b>3.25%</b>	<b>1.19%</b>	<b>1.43%</b>

# Appendix(12) Overseas Business (1)

(JPY Bn)

	FY15.3	FY16.3	15.3 H1	16.3 H1	17.3 H1	Change (YoY)
Finance revenues	63.3	75.0	29.2	36.2	37.9	105%
Gain on investment securities and dividends	30.5	16.1	9.8	15.7	5.6	36%
Operating leases	82.1	92.0	38.8	44.0	43.5	99%
Services income	321.5	250.1	141.7	138.0	105.9	77%
<b>Segment Revenues</b>	<b>561.9</b>	<b>526.0</b>	<b>253.3</b>	<b>277.8</b>	<b>240.6</b>	<b>87%</b>
Segment Expenses	463.1	452.2	208.1	227.5	197.1	87%
Equity in Net Income(Loss) of Affiliates and others	5.3	69.0	16.3	47.5	8.0	17%
<i>Net Income Attributable to Redeemable Noncontrolling Interests</i>	-23.1	-7.8	-8.0	-5.8	-3.5	-
<b>Segment Profits</b>	<b>104.1</b>	<b>142.9</b>	<b>61.5</b>	<b>97.9</b>	<b>51.5</b>	<b>53%</b>

Investment in Direct Financing Leases	386.6	351.0	365.1	349.4	311.4
Installment Loans	344.1	407.9	345.7	308.0	358.5
Investment in Operating Leases	278.7	375.4	263.6	342.1	325.1
Investment in Securities	404.3	383.2	385.2	390.3	355.3
Investment in Affiliates	209.0	305.7	182.7	294.2	276.7
<b>Segment Assets</b>	<b>2,178.9</b>	<b>2,284.7</b>	<b>2,090.1</b>	<b>2,172.1</b>	<b>2,051.5</b>
<b>ROA</b>	<b>3.22%</b>	<b>4.26%</b>	<b>3.88%</b>	<b>5.98%</b>	<b>3.25%</b>

# Appendix(13) Overseas Business (2)

## ■ Overseas Business segment assets breakdown

(JPY Bn)

By Region	15.3	16.3	14.9	15.9	16.9	Change (YTD)
The Americas	776.2	787.2	697.4	733.2	703.0	89%
Asia and Australia (Other than Greater China)	591.5	592.3	590.9	551.7	551.1	93%
Greater China	249.2	260.3	225.5	253.3	239.9	92%
Middle East and Europe	43.1	49.3	41.4	45.7	42.7	87%
Robeco	346.3	340.9	369.4	354.8	301.5	88%
Others	172.5	254.7	165.5	233.4	213.3	84%
<b>Total</b>	<b>2,178.9</b>	<b>2,284.7</b>	<b>2,090.1</b>	<b>2,172.1</b>	<b>2,051.5</b>	<b>90%</b>

By Operation	15.3	16.3	14.9	15.9	16.9	Change (YTD)
The Americas	776.2	787.2	697.4	733.2	703.0	89%
Finance operation except the Americas	672.1	697.1	607.6	638.6	643.0	92%
Investment operation except the Americas	384.2	459.5	415.7	445.5	403.9	88%
Robeco	346.3	340.9	369.4	354.8	301.5	88%
<b>Total</b>	<b>2,178.9</b>	<b>2,284.7</b>	<b>2,090.1</b>	<b>2,172.1</b>	<b>2,051.5</b>	<b>90%</b>

# Appendix(14) Business Portfolio in Three Categories

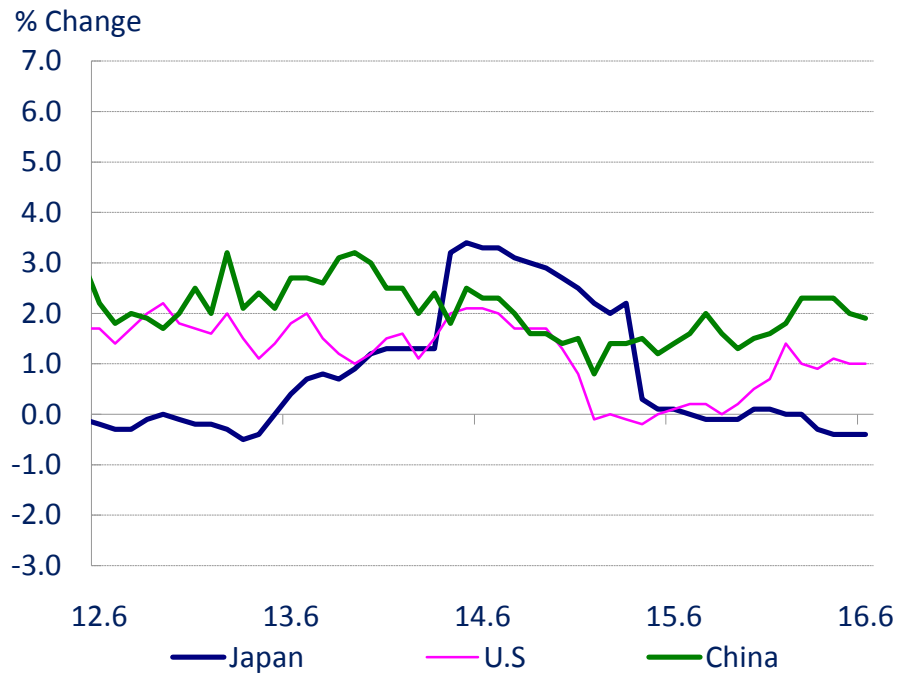


		Finance	Operation				Investment			
Categories	Main Risk	Credit risk	Operation/Business risk				Market risk			
	Capital Requirement	Low	Medium				High			
		Japan	Ex-Japan	Environment/ Infrastructure	Financial Services	Maintenance Services	Others	Fixed Income	Tangible Assets	Equity
Segments	Corporate Financial Services	Lease, Loan, Fee business					Yayoi, New business development			
	Maintenance Leasing					ORIX Auto, ORIX Rentec				
	Real Estate			RE facility operation	RE investment advisory				RE investment	
	Investment and Operation			Environment and energy, Concession				Loan servicing		PE investment, Daikyo
	Retail	Banking, Consumer finance			Life insurance, HLIKK					
	Overseas Business		Lease, Loan		Robeco, Houlihan Lokey			Bond investment	Aircraft, Shipping	PE investment

# Reference Data

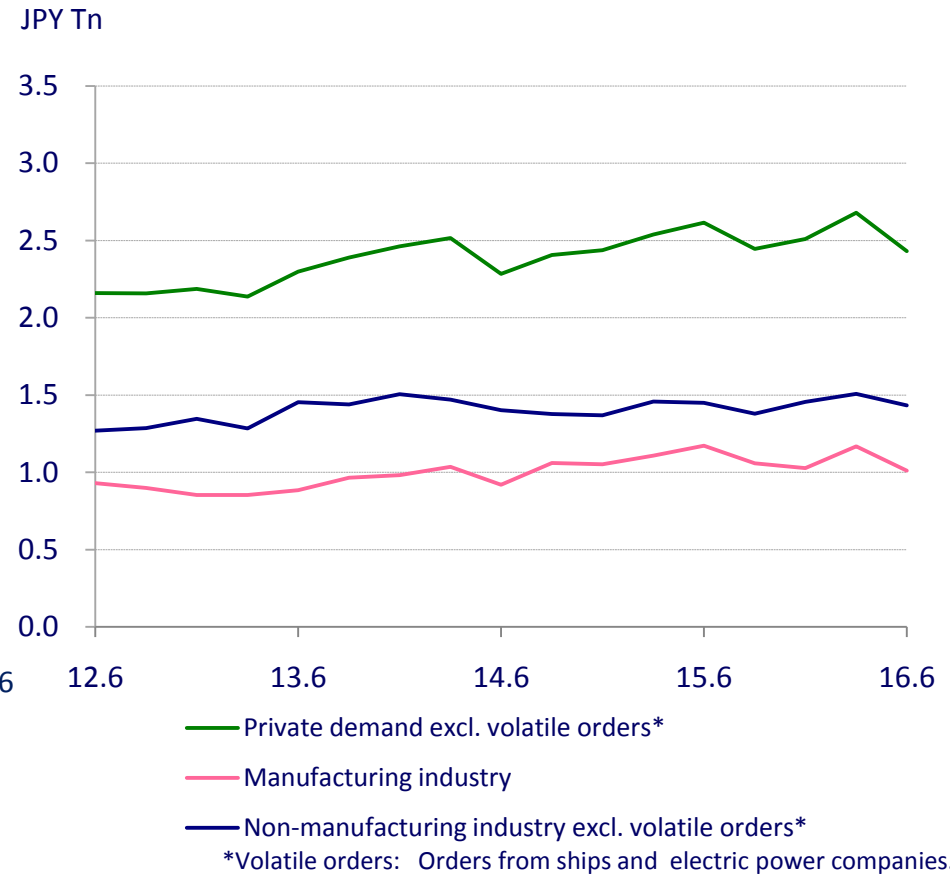


## National CPI (Ex Fresh Food) (YoY Change)



Source: Bloomberg

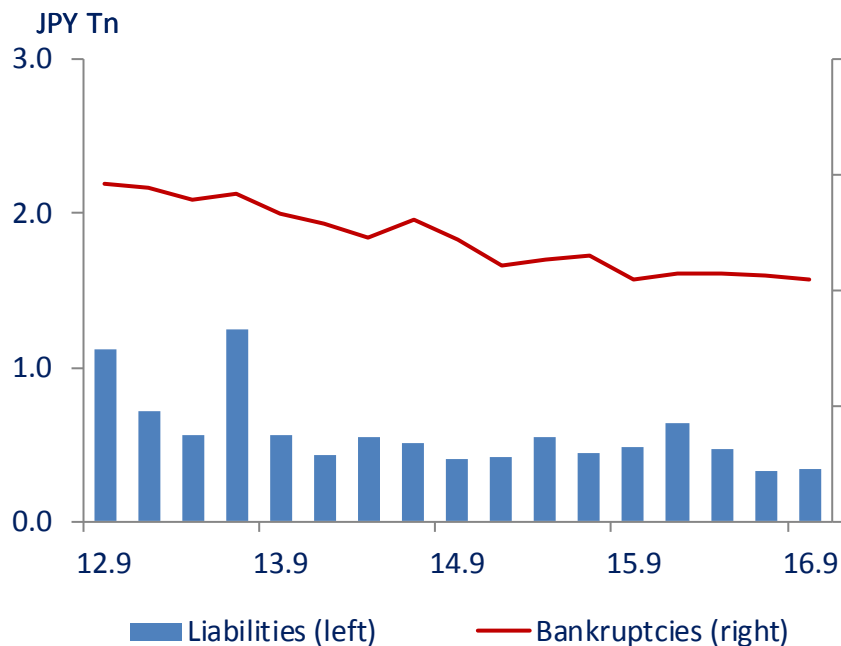
## Trends in Machinery Orders



Source: Cabinet Office, Government of Japan

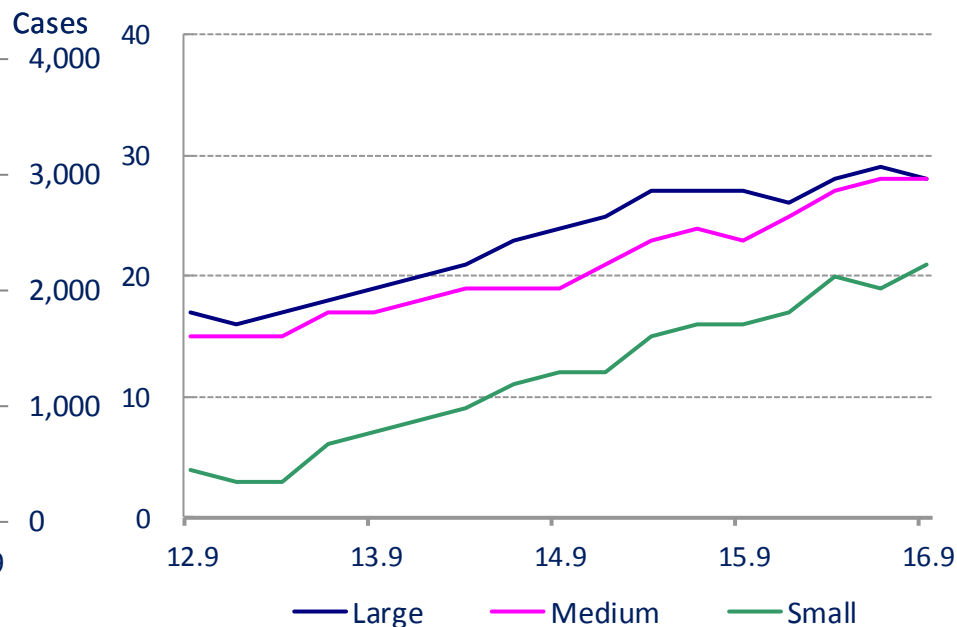
# Japanese Corporate Indices

## Corporate Bankruptcies (Quarterly Basis)



Source: Tokyo Shoko Research, Ltd.

## Tankan Corporate Diffusion Index (Quarterly Basis)



Source: Bank of Japan

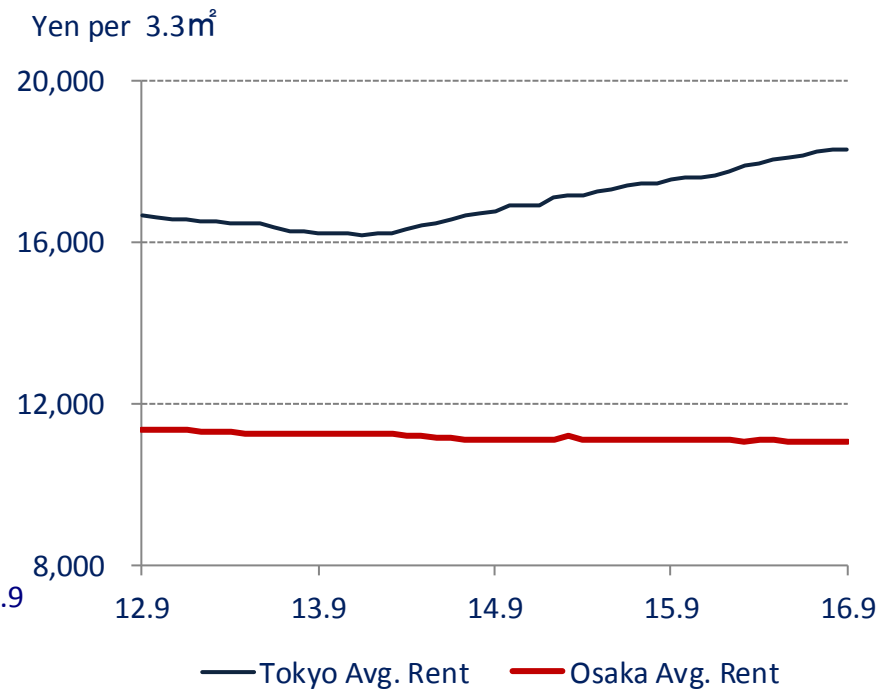
# Japanese Real Estate Indicators

## Japan TSE REIT Index



Source: Tokyo Stock Exchange

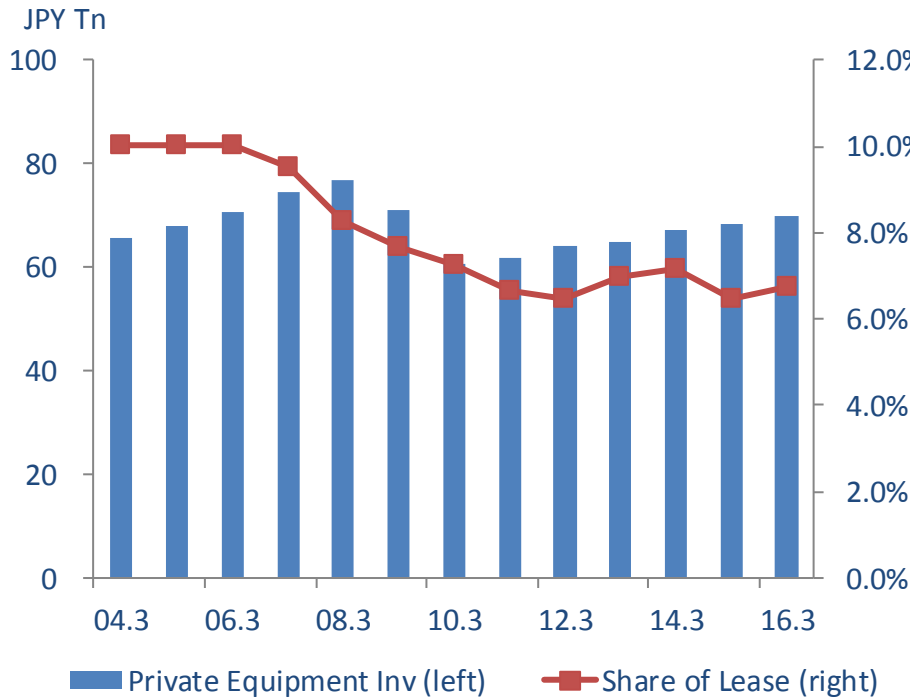
## Office Rental Rates



Source: Miki Shoji

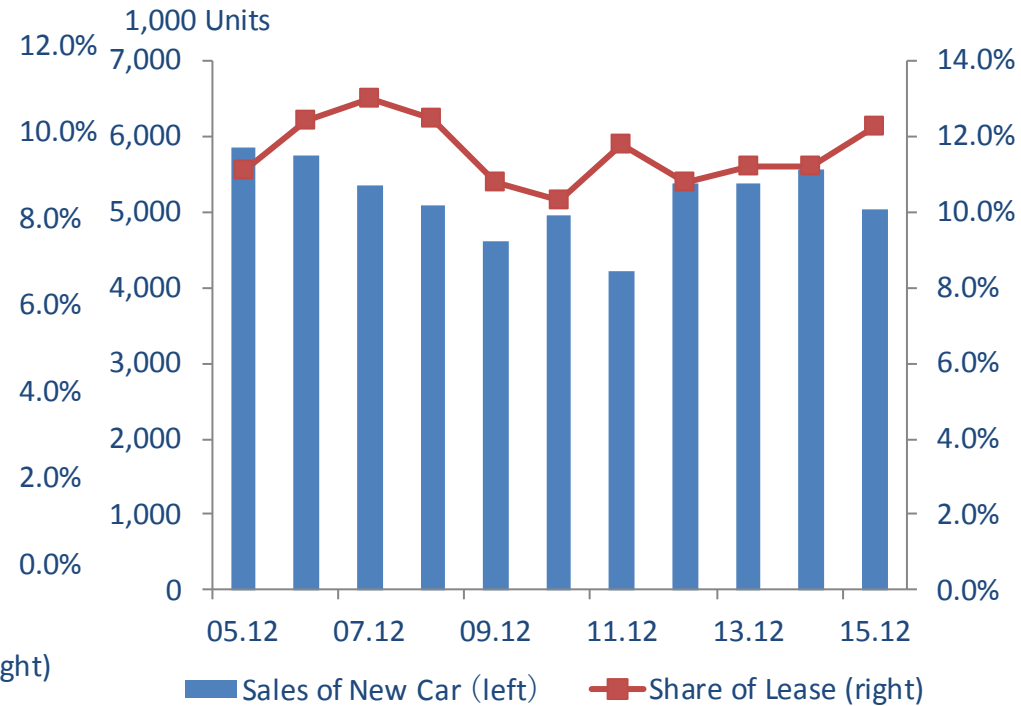
# Domestic Lease Business Indicators

## Private Equipment Investment



Source: Japan Leasing Association

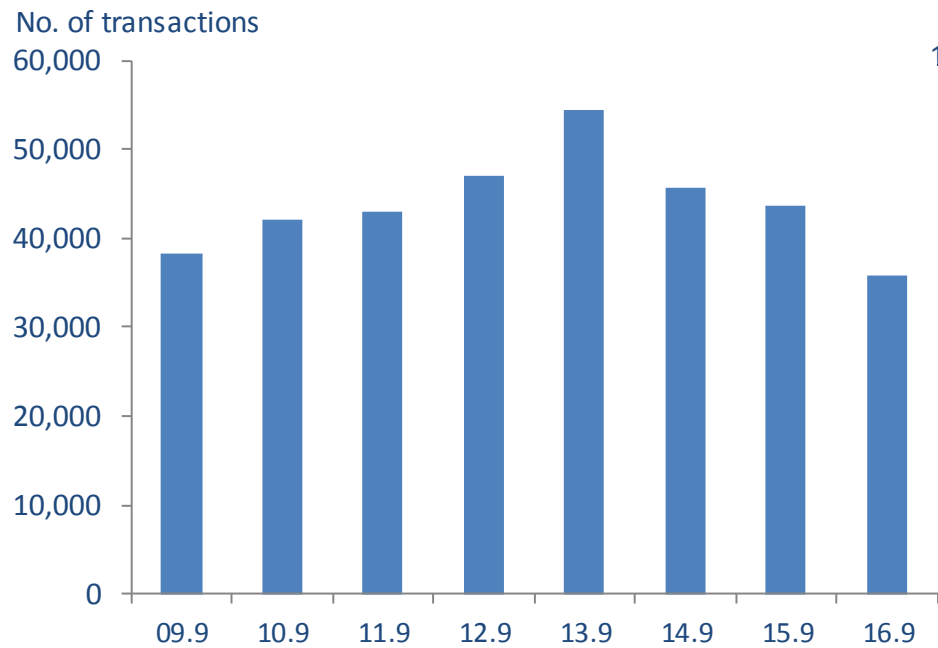
## New Car Sales



Source: Japan Automotive Leasing Association

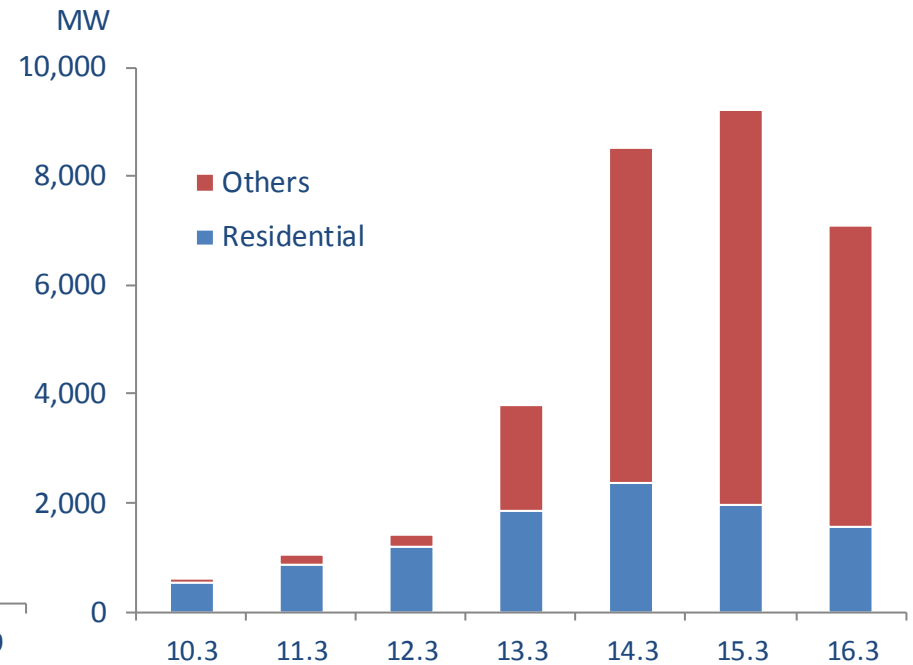
# Other Domestic Indicators

## Number of condominium sold in the Tokyo metropolitan area



Source: Real Estate Economy Research Institute

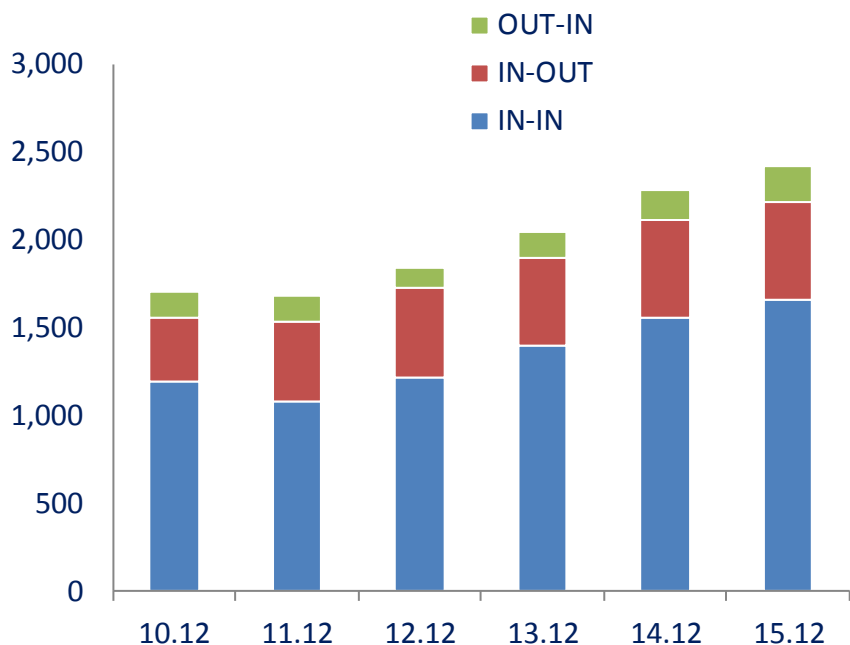
## Domestic Shipping Amount of Solar Cell



Source: Japan Photovoltaic Energy Association

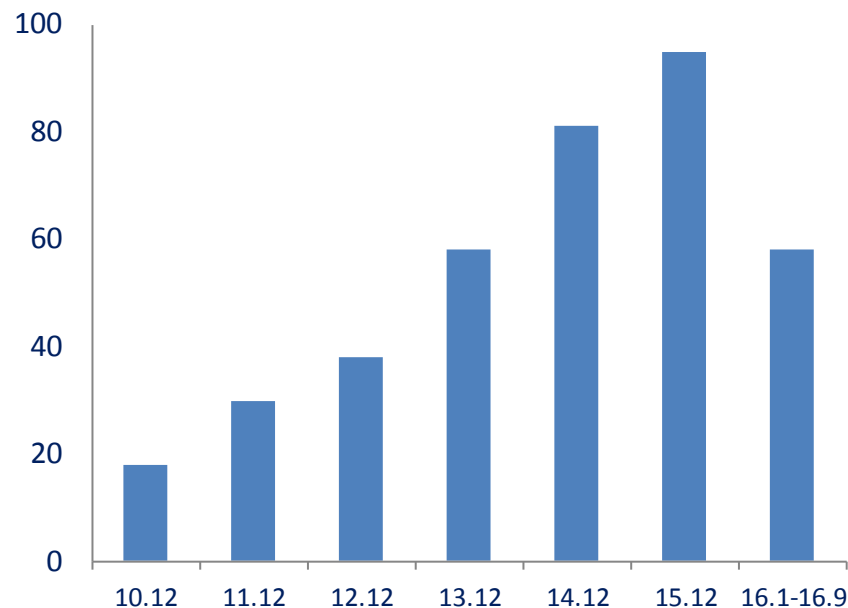
# Other Domestic Indicators

## The number of M&A deals



Source: RECOF Corporation

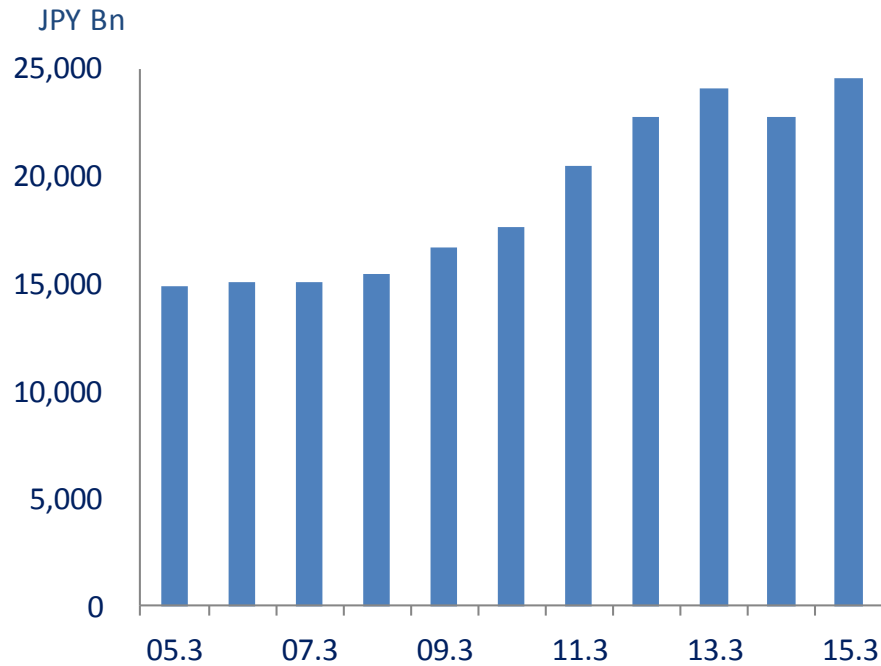
## The number of the New Listed Companies



Source: Tokyo Stock Exchange

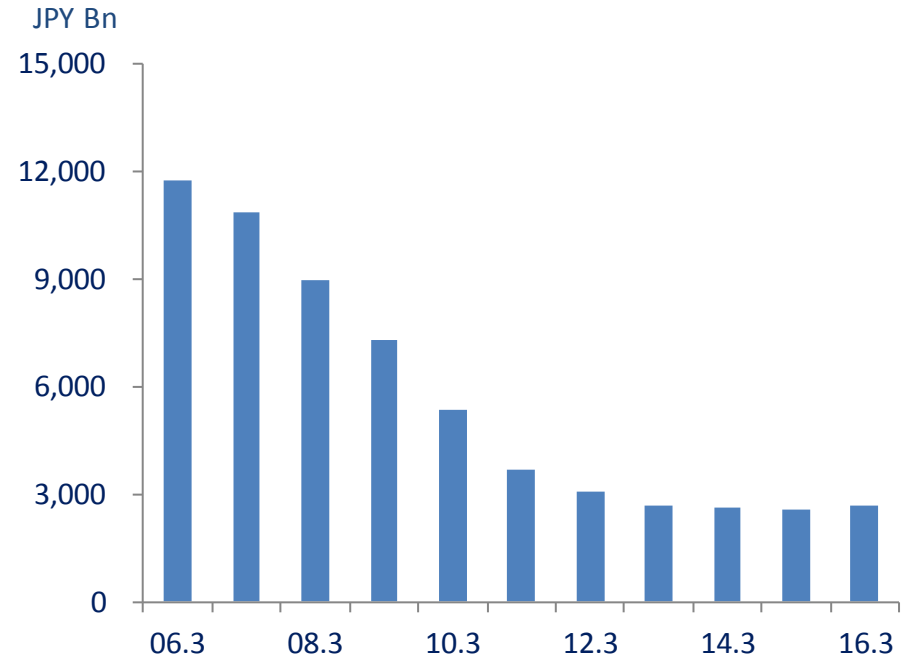
# Other Domestic Indicators

## Premium Income for Individual Insurance



Source: Japan Statistics Bureau

## Consumer Finance Loan Balance



Source: Japan Financial Services Agency

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