

# ORIX Corporation

(TSE: 8591; NYSE: IX)

## Consolidated Financial Results

For the Consolidated Fiscal Year Ended March 31, 2015

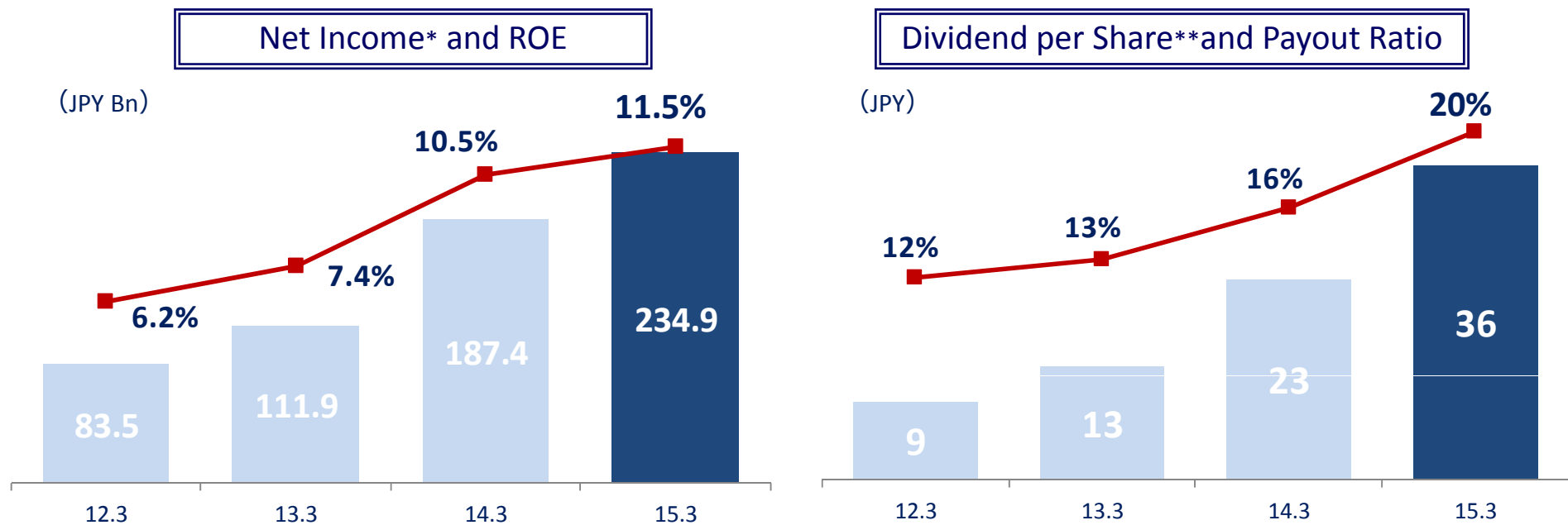
May 13, 2015

Makoto Inoue  
Haruyuki Urata

President & CEO  
Deputy President & CFO

# FY2015.3 Overview (1)

- ✓ 234.9bn yen in Net Income, a new record high and growth in six consecutive years
- ✓ ROE achieved at 11.5%
- ✓ Organic growth and gains from timely sales of assets contributed to Net Income growth
- ✓ Dividend up by 13 yen to 36 yen per share, payout ratio also adjusted upward



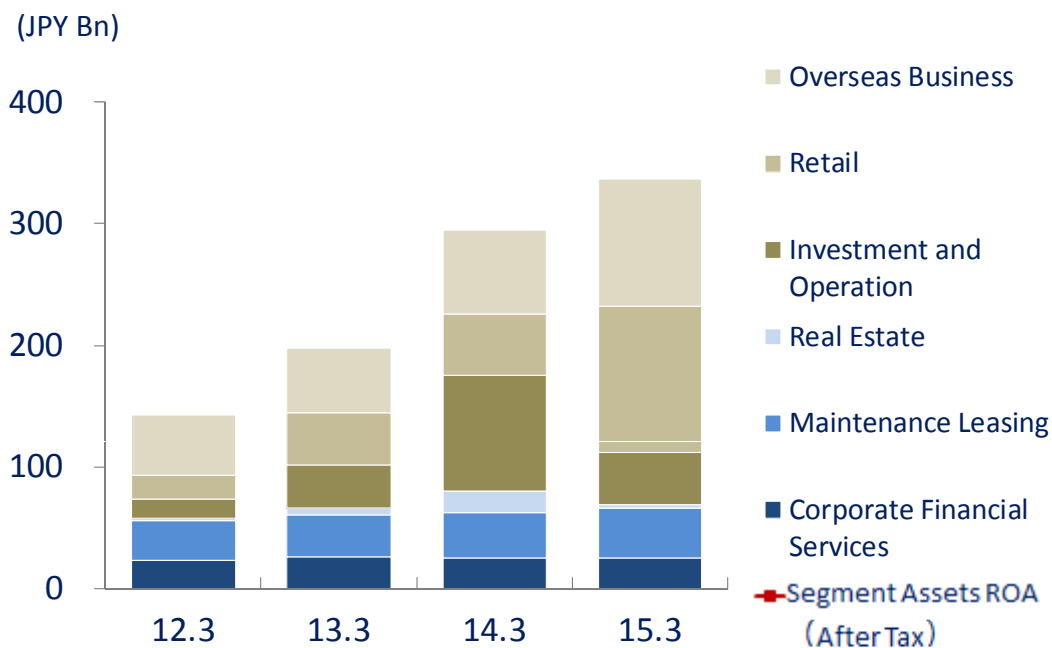
\* Net Income refers to Net Income Attributable to ORIX Corporation Shareholders

\*\* Retrospectively adjusted to reflect share splits

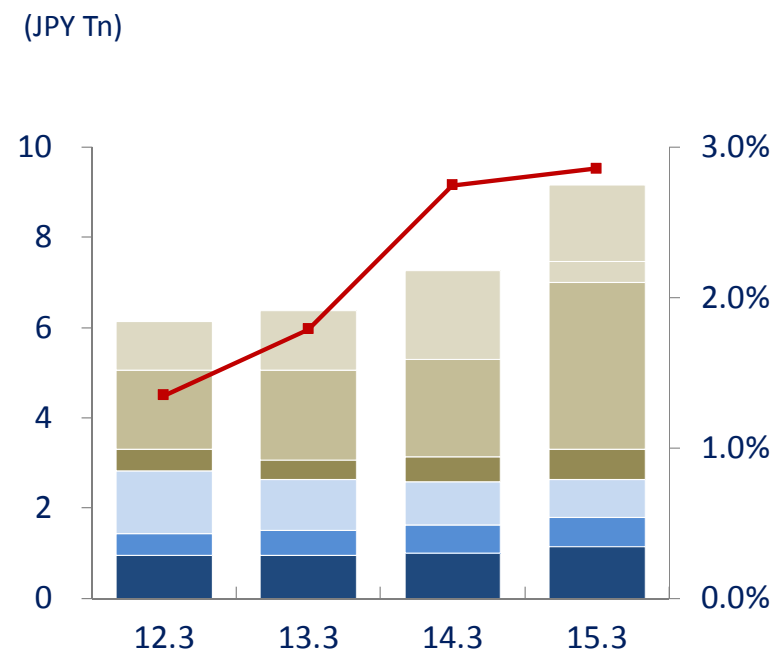
# FY2015.3 Overview (2)

- ✓ Profits : Significant growth in Retail and Overseas Business; Solid contribution from Corporate Financial Services and Maintenance Leasing
- ✓ Assets : Significant increase in Retail due to acquisition of HLIKK; Real Estate continues to downsize

Segment Profits

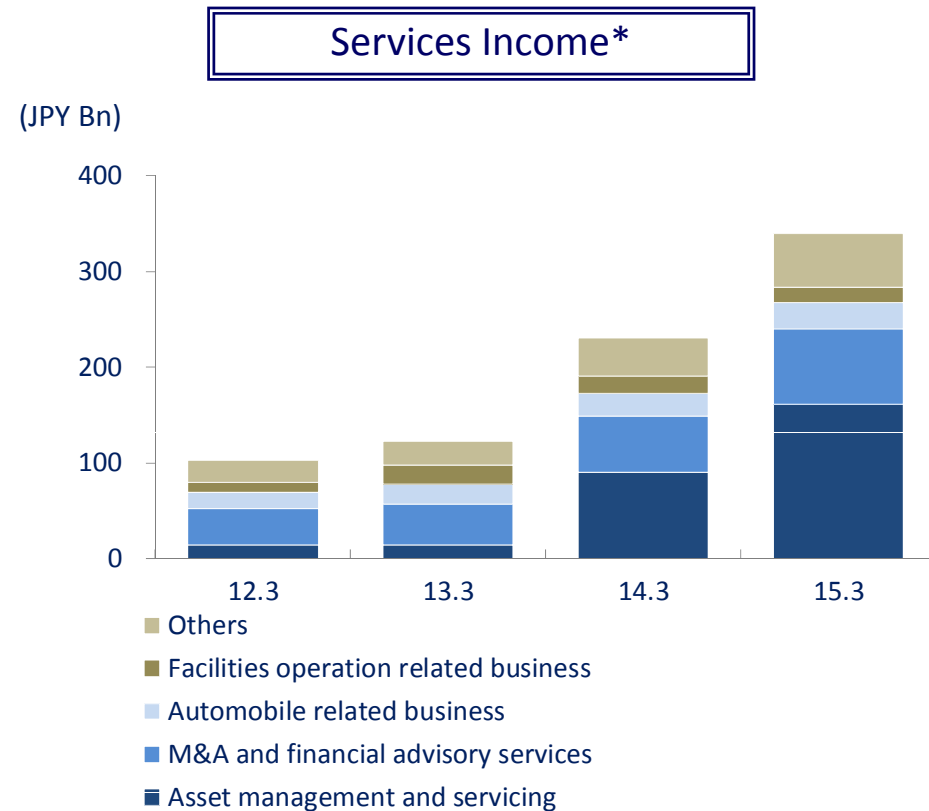
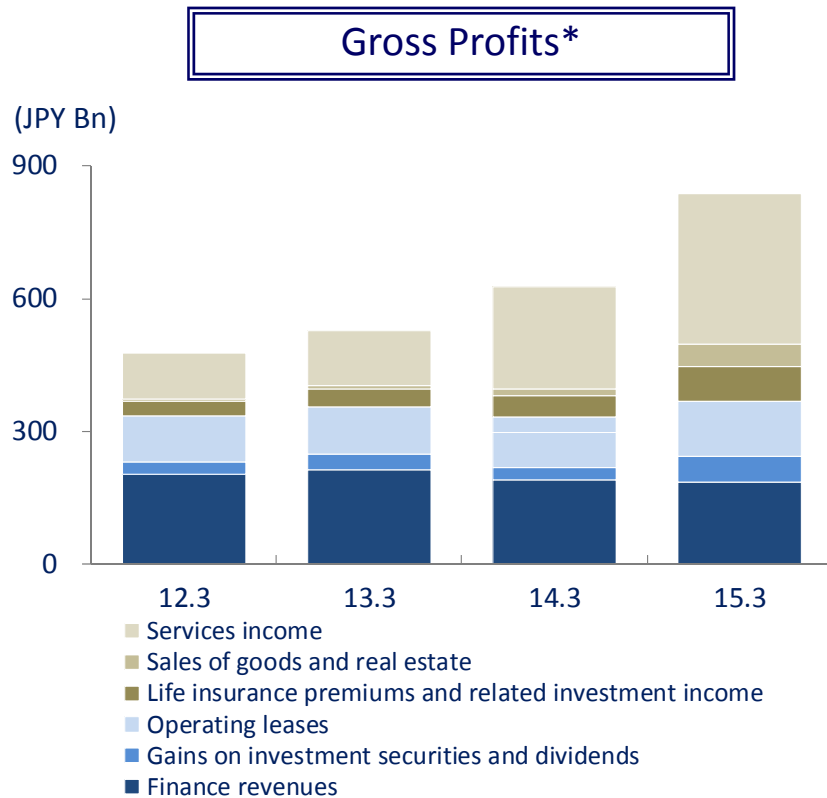


Segment Assets and ROA



# FY2015.3 Overview (3)

- ✓ Services income generated by the non-finance businesses was the main driver behind the profit growth
- ✓ Among the components of services income, asset management business contributed the most

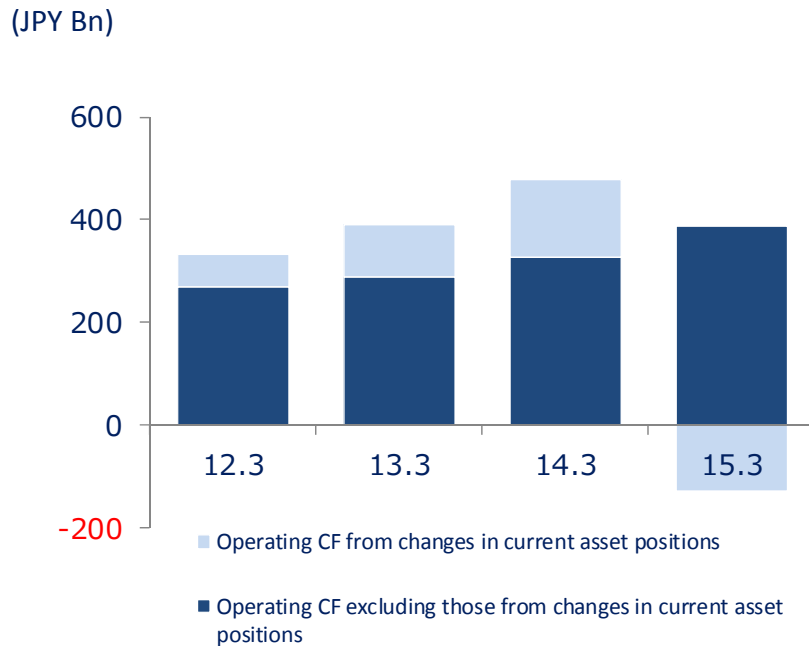


\* Each revenue component deducted with corresponding costs and expenses

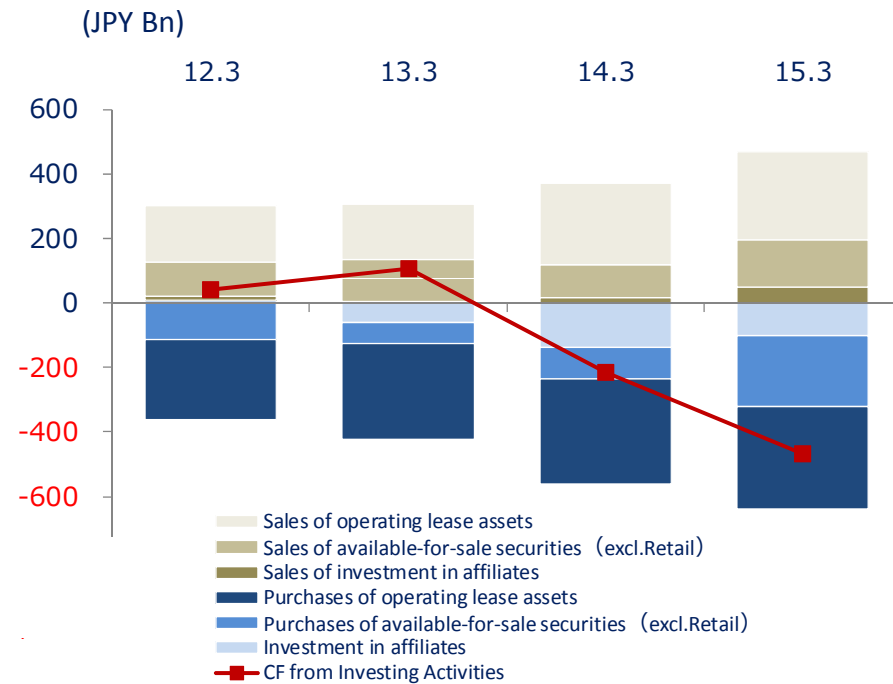
# FY2015.3 Overview (4)

- ✓ Operating cash flow excluding those generated from changes in current asset positions continues to increase steadily
- ✓ Investing cash flow stays negative with new investments continuing to exceed cash inflow from asset sales

CF from Operating Activities



CF from Investing Activities



# Mid-Term Strategic Directions (1)

Progress in FY2015.3

**Double Digits Profit Growth**

**Profits increase in six consecutive years, +25% profit growth YoY**

**Achieve a Stable ROE 10%**

**ROE above 10% for two consecutive years**

**Expansion of AM business**

**Jointly established fund with Robeco and Asian Development Bank**

**Expansion of Mega-Solar & Roof-Top Solar Power Generation Business**

**Secured total capacity of approx.700 MW**

**New Development of Non-Finance Business**

**Entry into new business areas**  
(Electric power retailing, in-house prepaid card service, smart agriculture project)

**Investment for Profit Growth and Asset Turnover**

**Steady investment and divestment**  
(Investment includes HLIKK, Yayoi, and Hyundai Logistics)  
(Divestment includes Monex and STX Energy)

**Asset Turnover based on Market Condition**

**Investment in ships, investment/divestment in aircrafts, and continued sale in real estate assets**

# Mid-Term Strategic Directions (2)

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- ✓ Shifting from post-Lehman Crisis recovery phase to the new stage of stable growth
- ✓ Mid-term strategic directions designed for such new stage

## **Profit Growth**

**Aim for full year net income of 300bn yen by FY2018.3**

## **Capital Efficiency**

**Target ROE at 11% to 12%**

## **Financial Soundness**

**Maintain single A credit rating**

# Mid-Term Strategic Directions (3)

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- ✓ Deepen ORIX's strength and expertise to further expand revenues from non-finance businesses

## Expansion in Non-Finance Businesses

### Organic Growth

- Expansion of auto-business both in Japan and abroad
- New domestic business development capitalizing on Yayoi's business platform
- Diversification of overseas business
- Expansion of life insurance business



### Investment in Key Areas

- Environment and Energy Related
- Network in Asia
- Asset Management
- PE Investment

### ORIX's Strength and Expertise

Finance, equity investment, business operation/network in Japan and abroad/  
risk management



# Mid-Term Strategic Directions (4)

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- ✓ Position asset turnover as an important strategy
- ✓ Continue to divest low profitability/low growth assets while making investments in new business areas

## Investment in Key Areas

### Environment and Energy

- Commence operation of the mega-solar projects we have already secured in the next 3 years
- Electric power business expansion (PPS and development of wind power, biomass etc)

### Network in Asia

- Expand network in Asia (e.g. Indonesia, Cambodia)

### Asset Management

- Expand asset management business (further growth of Robeco and expansion through M&A)

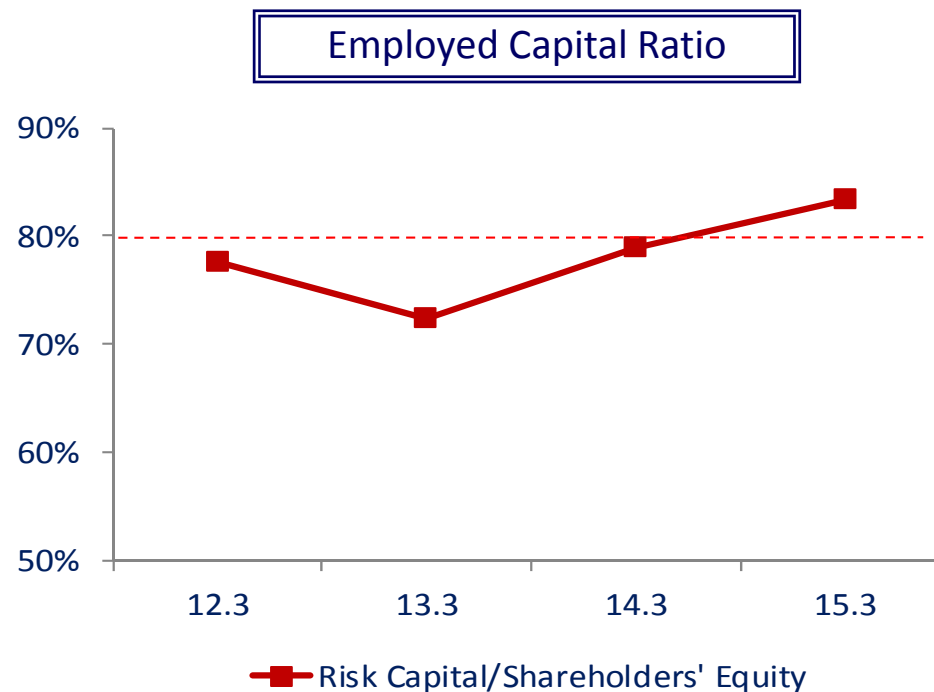
### PE Investment

- Continue to pursue investments abroad (including China and Korea)
- Invest in medical and agriculture sectors, venture business, and business rehabilitation

# Mid-Term Strategic Directions (5)

- ✓ Ratio of employed capital\* is controlled within the range meeting single A rating requirement
- ✓ Divest low profitability/low growth assets, and turnover portfolio with growth potentials
- ✓ Current market environment is favorable for asset turnover

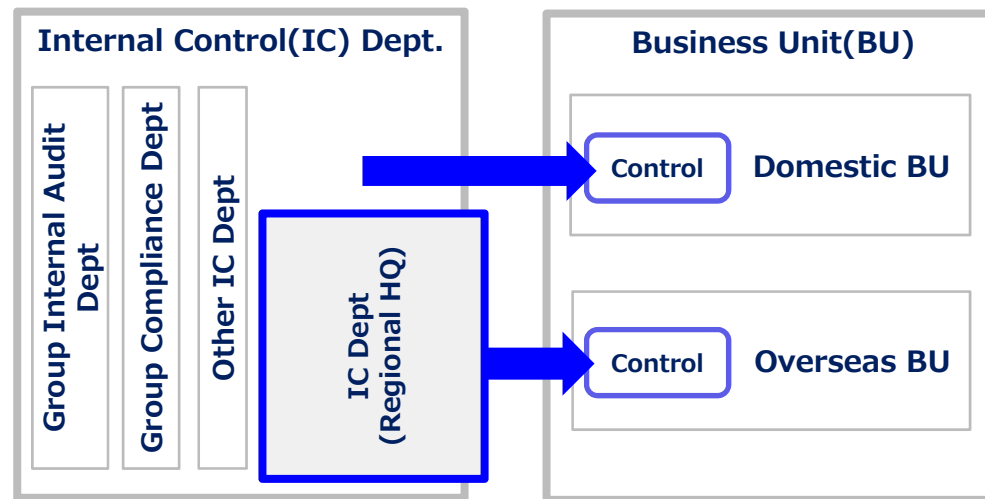
\* ORIX calculation (Risk Capital/Shareholders' Equity)



# Reinforcement of Corporate Governance Framework

✓ Internal control framework will be reinforced with a global perspective

- 1** • Strengthen internal check-and-balance function among overseas group companies in each region
- 2** • Reinforcement of auditing function by utilizing external consulting firms with global status
- 3** • Implementation of rotation of head of group companies and succession plan



# Summary

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**New record high net income for FY2015.3, profit growth in six consecutive years, ROE at 11.5%**

**Expand non-finance business and build a business portfolio that generates stable annual net income of 300bn yen by FY2018.3**

**Interim dividend per share at 22 yen**

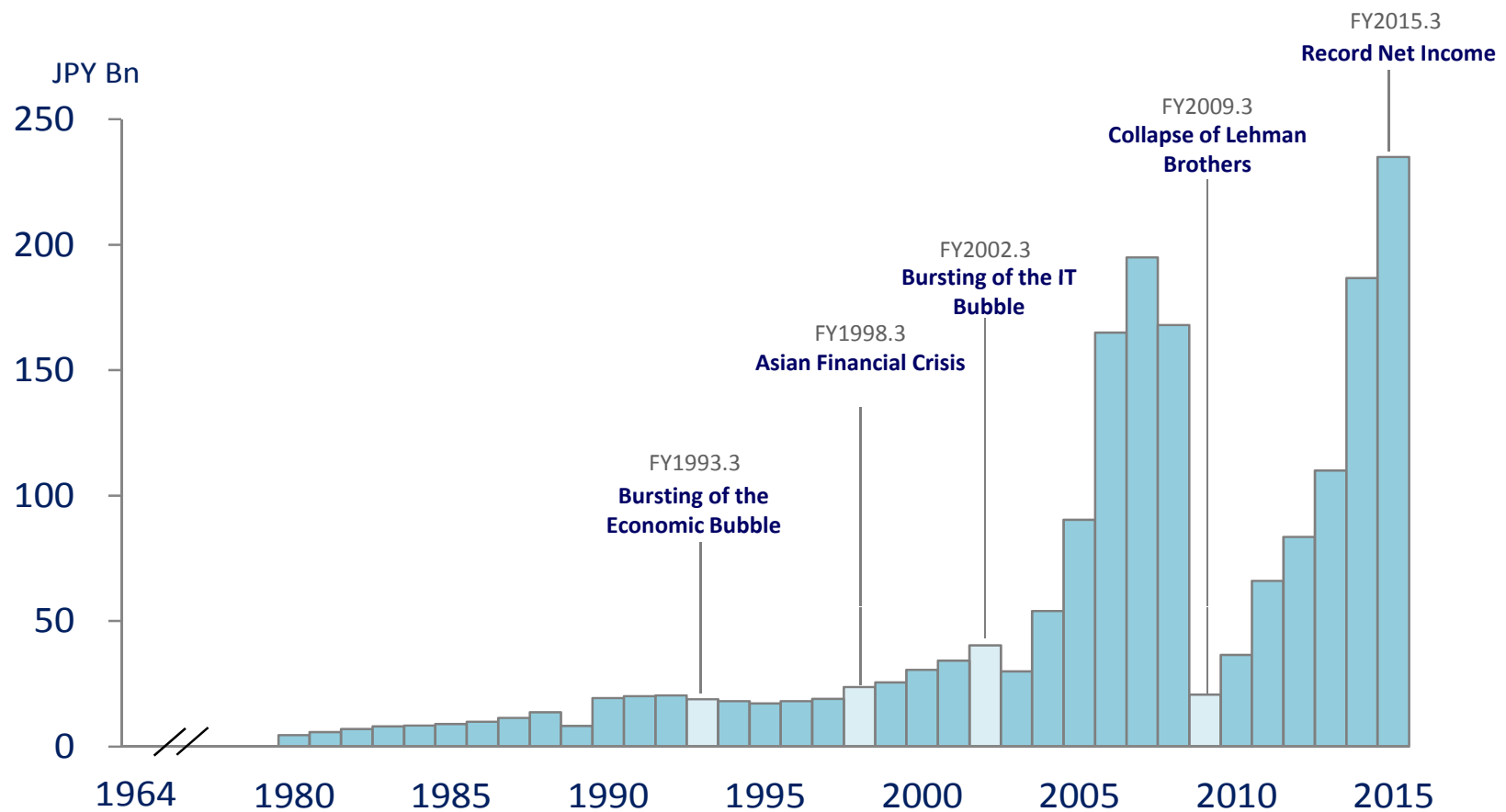
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# Appendix

# About ORIX Sustainable Growth

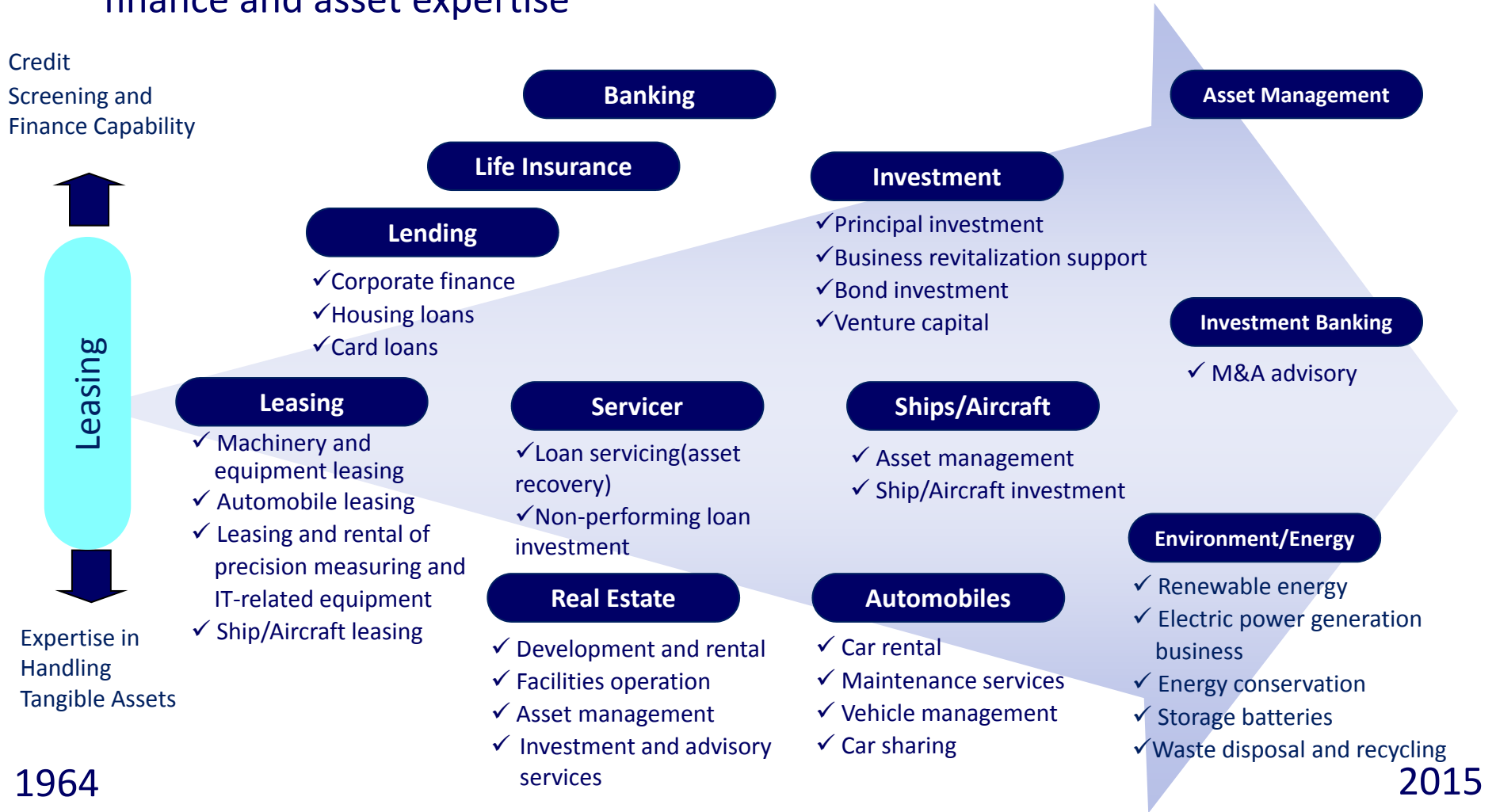
- ✓ Maintaining profitable for the past 50 years and achieving sustainable profit growth

Net Income Attributable to ORIX Corporation



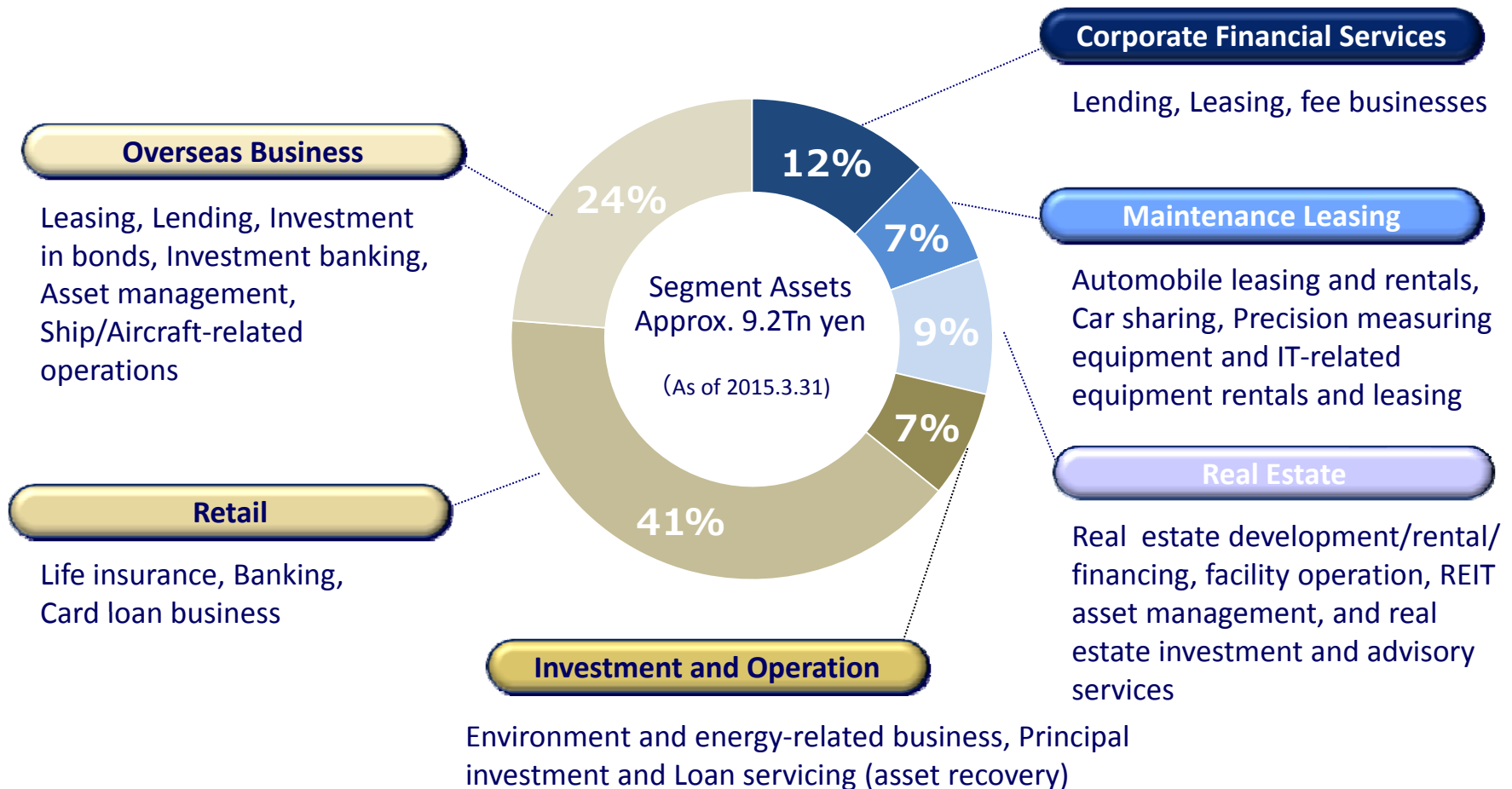
# About ORIX Business expertise and Group-wide capability

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



# About ORIX Assets by Segment

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





# About ORIX Extensive Overseas Network

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

36 Countries and Regions worldwide  
(As of 2015.3.31)

Business Network  
Development

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

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

Asia, Australia, and Europe

Japan

Americas

# Appendix(1) Performance overview

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Total Revenues	1,052.5	1,375.3	2,174.3	158%
Net Income <sup>*1</sup>	111.9	187.4	234.9	125%
Segment Assets	6,382.7	7,267.8	9,170.2	126%
Total Assets	8,439.7	9,067.0	11,443.6	126%
Shareholders' Equity	1,643.6	1,919.3	2,152.2	112%
Shareholders' Equity Ratio <sup>*2</sup>	21.4%	21.8%	19.3%	-2.5%
ROE	7.4%	10.5%	11.5%	1.0%
Return on Segment Assets (ROA)	1.8%	2.7%	2.9%	0.1%
D/E Ratio <sup>*2</sup>	2.3x	2.0x	1.9x	-0.1x

\*1 Net Income Attributable to ORIX Corporation Shareholders

\*2 Performance indicators shown are Non-GAAP financial measures. For a qualitative reconciliation of the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, please see page 31.

## Appendix(2) Profits by Segment

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Corporate Financial Services	25.9	24.9	25.5	103%
Maintenance Leasing	34.9	37.1	40.4	109%
Real Estate	5.6	18.0	3.5	19%
Investment and Operation	34.9	95.8	42.4	44%
Retail	43.2	49.9	120.6	242%
Overseas Business	52.8	69.7	104.1	149%
<b>Total Segment Profits</b>	<b>197.3</b>	<b>295.2</b>	<b>336.5</b>	<b>114%</b>

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

## Appendix(3) Assets by Segment

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Corporate Financial Services	943.3	992.1	1,132.5	114%
Maintenance Leasing	549.3	622.0	662.9	107%
Real Estate	1,133.2	962.4	835.4	87%
Investment and Operation	444.3	552.2	660.0	120%
Retail	1,994.1	2,167.0	3,700.6	171%
Overseas Business	1,318.4	1,972.1	2,178.9	110%
<b>Total Segment Assets</b>	<b>6,382.7</b>	<b>7,267.8</b>	<b>9,170.2</b>	<b>126%</b>

## Appendix(4) Income Statement Data

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Finance revenues	213.7	191.7	186.9	97%
Gains on investment securities and dividends	34.8	27.2	56.4	207%
Operating leases	107.7	114.0	124.9	110%
Life insurance premiums and related investment income	40.1	47.1	79.5	169%
Sales of goods and real estate	8.3	16.9	48.8	289%
Services income	122.3	230.2	339.9	148%
<b>Gross Profits*1</b>	<b>526.9</b>	<b>627.1</b>	<b>836.5</b>	<b>133%</b>
Interest expense	101.0	83.0	72.6	88%
Selling, general and administrative expenses	226.3	316.9	427.8	135%
Provisions/Impairments	50.8	45.2	55.5	123%
Other (income) and expense, net	-1.9	-21.0	23.7	-
<b>Operating Income</b>	<b>150.9</b>	<b>203.0</b>	<b>256.8</b>	<b>126%</b>
Equity in Net Income of Affiliates	13.8	18.4	30.5	166%
Gains on Sales of Subsidiaries and Affiliates...etc	7.9	64.9	56.7	87%
<b>Income before Income Taxes and Discontinued Operations</b>	<b>172.6</b>	<b>286.3</b>	<b>344.0</b>	<b>120%</b>

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

# Appendix(5) Funding

(JPY Bn)

Funding	FY13.3	FY14.3	FY15.3	Change
CP	151.5	101.0	89.6	-11.4
Borrowings from Financial Institutions	2,368.0	2,631.4	2,882.6	251.2
Bonds / MTN	1,283.0	1,174.8	1,153.9	-20.9
Deposits	1,078.6	1,206.4	1,287.4	81.0
<b>Short-term Debt, Long-term Debt and Deposits (excl.ABS,CMBS)</b>	<b>4,881.1</b>	<b>5,113.6</b>	<b>5,413.5</b>	<b>299.9</b>
<b>Share of Long-Term Debt (excl. ABS, CMBS) *1</b>	<b>89%</b>	<b>92%</b>	<b>93%</b>	<b>1%</b>

Funding Costs (including Deposits)	FY13.3	FY14.3	FY15.3	Change
Domestic Currency	1.1%	0.9%	0.8%	-0.1%
Foreign Currency	3.6%	3.1%	2.7%	-0.4%

Liquidity	FY13.3	FY14.3	FY15.3	Change
Available Commitment Line (1)	439.5	427.2	419.4	-7.9
Cash and Cash Equivalents (2)	826.3	818.0	827.5	9.5
Liquidity (1+2)	1,265.8	1,245.3	1,246.9	1.6
Marketable Short-term Debt (3) *2	429.3	314.2	434.3	120.1
Liquidity Coverage Ratio (1+2)/(3)	295%	396%	287%	-109%

\*1 Performance indicator is a Non-GAAP financial measure. For a qualitative reconciliation of the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, please see page 30 and 31.

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

## Appendix(6) Corporate Financial Services

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Finance revenues	39.6	37.2	35.6	96%
Operating leases	24.5	25.6	24.5	95%
Services income	13.9	14.9	22.0	148%
<b>Segment Revenues</b>	<b>78.4</b>	<b>78.8</b>	<b>85.5</b>	<b>108%</b>
Segment Expenses	53.5	54.6	60.6	111%
<b>Segment Profits</b>	<b>25.9</b>	<b>24.9</b>	<b>25.5</b>	<b>103%</b>
Investment in Direct Financing Leases	366.8	450.3	461.7	103%
Installment Loans	508.6	470.7	461.3	98%
<b>Segment Assets</b>	<b>943.3</b>	<b>992.1</b>	<b>1,132.5</b>	<b>114%</b>
<b>ROA</b>	<b>1.7%</b>	<b>1.6%</b>	<b>1.5%</b>	<b>0.0%</b>

### FY15.3 Result

- Fee business remained solid, increases in both revenues and profits were due primarily to higher services income
- Secured new customer base through consolidation of Yayoi Co.

### Mid-Term Strategic Directions

- Shift from finance revenues to services income
- Maximize synergy potential with Yayoi Co.
- Utilize domestic network to pursue growth areas

## Appendix(7) Maintenance Leasing

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Finance revenues	9.1	9.5	11.1	117%
Operating leases	161.8	177.1	185.7	105%
Services income	58.4	60.3	62.5	104%
<b>Segment Revenues</b>	<b>234.7</b>	<b>251.3</b>	<b>263.5</b>	<b>105%</b>
Segment Expenses	199.9	214.3	223.0	104%
<b>Segment Profits</b>	<b>34.9</b>	<b>37.1</b>	<b>40.4</b>	<b>109%</b>
Investment in Direct Financing Leases	126.7	150.0	184.9	123%
Investment in Operating Leases	418.8	468.0	473.0	101%
<b>Segment Assets</b>	<b>549.3</b>	<b>622.0</b>	<b>662.9</b>	<b>107%</b>
<b>ROA</b>	<b>4.1%</b>	<b>3.9%</b>	<b>4.0%</b>	<b>0.1%</b>

### FY15.3 Result

- Profits increased due to expansion in auto-business
- Profits related to high value-added services also increased
- Maintained high ROA

### Mid-Term Strategic Directions

- Further expand the business while maintaining high profitability
- Capitalize on competitive advantage to increase market shares
- Deepen expertise and develop solution business



# Appendix(8) Real Estate(1)

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Operating leases	69.4	66.6	63.8	96%
<i>Gains on Rental Property Sales</i>	<i>10.3</i>	<i>13.8</i>	<i>14.9</i>	<i>108%</i>
Services income	94.9	101.8	104.1	102%
Sales of goods and real estate and other	43.9	28.8	10.4	36%
<b>Segment Revenues</b>	<b>219.6</b>	<b>203.4</b>	<b>182.3</b>	<b>90%</b>
Segment Expenses	212.7	190.3	188.1	99%
Equity in Net Income (Loss) of Affiliates and others	-1.2	4.9	9.2	189%
<b>Segment Profits</b>	<b>5.6</b>	<b>18.0</b>	<b>3.5</b>	<b>19%</b>
Investment in Operating Leases	592.0	527.1	423.8	80%
Property under Facility Operations	172.3	166.6	172.2	103%
Advances for Investment in Operating Leases	85.6	61.6	44.7	73%
Investment in Affiliates	73.1	62.5	91.3	146%
<b>Segment Assets</b>	<b>1,133.2</b>	<b>962.4</b>	<b>835.4</b>	<b>87%</b>
<b>ROA</b>	<b>0.3%</b>	<b>1.1%</b>	<b>0.2%</b>	<b>-0.8%</b>

## FY15.3 Result

- Revenues decreased with downsizing of assets  
Impairments was also recognized
- Gains on sales of rental property increased
- Continued to turnover assets, and segment assets reduced by 13% YoY

## Mid-Term Strategic Directions

- Continue to shift business model towards one with higher stability and profitability
- Develop new value-added services
- Capitalize facility operation expertise in markets abroad

## Appendix(9) Real Estate(2)

(JPY Bn)

### ■ Breakdown of Real Estate Segment Assets

	FY13.3	FY14.3	FY15.3	Change
Rental Property	754.4	665.8	566.9	85%
Under Lease	603.4	536.9	471.5	88%
Under Development	151.0	128.9	95.4	74%
Condo Assets	55.4	31.1	16.5	53%
NRL / Specified Bonds	113.4	48.8	27.9	57%
Operating Facilities	161.4	159.8	163.9	103%
Other	48.6	56.9	60.2	106%
<b>Total</b>	<b>1,133.2</b>	<b>962.4</b>	<b>835.4</b>	<b>87%</b>

### ■ Rental Property Sales/Gains

	FY13.3	FY14.3	FY15.3	Change
Amount of Rental Property Sales	163.4	101.0	129.3	128%
Gains on Rental Property Sales	10.3	13.8	14.9	108%

# Appendix(10) Investment and Operation

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Finance revenues	23.9	18.4	15.7	85%
Gains on investment securities and dividends	18.8	9.7	9.3	96%
Sales of goods and real estate	36.3	120.6	371.4	308%
Services income	43.1	86.1	260.4	303%
<b>Segment Revenues</b>	<b>123.7</b>	<b>236.9</b>	<b>666.1</b>	<b>281%</b>
Segment Expenses	96.0	208.9	632.3	303%
Equity in Net Income of Affiliates and others	7.3	67.8	8.6	13%
<b>Segment Profits</b>	<b>34.9</b>	<b>95.8</b>	<b>42.4</b>	<b>44%</b>
Installment Loans	157.6	118.8	93.2	78%
Investment in Securities	128.2	95.1	112.9	119%
Property under Facility Operations	38.1	53.6	90.9	170%
Inventories	2.9	81.7	116.5	143%
Investment in Affiliates	65.7	59.8	51.1	86%
<b>Segment Assets</b>	<b>444.3</b>	<b>552.2</b>	<b>660.0</b>	<b>120%</b>
<b>ROA</b>	<b>4.7%</b>	<b>11.9%</b>	<b>4.5%</b>	<b>-7.4%</b>

## FY15.3 Result

- Assets and profits increased due to contributions from newly acquired subsidiaries, and environment and energy-related business
- Profit decreased YoY due to the valuation gain related to DAIKYO in FY2014.3

## Mid-Term Strategic Directions

- Target growth opportunities with stable revenue streams
- Push the environment and energy-related business forward to a new stage
- Investment in new business fields

# Appendix(11) Retail

(JPY Bn)

	FY13.3	FY14.3	FY15.3	Change
Finance revenues	45.8	50.4	52.5	104%
Life insurance premiums and related investment income	139.5	155.8	352.5	226%
Gains on investment securities and dividends and other	3.5	5.4	20.9	389%
<b>Segment Revenues</b>	<b>188.8</b>	<b>211.6</b>	<b>426.0</b>	<b>201%</b>
Segment Expenses	150.3	165.7	342.1	206%
Equity in Net Income of Affiliates and others	4.7	3.9	36.7	937%
<b>Segment Profits</b>	<b>43.2</b>	<b>49.9</b>	<b>120.6</b>	<b>242%</b>
Installment Loans	1,206.1	1,276.8	1,376.7	108%
Investment in Securities	636.7	776.1	2,246.9	290%
<b>Segment Assets</b>	<b>1,994.1</b>	<b>2,167.0</b>	<b>3,700.6</b>	<b>171%</b>
<b>ROA</b>	<b>1.4%</b>	<b>1.5%</b>	<b>2.6%</b>	<b>1.2%</b>

## FY15.3 Result

- Revenues increased due to increase in life insurance policies
- Recognized a bargain purchase gain from consolidating HLIKK
- Significant asset growth due to expansion in banking business and acquisition of HLIKK

## Mid-Term Strategic Directions

- Expand from mid-size player to major player in the life insurance market
- Further expand card loan business through centralized management on the ORIX Bank and ORIX Credit

## Appendix(12) Overseas Business(1)

	FY13.3	FY14.3	FY15.3	Change	(JPY Bn)
Finance revenues	55.0	57.3	63.3	110%	
Gains on investment securities and dividends	13.7	15.8	30.5	193%	
Operating leases	61.5	76.6	82.1	107%	
Services income	72.7	228.8	321.5	141%	
<b>Segment Revenues</b>	<b>203.5</b>	<b>412.2</b>	<b>561.9</b>	<b>136%</b>	
Segment Expenses	150.5	337.9	463.1	137%	
Equity in Net Income (Loss) of Affiliates and others	-0.2	-4.6	5.3	-	
<i>Adjusted Noncontrolling Interests and Redeemable Noncontrolling Interests</i>	-8.7	-9.1	-23.1	-	
<b>Segment Profits</b>	<b>52.8</b>	<b>69.7</b>	<b>104.1</b>	<b>149%</b>	
Investment in Direct Financing Leases	296.8	332.6	386.6	116%	
Installment Loans	216.7	246.8	344.1	139%	
Investment in Operating Leases	244.3	264.0	278.7	106%	
Investment in Securities	271.2	323.3	404.3	125%	
Investment in Affiliates	143.0	143.5	209.0	146%	
<b>Segment Assets</b>	<b>1,318.4</b>	<b>1,972.1</b>	<b>2,178.9</b>	<b>110%</b>	
<b>ROA</b>	<b>2.7%</b>	<b>2.6%</b>	<b>3.2%</b>	<b>0.6%</b>	

### FY15.3 Result

- Profits increased due to fee incomes from Robeco and in the Americas
- Recognized gain on sale of STX Energy shares
- Asset net of FX effect increased due to new investments made

### Mid-Term Strategic Directions

- Position as the driver for Group's growth and profitability
- Expansion of asset management business
- Aggressively develop aircraft and shipping businesses further

## Appendix(13) Overseas Business(2)

### ■ Overseas Business segment assets breakdown

(JPY Bn)

By Region	FY13.3	FY14.3	FY15.3	Change
Americas	475.9	518.1	776.2	150%
Asia / Australia	492.4	655.6	591.5	90%
Greater China	180.4	196.6	249.2	127%
Middle East / Europe	15.9	41.9	43.1	103%
Robeco	-	375.1	346.3	92%
Other	153.7	184.9	172.5	93%
<b>Total</b>	<b>1,318.4</b>	<b>1,972.1</b>	<b>2,178.9</b>	<b>110%</b>

By Operation	FY13.3	FY14.3	FY15.3	Change
Americas	475.9	518.1	776.2	150%
Leasing Operation (excl. Americas)	503.0	567.5	672.1	118%
Investment Operation (excl. Americas)	339.5	511.5	384.2	75%
Robeco	-	375.1	346.3	92%
<b>Total</b>	<b>1,318.4</b>	<b>1,972.1</b>	<b>2,178.9</b>	<b>110%</b>

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

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

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

We provide these non-GAAP financial measures as supplemental information to our consolidated financial statements prepared in accordance with U.S. GAAP, and they should not be considered in isolation or as a substitute for the most directly comparable U.S. GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures presented in accordance with U.S. GAAP as reflected in our consolidated financial statements for the periods provided, are included in page 31.

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

(JPY Bn)

Key Ratio		FY13.3	FY14.3	FY15.3
Total Assets	(a)	8,439.7	9,067.0	11,443.6
Deduct: Payables under Securitized Leases, Loan Receivables and Investment in Securities		679.8	253.8	291.6
Adjusted Total Assets	(b)	7,759.9	8,813.1	11,152.0
Short-Term Debt		420.7	308.3	284.8
Long-Term Debt	(c)	4,061.5	3,852.7	4,132.9
Deduct: Payables under Securitized Leases, Loan Receivables and Investment in Securities		679.8	253.8	291.6
Adjusted Long-Term Debt	(d)	3,381.8	3,598.8	3,841.3
Long- and Short-Term Debt (excluding deposit)	(e)	4,482.3	4,161.0	4,417.7
Adjusted Long- and Short-Term Debt (excluding deposit)	(f)	3,802.5	3,907.2	4,126.1
ORIX Corporation Shareholders' Equity	(g)	1,643.6	1,919.3	2,152.2
Deduct: The Cumulative Effect on Retained Earnings of Applying the Accounting Standards for the Consolidation of VIEs under ASU 2009-16 and ASU 2009-17 Effective April 1, 2010		-16.6	-5.2	-3.1
Adjusted ORIX Corporation Shareholders' Equity	(h)	1,660.2	1,924.5	2,155.3
ORIX Corporation Shareholders' Equity Ratio	(g)/(a)	19.5%	21.2%	18.8%
Adjusted ORIX Corporation Shareholders' Equity Ratio	(h)/(b)	21.4%	21.8%	19.3%
D/E Ratio (times) (Long- and Short-Term Debt/ORIX Corporation Shareholders' Equity)	(e)/(g)	2.7X	2.2X	2.1X
Adjusted D/E Ratio (times) (Adjusted Long- and Short-Term Debt/ORIX Corporation Shareholders' Equity)	(f)/(h)	2.3X	2.0X	1.9X
Long-Term Debt Ratio (including ABS, CMBS)	(c)/(e)	91%	93%	94%
Adjusted Long-Term Debt Ratio (excluding ABS, CMBS)	(d)/(f)	89%	92%	93%

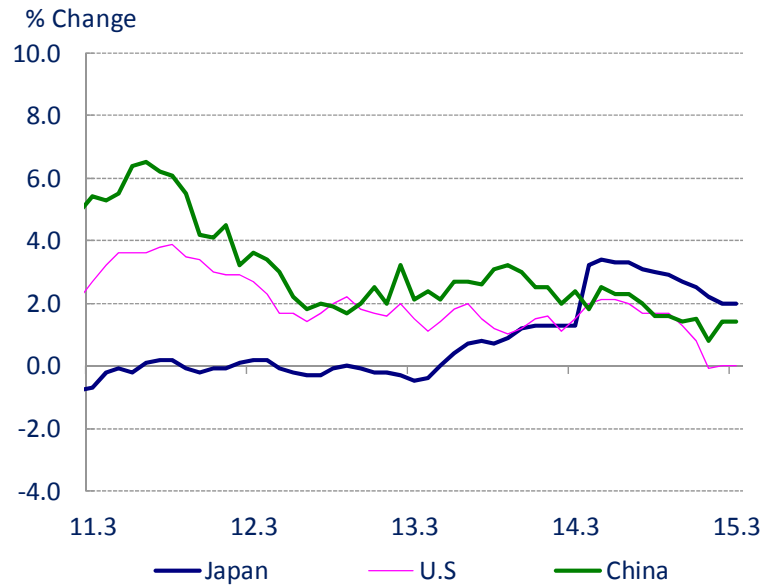


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# Reference Data

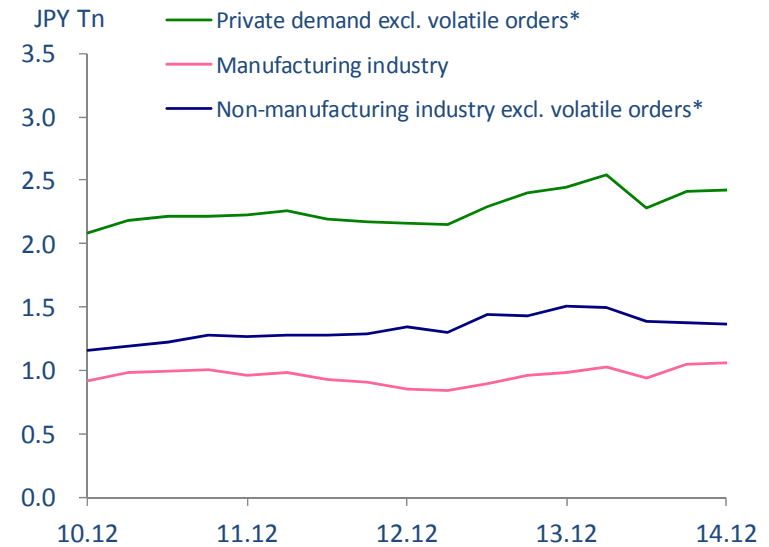
# Macro Economic Indicators

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



Source: Bloomberg

## Trends in Machinery Orders

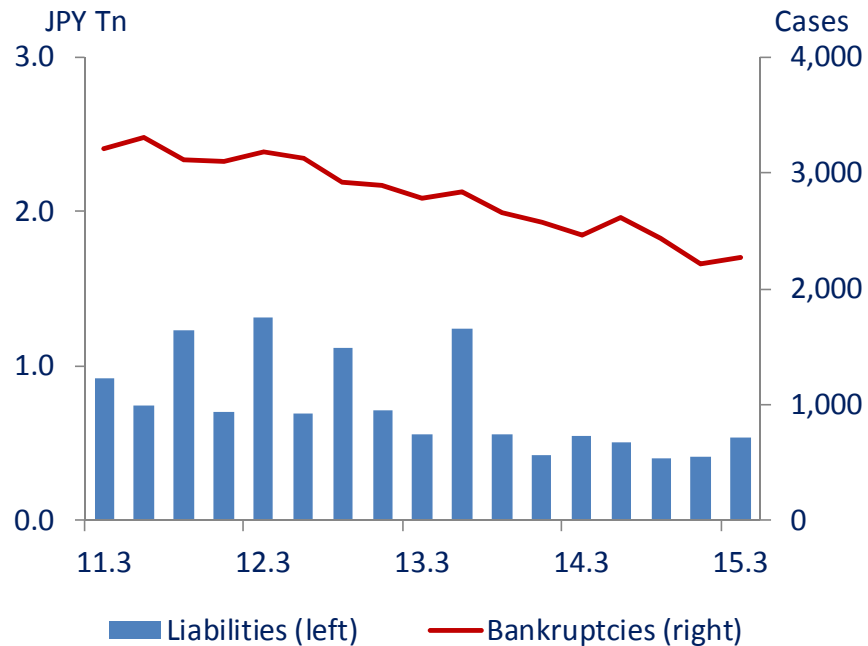


\*Volatile orders: Orders from ships and electric power companies.

Source: Cabinet Office, Government of Japan

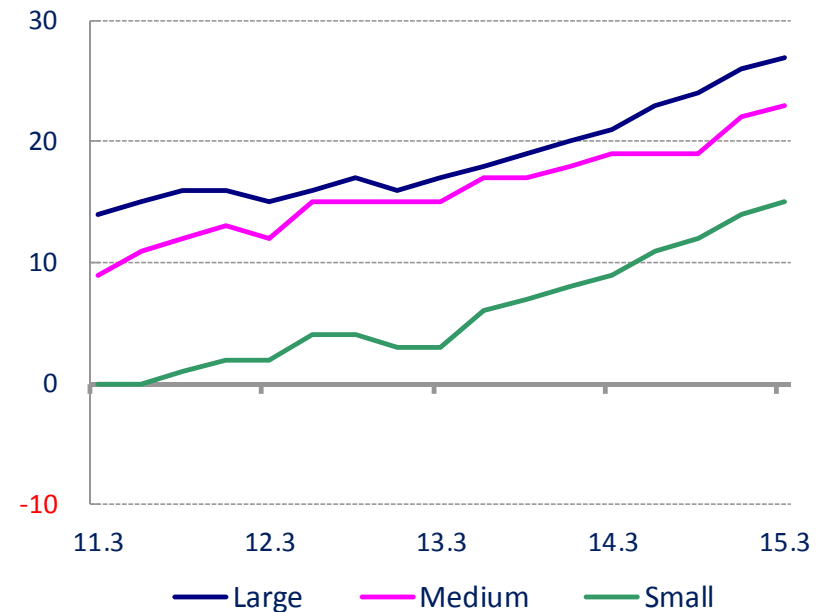
# Japanese Corporate Indices

## Corporate Bankruptcies (Quarterly Basis)



Source: Teikoku Databank, Ltd.

## Tankan Corporate Diffusion Index (Quarterly Basis)



Source: Bank of Japan

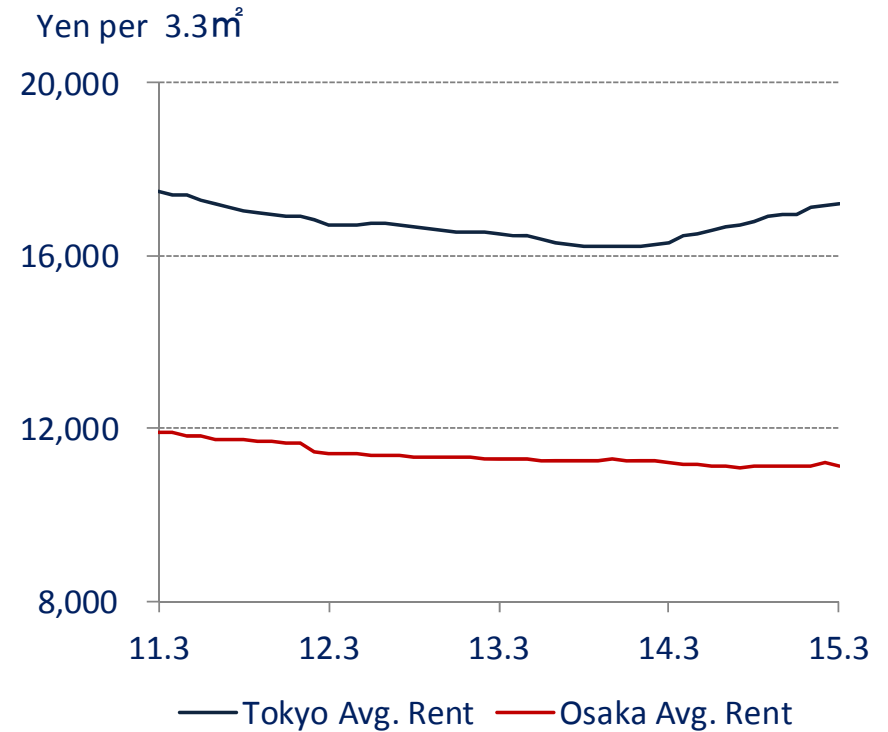
# Japanese Real Estate Indicators

### Japan TSE REIT Index



Source: Tokyo Stock Exchange

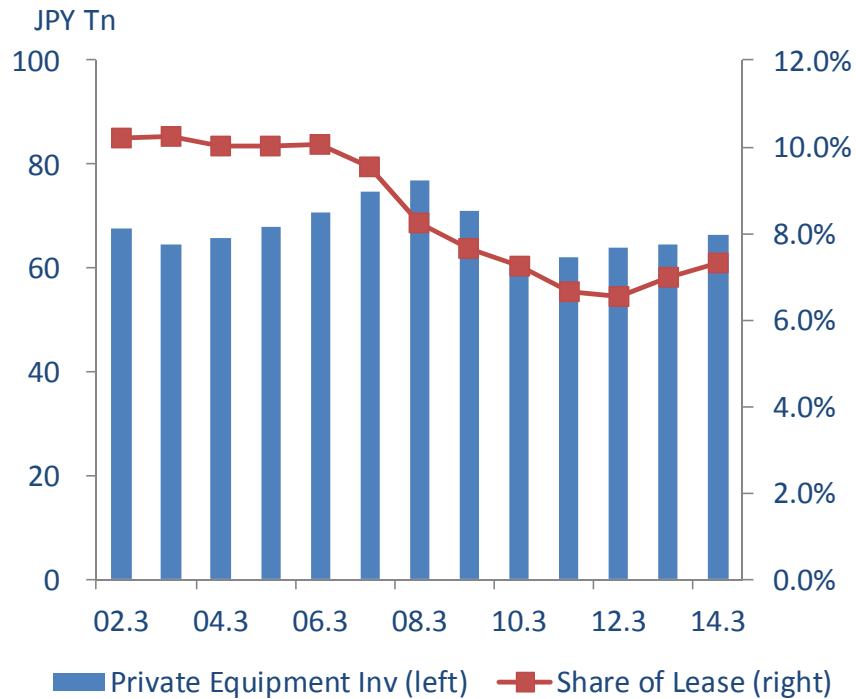
### Office Rental Rates



Source: Miki Shoji

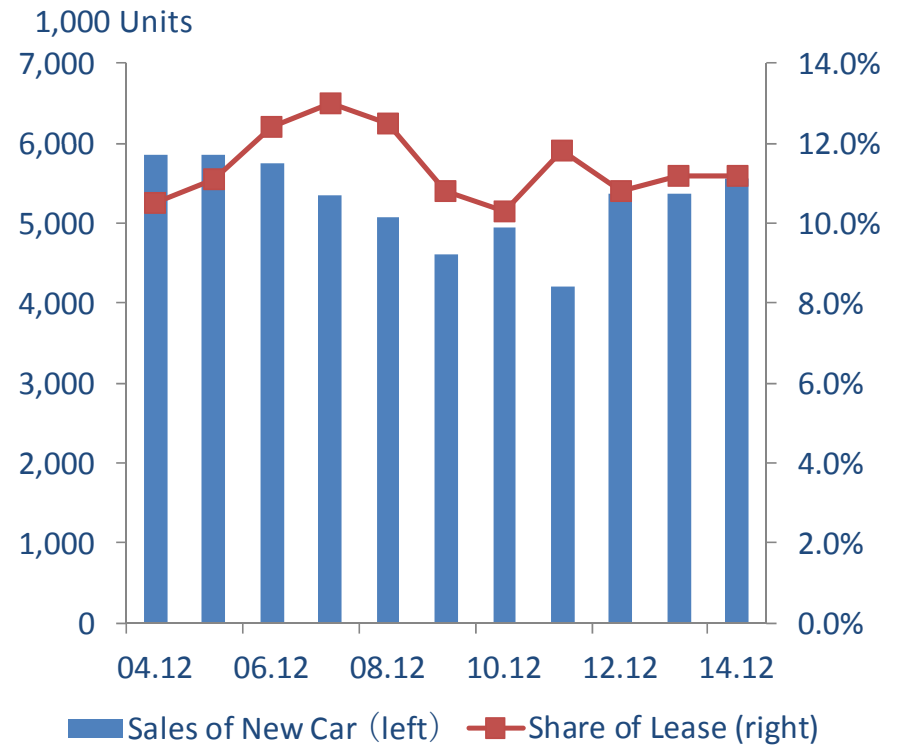
# Domestic Lease Business Indicators

## Private Equipment Investment



Source: Japan Leasing Association

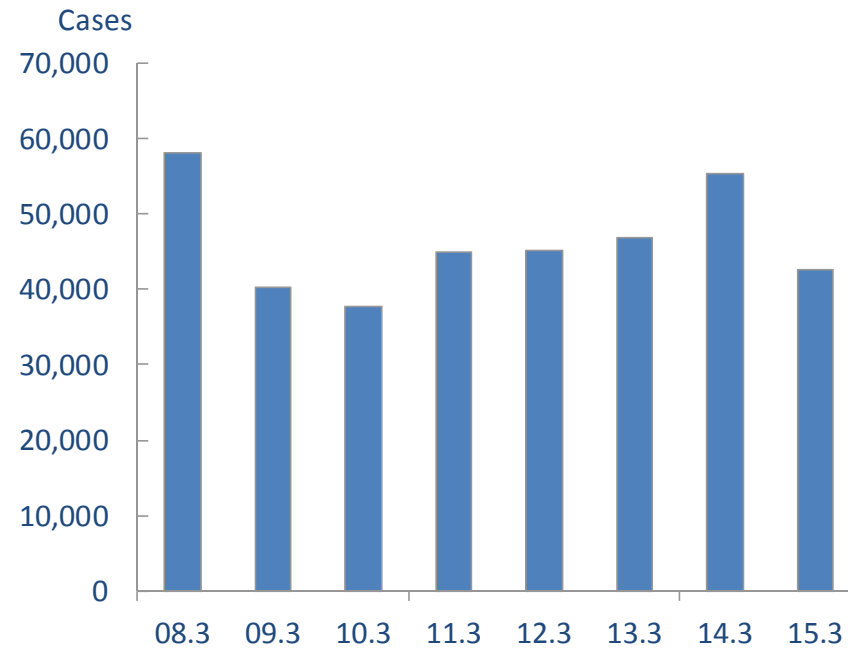
## New Car Sales



Source: Japan Automotive Leasing Association

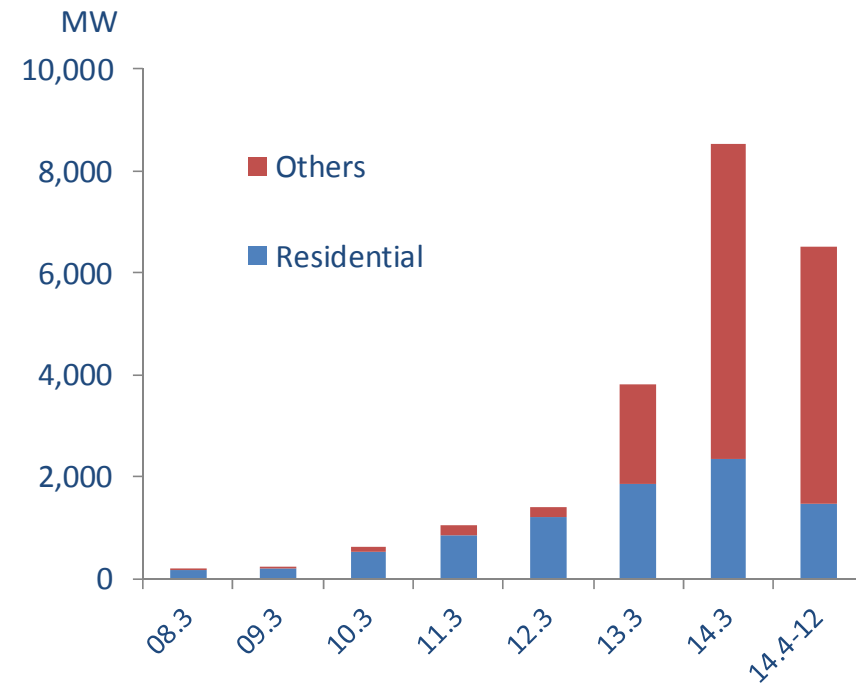
# Other Domestic Indicators

Number of condominium sold in the Tokyo metropolitan area



Source: Real Estate Economy Research Institute

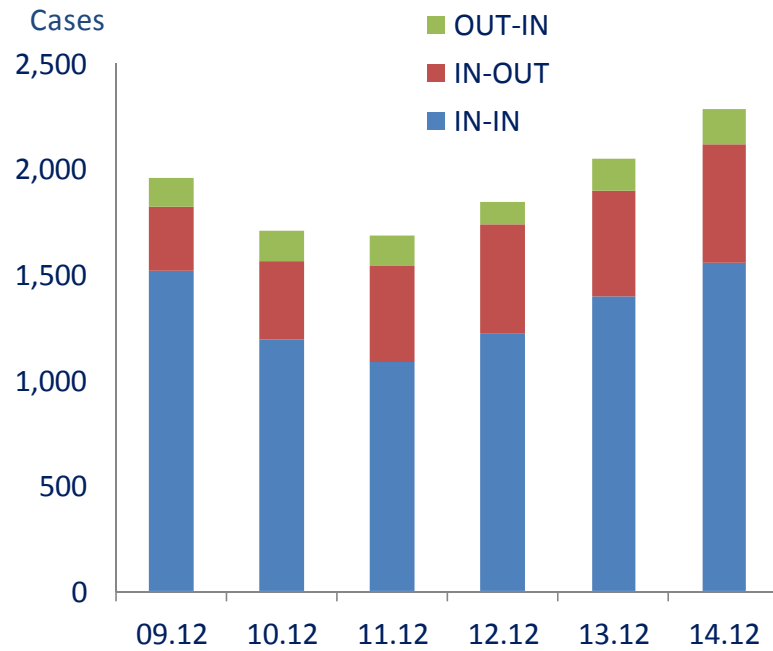
Domestic Shipping Amount of Solar Cell



Source: Japan Photovoltaic Energy Association

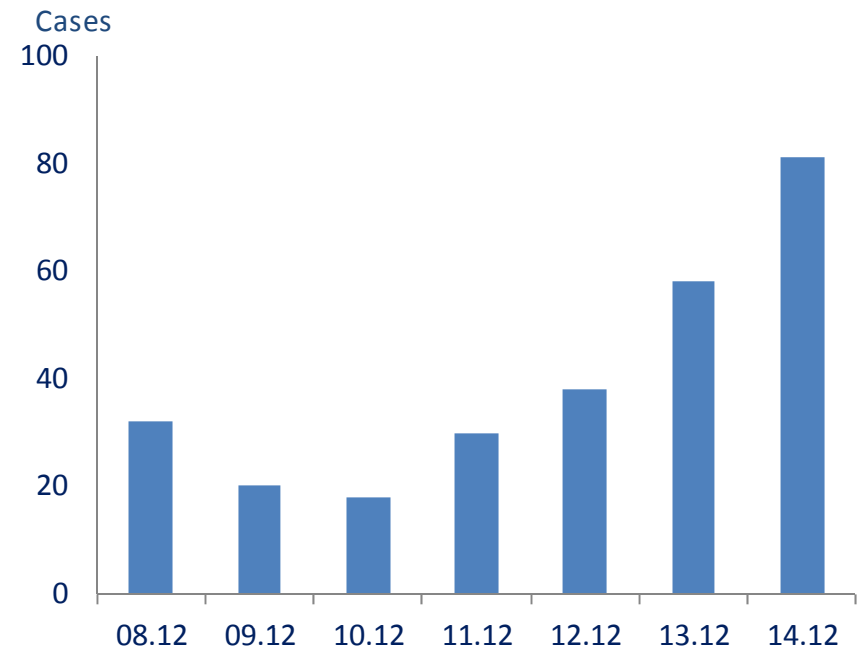
# Other Domestic Indicators

### The number of M&A



Source: RECOF Corporation

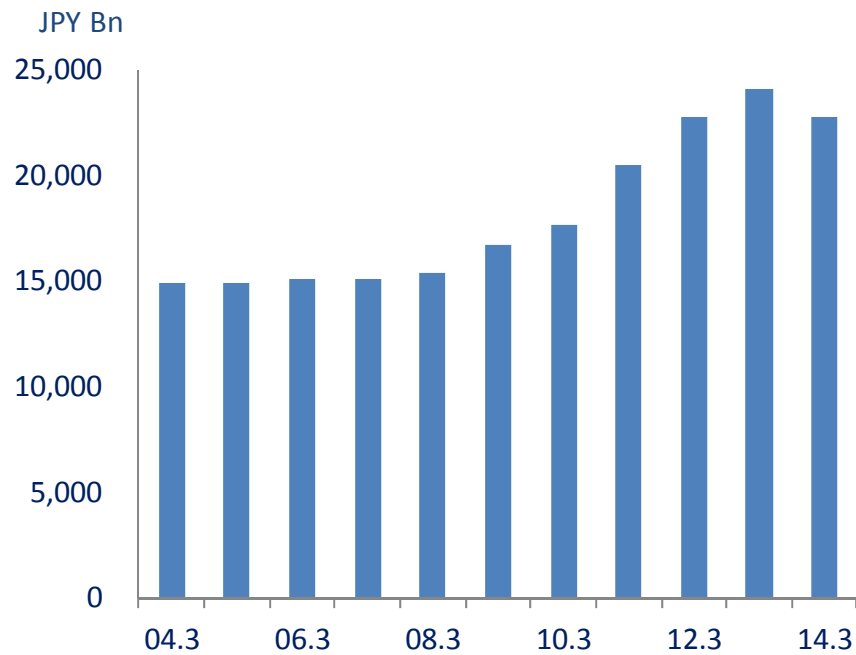
### The number of the New Listed Companies



Source: Tokyo Stock Exchange

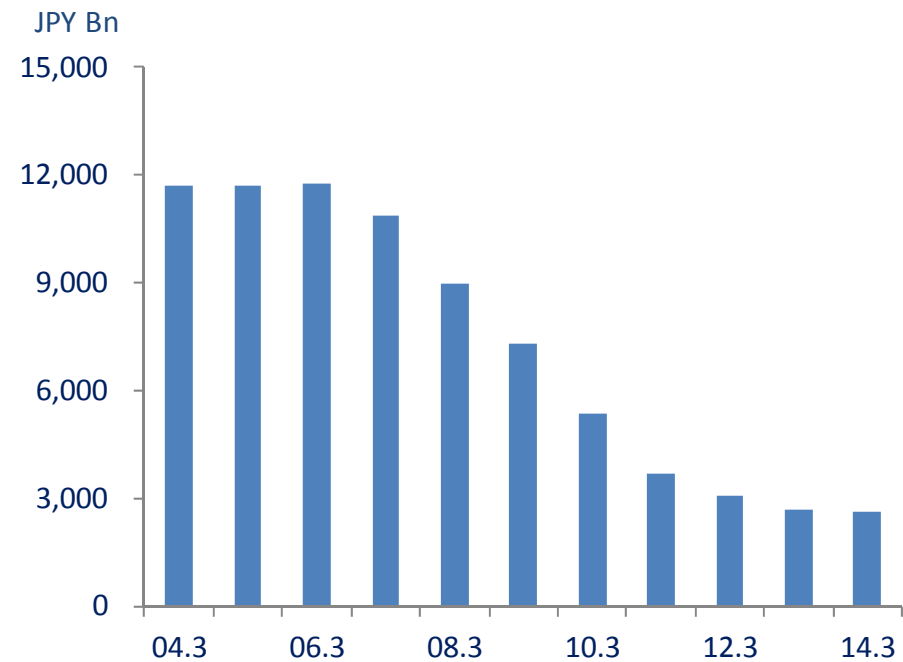
# Other Domestic Indicators

## Premium Income for Individual Insurance



Source: Japan Statistics Bureau

## Consumer Finance Loan Balance



Source: Japan Financial Services Agency



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# Additional Information

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For annual and more historical data please access our website. A list of major disclosure materials is given below.

ORIX Website: URL: <http://www.orix.co.jp/grp/en/>  
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