

**Consolidated Financial Results**  
**April 1, 2020 – March 31, 2021**

May 13, 2021

*In preparing its consolidated financial information, ORIX Corporation (the “Company”) and its subsidiaries have complied with generally accepted accounting principles in the United States of America.*

*These documents may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under “Risk Factors” in the Company’s annual report on Form 20-F filed with the United States Securities and Exchange Commission.*

*The Company believes that it may have been a “passive foreign investment company” for U.S. federal income tax purposes in the year to which these consolidated financial results relate by reason of the composition of its assets and the nature of its income. In addition, the Company may be a PFIC for the foreseeable future. Assuming that the Company is a PFIC, a U.S. holder of the shares or ADSs of the Company will be subject to special rules generally intended to eliminate any benefits from the deferral of U.S. federal income tax that a holder could derive from investing in a foreign corporation that does not distribute all of its earnings on a current basis. Investors should consult their tax advisors with respect to such rules, which are summarized in the Company’s annual report.*

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## Consolidated Financial Results from April 1, 2020 to March 31, 2021

(U.S. GAAP Financial Information for ORIX Corporation and its Subsidiaries)

Corporate Name: ORIX Corporation  
 Listed Exchanges: Tokyo Stock Exchange (Securities No. 8591)  
 New York Stock Exchange (Trading Symbol : IX)  
 Head Office: Tokyo JAPAN  
 Tel: +81-3-3435-3121  
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### 1. Performance Highlights as of and for the Year Ended March 31, 2021

#### (1) Performance Highlights - Operating Results (Unaudited)

(millions of yen)\*1

	Total Revenues	Year-on-Year Change	Operating Income	Year-on-Year Change	Income before Income Taxes	Year-on-Year Change	Net Income Attributable to ORIX Corporation Shareholders	Year-on-Year Change
March 31, 2021	2,292,708	0.5%	258,814	(4.0%)	287,561	(30.3%)	192,384	(36.4%)
March 31, 2020	2,280,329	(6.3%)	269,681	(18.1%)	412,561	4.3%	302,700	(6.5%)

“Comprehensive Income Attributable to ORIX Corporation Shareholders” was ¥226,266 million for the fiscal year ended March 31, 2021 (year-on-year change was a 7.8% decrease) and ¥245,509 million for the fiscal year ended March 31, 2020 (year-on-year change was a 21.1% decrease).

	Basic Earnings Per Share	Diluted Earnings Per Share	Return on Equity	Return on Assets *2	Operating Margin
March 31, 2021	155.54	155.39	6.4%	2.2%	11.3%
March 31, 2020	237.38	237.17	10.3%	3.3%	11.8%

\*Equity in Net Income of Affiliates” was a net gain of ¥481 million for the fiscal year ended March 31, 2021 and a net gain of ¥67,924 million for the fiscal year ended March 31, 2020.

\*Note 1: Unless otherwise stated, all amounts shown herein are in millions of Japanese yen, except for per share and dividend amounts which are in single yen.

\*Note 2: “Return on Assets” is calculated based on “Income before Income Taxes.”

#### (2) Performance Highlights - Financial Position (Unaudited)

	Total Assets	Total Equity	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity Per Share
March 31, 2021	13,563,082	3,103,144	3,028,456	22.3%	2,487.77
March 31, 2020	13,067,528	3,065,835	2,993,608	22.9%	2,386.35

\*Note 3: “Shareholders' Equity” refers to “Total ORIX Corporation Shareholders' Equity.”

“Shareholders' Equity Ratio” is the ratio of “Total ORIX Corporation Shareholders' Equity” to “Total Assets.”

“Shareholders' Equity Per Share” is calculated based on “Total ORIX Corporation Shareholders' Equity.”

#### (3) Performance Highlights - Cash Flows (Unaudited)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash, Cash Equivalents and Restricted Cash at End of Year
March 31, 2021	1,095,676	(1,203,252)	39,884	1,079,575
March 31, 2020	1,042,466	(1,470,486)	288,703	1,135,284

### 2. Dividends (Unaudited)

	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total	Total Dividends Paid	Dividend Payout Ratio (Consolidated base)	Dividends on Equity (Consolidated base)
March 31, 2020	—	35.00	—	41.00	76.00	96,356	32.0%	3.3%
March 31, 2021	—	35.00	—	43.00	78.00	96,108	50.1%	3.2%
March 31, 2022 (Est.)	—	39.00	—	39.00	78.00	—	—	—

\*Note 4: Total dividends paid include dividends paid to the Board Incentive Plan Trust (¥123 million for the fiscal year ended March 31, 2020 and ¥169 million for the fiscal year ended March 31, 2021).

### 3. Forecast for the Year Ending March 31, 2022 (Unaudited)

	Net Income Attributable to ORIX Corporation Shareholders	Year-on-Year Change
March 31, 2022	250,000	29.9%

\*Note 5: Although forward-looking statements in this document are based on information currently available to, and assumptions deemed reasonable by ORIX Corporation, actual financial results may differ materially due to various factors. Readers are urged not to place undue reliance on such forward-looking statements. For cautionary notes regarding assumptions for forward-looking statements, please refer to 1.Summary of Consolidated Financial Results (1) Summary of Financial Highlights “Outlook and Forecast”.

Factors causing a result that differs from forward-looking statements include, but are not limited to, those described under “Risk Factors” in our Form 20-F submitted to the U.S. Securities and Exchange Commission.

**4. Other Information**

**(1) Changes in Significant Consolidated Subsidiaries**

Addition - None ( )                      Exclusion - None ( )                      Yes ( )                      No ( x )

**(2) Changes in Accounting Principles, Procedures and Disclosures**

- |   |           |          |
|---|-----------|----------|
| 1. Changes due to adoptions of new accounting standards | Yes ( x ) | No ( )   |
| 2. Other than those above                               | Yes ( )   | No ( x ) |

\*Note 6: For details, please refer to "3. Financial Information (9) Changes in Significant Basis of Preparation of Consolidated Financial Statements" on page 21.

**(3) Number of Issued Shares (Ordinary Shares)**

1. The number of issued shares, including treasury stock, was 1,285,724,480 as of March 31, 2021, and 1,324,629,128 as of March 31, 2020.
2. The number of treasury stock was 66,231,916 as of March 31, 2021, and 68,680,644 as of March 31, 2020.
3. The average number of outstanding shares was 1,236,897,189 for the fiscal year ended March 31, 2021, and 1,275,165,730 for the fiscal year ended March 31, 2020.  
The Company's shares held through the Board Incentive Plan Trust (2,154,248 shares as of March 31, 2021 and 1,476,828 shares as of March 31, 2020) are not included in the number of treasury stock as of the end of the periods, but are included in the average number of shares outstanding as treasury stock that are deducted from the basis of the calculation of per share data.

# 1. Summary of Consolidated Financial Results

## (1) Summary of Financial Highlights

### Financial Results for the Fiscal Year Ended March 31, 2021

		Fiscal Year ended March 31, 2020	Fiscal Year ended March 31, 2021	Change	
				Amount	Percent
Total Revenues	(millions of yen)	2,280,329	2,292,708	12,379	1 %
Total Expenses	(millions of yen)	2,010,648	2,033,894	23,246	1 %
Income before Income Taxes	(millions of yen)	412,561	287,561	(125,000)	(30)%
Net Income Attributable to ORIX Corporation Shareholders	(millions of yen)	302,700	192,384	(110,316)	(36)%
Earnings Per Share (Basic)	(yen)	237.38	155.54	(81.84)	(34)%
(Diluted)	(yen)	237.17	155.39	(81.78)	(34)%
ROE *1	(%)	10.3	6.4	(3.9)	—
ROA *2	(%)	2.40	1.44	(0.96)	—

\*Note 1 : ROE is the ratio of Net Income Attributable to ORIX Corporation Shareholders for the period to average ORIX Corporation Shareholders' Equity.

\*Note 2 : ROA is calculated based on Net Income Attributable to ORIX Corporation Shareholders.

### Overview of Business Performance (April 1, 2020 to March 31, 2021)

Total revenues for the consolidated fiscal year ended March 31, 2021 (hereinafter, “the fiscal year”) increased 1% to ¥2,292,708 million compared to the previous fiscal year due to increases in life insurance premiums and related investment income, and gains on investment securities and dividends despite decreases in services income, and operating leases revenues.

Total expenses increased 1% to ¥2,033,894 million compared to the previous fiscal year due to an increase in life insurance costs despite decreases in interest expense, and services expense.

On the other hand, equity in net income of affiliates for the fiscal year decreased 99% to ¥481 million compared to the previous fiscal year and gains on sales of subsidiaries and affiliates and liquidation losses, net for the fiscal year decreased 69% to ¥23,300 million compared to the previous fiscal year.

Due to the above results and the impact of coronavirus disease 2019 (hereinafter, “COVID-19”), income before income taxes for the fiscal year decreased 30% to ¥287,561 million compared to the previous fiscal year and net income attributable to ORIX Corporation shareholders decreased 36% to ¥192,384 million compared to the previous fiscal year.

## Segment Information

Total segment profits for the fiscal year decreased 28% to ¥318,891 million compared to the previous fiscal year. Segment profits increased in each of Environment and Energy, Insurance and Banking and Credit while segment profits in each of Corporate Financial Services and Maintenance Leasing, Real Estate, PE Investment and Concession, Aircraft and Ships, ORIX USA, ORIX Europe and Asia and Australia decreased.

Since April 1, 2020, the operating segments regularly reviewed by the chief operating decision maker to make decisions about resource allocations and assess performance have been changed, resulting in a reorganization of our reportable segments. As a result of this change, segment data for the previous fiscal year has been retrospectively restated.

Since April 1, 2020, the selling, general and administrative expenses that should be borne by the ORIX Group, which were initially charged to its respective segments, have been included in the difference between segment total profits and consolidated amounts for the fiscal year. As a result of this change, segment data for the previous fiscal year has been retrospectively restated.

Since April 1, 2020, Accounting Standards Update 2016-13 (“Measurement of Credit Losses on Financial Instruments”—ASC 326 (“Financial Instruments—Credit Losses”)) (hereinafter, “Credit Losses Standard”) has been adopted. For further information, see “3. Financial Information (9) Changes in Significant Basis of Preparation of Consolidated Financial Statements - Significant Accounting Policies - (Adoption of New Accounting Standards).”

Segment information for the fiscal year is as follows:

**Corporate Financial Services and Maintenance Leasing:** Finance and fee business; leasing and rental of automobiles, electronic measuring instruments and IT-related equipment; Yayoi

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	428,036	429,799	1,763	0
Segment Profits	62,978	59,149	(3,829)	(6)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	1,789,693	1,658,571	(131,122)	(7)

Segment revenues totaled ¥429,799 million, remaining substantially unchanged from the previous fiscal year. This was due to an increase in operating leases revenues from the rental of IT-related equipment, mostly offset by lower finance revenues resulting from decreases in financial assets and lower sales of goods.

Segment profits decreased 6% to ¥59,149 million due to increases in costs of operating leases and services expense, and the absence of bargain purchase gains recorded in relation to companies acquired in our corporate financial services business during the previous fiscal year.

Segment assets decreased 7% to ¥1,658,571 million compared to the end of the previous fiscal year. This decrease was due to decreases in net investment in leases, installment loans, and investment in operating leases.

**Real Estate:** Real estate development, rental and management; facility operations; real estate asset management

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	468,086	359,798	(108,288)	(23)
Segment Profits	80,182	24,684	(55,498)	(69)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	821,194	872,095	50,901	6

Our operating facilities have experienced temporary closure and low occupancy rates during the fiscal year due to the impact of COVID-19. Consequently, services income from our facility operations business decreased. Also, DAIKYO INCORPORATED and its subsidiaries experienced a decrease in services income from real estate contract work due to the dissipation of increased last-minute demand before the consumption tax hike in Japan during the previous fiscal year, as well as a decrease in sales of real estate. In addition, there was a decrease in gains on sales of real estate under operating leases. As a result, segment revenues decreased 23% to ¥359,798 million compared to the previous fiscal year.

Due to the above-mentioned reasons as well as the absence of gains on the sale of a subsidiary which operates senior housings, which had been recorded during the previous fiscal year, segment profits decreased 69% to ¥24,684 million compared to the previous fiscal year despite a decrease in services expense from our facility operations business.

Investment in operating leases decreased due to the sales of real estate under operating leases. However, this decrease was offset by increases in inventories and advances for finance lease and operating lease. As a result, segment assets increased 6% to ¥872,095 million compared to the end of the previous fiscal year.

**PE Investment and Concession:** Private equity investment and concession

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	296,365	331,222	34,857	12
Segment Profits	44,110	3,431	(40,679)	(92)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	322,522	378,698	56,176	17

Segment revenues increased 12% to ¥331,222 million compared to the previous fiscal year. This increase was due to an increase in sales of goods by our investees, despite a decrease in services income resulting from the sale of a subsidiary during the previous fiscal year.

Due to the impact of COVID-19, the number of passengers and flights at our three airports in Kansai decreased substantially, resulting in a decrease in equity in net income of affiliates in our concession business. Also, due to the absence of gains on the sale of a subsidiary in our private equity business, which had been recorded during the previous fiscal year, segment profits decreased 92% to ¥3,431 million compared to the previous fiscal year.

Segment assets increased 17% to ¥378,698 million compared to the end of the previous fiscal year. This increase was due to increases in goodwill and investment in operating leases associated with the acquisition of subsidiaries during the fiscal year.

**Environment and Energy:** Domestic and overseas renewable energy; electric power retailing; ESCO services; sales of solar panels and electricity storage system; recycling and waste management

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	148,423	143,187	(5,236)	(4)
Segment Profits	11,625	28,563	16,938	146

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	478,796	506,666	27,870	6

Segment revenues decreased 4% to ¥143,187 million compared to the previous fiscal year due to a decrease in services income resulting from a decrease in electricity sales.

Segment profits increased 146% to ¥28,563 million compared to the previous fiscal year. This increase was due to the recording of gains of sales of an investee involved in wind power generation business in India.

Segment assets increased 6% to ¥506,666 million compared to the end of the previous fiscal year. This increase was due to an increase in investments in affiliates, despite a decrease in property under facility operations.

**Insurance:** Life insurance

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	371,387	491,894	120,507	32
Segment Profits	44,833	55,119	10,286	23

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	1,580,158	1,959,521	379,363	24

Segment revenues increased 32% to ¥491,894 million compared to the previous fiscal year. This increase was due to an increase in life insurance premiums in line with an increase in new insurance contracts, as well as an increase in life insurance related investment income from variable life insurance contracts.

Due to the above-mentioned reasons as well as the recording of reversals of policy liability reserves due to the reduction of minimal guarantee risk related to variable life insurance contracts, etc., segment profits increased 23% to ¥55,119 million compared to the previous fiscal year.

Segment assets increased 24% to ¥1,959,521 million compared to the end of the previous fiscal year due to an increase in investment in securities.

**Banking and Credit:** Banking and consumer finance

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	84,355	83,724	(631)	(1)
Segment Profits	39,096	48,030	8,934	23

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	2,603,736	2,690,627	86,891	3

Segment revenues decreased 1% to ¥83,724 million compared to the previous fiscal year. This decrease was due to a decrease in finance revenues due to a decrease in installment loans in ORIX Credit notwithstanding increases in services income generated from the mortgage bank business of ORIX Credit and finance revenues derived from real estate investment loans in our banking business.

Segment profits increased 23% to ¥48,030 million compared to the previous fiscal year resulting from a decrease in provision for credit losses during the fiscal year, which was due to the impacts of a decrease in new loan executions as well as low default rates in ORIX Credit.

Segment assets increased 3% to ¥2,690,627 million compared to the end of the previous fiscal year due to an increase in the balance of real estate investment loans in our banking business.



**Aircraft and Ships:** Aircraft leasing and management; ship-related finance and investment

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	64,650	31,617	(33,033)	(51)
Segment Profits	45,287	3,755	(41,532)	(92)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	585,304	601,762	16,458	3

Segment revenues decreased 51% to ¥31,617 million compared to the previous fiscal year. This was due to a decrease in operating leases revenues resulting from decreases in both the number of aircraft owned and the number of aircraft sold, a decrease in fee income resulting from the decrease in the number of aircraft sold to investors in our aircraft leasing business, and the absence of sales of ships, which had been recorded during the previous fiscal year.

Due to the above-mentioned decrease in revenues and a decrease in equity in net income of affiliates from Avolon Holdings Limited, segment profits decreased 92% to ¥3,755 million compared to the previous fiscal year.

Segment assets increased 3% to ¥601,762 million compared to the end of the previous fiscal year. This increase was due to increases in installment loans and investment in operating leases in our ship-related business.

**ORIX USA:** Finance, investment and asset management in the Americas

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	135,709	138,017	2,308	2
Segment Profits	56,690	43,614	(13,076)	(23)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	1,374,027	1,220,081	(153,946)	(11)

Segment revenues increased 2% to ¥138,017 million compared to the previous fiscal year. This increase was due to an increase in finance revenues from an increase in the number of new executions in our real estate loan origination and servicing business and an increase in gains on investment securities and dividends in our investing business in the Americas, despite a decrease in services income resulting from a sale of an asset management-related business.

Due to the absence of gains on sales of equity interests of Houlihan Lokey, Inc., etc., which had been recorded during the previous fiscal year, segment profits decreased 23% to ¥43,614 million compared to the previous fiscal year.

Segment assets decreased 11% to ¥1,220,081 million compared to the end of the previous fiscal year due to a decrease in installment loans.

**ORIX Europe:** Equity and fixed income asset management

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	148,524	160,798	12,274	8
Segment Profits	43,778	37,886	(5,892)	(13)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	317,847	369,546	51,699	16

Segment revenues increased 8% to ¥160,798 million compared to the previous fiscal year. This increase was due to an increase in gains on investment securities and dividends.

Segment profits decreased 13% to ¥37,886 million due to the absence of gains on sales of certain business units which had been recorded during the previous fiscal year, despite a decrease in selling, general and administrative expenses.

Segment assets increased 16% to ¥369,546 million compared to the end of the previous fiscal year. This was due to an increase in investment in securities, as well as increases in goodwill, intangible assets acquired in business combinations due to the effect of changes in foreign exchange rates.

**Asia and Australia:** Finance and investment businesses in Asia and Australia

	Year ended March 31, 2020 (millions of yen)	Year ended March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Revenues	137,797	128,309	(9,488)	(7)
Segment Profits	14,673	14,660	(13)	(0)

	As of March 31, 2020 (millions of yen)	As of March 31, 2021 (millions of yen)	Change	
			Amount (millions of yen)	Percent (%)
Segment Assets	1,010,268	1,084,222	73,954	7

Segment revenues decreased 7% to ¥128,309 million compared to the previous fiscal year. The decrease was due to decreases in services income and finance revenues, as well as the absence of gains on investment securities of an investee in Asia which had been recorded during the previous fiscal year.

Despite the recognition of gains on sales of subsidiaries and affiliates in Asia, due to the above-mentioned revenues decline and, a decrease in equity in net income of affiliates due to the recording of an impairment loss on an investment in affiliates, segment profits remained substantially unchanged compared to the previous fiscal year at ¥14,660 million.

Segment assets increased 7% to ¥1,084,222 million compared to the end of the previous fiscal year. This increase was due to increases in installment loans and investment in operating leases.

## **Outlook and Forecast**

The spread of COVID-19 has had a major impact on the global economy, and it is difficult to predict when it will converge. However, we have sufficient liquidity and our funding has a high long-term debt ratio. Thus, we continue to seek new investments.

Although forward-looking statements in this document are attributable to current information available to us and are based on assumptions deemed reasonable by us, actual financial results may differ materially due to various factors. Readers are urged not to place undue reliance on such forward-looking statements.

Factors causing a result that differs from forward-looking statements include, but are not limited to, those described under “Risk Factors” in our Form 20-F submitted to the U.S. Securities and Exchange Commission.

## (2) Summary of Consolidated Financial Condition

### Summary of Assets, Liabilities, Shareholders' Equity

	As of March 31, 2020	As of March 31, 2021	Change	
			Amount	Percent
Total Assets (millions of yen)	13,067,528	13,563,082	495,554	4 %
(Segment Assets)	10,883,545	11,341,789	458,244	4 %
Total Liabilities (millions of yen)	9,991,362	10,459,938	468,576	5 %
(Short-term and Long-term Debt)	4,616,186	4,724,102	107,916	2 %
(Deposits)	2,231,703	2,317,785	86,082	4 %
Shareholders' Equity (millions of yen)	2,993,608	3,028,456	34,848	1 %
Shareholders' Equity Per Share (yen)	2,386.35	2,487.77	101.42	4 %

Note 1 : Shareholders' Equity refers to ORIX Corporation Shareholders' Equity based on U.S. GAAP.

2 : Shareholders' Equity Per Share is calculated using total ORIX Corporation Shareholders' Equity.

Total assets increased 4% to ¥13,563,082 million compared to the end of the previous fiscal year due to an increase in investment in securities despite decreases in net investment in leases, installment loans and property under facility operations, and furthermore, an increase in allowance for credit losses compared to allowance for doubtful receivables on finance leases and probable loan losses as of the end of the previous fiscal year as a result of the adoption the Credit Losses Standard. In addition, segment assets increased 4% to ¥11,341,789 million compared to the end of the previous fiscal year.

Total liabilities increased 5% to ¥10,459,938 million compared to the end of the previous fiscal year due to increases in deposits, long-term debt, and policy liabilities and policy account balances despite decreases in short-term debt and trade notes, accounts and other payable.

Shareholders' equity increased 1% to ¥3,028,456 million compared to the end of the previous fiscal year.

### Summary of Cash Flows

Cash, cash equivalents and restricted cash decreased by ¥55,709 million to ¥1,079,575 million compared to the end of the previous fiscal year.

Cash flows provided by operating activities were ¥1,095,676 million during the fiscal year, up from ¥1,042,466 million during the previous fiscal year. This change resulted primarily from an increase in life insurance premiums due to an increase in in-force life insurance contracts, partially offset by a decrease in services income.

Cash flows used in investing activities were ¥1,203,252 million during the fiscal year, down from ¥1,470,486 million during the previous fiscal year. This change resulted primarily from a decrease in installment loans made to customers, partially offset by a decrease in proceeds from sales of operating lease assets.

Cash flows provided by financing activities were ¥39,884 million during the fiscal year, down from ¥288,703 million during the previous fiscal year. This change resulted primarily from a decrease in deposits due to customers, partially offset by an increase in proceeds from debt with maturities longer than three months.

### **(3) Profit Distribution Policy and Dividends for the Fiscal Year Ended March 31, 2021 and the Fiscal Year Ending March 31, 2022**

We aim to increase shareholder value by utilizing profits earned from business activities that were secured primarily as retained earnings, to strengthen our business foundation and make investments for future growth. At the same time, we strive to make stable and sustainable distribution of dividends at a level in line with our business performance. In addition, with regards to the decision of whether to buy back our shares, we aim to act with swiftness while considering various factors such as the adequate level of our retained earnings, the soundness of our financial condition and external factors such as changes in the business environment, share price and our trend and target performance indicators.

Based on this fundamental policy, the annual dividend for the fiscal year ended March 31, 2021 has been decided at 78.00 yen per share (interim dividend paid was 35.00 yen per share and year-end dividend has been decided at 43.00 yen per share). The payout ratio for the fiscal year ended March 31, 2021 was 50.1%, up 18.1% from the previous fiscal year. The annual dividend for the next fiscal year ending March 31, 2022 is forecasted at 78.00 yen per share (forecasted interim dividend of 39.00 yen and year-end dividend of 39.00 yen) as well as 78.00 yen per share in the previous fiscal year ended March 31, 2021.

### **(4) Risk Factors**

With the announcement of our results for the fiscal year ended March 31, 2021, we believe no additional items have arisen concerning “Risk Factors” as stated in our latest Form 20-F submitted to the U.S. Securities and Exchange Commission on June 29, 2020.

## **2. Consideration in the Selection of Accounting Standard**

We have been preparing our financial statements in accordance with U.S. GAAP. We believe that U.S. GAAP is the accounting standard that most appropriately reflects our business activities in our financial reporting.

Reporting in U.S. GAAP enables us to maintain consistency and comparability with past financial results and we believe that is beneficial to our stakeholders.

### 3. Financial Information

#### (1) Condensed Consolidated Balance Sheets (Unaudited)

	(millions of yen)	
Assets	As of March 31, 2020	As of March 31, 2021
Cash and Cash Equivalents	982,666	951,242
Restricted Cash	152,618	128,333
Net Investment in Leases	1,080,964	1,029,518
Installment Loans	3,740,486	3,670,784
The amounts which are measured at fair value by electing the fair value option are as follows:		
March 31, 2020	¥90,893 million	
March 31, 2021	¥63,272 million	
Allowance for Doubtful Receivables on Finance Leases and Probable Loan Losses	(56,836)	0
Allowance for Credit Losses	0	(78,945)
Investment in Operating Leases	1,400,001	1,408,189
Investment in Securities	2,245,323	2,660,443
The amounts which are measured at fair value by electing the fair value option are as follows:		
March 31, 2020	¥25,295 million	
March 31, 2021	¥9,384 million	
The amounts which are associated to available-for-sale debt securities are as follows:		
March 31, 2021		
Amortized Cost	¥2,026,767 million	
Allowance for Credit Losses	¥120 million	
Property under Facility Operations	562,485	491,855
Investment in Affiliates	821,662	887,764
Trade Notes, Accounts and Other Receivable	312,744	354,334
Inventories	126,013	142,156
Office Facilities	203,930	246,399
Other Assets	1,495,472	1,671,010
The amounts which are measured at fair value by electing the fair value option are as follows:		
March 31, 2020	¥18,206 million	
March 31, 2021	¥6,297 million	
<b>Total Assets</b>	<b>13,067,528</b>	<b>13,563,082</b>
<b>Liabilities and Equity</b>		
Short-term Debt	336,832	307,269
Deposits	2,231,703	2,317,785
Trade Notes, Accounts and Other Payable	282,727	260,712
Policy Liabilities and Policy Account Balances	1,591,475	1,822,422
The amounts which are measured at fair value by electing the fair value option are as follows:		
March 31, 2020	¥300,739 million	
March 31, 2021	¥266,422 million	
Current and Deferred Income Taxes	356,350	363,460
Long-term Debt	4,279,354	4,416,833
Other Liabilities	912,921	971,457
<b>Total Liabilities</b>	<b>9,991,362</b>	<b>10,459,938</b>
<b>Redeemable Noncontrolling Interests</b>	<b>10,331</b>	<b>0</b>
<b>Commitments and Contingent Liabilities</b>		
Common Stock	221,111	221,111
Additional Paid-in Capital	257,638	259,361
Retained Earnings	2,754,461	2,744,588
Accumulated Other Comprehensive Income (Loss)	(118,532)	(84,650)
Treasury Stock, at Cost	(121,070)	(111,954)
<b>Total ORIX Corporation Shareholders' Equity</b>	<b>2,993,608</b>	<b>3,028,456</b>
<b>Noncontrolling Interests</b>	<b>72,227</b>	<b>74,688</b>
<b>Total Equity</b>	<b>3,065,835</b>	<b>3,103,144</b>
<b>Total Liabilities and Equity</b>	<b>13,067,528</b>	<b>13,563,082</b>

**Note 1: Breakdowns of Accumulated Other Comprehensive Income (Loss)**

	As of March 31, 2020	As of March 31, 2021
Accumulated Other Comprehensive Income (Loss)		
Net unrealized gains on investment in securities	(5,001)	(16,208)
Debt valuation adjustments	1,457	558
Defined benefit pension plans	(26,375)	(21,073)
Foreign currency translation adjustments	(72,471)	(36,456)
Net unrealized losses on derivative instruments	(16,142)	(11,471)
Total	<u>(118,532)</u>	<u>(84,650)</u>

**Note 2:** Credit Losses Standard has been adopted since April 1, 2020, and the amounts of allowance for doubtful receivables on finance leases and probable loan losses have been reclassified to allowance for credit losses. For further information, see “(9) Changes in Significant Basis of Preparation of Consolidated Financial Statements - Significant Accounting Policies - (Adoption of New Accounting Standards)”.

**Note 3:** Allowance for credit losses on loans to affiliates are recorded in investment in affiliates since the second quarter of fiscal 2021. Before fiscal 2020, there were no allowance for probable loan losses on affiliates.

## (2) Condensed Consolidated Statements of Income (Unaudited)

(millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
<b>Revenues :</b>		
Finance revenues	276,864	271,194
Gains on investment securities and dividends	22,499	46,097
Operating leases	430,665	397,065
Life insurance premiums and related investment income	367,778	487,550
Sales of goods and real estate	406,511	410,953
Services income	776,012	679,849
<b>Total Revenues</b>	<b>2,280,329</b>	<b>2,292,708</b>
<b>Expenses :</b>		
Interest expense	99,138	78,068
Costs of operating leases	289,604	295,628
Life insurance costs	269,425	374,348
Costs of goods and real estate sold	354,006	347,721
Services expense	483,914	439,233
Other (income) and expense	14,925	17,125
Selling, general and administrative expenses	460,199	456,795
Provision for doubtful receivables and probable loan losses	24,425	0
Provision for credit losses	0	16,021
Write-downs of long-lived assets	3,043	3,020
Write-downs of securities	11,969	5,935
<b>Total Expenses</b>	<b>2,010,648</b>	<b>2,033,894</b>
<b>Operating Income</b>	<b>269,681</b>	<b>258,814</b>
Equity in Net Income of Affiliates	67,924	481
Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses, Net	74,001	23,300
Bargain Purchase Gain	955	4,966
<b>Income before Income Taxes</b>	<b>412,561</b>	<b>287,561</b>
Provision for Income Taxes	105,837	90,747
<b>Net Income</b>	<b>306,724</b>	<b>196,814</b>
<b>Net Income Attributable to the Noncontrolling Interests</b>	<b>3,640</b>	<b>4,453</b>
<b>Net Income (Loss) Attributable to the Redeemable Noncontrolling Interests</b>	<b>384</b>	<b>(23)</b>
<b>Net Income Attributable to ORIX Corporation Shareholders</b>	<b>302,700</b>	<b>192,384</b>

**Note 1:** Credit Losses Standard has been adopted since April 1, 2020 and the amounts of provision for doubtful receivables and probable loan losses have been reclassified to provision for credit losses. For further information, see "(9) Changes in Significant Basis of Preparation of Consolidated Financial Statements - Significant Accounting Policies - (Adoption of New Accounting Standards)".

**Note 2:** Provision for credit losses of loans to affiliates are recorded in equity in net income of affiliates since the second quarter of fiscal 2021.



**(3) Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

(millions of yen)

	Year Ended March 31, 2020	Year Ended March 31, 2021
<b>Net Income :</b>	<u>306,724</u>	<u>196,814</u>
Other comprehensive income (loss), net of tax:		
Net change of unrealized gains (losses) on investment in securities	(22,456)	(11,182)
Net change of debt valuation adjustments	875	(899)
Net change of defined benefit pension plans	1,529	5,330
Net change of foreign currency translation adjustments	(31,664)	36,246
Net change of unrealized gains (losses) on derivative instruments	(8,556)	4,782
Total other comprehensive income (loss)	<u>(60,272)</u>	<u>34,277</u>
<b>Comprehensive Income</b>	<u>246,452</u>	<u>231,091</u>
<b>Comprehensive Income Attributable to the Noncontrolling Interests</b>	<u>756</u>	<u>5,128</u>
<b>Comprehensive Income (Loss) Attributable to the Redeemable Noncontrolling Interests</b>	<u>187</u>	<u>(303)</u>
<b>Comprehensive Income Attributable to ORIX Corporation Shareholders</b>	<u><u>245,509</u></u>	<u><u>226,266</u></u>

#### (4) Condensed Consolidated Statements of Changes in Equity (Unaudited)

(millions of yen)

	ORIX Corporation Shareholders' Equity					Total ORIX Corporation Shareholders' Equity	Noncontrolling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock			
<b>Balance at March 31, 2019</b>	221,111	257,625	2,555,585	(61,343)	(75,904)	2,897,074	56,127	2,953,201
Contribution to subsidiaries						0	17,047	17,047
Transaction with noncontrolling interests		241		2		243	1,340	1,583
Comprehensive income, net of tax:								
Net income			302,700			302,700	3,640	306,340
Other comprehensive income (loss)								
Net change of unrealized gains (losses) on investment in securities				(22,390)		(22,390)	(66)	(22,456)
Net change of debt valuation adjustments				875		875	0	875
Net change of defined benefit pension plans				1,527		1,527	2	1,529
Net change of foreign currency translation adjustments				(28,917)		(28,917)	(2,550)	(31,467)
Net change of unrealized gains (losses) on derivative instruments				(8,286)		(8,286)	(270)	(8,556)
Total other comprehensive income (loss)						(57,191)	(2,884)	(60,075)
Total comprehensive income						245,509	756	246,265
Cash dividends			(103,824)			(103,824)	(3,043)	(106,867)
Acquisition of treasury stock					(45,720)	(45,720)	0	(45,720)
Disposal of treasury stock		(334)			554	220	0	220
Other, net		106				106	0	106
<b>Balance at March 31, 2020</b>	221,111	257,638	2,754,461	(118,532)	(121,070)	2,993,608	72,227	3,065,835
Cumulative effect of adopting Accounting Standards Update 2016-13			(42,855)			(42,855)	(71)	(42,926)
<b>Balance at April 1, 2020</b>	221,111	257,638	2,711,606	(118,532)	(121,070)	2,950,753	72,156	3,022,909
Contribution to subsidiaries						0	18,225	18,225
Transaction with noncontrolling interests		1,700				1,700	(8,688)	(6,988)
Comprehensive income, net of tax:								
Net income			192,384			192,384	4,453	196,837
Other comprehensive income								
Net change of unrealized gains (losses) on investment in securities				(11,207)		(11,207)	25	(11,182)
Net change of debt valuation adjustments				(899)		(899)	0	(899)
Net change of defined benefit pension plans				5,302		5,302	28	5,330
Net change of foreign currency translation adjustments				36,015		36,015	511	36,526
Net change of unrealized gains on derivative instruments				4,671		4,671	111	4,782
Total other comprehensive income						33,882	675	34,557
Total comprehensive income						226,266	5,128	231,394
Cash dividends			(95,164)			(95,164)	(12,133)	(107,297)
Acquisition of treasury stock					(55,443)	(55,443)	0	(55,443)
Disposal of treasury stock		(227)	(0)		322	95	0	95
Cancellation of treasury stock			(64,237)		64,237	0	0	0
Other, net		250	(1)			249	0	249
<b>Balance at March 31, 2021</b>	221,111	259,361	2,744,588	(84,650)	(111,954)	3,028,456	74,688	3,103,144

Note: Changes in the redeemable noncontrolling interests are not included in the table.

## (5) Condensed Consolidated Statements of Cash Flows (Unaudited)

(millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
<b>Cash Flows from Operating Activities:</b>		
Net income	306,724	196,814
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	304,204	315,955
Principal payments received under net investment in leases	474,110	419,907
Provision for doubtful receivables and probable loan losses	24,425	—
Provision for credit losses	—	16,021
Equity in net (income) loss of affiliates (excluding interest on loans)	(65,764)	837
Gains on sales of subsidiaries and affiliates and liquidation losses, net	(74,001)	(23,300)
Bargain purchase gain	(955)	(4,966)
Gains on sales of securities other than trading	(18,886)	(15,228)
Gains on sales of operating lease assets	(51,072)	(26,358)
Write-downs of long-lived assets	3,043	3,020
Write-downs of securities	11,969	5,935
Decrease in trading securities	63,681	12,103
(Increase) Decrease in inventories	11,938	(12,061)
(Increase) Decrease in trade notes, accounts and other receivable	12,348	(12,657)
Decrease in trade notes, accounts and other payable	(3,853)	(1,947)
Increase in policy liabilities and policy account balances	70,120	230,947
Other, net	(25,565)	(9,346)
Net cash provided by operating activities	<u>1,042,466</u>	<u>1,095,676</u>
<b>Cash Flows from Investing Activities:</b>		
Purchases of lease equipment	(948,445)	(709,999)
Installment loans made to customers	(1,527,000)	(1,198,978)
Principal collected on installment loans	1,134,142	1,139,608
Proceeds from sales of operating lease assets	339,504	138,912
Investment in affiliates, net	(44,140)	(112,922)
Proceeds from sales of investment in affiliates	79,950	41,730
Purchases of available-for-sale debt securities	(711,973)	(709,349)
Proceeds from sales of available-for-sale debt securities	249,427	285,836
Proceeds from redemption of available-for-sale debt securities	82,754	31,859
Purchases of equity securities other than trading	(53,616)	(56,314)
Proceeds from sales of equity securities other than trading	34,145	30,532
Purchases of property under facility operations	(44,466)	(43,954)
Acquisitions of subsidiaries, net of cash acquired	(134,894)	(82,163)
Sales of subsidiaries, net of cash disposed	91,835	57,722
Other, net	(17,709)	(15,772)
Net cash used in investing activities	<u>(1,470,486)</u>	<u>(1,203,252)</u>
<b>Cash Flows from Financing Activities:</b>		
Net increase (decrease) in debt with maturities of three months or less	16,182	(42,136)
Proceeds from debt with maturities longer than three months	924,779	1,171,350
Repayment of debt with maturities longer than three months	(832,881)	(1,013,937)
Net increase in deposits due to customers	304,182	85,737
Cash dividends paid to ORIX Corporation shareholders	(103,824)	(95,164)
Acquisition of treasury stock	(45,720)	(55,443)
Contribution from noncontrolling interests	23,994	24,487
Purchases of shares of subsidiaries from noncontrolling interests	(4,501)	(4,791)
Net increase (decrease) in call money	10,000	(17,500)
Other, net	(3,508)	(12,719)
Net cash provided by financing activities	<u>288,703</u>	<u>39,884</u>
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash	(8,979)	11,983
Net decrease in Cash, Cash Equivalents and Restricted Cash	<u>(148,296)</u>	<u>(55,709)</u>
Cash, Cash Equivalents and Restricted Cash at Beginning of Year	<u>1,283,580</u>	<u>1,135,284</u>
Cash, Cash Equivalents and Restricted Cash at End of Year	<u>1,135,284</u>	<u>1,079,575</u>

Note: Credit Losses Standard has been adopted since April 1, 2020, and the amounts of provision for doubtful receivables and probable loan losses have been reclassified to provision for credit losses. For further information, see “(9) Changes in Significant Basis of Preparation of Consolidated Financial Statements - Significant Accounting Policies - (Adoption of New Accounting Standards)”.

## (6) Assumptions for Going Concern

There is no corresponding item.

## (7) Segment Information (Unaudited)

### Segment Information by Sector

(millions of yen)

	Year ended March 31, 2020		Year ended March 31, 2021		March 31, 2020	March 31, 2021
	Segment Revenues	Segment Profits	Segment Revenues	Segment Profits	Segment Assets	Segment Assets
Corporate Financial Services and Maintenance Leasing	428,036	62,978	429,799	59,149	1,789,693	1,658,571
Real Estate	468,086	80,182	359,798	24,684	821,194	872,095
PE Investment and Concession	296,365	44,110	331,222	3,431	322,522	378,698
Environment and Energy	148,423	11,625	143,187	28,563	478,796	506,666
Insurance	371,387	44,833	491,894	55,119	1,580,158	1,959,521
Banking and Credit	84,355	39,096	83,724	48,030	2,603,736	2,690,627
Aircraft and Ships	64,650	45,287	31,617	3,755	585,304	601,762
ORIX USA	135,709	56,690	138,017	43,614	1,374,027	1,220,081
ORIX Europe	148,524	43,778	160,798	37,886	317,847	369,546
Asia and Australia	137,797	14,673	128,309	14,660	1,010,268	1,084,222
<b>Segment Total</b>	<b>2,283,332</b>	<b>443,252</b>	<b>2,298,365</b>	<b>318,891</b>	<b>10,883,545</b>	<b>11,341,789</b>
Difference between Segment Total and Consolidated Amounts	(3,003)	(30,691)	(5,657)	(31,330)	2,183,983	2,221,293
<b>Consolidated Amounts</b>	<b>2,280,329</b>	<b>412,561</b>	<b>2,292,708</b>	<b>287,561</b>	<b>13,067,528</b>	<b>13,563,082</b>

**Note 1:** The Company evaluates the performance of segments based on income before income taxes, adjusted for net income attributable to the noncontrolling interests and net income attributable to the redeemable noncontrolling interests before applicable tax effect. Tax expenses are not included in segment profits.

**Note 2:** Since April 1, 2020, the operating segments regularly reviewed by the chief operating decision maker to make decisions about resource allocations and assess performance have been changed, resulting in a reorganization of our reportable segments from six segments to ten segments for the fiscal year ended March 31, 2021. As a result of this change, segment data for the previous fiscal year has been retrospectively restated.

**Note 3:** Since April 1, 2020, the selling, general and administrative expenses that should be borne by the ORIX Group, which were initially charged to its respective segments, have been included in the difference between segment total profits and consolidated amounts for the fiscal year ended March 31, 2021. As a result of this change, segment data for the previous fiscal year has been retrospectively restated.

**Note 4:** Credit Losses Standard has been adopted since April 1, 2020. For further information, see “(9) Changes in Significant Basis of Preparation of Consolidated Financial Statements - Significant Accounting Policies - (Adoption of New Accounting Standards).”

**Note 5:** Inter-segment transactions are included in segment revenues, and eliminations of inter-segment transactions are included in difference between segment total and consolidated amounts.

**(8) Per Share Data (Unaudited)**

	Year ended March 31, 2020	Year ended March 31, 2021
		<b>(millions of yen)</b>
Net Income Attributable to ORIX Corporation Shareholders	302,700	192,384
		<b>(thousands of shares)</b>
Weighted-average shares	1,275,166	1,236,897
Effect of Dilutive Securities - Stock compensation	1,153	1,197
Weighted-average shares for diluted EPS computation	1,276,319	1,238,094
		<b>(yen)</b>
Earnings per share for net income attributable to ORIX Corporation shareholders		
Basic	237.38	155.54
Diluted	237.17	155.39
		<b>(yen)</b>
Shareholders' equity per share	2,386.35	2,487.77

Note : In fiscal 2020 and 2021, there was no stock compensation which was antidilutive.

## **(9) Changes in Significant Basis of Preparation of Consolidated Financial Statements**

### **Significant Accounting Policies**

#### **(Adoption of New Accounting Standards)**

In June 2016, the Credit Losses Standard was issued, and related amendments were issued thereafter. These updates significantly change how companies measure and recognize credit impairment for many financial assets. The new current expected credit loss model requires companies to immediately recognize an estimate of credit losses expected to occur over the remaining life of the financial assets that are within the scope of these updates. These updates also make targeted amendments to the current impairment model for available-for-sale debt securities. The Company and its subsidiaries adopted these updates on April 1, 2020 through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period. The allowance for credit losses for financial assets such as installment loans, net investment in leases and off-balance-sheet credit exposures such as financial guarantees and loan commitments was increased due to the changes of the measurement of the allowance for credit losses. The effect of the adoption of these updates on the Company and its subsidiaries' financial position at the adoption date was an increase of ¥ 31,745 million in the allowance for credit losses for financial assets, an increase of ¥ 28,294 million in other liabilities related to off-balance sheet credit exposures and a decrease of ¥ 42,855 million in retained earnings in the consolidated balance sheets as of April 1, 2020.

In January 2017, Accounting Standards Update 2017-04 ("Simplifying the Test for Goodwill Impairment"—ASC 350 ("Intangible — Goodwill and Other")) was issued. This Update eliminates Step 2 from the conventional two-step goodwill impairment test. Instead, goodwill impairments would be measured by the amount by which the carrying amount exceeds the reporting unit's fair value. This Update also eliminates the requirement for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it is more likely than not that the goodwill is impaired, to perform Step 2 of the goodwill impairment test. The Company and its subsidiaries adopted this Update on April 1, 2020. The adoption of this update had no material impact on the Company and its subsidiaries' results of operation or financial position.

## **(10) Notes to Consolidated Financial Statements**

#### **(Subsequent Events)**

There are no material subsequent events.