

Practicing Value Creation

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Japan & APAC Business Unit

Special Interview

Driving Growth Through Integrated Japan–APAC Operations: Leveraging Japan’s Expertise and Local Business Foundations

Satoru Matsuzaki

Member of the Board of Directors,
Representative Executive Officer,
Deputy President
Chief Operating Officer, Japan &
APAC Business Unit



Under a new management framework, how will we grow our APAC business? Economic journalist Maoko Kotani spoke with Satoru Matsuzaki, COO of the Japan & APAC Business Unit, about ORIX’s growth strategy, one that combines Japan’s customer-centric business development with the networks and business foundations built across the APAC region.

ORIX’s Strategy for Expanding Into Neighboring Fields Business Domains in APAC

Kotani: I understand that under the recent organizational restructuring, businesses across the Asia-Pacific region, including Japan, are now operated collectively as the Japan & APAC Business Unit. How do you view the APAC region?

Matsuzaki: I see APAC as a region with exceptionally high potential. But potential alone does not translate into growth. APAC offers major opportunities, driven by demographics, economic growth, financial-sector advancement, and infrastructure development, yet regulations, business practices, and corporate cultures differ significantly from one country to another. That is why it is essential to apply the diverse expertise and know-how we have cultivated in Japan in ways that fit each market’s environment and customer needs.

Kotani: To leverage Japan’s expertise across APAC, organizational management must also play a key role. As organizations grow, regional units often become siloed, and horizontal collaboration weakens. How do you plan to share expertise and strengthen coordination?

Matsuzaki: Until now, each region has operated independently, focusing on growing its respective businesses. Those efforts have brought us to where we are today, but going forward, we need to capture opportunities adjacent to our existing businesses and expand into new growth areas. Since becoming COO, I have focused on communicating a single direction across APAC rather than sending different messages to each regional headquarters. Specifically, in Southeast Asia, I emphasize the importance of a mindset shift, the belief that “We can do more.” As the economies of these markets continue to grow, I encourage our teams not to limit themselves to their current businesses, say, auto leasing or finance leasing, but to broaden their business domains by applying the adjacent-domain expansion mindset we have cultivated in Japan and by leveraging successful examples from other regions.

Kotani: So rather than dismissing existing businesses, the idea is to build on the foundations already in place while developing new pillars of growth. Capturing new opportunities will likely require changing the

mindset of local leaders and frontline teams.

Matsuzaki: Many of our local subsidiaries have 40 or 50 years of history. They have earned trust in their markets by steadily executing plans agreed with headquarters. We value that track record, but for future growth, we must reaffirm ORIX’s DNA: that new businesses emerge from the free ideas of people on the front line. I want teams to bring forward ideas they find exciting. That is why I repeatedly emphasize: “Don’t focus on why it can’t be done; think about how it can be done.” Local teams must identify their own business opportunities in adjacent areas and keep striving toward them. It may seem there is plenty of time and opportunity, but amid Asia’s ever-accelerating growth, quick decisions, swift action, and leadership that sets the pace are essential. I make a point of conveying this message directly.

Kotani: You mentioned wanting frontline teams to identify business opportunities. Does this reflect ORIX’s corporate culture of empowering local teams?

Matsuzaki: In part, yes. But we do not grant authority or discretion from the outset. ORIX’s origins are in leasing and finance, so we are more cautious with new deals than you might expect. However, when it comes to asset preservation or recovery, waiting for headquarters approval can mean that a ship or aircraft used as collateral has already moved far away. In such situations, we allow local teams to make quick decisions based on circumstances and report afterward. This has fostered a culture where teams think and act independently. Because we have this frontline-driven DNA, we now want APAC teams to generate bottom-up ideas for business expansion, while sharing the know-how and resources cultivated in Japan to drive APAC’s growth.

Building Competitive Advantage in the Global Market Through APAC Networks

Kotani: ORIX has developed two business models in Japan over the years. I'd like to begin with the Alternative Investment & Operations Model. Competition for deals in private equity has intensified, especially against global funds. In that environment, what is the significance of operating APAC as an integrated unit when it comes to driving the sustainable growth of portfolio companies?

Matsuzaki: ORIX's private equity business has enhanced corporate value by working directly with the management and frontline teams of portfolio companies to refine their business strategies and operations. Rather than relying on short-term methods such as workforce reductions, we have focused on supporting the long-term growth of the businesses themselves. This approach is highly regarded in the market, and the deal information we receive is on par with that received by major global funds in both quality and volume. In fact, we are often approached precisely because "it's ORIX." In today's market, valuations for potential investment targets have risen, placing greater demands on our ability to create value. Beyond our traditional hands-on management support, the ability to craft a growth strategy that includes overseas expansion and new partnership development has become a critical factor in winning deals. This is where we expect the APAC network and partnerships to become a major strength.

Kotani: The APAC network and business foundations that ORIX has built over the years can serve as powerful assets for the overseas expansion and growth of portfolio companies. That could become a significant source of value in the future.

Matsuzaki: When a company we invest in seeks to expand into the APAC region, it can tap into the business foundations of our local subsidiaries, which have built trust and track records over decades

in each market. In the past, even when the PE Investment business considered overseas expansion for a portfolio company, coordination with local entities sometimes took time. Going forward, collaboration with local subsidiaries will become much smoother. As the scope of growth support for portfolio companies expands in this way, I believe it will further evolve our Alternative Investment & Operations Model. Another important theme will be developing an asset management-type business, not relying solely on our own capital but also utilizing third-party capital.

Kotani: I see. That strength is precisely why ORIX was able to establish a PE fund with QIA, the Qatar Investment Authority, which has shown strong interest in investing in Japan. Even if the fund focuses primarily on investments in Japan, the APAC network and business foundations will likely become major advantages when considering the growth of portfolio companies. Will ORIX also expand the use of third-party capital by leveraging this capability to support portfolio company growth?

Matsuzaki: The fund with QIA has committed USD 2.5 billion in equity, and with leverage, the enterprise value of target companies could approach one trillion yen. We aim to execute new investments early and expand the growth opportunities of Japanese portfolio companies across the APAC region. Through these efforts, we help our portfolio companies grow and address their challenges: a distinctive strength of ORIX that pure-play PE funds cannot replicate.

Expanding APAC Business Domains Through Customer Dialogue

Kotani: Let's turn to the second business model: the Business Solutions Model. In Japan, ORIX has broadened business domains by identifying customer issues through direct dialogue. Overseas, however, customer needs and business practices differ significantly. How do you plan to expand this model across APAC?

Matsuzaki: In Japan, leasing and loans give us regular touchpoints with customers and opportunities to hear directly about their management challenges. By reviewing customers' financial statements together with their management teams and engaging in repeated dialogue, we identify issues such as inventory management, cash flow, capital investment, and business succession. Pursuing solutions to these issues has led us to create new services and develop a wide range of businesses. This is the essence of our Business Solutions Model. Overseas, many transactions are conducted through dealers, and finance leases are often provided as standalone services. As a result, customer contact can be indirect. That is precisely why deepening dialogue with customers, and gaining a clear understanding of their issues and needs, becomes essential.

Kotani: More specifically, what kind of expansion do you envision?



Matsuzaki: Take automobile leasing, for example. In Japan and Australia, we offer a one-stop model that combines leasing with maintenance, tire replacement, and insurance. In other regions, however, these peripheral services are handled by external providers. We consider whether we can deliver the services customers need as an integrated offering; and if that is difficult, partnerships or M&A become options. By expanding into adjacent services that enhance customer convenience, we aim to further strengthen our business solutions capabilities.

Kotani: So local subsidiaries are expected to look beyond their current business domains and actively seek new opportunities. But instilling that mindset at the frontline is not easy, is it?

Matsuzaki: Simply telling local teams, “Think this way” from headquarters will not make the approach take root. We need to understand local conditions and engage as closely as possible with the frontline. It is essential to embed this mindset all the way to the



front lines: the capillaries of the organization, so to speak. Frontline teams in each country must listen to customer voices and translate those insights into business growth. I expect it will take three years for this mindset to fully take hold, and five years for results to appear in the numbers. That is why we are acting with full commitment now, carefully identifying where growth opportunities will emerge toward 2035.

Identifying Priority Areas to Capture Future Growth Opportunities

Kotani: Even within APAC, market environments and stages of economic development differ greatly from country to country. Some are advanced countries, while others are still building their infrastructure. With an eye to future growth, which countries or regions are you particularly focused on?

Matsuzaki: We have given high priority to Australia and India. Australia is an advanced country with legal systems and business practices that make it easier to execute deals. ORIX already has a well-established business foundation there. India, on the other hand, is not a market where we intend to expand investment in the near term. Rather than immediately expanding investment, we see India as a market where we should strengthen our business foundation and networks in anticipation of future expansion. Given its demographics and economic growth potential, full-scale business development will require time and preparation. That is why waiting until opportunities fully emerge would be too late; we need to prioritize India now and begin laying the groundwork.

Kotani: How about other Southeast Asian countries?

Matsuzaki: In Southeast Asia, it is essential to examine the realities of each country carefully. Take Indonesia, for example. Challenges

such as infrastructure and power supply constraints can limit business execution. But the very issues that arise alongside economic development can create new business opportunities in problem-solving domains. In Thailand, market maturity has progressed to the point where simply extending existing businesses no longer improves profitability as easily. However, I see growth potential in areas that ORIX has not yet fully explored. With advances in IT and digital transformation, information asymmetry has narrowed, making it easier than before to identify growth opportunities. What matters most is assessing frontline conditions in each country and determining which businesses to expand, in which markets, when, and in what manner.

Talent Mobility and Organizational Culture Supporting Unified Operations

Kotani: To integrate the strengths of APAC and Japan and advance unified operations, talent development will also be essential. From a talent perspective, what are you focusing on?

Matsuzaki: I believe flexible personnel rotation is highly effective. In the past, the more capable and valuable the talent, the more likely they were to be held tightly within a single organization. It is natural for headquarters not to want to let go of exceptional people. But that leads to talent only growing within one business domain. If we want to cultivate leaders with a broad perspective, it is already too late to give someone cross-functional rotations only after identifying them as a potential executive. We need to expose people to multiple businesses and regions at an earlier stage, so they can develop wider viewpoints and diverse experiences. Those who accumulate such experience become the talent that can contribute both to creating new businesses and reinforcing existing ones.

Kotani: So, you want people to gain cross-business and cross-regional experience earlier, before they become executive candidates. That kind of talent mobility seems likely to have a positive impact on the organization as a whole.

Matsuzaki: When people move to a new department, they can leverage the knowledge and networks they built in their previous role. Moving people is not the only way. By forming task forces that cut across organizational boundaries, we can address cross-functional themes that individual headquarters might overlook while pursuing their own missions. The insights gained there can then be brought back to each headquarters and translated into new business development. Whether through personnel transfers or by bringing people together for each task force, it is essential to share the knowledge and expertise found in each country or business domain across the organization so they can be fully leveraged. These accumulated efforts lead to the creation of new businesses and the strengthening of existing ones. This, in my view, is the talent strategy that underpins unified operations



between Japan and APAC.

Kotani: It seems the role of the Japan & APAC Business Unit will only become more important as part of the broader growth strategy toward 2035. Listening to you, I feel strongly that ORIX must continually create the next growth opportunities rather than staying on the current trajectory. At the same time, I can feel a strong sense of urgency from you. Your comments suggest a mindset of never being satisfied with the status quo and always searching for the next opportunity. What is behind that sense of urgency?

Matsuzaki: For ORIX, 2035 is an important milestone, yet it is still only a waypoint. For us to continue developing sustainably beyond that, we must keep capturing the next growth opportunities. ORIX is not a company that can continue growing on a single product or specific service. Past successes will not necessarily translate into future growth. That is what gives me such a strong sense of urgency. That is precisely why it is essential to continually identify new opportunities through dialogue with markets and customers on the front line and, when necessary, redefine our core business, shifting the center of gravity from one domain to another. We must treat change as an opportunity and translate it into new businesses and new value. The CEO and COO must lead by example, and frontline teams must autonomously recognize change and connect it to new business opportunities. These accumulated efforts are indispensable for ORIX to continue growing.

Kotani: Never resting on past success, always searching for the next growth opportunity: this sense of urgency is what supports ORIX's sustainable growth. It makes the future all the more exciting.

Matsuzaki: We will continue taking on new challenges. I hope you will look forward to what comes next.

Reflections on the Discussion



Maako Kotani

Economic Commentator and Journalist.
Former main anchor of TV Tokyo's World Business Satellite.
Over the course of her career, she has extensively covered economic affairs and corporate management in Japan and around the world. She currently serves as an outside director of several companies in addition to her media activities.

What impressed me most during this discussion was ORIX's culture of creating new businesses through dialogue with customers and employees at the front lines. Rather than judging initiatives solely by their immediate outcomes, the company encourages new challenges and continuously builds on the lessons learned from each experience to make sound decisions. I came away with the understanding that the management team's ability to preserve and pass on this culture has been a key source of ORIX's competitiveness. Building on this foundation, the APAC business is now shifting toward a more integrated management structure across country operations. At the same time, a clear message is being communicated: not only to protect existing businesses, but also to pursue new business opportunities. Even within the private equity business, which is highly regarded by the market, ORIX has indicated its intention to create greater value than ever before. Leveraging the joint fund with QIA as a platform, the company aims to support the overseas expansion of portfolio companies by utilizing its extensive network and business foundation across Asia. I look forward to seeing how ORIX takes on the challenge of achieving its ambitious 2035 targets of a 15% ROE and ¥1 trillion in net income.

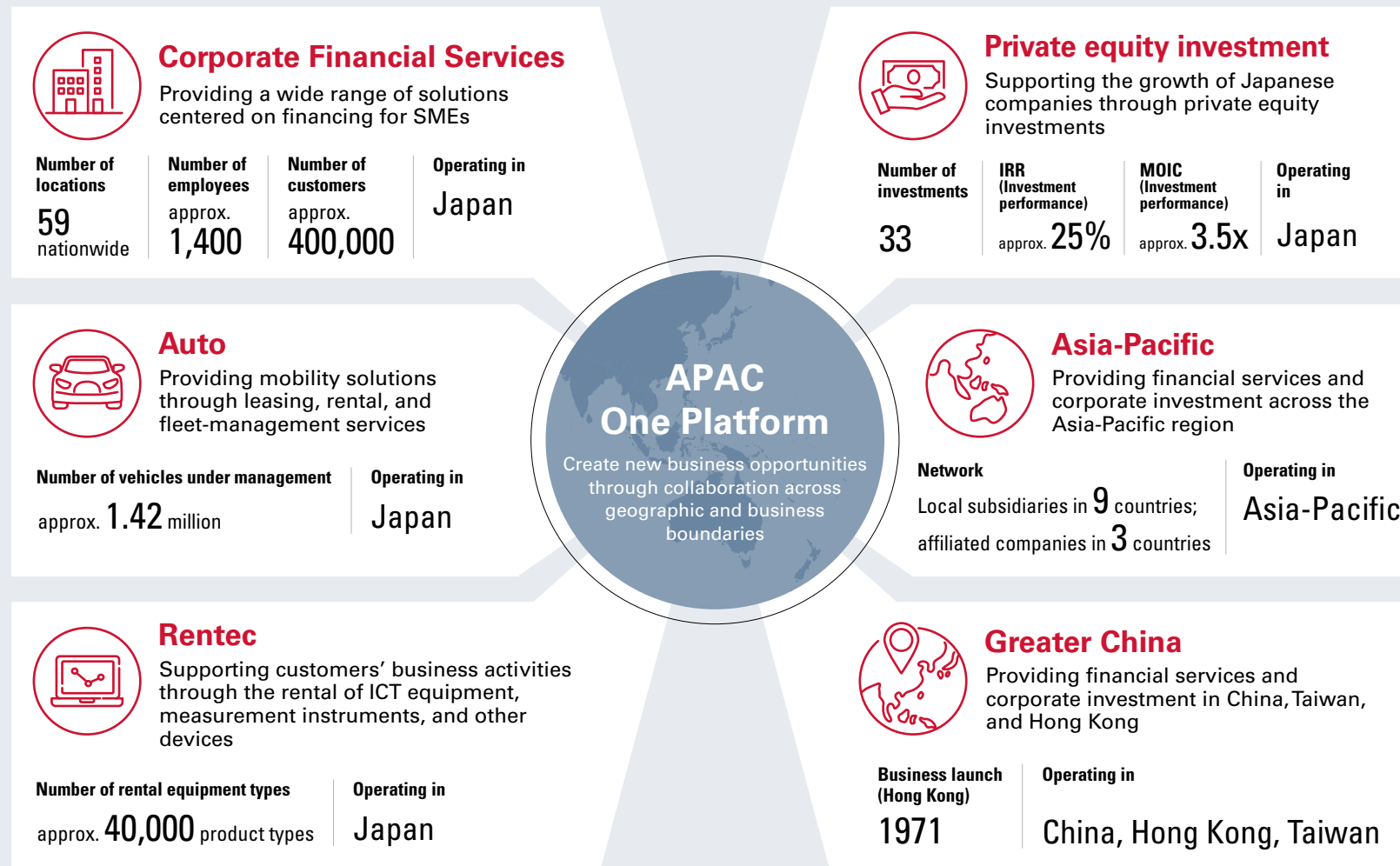
Japan & APAC Business Unit

Transformation toward the APAC One Platform

Building a Growth Platform that Creates Core Businesses for the Group

The Japan & APAC Business Unit encompasses Corporate Financial Services, Auto, Rentec and Private Equity Investment operations in Japan, as well as our businesses across the Asia-Pacific region and Greater China. In Japan, we have long created diverse businesses by starting from direct engagement with customers, identifying their needs and challenges, and uncovering new business opportunities. We will apply these insights and expertise to the Asia-Pacific region and Greater China, while strengthening collaboration across geographies and business lines to create new business opportunities.

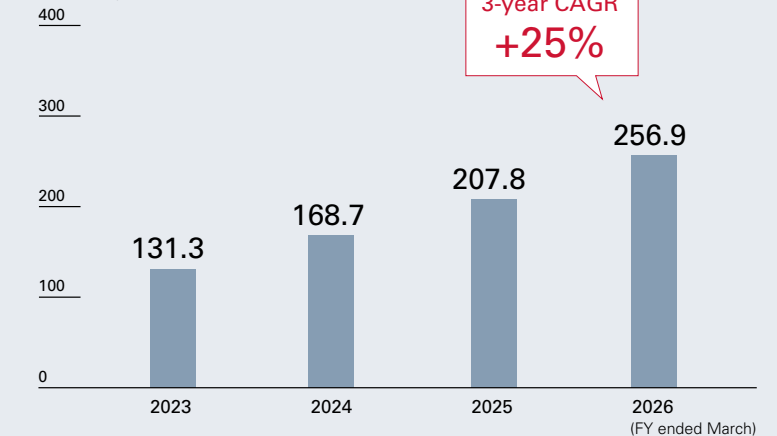
Business Domains and Track Record



Performance

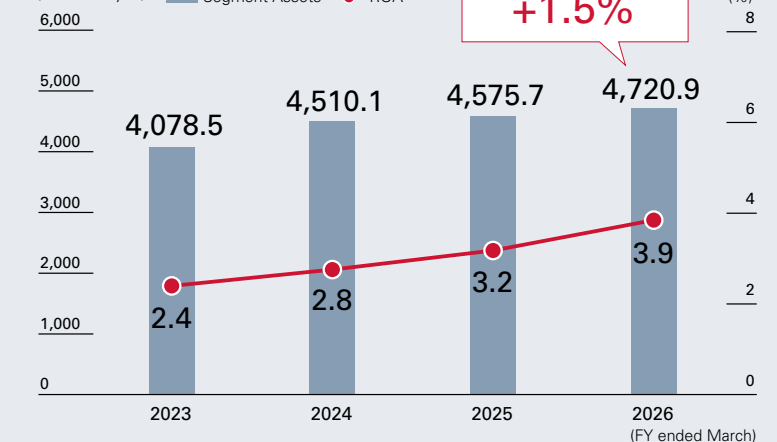
Segment Profit

(Billions of yen)



Segment Assets and ROA

(Billions of yen)



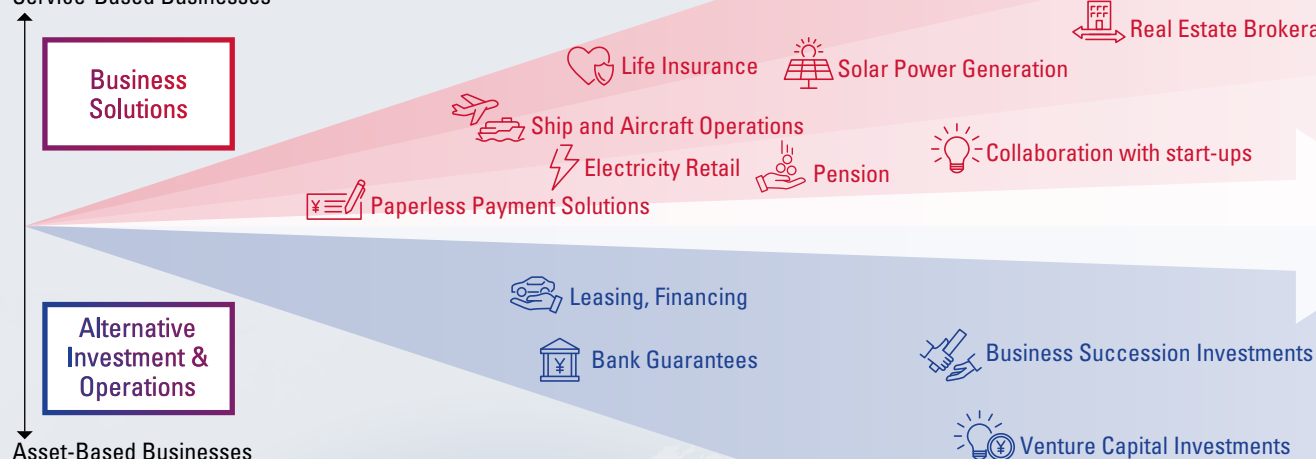
Applying the strengths cultivated in Japan to the APAC region to build a growth platform that creates core businesses for the Group

ORIX Group's Strengths in Japan

From finance to services, and further into investment and business operations.

Driven by customer needs, we have expanded our business domains and created unique value by combining multiple solutions.

Service-Based Businesses



Expanding Japan's Strengths Across APAC

- Broad customer base and trusted relationships
- Diverse products, services, and solutions
- Business operating expertise and talent

Japan & APAC Business Vision

Building the Next Pillars of Growth

Capture new opportunities and create businesses that will become the next pillars of growth in APAC.

Expanding Business Domains

Leverage the expertise cultivated in Japan to broaden our reach across finance, services, investment, and other diverse fields.

Strengthening Customer Reach

Expand direct customer touchpoints to better understand diverse needs and challenges, leading to the creation of new business opportunities.

Enhancing Profitability Across Japan & APAC Business

Accelerate profit growth across the region through business synergies and the provision of high-value-added services

Infrastructure Business

COO Message

Leveraging Our Drive to Take on Challenges to Advance the Infrastructure Business to the Next Stage of Growth

Shuji Irie

Member of the Board of Directors
Senior Managing Executive Officer
Chief Operating Officer,
Infrastructure Business Unit



Harnessing Our Drive to Take on Challenges as a Source of Growth

Since becoming COO of the Infrastructure Business Unit, I have felt strongly that we must further unleash our natural drive to take on new challenges.

Throughout our history, we have advanced by boldly entering fields untouched by other companies and by pursuing opportunities in new markets, using each experience as a springboard for the next stage of growth. The Osaka Integrated Resort (IR) project and our concession agreements for the three airports in the Kansai region are natural extensions of that approach. Stepping forward when others hesitate and opening markets through our own initiative is, in my view, part of ORIX's DNA.

I believe that the greatest obstacle to growth is not failure itself, but opportunity loss. When we pass on a project, no loss appears on the surface. Yet the experience we forgo, and the future growth opportunities we miss by not taking on the challenge, are far from insignificant. The key is to assess risks appropriately, take the right risks, and continue to challenge ourselves. Sustaining these efforts over time creates new business opportunities and fuels the next phase of growth.

This mindset is reflected in ORIX's business model. Our strength lies in our ability to leverage our own balance sheet to generate new

investment opportunities. In new markets and business domains, we have taken risks, nurtured businesses, and built deep insights and expertise along the way. I believe this stance—first taking on challenges ourselves—is the very source of what makes ORIX unique.

The Infrastructure Business Unit encompasses businesses that manage a diverse range of real assets, including Environment and Energy, Aircraft and Ships, Real Estate, Public Infrastructure, and the Osaka IR project. Each business is distinct, yet they share a common core: identifying investment opportunities, enhancing value, and improving profitability through operations. Likewise, all are real, physical assets supported by long-term demand, and are capable of generating stable cash flows.

The purpose of establishing the Infrastructure Business Unit is not simply to group these businesses together. It is to bring together the knowledge, talent, and investment expertise cultivated in each business and create new value across the entire infrastructure portfolio. By drawing on the expertise and talent developed across our businesses, we will operate the infrastructure segment as a unified platform and drive sustainable growth.

Making Asset Management a Driver of Growth

In considering the future growth of the Infrastructure Business Unit, one concept I view as particularly important is the shift toward asset

Harnessing Our Drive to Take on Challenges as a Source of Growth

Advancing Asset Management

Accelerate asset management, attract more investment capital, and expand business growth.

Taking the Right Risks

View change not as a risk, but as an opportunity. Take the right risks and continue embracing challenges. That is what creates the next stage of growth.

ORIX Infrastructure Growth Engine

Cross-Asset Utilization of Talent and Expertise

Develop talent capable of identifying asset value and broaden their experience to strengthen the competitiveness of the organization.

Asset Turnover and Scale Expansion

Increase the scale and strength of asset turnover to enhance capital efficiency while expanding the quality and scale of earnings.

management. The goal is not simply to increase fee income. What we aim to build is a framework that allows us to capture a greater number of investment opportunities and accelerate business growth.

Up to now, we have leveraged our own balance sheet, taken on risk, and enhanced the value of assets and businesses—building a diverse business foundation and deep expertise in the process. At the same time, investment opportunities surrounding infrastructure assets will continue to expand. If we rely solely on ORIX's balance sheet, there will inevitably be limits to the opportunities we can pursue.

That is why it is essential to establish a framework that expands growth opportunities by drawing on investor capital as well. By attracting external capital to the projects ORIX originates, and by enhancing asset value through operations and value-creation initiatives, we can unlock larger investment opportunities and accelerate business expansion. I see asset management as a critical means of achieving this.

As our asset management business grows, so does our experience. A larger pool of assets sharpens our capabilities in value enhancement. Broader engagement with investors brings in new

information and new opportunities. This experience directly contributes to the growth of our people and our organization.

Advancing asset management also requires building long-term relationships with investors. We do not view investors merely as providers of capital, but as partners with whom we seek mutual growth and shared prosperity. Rather than monopolizing returns or shifting risk onto others, we aim to deliver value aligned with each investor's risk tolerance and expected returns, and to build long-term relationships founded on trust.

Finding Investment Opportunities and Creating New Value Amid Change

To achieve our 2035 targets of ¥1 trillion in net income and 15% ROE, it will be essential to capture more new investment opportunities than ever before and expand both the scale and profitability of our businesses.

The environment surrounding infrastructure businesses is undergoing significant change. Inflation, rising interest rates, and higher construction costs are widely viewed as headwinds for many sectors. Yet what matters most is not to see these changes solely as risks, but also to recognize them as sources of new investment opportunities.

In the real estate market, for example, rising construction costs are constraining new supply, creating great opportunities to enhance the value of existing assets. Opportunities to increase asset value through repositioning or renovation are also growing. Rather than holding back on investment simply because interest rates have risen, I believe it is important to focus on how we can create value within this environment.

Medium- to long-term shifts in social structure are also generating new investment opportunities. The growth of energy transition initiatives and rising demand for electricity driven by the spread of AI are prime examples. Adjacent fields such as battery storage and data centers—areas where we can leverage our strengths—offer significant potential.

We have no intention of expanding indiscriminately into completely unfamiliar areas. Our basic approach is to expand into adjacent areas where we can leverage our existing strengths. If a market shows growth potential and is a domain where we can create value, we will actively take on the challenge. Building on these efforts over time will lead to new growth opportunities. The Osaka IR project is one such example of this approach. By bringing together the knowledge and experience we have gained across our businesses—including investment in real assets, business operations, and collaboration with partners—we are taking on the challenge of creating new long-term value.

Cross-Asset Talent as a Competitive Advantage

Our people are, in my view, the most important asset in driving the integrated management of the Infrastructure Business Unit. To continue identifying new opportunities amid change, it is essential to develop talent who can operate across different domains. Going forward, it will be increasingly important for our people not only to deepen their expertise in their own fields, but also to understand multiple asset classes and think across them. While each asset class has its own characteristics, the underlying framework—investment decision-making, value enhancement, operations, and delivery of value to investors—is largely the same. When people gain experience across multiple asset classes, they begin to see how the insights they have developed in one area can be applied to others. In projects like the three airports in the Kansai region—where aviation, real estate, public-infrastructure operations, and collaboration with overseas companies all intersect—this breadth of experience becomes a powerful advantage.

I believe that people grow through real experience. More opportunities to take on challenges lead to greater experience. Greater experience leads to deeper insight. That insight generates the next investment opportunity and drives further growth. Creating this positive

cycle is, above all, what strengthens the competitiveness of our organization.

In my own career, I have gained a wide range of experience by working across many businesses and projects. Passing that knowledge on to the next generation—and seeing young talent grow into individuals who can work across domains—is one of my greatest sources of satisfaction.

The Infrastructure Business Unit offers an environment where people can broaden their perspective by gaining experience with diverse asset classes. As the talent developed here collaborates across business boundaries and creates new value, we can build on those efforts to evolve the entire infrastructure business into a unified platform for growth.

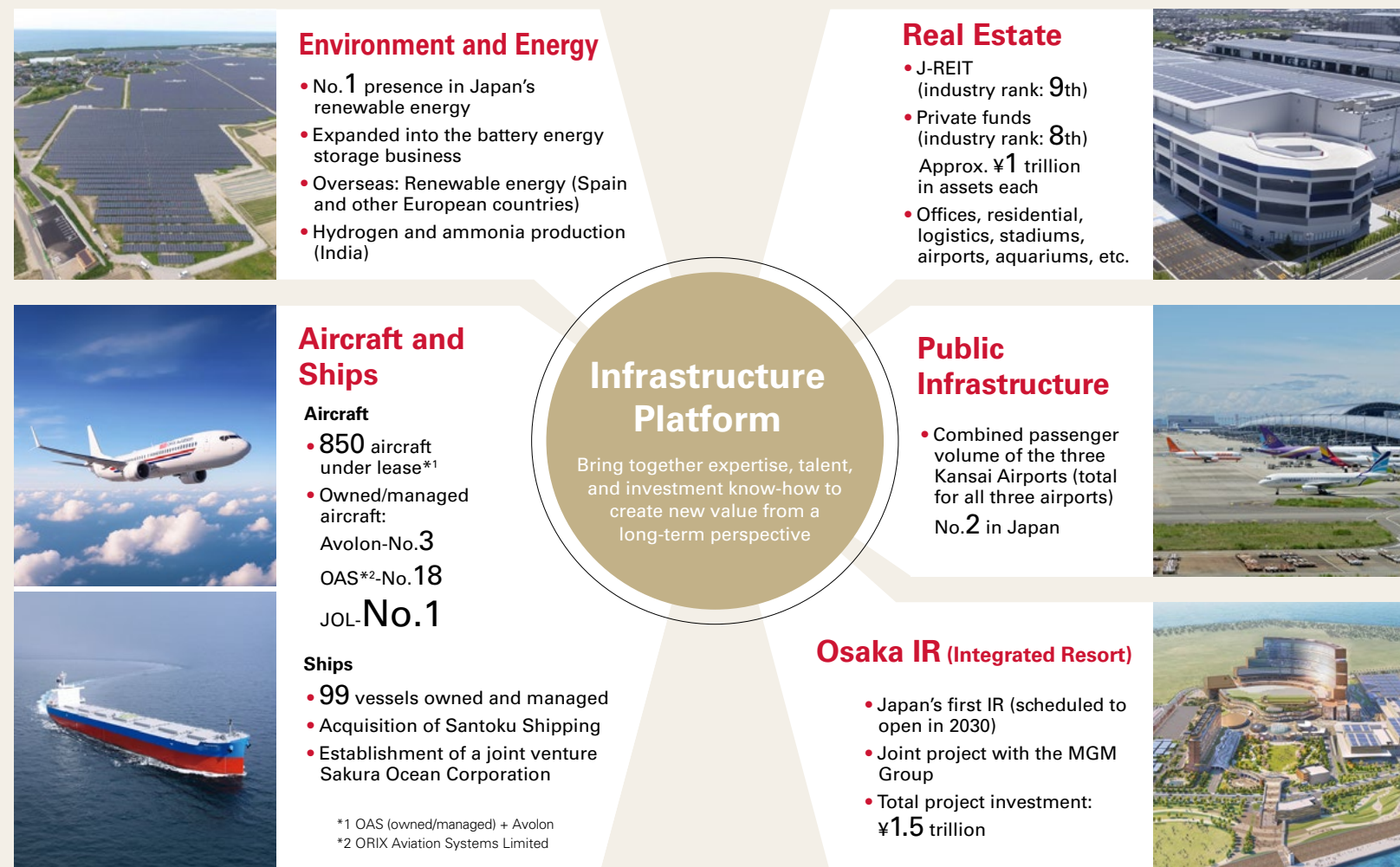


Infrastructure Business

Becoming the No.1 Player in Alternative Assets

The Infrastructure Business Unit operates a broad portfolio of real assets — including environmental energy, transportation equipment, real estate, public infrastructure, and the Osaka IR (integrated resort). Backed by long-term societal needs, we generate stable cash flows and enhance capital efficiency through investment, development, operations, and asset management.

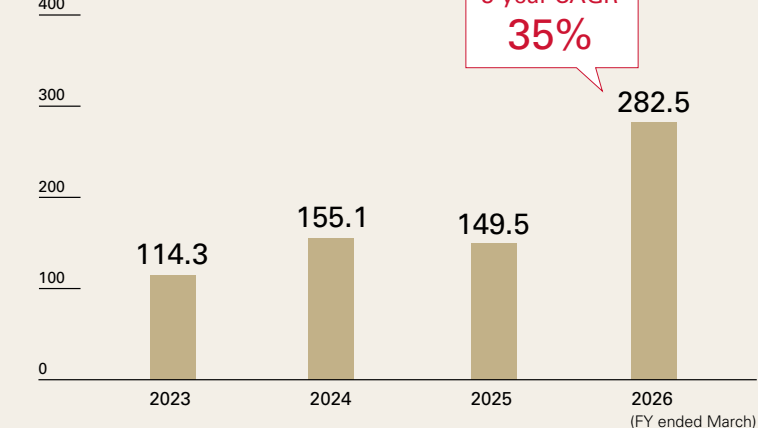
Business Domains and Track Record



Performance

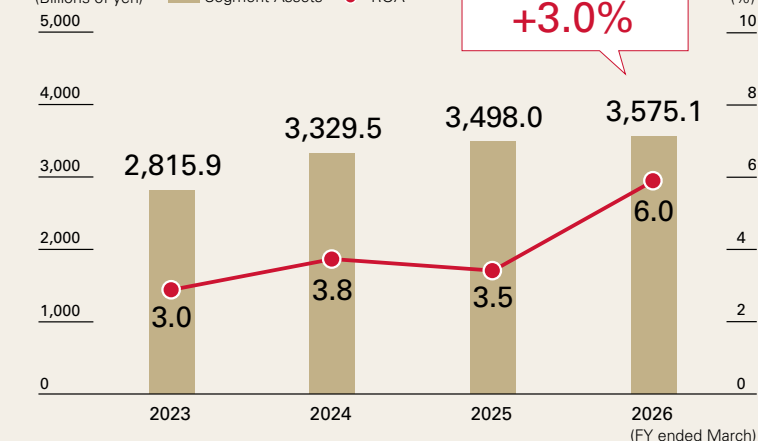
Segment Profit

(Billions of yen)



Segment Assets and ROA

(Billions of yen)



Feature

Infrastructure Business in Emerging Markets

—People and Businesses Sustaining Value Creation Cycles and Capital Recycling—

As AI and other technologies create opportunities beyond borders, India is expanding renewable energy and leveraging deep technology talent to strengthen its presence as a leading Global South nation. ORIX entered India's financial services sector in the 1990s, later expanded into renewable energy, and built a partnership with Greenko's founders. Drawing on its experience and talent in India, as well as its global energy expertise, ORIX will pursue growth opportunities in technology.



Pinnapuram integrated renewable energy project



Mr. Suzuki receiving an explanation at the planned construction site for the Kakinada green ammonia production facility



Mr. Shin receiving an explanation about the facilities at the Pinnapuram Integrated Renewable Energy Project

Sachiko Nakane, Head of Sustainability, reports on value creation in action, drawing on her on-site interviews.

Growth opportunities uncovered through perseverance amid uncertainty

ORIX operates renewable energy businesses worldwide, with 3.6GW*¹ of operating capacity as of March 31, 2026. In July 2025, ORIX sold part of its stake in Greenko Energy Holdings ("Greenko") and subscribed to convertible bonds issued by AM Green (Luxembourg) S.à.r.l ("AMG Lux"), the 100% parent of AM Green B.V. ("AMG"), established by Greenko's founders. The sale generated about ¥95 billion in gains at a double-digit IRR and helped drive record-high net income for the fiscal year ended March 2026, ORIX's third consecutive year of record profits.

ORIX's business in India began in 1993 with an equity investment in IL&FS, an infrastructure and financial group. In 1995, ORIX and IL&FS established an auto leasing company, which now operates as ORIX India and continues to provide automotive services across India.

In 2016, ORIX acquired a 49% stake in IL&FS Wind, entering India's environment and energy business. When IL&FS's financial condition deteriorated in 2019, ORIX assessed the wind business's long-term value, chose to continue rather than withdraw, and made IL&FS Wind a wholly owned subsidiary.

In 2021, ORIX acquired shares in Greenko from its founders and integrated its Indian wind power business into Greenko. As consideration, ORIX subscribed to new Greenko shares, acquiring about 21.8%*² for approximately US\$961 million. At the time, Greenko was rapidly growing as one of India's leading renewable

energy companies, with GIC Private Limited (GIC) and the Abu Dhabi Investment Authority (ADIA) among its shareholders.

Global talent fostering trust and sustaining the investment cycle

The partial sale of Greenko and investment in AMG Lux symbolize ORIX's capital recycling strategy, enabled by its business experience and talent in India.

The 2021 transaction was led by Hidetake Takahashi, then Head of Energy and Eco Services Headquarters and now Group CEO, and Nobuomi Iokamori, now Deputy Head. Satofumi Suzuki later completed the partial sale of Greenko shares and the subscription of AMG Lux convertible bonds. Since joining ORIX as a new graduate, Mr. Suzuki has worked in corporate sales and sourced investment opportunities in Hong Kong. Since taking charge of Greenko, he has visited India frequently and built strong trust with Greenko's founders and senior executives.

Mike Nikkel of Energy and Eco Services Headquarters has also supported investee relationships globally. With extensive experience in energy and infrastructure development, investment, financing, and management, mainly in Asia, he joined ORIX in 2015. Recognizing Greenko's ability to provide low-cost, stable renewable energy through pumped-storage power generation, as well as its founders' vision and execution capabilities, he has worked with Mr. Takahashi, Mr. Iokamori and Mr. Suzuki to build a long-term partnership supporting Greenko's growth.

In July 2025, ORIX subscribed to about US\$731 million of AMG Lux convertible bonds, backed by the project team's research and due

diligence led by Mr. Suzuki and Mr. Nikkel. AMG Lux's subsidiary, AM Green B.V., established by Greenko's founders in 2023, develops green hydrogen and green ammonia projects. Its first phase in Kakinada, Andhra Pradesh, targets annual green ammonia production of 1 million tons from 2028, with a future vision of 5 million tons. It has signed a basic agreement with major European customers and is also considering supply to Japan, South Korea, Singapore, and other Asian markets.

Greenko's founders are also applying their strengths in "Speed, Scale and Smart" to data centers, building on their power business. Minkyu Shin, working with Mr. Suzuki, will continue supporting the evolving Greenko Group. After joining ORIX as a new graduate, he gained sales experience in the Electric Power Business Department and has been responsible for the Greenko Group since September 2024. At ORIX, the same department covers execution, monitoring, and exit, allowing junior employees to inherit senior colleagues' projects and strengthen organizational repeatability.

By combining long experience in India, risk-based investment decisions, and people who work closely with investees, ORIX creates value through capital recycling—recovering capital at the right time and redeploying it to the next growth areas.

*1 The capacity of facilities in the construction phase and other pre-operational stages is not included, and ORIX's ownership ratio and other factors are taken into account.

*2 As of July 2025, prior to the sale, ORIX held a 20% ownership interest.

Roundtable Discussion

Investment Capabilities on the Ground in India



Sachiko Nakane

Head of Sustainability
Department

Satofumi Suzuki

Senior Vice President
Global Business Development
Department

Minkyu Shin

Global Business
Development Department

In March 2026, Mr. Suzuki and Mr. Shin visited an integrated renewable energy project in Pinnapuram, Andhra Pradesh, India, combining solar, wind, and pumped-storage hydropower. They discussed the operational capabilities behind “Speed, Scale and Smart” and potential collaboration with ORIX as an investor.

—**Nakane:** Mr. Shin, this was your first visit to a power plant. What was your impression?

Shin: I was impressed by how talented the plant staff were and how proudly they explained their work.

Suzuki: Greenko Group’s strength lies not only in top management’s vision, but also in its ability to execute on-site. CEO Anil Kumar Chalamalasetty often emphasizes “Speed, Scale and Smart.” Seeing the site made clear that speed and scale underpin the competitiveness

of this integrated project centered on pumped-storage hydropower. Completing in just over three years what often takes nine to ten years reflects not only India’s market characteristics, but also Greenko Group’s management and team strength.

—**Nakane:** That speed is hard to imagine in Japan, isn’t it?

Suzuki: That was a major lesson for us. Although Anil is not a construction expert, that is why he asks simple questions and finds ways to shorten timelines. His question—“Isn’t there another way?”—echoes what we learned at ORIX: focus on how to make it happen, not why it cannot be done.

Shin: People on the front lines as well as at headquarters understand their work deeply and take pride in it. That individual strength supports Greenko Group’s growth. I sensed a similar culture at ORIX, where many employees embrace diverse businesses and change.

Suzuki: Greenko Group refines its own strengths while remaining open to external collaboration and ecosystem building. It also engages local communities from the outset as key stakeholders, which supports project sustainability.

—**Nakane:** Their ecosystem-building approach is distinctive, isn’t it?

Suzuki: In India, solving social issues and earning profits are naturally linked. Solar and wind are key to decarbonization, but their output fluctuates. Greenko uses pumped-storage hydropower to absorb that variability, reduce curtailment and reliance on costly backup power, improve system efficiency, lower costs, and create long-term value. That consistent philosophy is why we see value in being a long-term partner.

—**Nakane:** What do you focus on when monitoring investees?

Suzuki: We regularly review project progress, facility operations, regulatory trends, future business plans, and financing. Beyond green ammonia, Greenko is also considering data centers—not just buildings, but platforms that provide computing power and applications. The key question for ORIX is how to keep pace with that speed.

Shin: As an investor, I want to provide more than capital and add business value. To do that, younger employees like us must understand the business deeply and keep asking what we can contribute.



Mr. Suzuki (second from right) receiving a briefing from project staff in the control room at the Pinnapuram integrated renewable energy project



Proposed site for a green ammonia production facility

Interview

Creating What Comes Before the Market

Greenko Group's Management Philosophy as Explained by President Mahesh Kolli

Mahesh Kolli Founder, President & Joint Managing Director

Profile

After gaining entrepreneurial experience in the environmental technology sector, he co-founded Greenko with Anil Kumar Chalamalasetty in 2006. His approach to business building at the intersection of science, technology and business models has been the cornerstone of Greenko and AM Green build-out. He oversees group strategy, capital raising and new business development, and has helped build Greenko into one of India's leading renewable energy companies. He currently leads the expansion of intelligent tokens*, pumped-storage, green hydrogen & green ammonia businesses, while driving the development of AM Green, which he co-founded with Anil in 2023. About eight years ago, when ORIX was seeking a local partner for its wind power business in India, he met ORIX Group CEO Takahashi. Through ongoing dialogue thereafter, they deepened the trust between their two companies and laid the foundation for the partnership that exists today.

* The basic unit of information processed and generated by AI models and AI agents.



a relatively flat organization with a high level of transparency, and information is widely shared across the organization rather than being limited to management. Decision-making involves close collaboration across functions, including project teams, procurement, finance, and HR. We carefully balance trade-offs among cost, speed, and quality, while recognizing that quality may sometimes take priority. At the same time, we place strong emphasis on making decisions quickly and efficiently.

—**Nakane:** What kind of talent and organizational foundation are you developing to drive the expansion of your business?

Mahesh: We have between 10 and 15 core team members who have been with us since the last decade or more. They have been central figures in our transition. They were making presentations on wind power in 2014. Now they are doing presentations on new fields such as hydrogen, aluminum, and AI. Energy is a social infrastructure. Infrastructure itself involves touch points with society, politics, regulations, the environment, and capital markets. In this business, it's important for management to orchestrate relationships among these stakeholders. Japan is becoming a fast-growing AI market with the likes of Sakana AI and others becoming globally prominent. We are able to offer fast-to-access latest-generation compute at scale to large frontier AI companies and hyperscalers to use for their AI training and inference needs.

—**Nakane:** How do you view future growth opportunities and potential for collaboration with Japan and other South Asian countries?

Mahesh: The relationship between India and Japan so far has always been on technology transfer from Japan to India. I think the relationship is changing where India can support Japan in terms of energy needs and decarbonization. We are in discussions with Japanese utilities and trading companies for supply of green ammonia and green hydrogen. Globally, industrial energy systems that have relied on fossil fuels will be rebuilt around renewable energy, leading to decentralization and decarbonization. We want to work with countries and companies across South Asia that face energy security challenges and contribute to solving those issues by treating South Asia as one market.

—**Nakane:** What is the management philosophy of Greenko Group?

Mahesh: Every solution we pursue is grounded in a first-principles approach. We don't just blindly follow market and technological trends. We fundamentally understand the source of value, cost structure, technological feasibility, and risks. We don't invest in things we don't understand. We don't enter a market simply because it's a megatrend. We meet with companies in person and decide yes or no, only after we have a deep understanding of the technology and economics. While it is a time-consuming process, we believe this is critical to building a business over the long term.

—**Nakane:** What do you consider most important when developing new markets?

Mahesh: There'll be competition and market normalization. Before the market tries to normalize that solution, we want to capture significant market share. Scale helps us to achieve the right cost. But also, scale helps us to have a long cycle of market dominance. We aim to develop 100GWh of storage capacity by 2030. It's the same thing in ammonia. We planned for five million tons. Growth is in markets which we are enabling, with our technologies, funding, and our customers. Growth and scale are often by-products of this approach. Our first solar project was close to one thousand megawatts. It was built in less than six months' time. At the time, it was the largest single-site solar project in India. We built the largest wind farm—six hundred megawatts in one location. As we continued to deliver results, lenders and partners gained confidence in our capabilities. We are investing a lot of energy and time in creating an end-to-end value chain across green electrons to intelligent tokens, deepening our moat in electrons and building highly defensible, technology-led business verticals.

—**Nakane:** How do you balance speed and uncertainty in large-scale development projects?

Mahesh: Once we set a course, we are not bound to follow it rigidly. If market, regulatory, or technical challenges arise, our ability to respond with agility is critical. We faced a number of challenges, including geological issues and, at times, resistance from lenders and partners. Rather than spending months analyzing a solution, we respond quickly and take action. That agility comes from our organizational culture. We maintain

The Power of Talent Supporting India's Future

Alongside our coverage of Greenko, we visited the Indian Institute of Technology Hyderabad (IIT Hyderabad), where we exchanged views with professors and students on research themes and collaboration with companies. Many of the research projects are expected to have practical applications, reinforcing our sense that India's international competitiveness is underpinned by its abundant pool of high-quality talent.



With Greenko and IIT staff members in front of the library (right: Nakane)

USA & Europe Business Unit

COO Message

Pursuing ORIX's Unique Approach to Asset Management

Yoshiteru Suzuki

Senior Managing Executive Officer
Chief Operating Officer, USA &
Europe Business Unit
President and Chief Executive
Officer, ORIX Corporation USA



Mission of the USA & Europe Business Unit

The role expected of the USA & Europe Business Unit is very clear.

In Europe, ORIX operates traditional asset management businesses—centered on Robeco* covering equities, fixed income, and other conventional asset classes. In the United States, where I have long been involved, we have expanded our alternative asset management businesses, including private credit and real estate, by leveraging our own balance sheet while also attracting third-party capital.

Many asset-management companies specialize exclusively in either traditional assets or alternative assets. ORIX, however, has both. I believe that connecting these two strengths is the key to further advancing ORIX's asset-management business. To achieve this, Europe and the United States must not operate separately, but as a single integrated business unit.

For some time, we have been discussing how Europe and the United States could be managed more cohesively. But to translate collaboration into sustained results, we need a structure that enables integrated management at the organizational level. That is why we established the USA & Europe Business Unit, bringing the two regions together under one leadership structure. Europe and the United States differ in organizational structure and culture. Traditional

and alternative asset management also require distinct expertise and sales approaches. To promote collaboration while leveraging these diverse strengths, it is essential to have a framework that respects each region's characteristics while deepening coordination. The USA & Europe Business Unit is designed to support that collaboration.

What we aim for is not merely regional integration. Our goal is to combine the knowledge and networks of Europe and the United States to create new value.

* Robeco Institutional Asset Management B.V. (RIAM)

Making the Hybrid Model a Driver of Growth

Since becoming CEO of ORIX Corporation USA in 2019, I have worked to expand our asset-management businesses that utilize third-party capital. The foundation for this effort lies in strengths ORIX has cultivated over many years. Many major alternative asset managers in the United States began by managing other people's capital and later built their own balance sheets. ORIX has taken the opposite path. For

decades, we have continued to invest our own capital, taking on all the associated risks. It was precisely because we had that experience and track record that we believed we could also attract third-party capital.

I often say that we should invest our own capital first, and only offer investments to our clients after we have confirmed their value ourselves. We do not recommend investments to investors that we have not made ourselves. Certainly, one can build a business by simply purchasing deals originated by other companies, but that will not lead to true differentiation. We source our own opportunities and invest in them ourselves. I believe that consistently building that origination capability is what gives us our competitive edge.

By taking these risks ourselves, we can also manage assets from the same perspective as our investors. This alignment is a key differentiator for ORIX in attracting investor capital and an essential element in building long-term relationships of trust.

Since becoming CEO in the United States, I have been leveraging these strengths to expand asset-management businesses with third-party capital. Using third-party capital enables us to take on larger deals. In addition to investment returns, we can earn management fees and performance fees, allowing us to generate higher returns with the same amount of capital. I believe this hybrid model will play a significant role in achieving our target of 15% ROE.

Of course, attracting third-party capital is not easy. Once we take on investor capital, we must steadily build out every aspect of our operations, including investment processes, reporting, compliance, and more. To be honest, this process has taken more time than I initially expected. But because we have built this foundation step by step, I now feel that the path toward our next stage of growth has finally come into view.



Taking Our U.S. Business to the Next Stage of Growth

Many investors have asked about the earnings environment of our U.S. business.

Although profit declined significantly in the fiscal year ended March 2026, I do not believe the underlying earning power of our U.S. business has weakened. The primary drivers of the decline were portfolio optimization initiatives and impairment charges related to legacy assets, both of which were part of our efforts to reshape the balance sheet for future growth. In fact, I view this past year as one in which we strengthened our management foundation in pursuit of higher ROE.

The sale of several private-equity investees was part of this effort and reflects our approach to capital recycling. Rather than pursuing scale for its own sake, we aim to allocate capital with discipline, directing it toward areas where we have competitive advantage and can achieve sustainable growth.

In the U.S. private-credit market, while major alternative-asset managers have been pursuing larger deals, we remain focused on the middle-market segment. This area requires strong underwriting judgment and deep networks. The track record and origination we have built over many years are key sources of differentiation. Another area we expect to grow is asset-based lending (ABL). Unlike lending based solely on corporate creditworthiness, ABL focuses on the value of the underlying collateral. It is an area within private credit where we see significant growth potential.

A critical driver of that growth is Hilco*, which we acquired in 2025. For nearly 40 years, Hilco has specialized in asset valuation, and its expertise provides a major advantage in ABL and other related fields. What ABL and real estate share is an emphasis on real assets and collateral value. Even when market conditions shift, the ability to accurately assess asset value enables us to offer differentiated investment opportunities to investors.

While the ABL market continues to expand, competition is

intensifying. Because we have long taken on risk using our own capital, maintaining disciplined investment judgment and the ability to assess deals will remain essential. Looking ahead, we also intend to leverage ORIX's global network to explore opportunities to expand Hilco's valuation expertise and ABL capabilities into Europe and the broader APAC region, including Japan.

Our strategic direction has not changed. By building on the origination capabilities we have developed in the middle market, further advancing our hybrid model that utilizes third-party capital, and expanding ABL and other new growth areas, we aim to elevate our U.S. business to its next stage of growth.

*Hilco Trading, LLC

Towards a Global Asset-Management Platform

The establishment of the USA & Europe Business Unit has opened new growth opportunities for us.

In Europe, we have strong capabilities in traditional asset management, centered on Robeco. In the United States, we have built strengths in alternative asset management, particularly in private credit and real estate.

Through the USA & Europe Business Unit, we aim to achieve five key objectives.

First, we seek to integrate our client bases and distribution platforms. By leveraging the client relationships and product offerings that each region has developed, we can deliver a broader range of products to a wider set of investors.

Second, we aim to jointly develop products. For example, institutional investors such as life-insurance companies design their entire portfolios by combining not only equities and fixed income, but also private credit and real estate. For these investors, we want to provide solutions that draw on our expertise in both traditional and alternative asset classes.

Third, we intend to share knowledge and know-how. By combining

Robeco's expertise in traditional asset management with the U.S. team's expertise in private-asset management, we can strengthen the competitiveness of both sides. Collaboration has already begun in certain areas, such as private credit, and we expect further coordination going forward.

Fourth, we aim to expand business opportunities. We plan to bring the private-asset strategies we have developed in the United States to Europe, creating new avenues for growth. Businesses related to ABL and real estate, where Hilco's capabilities are particularly valuable, also have the potential to expand into broader regions over time.

Fifth, we want to support the growth of our European business. By leveraging the networks and market insights of our U.S. operations, we hope to contribute to further growth of the European business, particularly in the U.S. market.

Our goal is not to run Europe and the United States separately. Instead, we aim to build a single global asset-management platform that brings together the strengths of traditional and alternative asset management.

We will first deliver results in Europe and the United States and then extend that experience across the entire Group. Through this steady progress, I believe we can shape an asset-management model that is uniquely ORIX, and in doing so, enhance our corporate value.

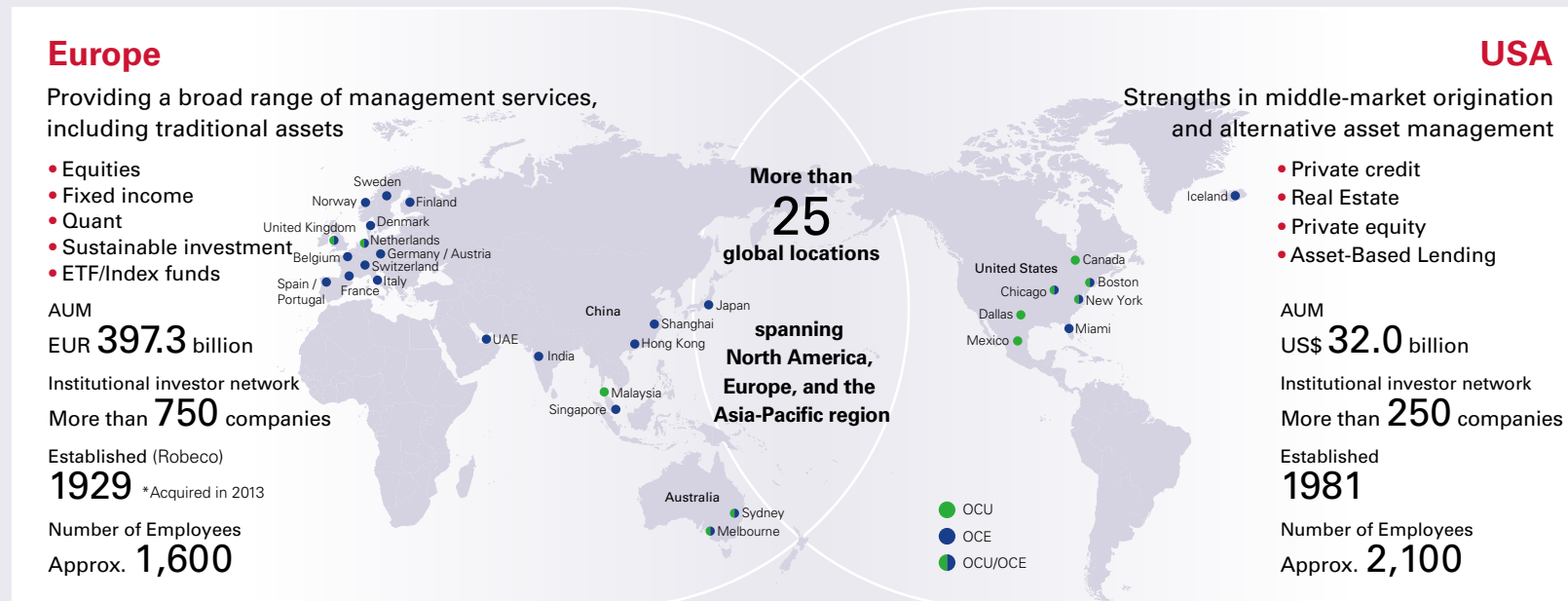


USA & Europe Business Unit

Building a Global Management Platform that Combines Traditional Assets and Alternative Assets

We combine alternative asset management centered on private credit and real estate in the USA with traditional asset management centered on Robeco in Europe. We will provide diverse investment solutions for investors through integrated management of assets in the USA and Europe to combine their respective strengths.

Global Network / Business Domains and Track Record



Synergies and New Value Generated Through Integrated Management

Integrate our client bases and distribution platforms

Link sales networks in Europe and the USA and leverage each other's customer bases and product offerings

Joint product development

Provide solutions that leverage knowledge in both alternative and traditional assets

Sharing of knowledge and know-how

Strengthen competitiveness by combining expertise in alternative and traditional assets

Expanding business opportunities

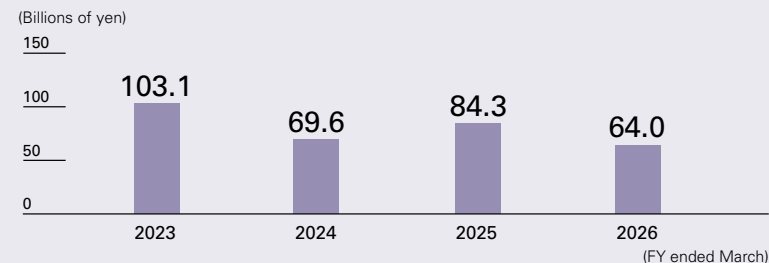
Apply alternative asset strategies cultivated in the USA to Europe

Support growth of Europe Business

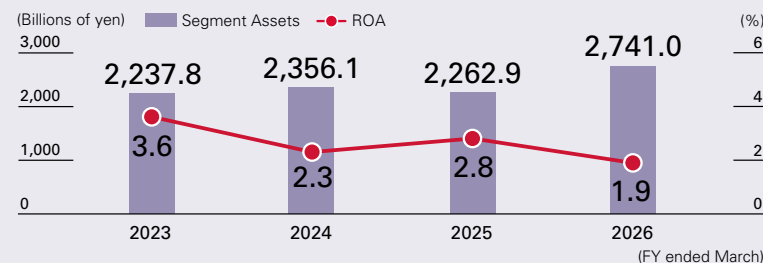
Leverage the USA network and market expertise, particularly to support the growth of our European business in the USA

Performance

■ Segment Profit



■ Segment Assets and ROA



Insurance Business

ORIX Life Insurance President's Message

Contributing to Sustainable Growth Through Our Social Mission

Kazunori Kataoka
ORIX Life Insurance Corporation
President



Life Insurance Business Supporting the ORIX Group

The ORIX Group operates a diverse portfolio of businesses. In addition to financial and real estate operations in Japan, we also engage in global private equity and asset management businesses. Within this portfolio, the life insurance business is distinguished by its long term relationships with customers and its ability to generate stable earnings.

I believe these very characteristics define the important role of the life insurance business within the ORIX Group. Having both growth oriented businesses and businesses that generate stable earnings is what supports the Group's sustainable growth as a whole.

At the same time, because life insurance is a very stable business by its nature, we must never fear change and must continue to evolve. To continue providing long term protection to customers and fulfilling our responsibilities to pay claims and benefits, we must keep evolving our business model with a forward looking perspective. In fact, ORIX Life Insurance has continuously transformed its business model in response to changes in the operating environment. I believe that it is precisely to fulfill our responsibility to customers that we must continue to evolve.

By fulfilling our social mission as a life insurance company, and by generating stable profits and maintaining a sound financial foundation, we will contribute to the ORIX Group's sustainable growth. This is

the role expected of us, and the future that ORIX Life Insurance aims to achieve.

Building the Foundation for Future Earnings

ORIX Life Insurance has grown for many years with a focus on medical insurance. Since launching our medical insurance product CURE in 2006, we have expanded our business in the individual protection market, at times acquiring more than 700,000 new policies in a single year. It appears that many customers may strongly associate ORIX Life Insurance with medical insurance products, and that perception reflects the business foundation we have built in that field. Despite this success, however, I believed that resting on our laurels could make future growth difficult.

Medical insurance is a product that is easy for customers to understand and has high demand, as it provides protection against familiar risks. At the same time, it is a business model built on selling a large number of relatively low-premium policies, and profitability tends to decline as competition intensifies. Moreover, because most products are non savings type insurance, they generate premium income but do not easily accumulate assets that lead to future investment returns. I was concerned that, with the eventual return of a positive interest rate environment, ORIX Life Insurance might not be positioned to fully

capture the benefits.

For this reason, beginning around 2017, we made a major strategic shift from a medical insurance centered business model toward the death protection segment, with whole life insurance at its core. Our aim was not to continue growth through increases in policy counts. It was to build a business structure that achieves growth in premium income while simultaneously accumulating assets — creating a foundation that generates future investment returns.

This shift represented a major strategic decision for the company. It required prioritizing the foundation for future growth over short term results. For a company that had grown through medical insurance, this strategic change — accompanied by a decline in new policy counts — demanded considerable resolve. In fact, new policy counts have decreased from a peak of roughly 710,000 per annum to about 190,000 most recently. However, premiums per policy have increased, and both premium income and total assets have expanded steadily.

What is particularly important is that the expansion of total assets is driving growth in investment income. A life insurance company is not only a provider of protection — it is also an institution that manages assets over the long term. Simply accumulating assets is not enough. How those assets are invested, and how they generate returns, determines a life insurer's competitiveness.

Accordingly, alongside our shift in product strategy, we have also strengthened our asset management capabilities. We have recruited investment professionals from outside the company, restructured the Asset Management Division, and expanded beyond our traditional bond centered approach into more diversified investment strategies. Today, roughly 10% of our total assets are allocated to alternative investments, and we are enhancing our investment capabilities in collaboration with Robeco and ORIX USA, both ORIX Group companies.

As a result of these efforts, investment income has grown significantly, and segment profit exceeded ¥100 billion in the fiscal year ending March 2026. This achievement is not simply the result of changes in the interest rate environment. It reflects the shift

toward products that accumulate assets and the strengthening of our investment platform — efforts that are now bearing fruit.

ORIX Life Insurance is not aiming to preserve past success models. Our goal is to provide the protection customers need while building a business foundation that can grow through both insurance income and investment income. We will continue to value the customer base and brand we cultivated through medical insurance, while evolving our business model to enhance future earning power. I believe this transformation will become the most important foundation supporting ORIX Life Insurance's next stage of growth.



Toward the Next Stage of Growth

Through our shift in product strategy and the strengthening of our investment capabilities, ORIX Life Insurance has enhanced its earnings base across both insurance income and investment income. Our next challenge is to further build on this foundation and translate it into long term growth in corporate value.

To do so, allocating management resources to growth areas will be essential. We are focusing on the corporate market and the high net worth market. In these segments, we can respond not only to protection needs but also to diverse customer needs such as asset formation and wealth transfer to the next generation. Policies in these markets also tend to have larger premiums, enabling us to build a portfolio that contributes to growth in both insurance income and investment income. By concentrating our efforts in these areas, we aim to further strengthen our future earnings base.

When evaluating the value of a life insurance company, I believe we should not look only at single-year profits. Life insurance is a business built on long-term contracts, and the fundamentals of management lie in how we enhance the value that will be generated

over the long term. In this sense, continuously increasing Embedded Value (EV) is a major theme in ORIX Life Insurance's management. At the same time, life insurers have a mission to fulfill their protection responsibilities to customers over the long term. Maintaining financial soundness is therefore of utmost importance. We maintain a sufficiently high solvency margin ratio and a high level of financial soundness. On top of that, it is essential not only to preserve a sound financial base but also to use capital effectively to enhance corporate value. Life insurance has unique business characteristics and should not be evaluated solely by the same metrics as other businesses in the Group. However, as a member of the ORIX Group, we intend to manage with an even greater focus on capital efficiency, including ROE.

By growing EV, generating stable profits, and using capital effectively, we will enhance ORIX Life Insurance's corporate value. This is our challenge as we move toward the next stage of growth.

Structural Reform Supporting the Next Stage of Growth

The area where I currently see the greatest potential for transformation is AI.

Life insurers carry out many operational processes to continue providing protection to customers, including policy administration and claims assessment. We have advanced digitalization over the years, but many tasks still require human judgment and verification.

Today, however, advances in technology — especially generative AI — are revealing significant possibilities for transforming operations that were previously difficult to automate. We are introducing AI primarily in claims assessment and customer contact center operations. The aim is not merely to improve efficiency — instead, we aim to re-examine the business processes themselves.

I do not believe AI should be introduced solely for cost reduction. The key is to concentrate management resources on work that requires human judgment, expertise, and creativity. By streamlining routine

and administrative tasks, we can redirect talent toward customer engagement, product development, and work that requires more advanced judgment.

ORIX Life Insurance has continually evolved its business model in response to changes in the operating environment — shifting away from a medical insurance centered model, strengthening our investment capabilities, and advancing initiatives to enhance corporate value. AI-driven transformation is the natural extension of these efforts.

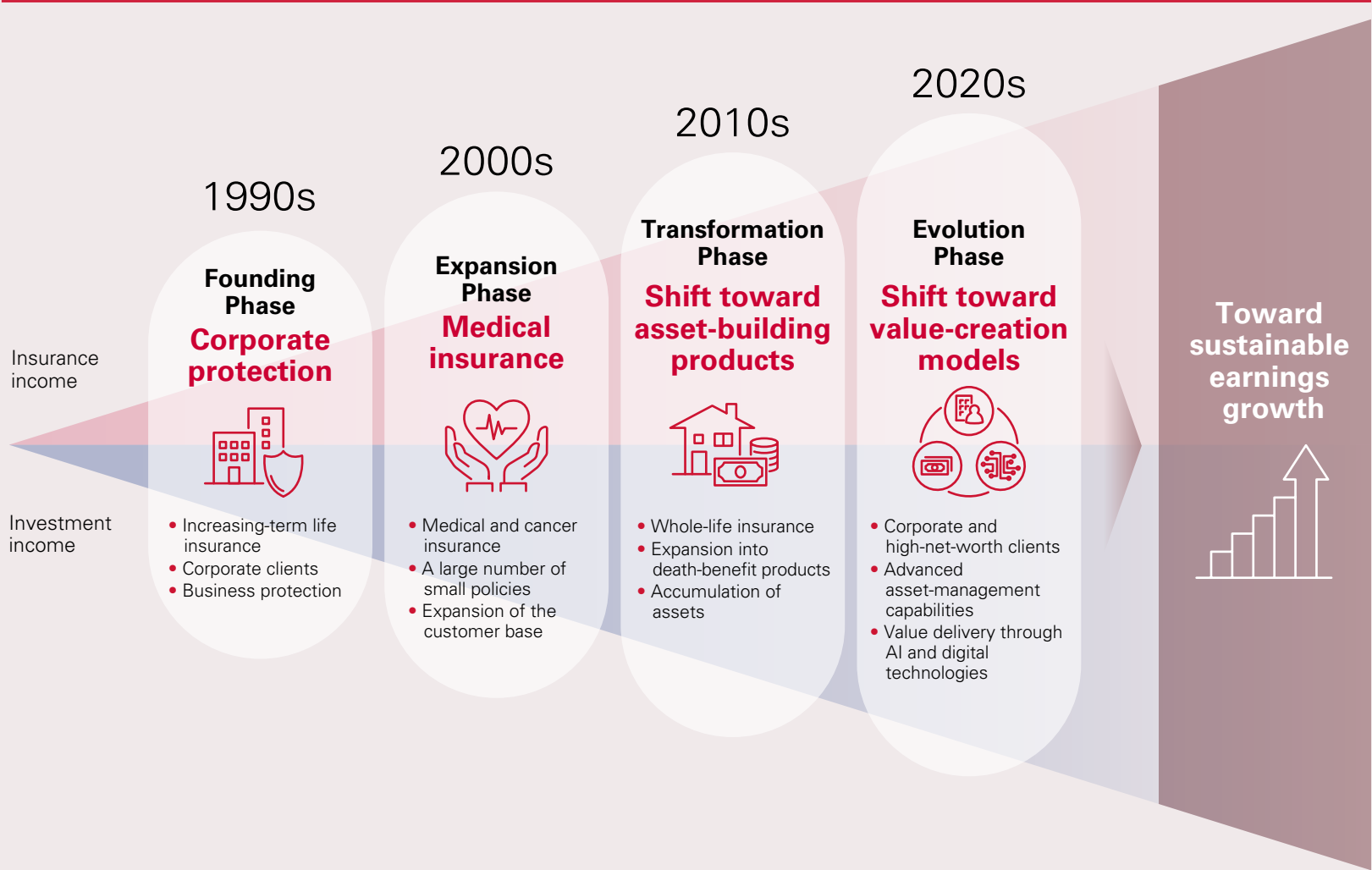
The role expected of life insurers will not change: to continue providing customers with peace of mind. To fulfill this mission, we must embrace change and evolve both our business model and our operations. By enhancing the value we deliver to customers and society, we aim to contribute to the ORIX Group's sustainable growth.



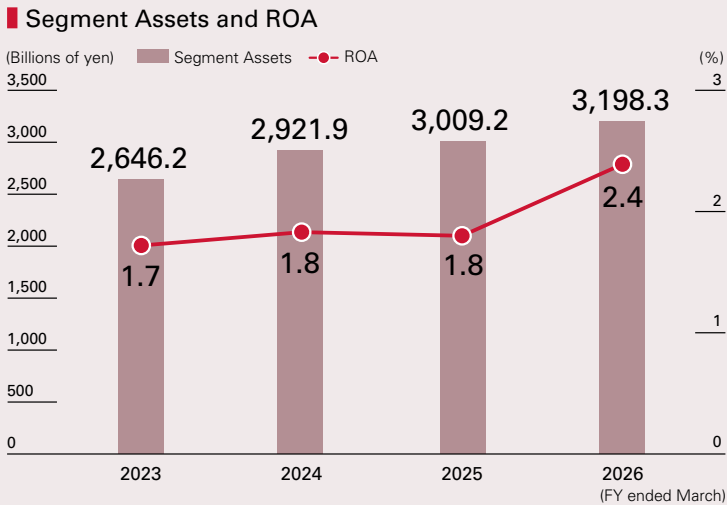
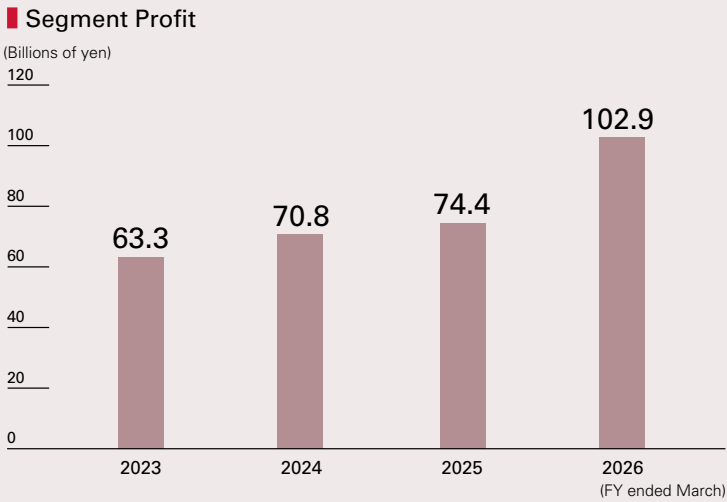
Evolving Our Business Model for Long-Term Value Creation

ORIX Life Insurance is growing on the strength of long-term relationships with customers, driven by two key sources of earnings: insurance income and investment income. We will continue strengthening our future profit base and contributing to the Group’s sustainable growth.

ORIX Life Insurance’s Value-Creation Journey



Performance



CFO & CSO Message

Toward a Hybrid Business Model that Achieves Both Balance Sheet and AUM Growth

Masataka Yamada

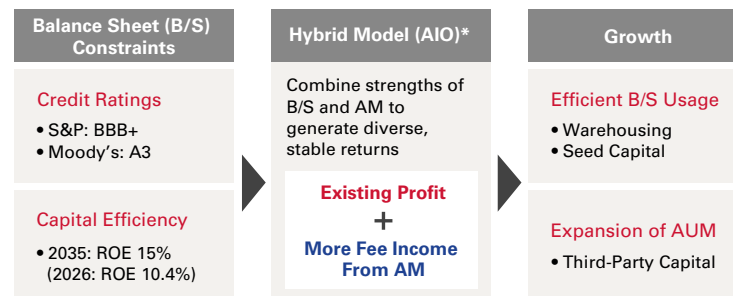
Member of the Board of Directors
Senior Managing Executive Officer
Chief Financial Officer and
Chief Strategy Officer
Responsible for
Corporate Strategy and
Management Unit



Toward a Hybrid Business Model that Achieves Both Balance Sheet and AUM Growth

To achieve ¥1 trillion in net income and 15% ROE, while simultaneously maintaining an A-level credit rating, ORIX cannot rely solely on balance sheet expansion to drive growth. Integrating our growth and financial strategies while balancing capital efficiency with continued growth will be essential going forward. For this reason, we are shifting toward a hybrid asset-management business model - one that not only generates investment income from proprietary investments but also expands fee income by leveraging third-party capital.

Shift Towards Asset Management (AM) Business Model



* Alternative Investment & Operations

At ORIX, we have a long history of growth through identifying investment opportunities, taking on risk, and enhancing enterprise value. While continuing to leverage these strengths, we aim to evolve toward a more capital-efficient earnings structure and achieve sustainable growth.

Our Strengths: Creating Investment Opportunities and Enhancing Asset Value

As we advance our asset-management business model, our greatest strengths lie in our ability to originate investment opportunities through our own efforts and enhance their value. In the asset-management business, the key is whether we can consistently provide investors with attractive assets. We operate a wide range of businesses including real estate, renewable energy, transportation assets, infrastructure, private equity, and private credit. Through this business foundation, ORIX can independently source and structure alternative asset products to offer to investors, a capability that makes us a truly unique player in the Japanese market.

Another defining characteristic is our ability to utilize our own balance sheet. We can originate and enhance the value of assets through our own efforts, and subsequently bring in third-party capital. Our ability to run this cycle internally is a significant competitive

strength of our asset-management business.

We are not merely a financial player. I see ORIX as an asset operator with a financial mindset. In real estate, we engage in development and operations; in renewable energy, we run power-generation businesses; in aircraft, we manage and lease assets - all while being deeply involved in business operations to enhance value. Our ability to take a hands-on approach and increase a business's enterprise value even after investing is a key differentiator from typical asset managers.

Our Track Record in Japan and Overseas Provides a Foundation for Asset Management Growth

The asset-management business model we aim to build is not something we are creating from scratch. We already have a strong foundation of achievements both in Japan and overseas.

In the real estate business, for example, we launched the domestic real estate fund ORIVA I in the fiscal year ending March 2025. Although we initially envisioned a scale of ¥100 billion, strong investor demand led the fund to grow to ¥120 billion.

I believe this reflects investor recognition of the real estate investment and operations expertise and track record we have cultivated over many years.

In private equity, we established a USD 2.5 billion private equity investment platform in Japan together with the Qatar Investment Authority (QIA). This is our first PE fund dedicated to the Japanese market, operated with 60% capital from ORIX and 40% from QIA. It expands opportunities to invest in large-scale domestic M&A deals and serves as one example of our asset-management model leveraging third-party capital in practice.

Overseas, we have advanced the shift from proprietary investments to a model that utilizes third-party capital, centered on NXT Capital* in the United States. NXT Capital has expanded its AUM while building a strong track record, evolving into a business model

* NXT Capital Group, LLC

A Dialogue Between Outside Directors

Under a New Management Framework
Aiming for Value Creation Over
the Medium to Long Term
Toward the Next Stage of Growth

Hiroshi Watanabe

Member of the Board of Directors (Outside Director)
Nominating Committee, Audit Committee

Profile

Joined the Ministry of Finance (currently the Ministry of Finance, Japan) in 1972. After serving as Director-General of the International Bureau and Vice Minister of Finance for International Affairs, retired in 2007. Subsequently held positions including Professor, Graduate School of Commerce and Management at Hitotsubashi University (currently Graduate School of Business Administration at Hitotsubashi University); Governor, Japan Bank for International Cooperation; and President, Institute for International Monetary Affairs. Appointed Director of ORIX Corporation in June 2020.



Miwa Seki

Member of the Board of Directors (Outside Director)
Nominating Committee, Audit Committee

Profile

Joined DENTSU INC. in 1988. After serving at Smith Barney and Morgan Stanley, appointed as General Manager, Tokyo Branch, Clay Finlay Limited in 2003. Subsequently held positions including General Partner at MPower Partners Fund L.P., in addition to serving as Member of the Board of Directors (Outside Director), Daiwa House Industry Co., Ltd. Appointed Director of ORIX Corporation in June 2025.

Valuing a balanced decision-making process

Watanabe: In January this year, President Hidetake Takahashi assumed the position of CEO, marking the full-scale launch of ORIX's new management framework. In the past, ORIX gave the impression of having the organization driven by the strong, unifying leadership of its top executive. However, I feel that the new CEO, Mr. Takahashi, is inclined towards making decisions by bringing together diverse opinions within the company. The Board of Directors has also set a clear direction to further strengthen its role as a forum for discussion, with more active debate focused on the Group's overall management strategy and direction it aims to pursue.

Seki: I have been serving as an outside director since June of last year, and, as you said, I also feel that CEO Takahashi is a leader who values team decision-making. Meanwhile, over the past year, ORIX has swiftly rolled out a series of bold strategies and measures, including the sale of ORIX Bank and the shift to an asset management business model,

the reorganization of business segments, and the introduction of a CxO system. Watching the way CEO Takahashi first establishes the overall direction and then develops concrete plans while listening to the views of each business unit, I feel he maintains an excellent balance between autonomy, speed, and discipline.

Management's Intention to Evolve Made Clear Through Business Portfolio Reform

Watanabe: I believe what ORIX Group CEO Takahashi has been pursuing over the past year is the work of organizing and optimizing ORIX's business domains, which had steadily expanded with the changing times, with the aim of realizing sustainable growth. Bringing in Mr. Yamada, who has an investment banking background, as CFO is also likely based on his decision that a dedicated person to oversee financial strategy with a company-wide, cross-functional perspective was needed to fully pursue a business requiring dynamic capital

allocation going forward. The business portfolio has been reorganized by consolidating the business segments, which had expanded to 10 areas, and assigning a COO to each of the Group's three core segments: JAPAN & APAC, Infrastructure, and USA & Europe. These reforms clearly show the intention of ORIX's top management to change the status quo.

Seki: As a company, ORIX operates very diverse businesses, which has at times made it difficult for general investors and other stakeholders to fully understand the company. I believe that ORIX has now become easier to understand externally because of the reorganization, in that the businesses are now organized based on their underlying characteristics rather than on form, and closely related businesses are grouped together. Having said that, I also feel that the major business segments that have been consolidated back together are linked to a single COO, that is, a specific person who primarily oversees them. I sense there is also a potential risk around what happens when that person changes.

Watanabe: Certainly, the current system assumes the existence of an outstanding COO to lead each segment. To ensure sustainable growth in each field, it is also vital to develop the next generation of young leaders. For the past few years, I have been repeatedly saying that we need to develop our next generation of management, including the position of CEO, with an eye on five or ten years in the future. By global standards, we must start selecting and developing our next generation of leaders from around the age of 35. I think this would also further increase the motivation of younger employees.

Leveraging the Strength of “Frontline Capabilities” in New Growth Models

Seki: I believe it is critically important to understand how the strengths we have cultivated over the years will drive our growth going forward.

Watanabe: ORIX’s sense of direction is expressed well by Alternative Investment & Operations and Business Solutions, the two business models which it announced to realize Long-Term Vision 2035. To ensure sustainable growth, it is important to skillfully link both the things ORIX wants to do and can do with the actions that are required by society. Meeting the needs of markets and customers is, of course, important. At the same time, a vision of what ORIX wants to become is also essential for creating new value. If ORIX believes there is something it should pursue, then I think it is fine to push forward with conviction while still gauging the response of the market and customers.

Seki: I think that in the case of ORIX, these two business models can be pursued in parallel. Our major strength is our “Frontline Capabilities” for connecting deeply with customers. ORIX has branches nationwide and sales professionals with an in-depth understanding of where customers are located and the challenges they face. On top of that, ORIX has built up a track record of collaborating closely with customers to address a wide range of issues. This is a major competitive advantage that overseas private equity firms do not have. If ORIX can leverage this strength to create new business areas, I expect the two business models will produce synergies, which will translate into significant value creation. I also think the recent review of material issues for ORIX’s sustainability goals conducted in May 2026 was intended to clarify which material issues will contribute to growth in line with these two business models.

Watanabe: The previous material issues felt more like “social obligations.” Although they presented concrete targets in detail for each item such as GHG reduction targets, the updated material issues have been

reorganized into six broad categories that express the direction ORIX aims to take. It is a positive change. I believe that the new material issues have also made it easier for employees to ask themselves what they can do to address the issues. [→ Page 50 Updating Material Issues](#)

Focus on Challenge to Achieve ROE of 15% and Net Income of 1 Trillion Yen

Watanabe: ORIX has announced management KPIs of ROE of 15% and net income of 1 trillion yen in the Long-Term Vision, and these are both ambitious targets. Also, profit and ROE do not necessarily move in the same direction. I believe that clarifying the focus of ORIX’s efforts, including capital allocation for each project over the next one to two years, will also bring into view the positioning and concrete strategy for each segment. Although I am not overly optimistic, I believe it is better to set ambitious targets. I would like to give ORIX’s management team credit for boldly outlining its vision for the future.

Seki: I recently attended ORIX’s Global Management Conference. There was a comment that achieving ROE of 15% and net income of 1 trillion yen at the same time would be trying to increase muscle mass three- or four-fold while on a diet, and this is exactly the case. To increase capital efficiency, it is necessary to optimize the business portfolio and trim the balance sheet, but doing that alone is only “dieting.” To build “muscle,” ORIX will have to successfully create new, highly efficient businesses that go beyond the existing portfolio on a large scale. Of course, asset management is one of these businesses, but there are still many possibilities that can be developed, including, for example, investment in AI-related infrastructure, new energy sources, or the logistics sector.

Watanabe: Speaking from the viewpoint of social infrastructure, I believe that the Osaka Integrated Resort (IR) project currently underway is significant in the sense that it will contribute to society over the medium to long term while simultaneously enhancing ORIX’s presence in society. Including the financing plan, it is one of the largest projects in ORIX’s history, but it will be an incredibly significant achievement for our future development should it succeed.

Using Asset Management-Type Businesses as a Catalyst for Further Evolution

Watanabe: I believe that reforming the organizational culture of the entire Group is also an important key in ensuring that ORIX continues

to evolve. Rather than just having lower-level staff act in accordance with plans created by senior management, I would like ORIX to foster a mindset in which all employees are working together to transform the company. This also includes incorporating the opinions of younger employees on the frontlines.

Seki: In that sense, I feel that the shift to an asset management-type business could be a major catalyst. Recruiting talented human resources from the outside is certainly necessary. However, it is also important to articulate and pass on the implicit knowledge which ORIX has cultivated as part of its DNA, such as its unique business know-how and processes for making decisions as a team. Doing this should also ensure the reproducibility of its business processes.

Watanabe: Speaking from the viewpoint of changing the organizational culture, it is also necessary to develop systems that bring out the potential of the next generation of leaders by equipping them with a company-wide, cross-functional perspective. This can be done by having them experience working in multiple core businesses within the first ten years of their joining the company, for example. In addition, looking toward future overseas expansion, securing and developing human resources with a global perspective is also a major issue. CEO Takahashi has considerable overseas business experience and a diverse network of personal connections, but there are also many people in each business unit who are in day-to-day contact with ORIX’s overseas operations. I hope these people will work with management to drive company-wide efforts to attract outstanding human resources, bearing in mind ORIX’s business counterparts and rival companies as potential sources of talent. Because, ultimately, it is the people on the frontlines who can decide who is the right person for the right job.

Seki: Asset management-type businesses are, in short, businesses that add value to managed assets, which is essentially no different from the strategic investment that ORIX has been engaged in all along. Each of ORIX’s business units has many experienced staff who have refined their abilities to assess asset strength through diverse strategic investment experiences. I expect that ORIX can create businesses that are unique to the firm by skillfully combining strengths based on the frontline perspective, which global private equity firms do not have, with the knowledge and skills of outside professionals.

Watanabe: The targets the firm has set are aspirational, but there is no doubt that ORIX has started moving toward major group-wide transformation with a firm sense of direction. As an outside director, I will continue supporting for this bold challenge going forward.