



Answers,
Custom Fit.

ORIX Corporation

Second Quarter Consolidated Financial Results
For the Six-Month Period Ended September 30, 2019

Makoto Inoue

Member of the Board of Directors
Representative Executive Officer
President & CEO

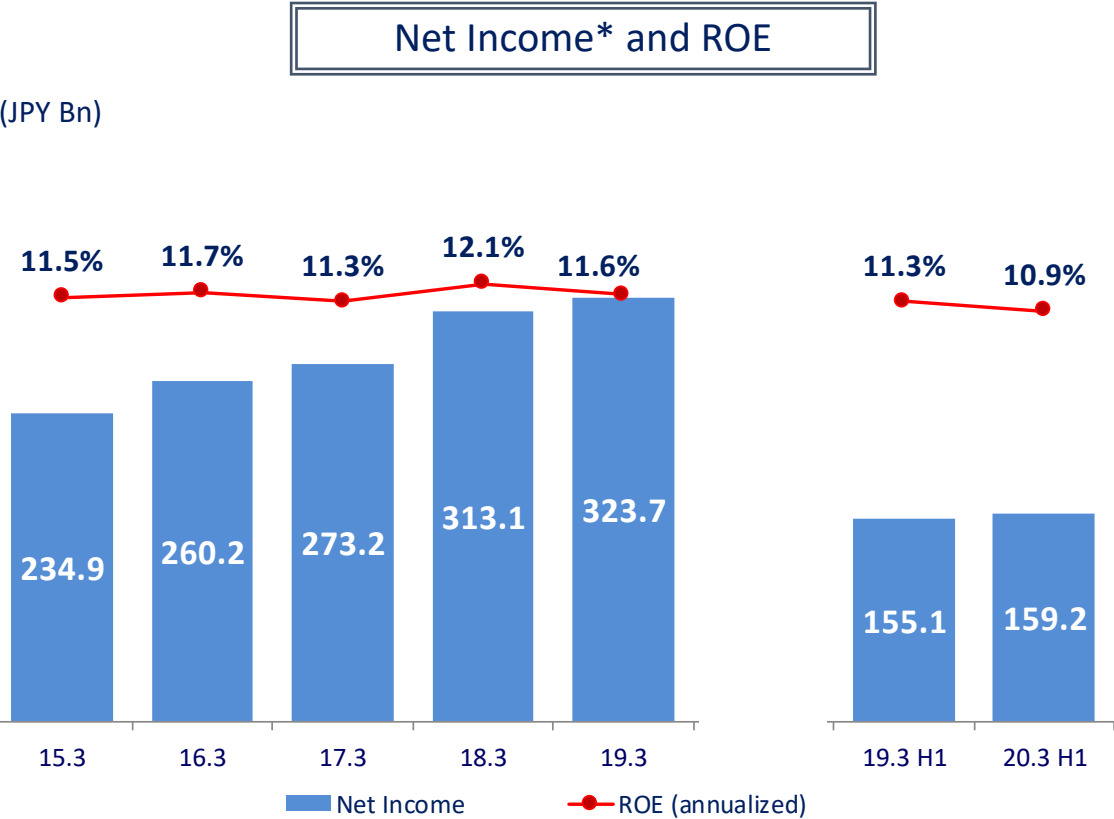
October 29, 2019

(TSE: 8591; NYSE: IX)

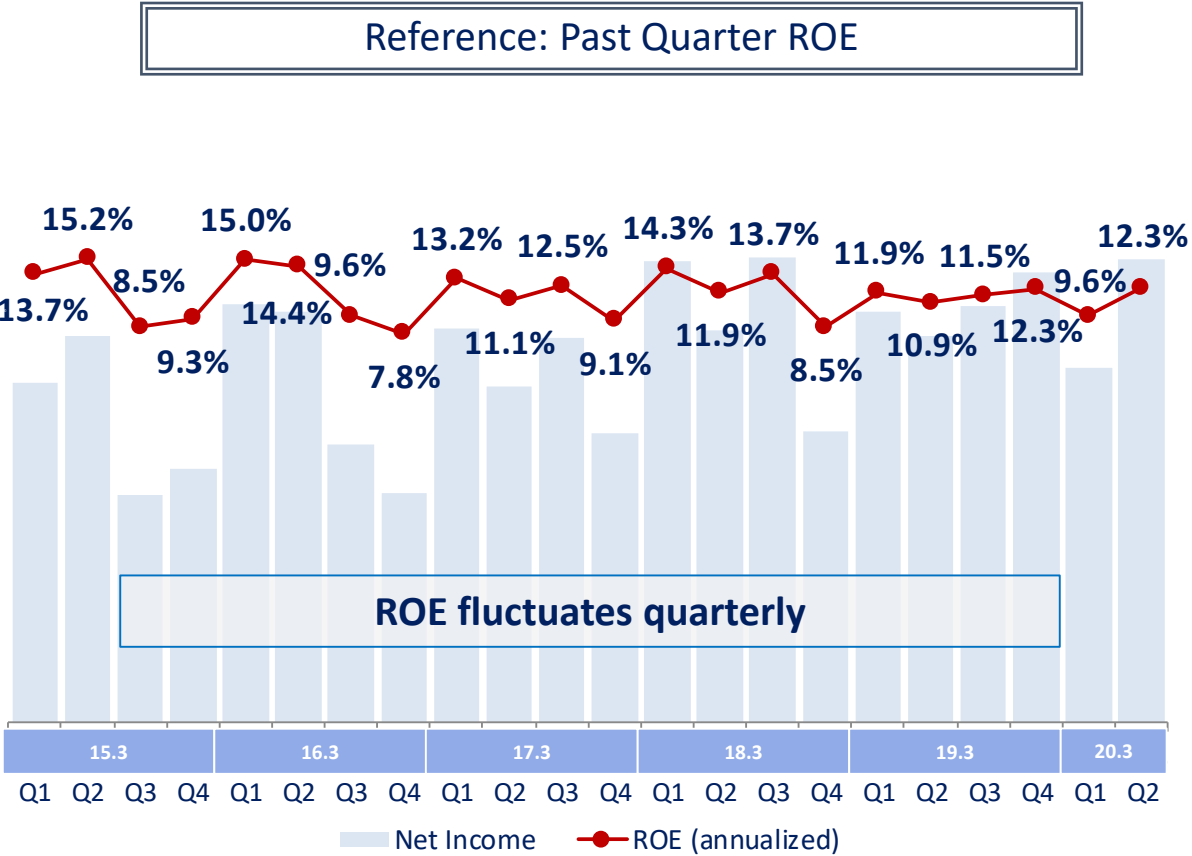
Overview (1) Net Income / ROE



✓ 159.2 JPY bn in net income, up by 2.6% YoY. Annualized ROE at 10.9%



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

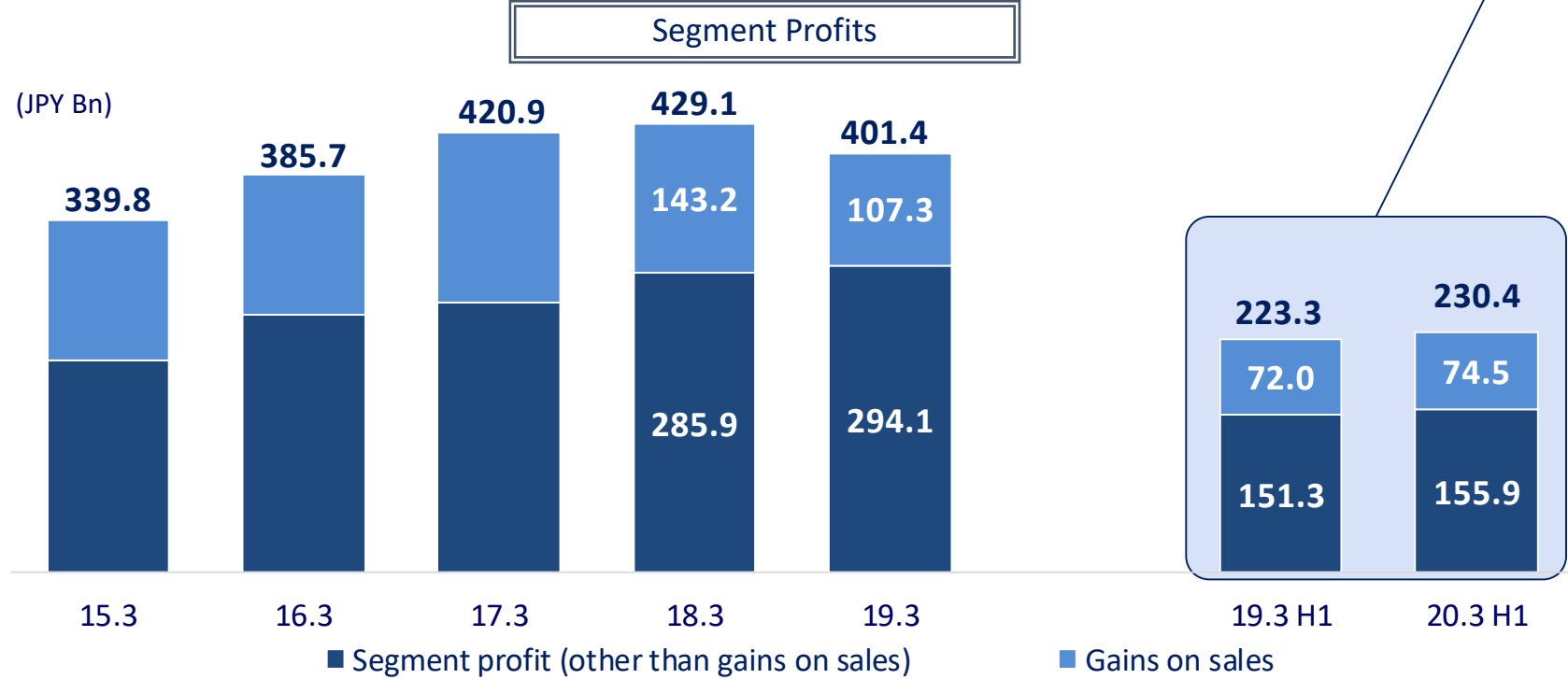


Overview (2) Breakdown of Segment Profits



FY20.3 H1 Segment Profits 230.4 JPY bn up by 3% YoY (+7.1 JPY bn)	Of which Other than gains on sales	155.9 JPY bn up by 3% YoY (+4.6 JPY bn) Exceeded the level of last year with the contribution of new M&A (NXT, Avolon), although there are a few segments where the profits decreased YoY
	Of which Gains on Sales	74.5 JPY bn up by 4% YoY (+2.5 JPY bn) Sold ORIX Living and completed selling all the shares of Houlihan Lokey

*Major gains on sales: gains on sales of rental property, gains on sales of subsidiaries and affiliates, gains on sales of investment securities, etc.

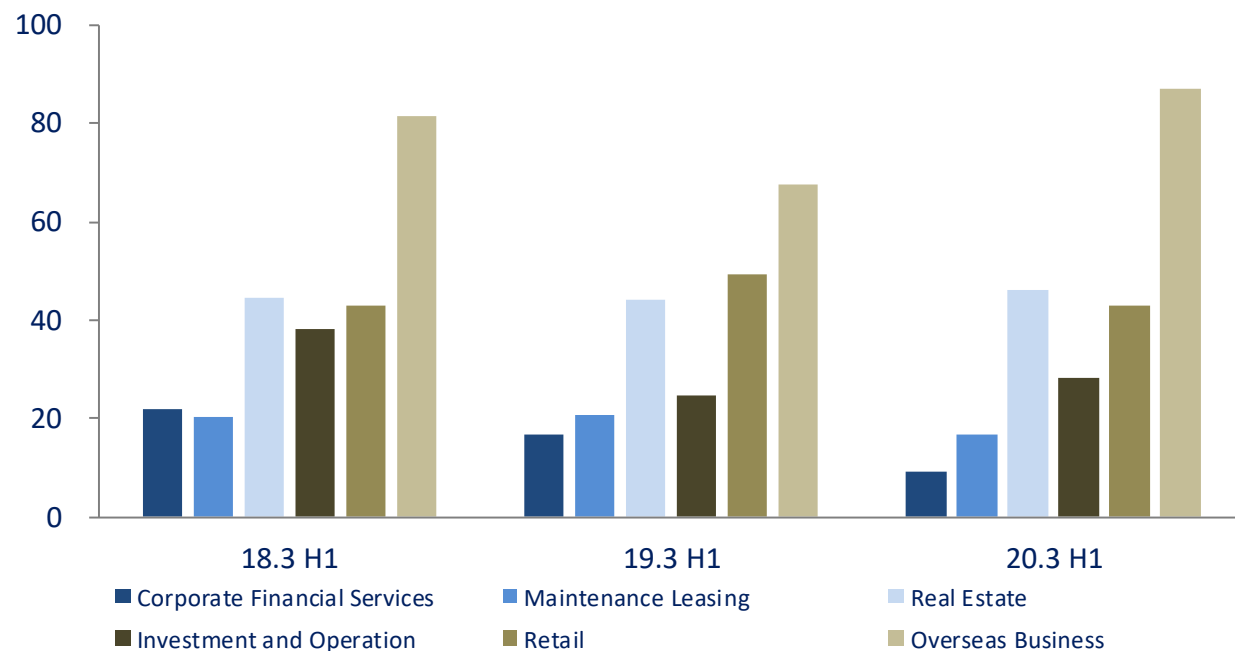


Overview (3) Segment Profits / Segment Assets

- ✓ Segment Profits: 230.4 JPY bn
Real Estate, Investment and Operation and Overseas Business increased YoY while Corporate Financial Services, Maintenance Leasing and Retail decreased YoY
- ✓ Segment Assets: 10.4 JPY tn up by 4% YTD (+435.0 JPY bn)
*Includes about 200 JPY bn as a result of application of new lease accounting standards

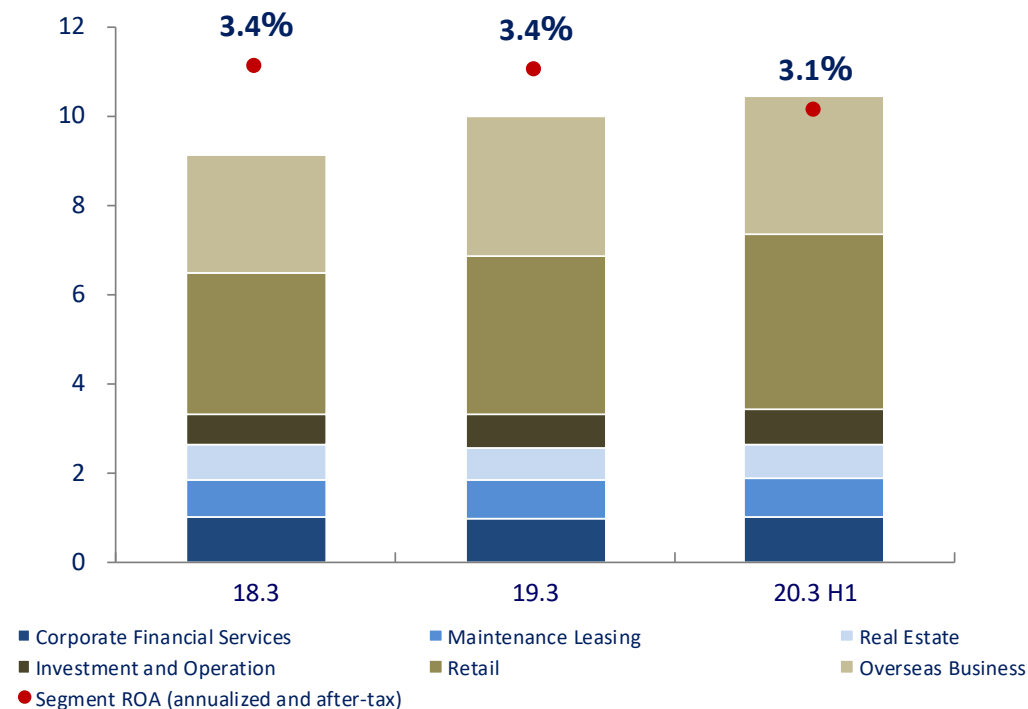
Segment Profits

(JPY Bn)



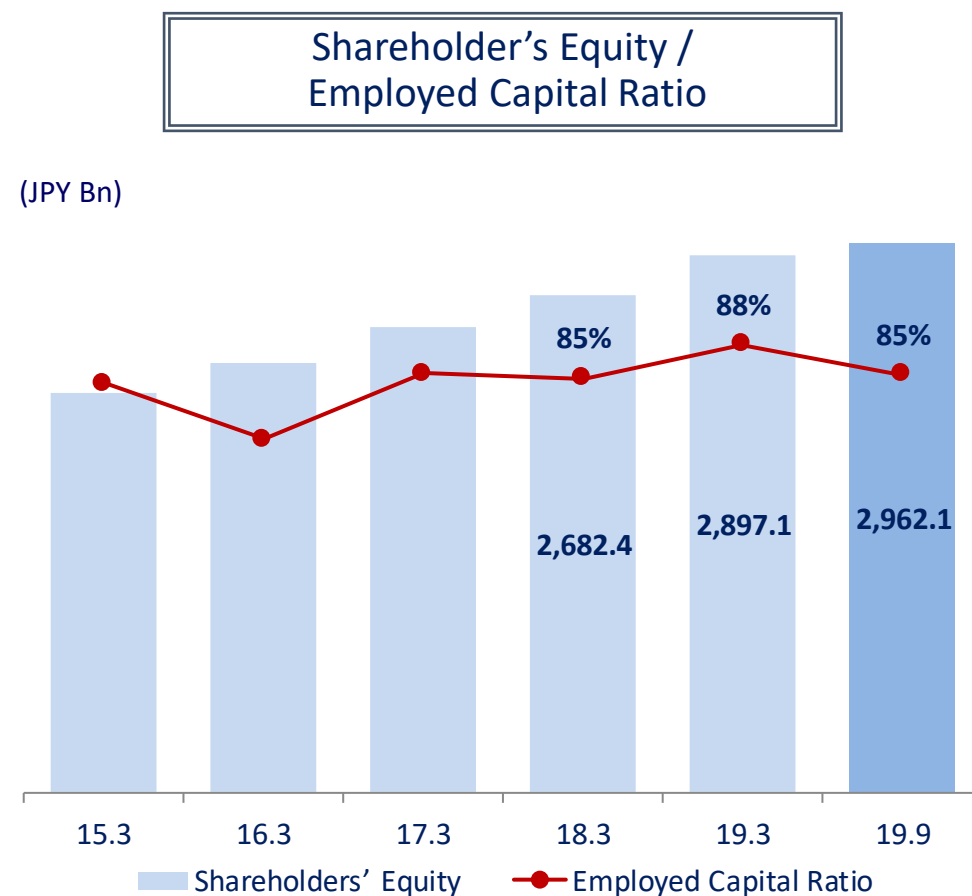
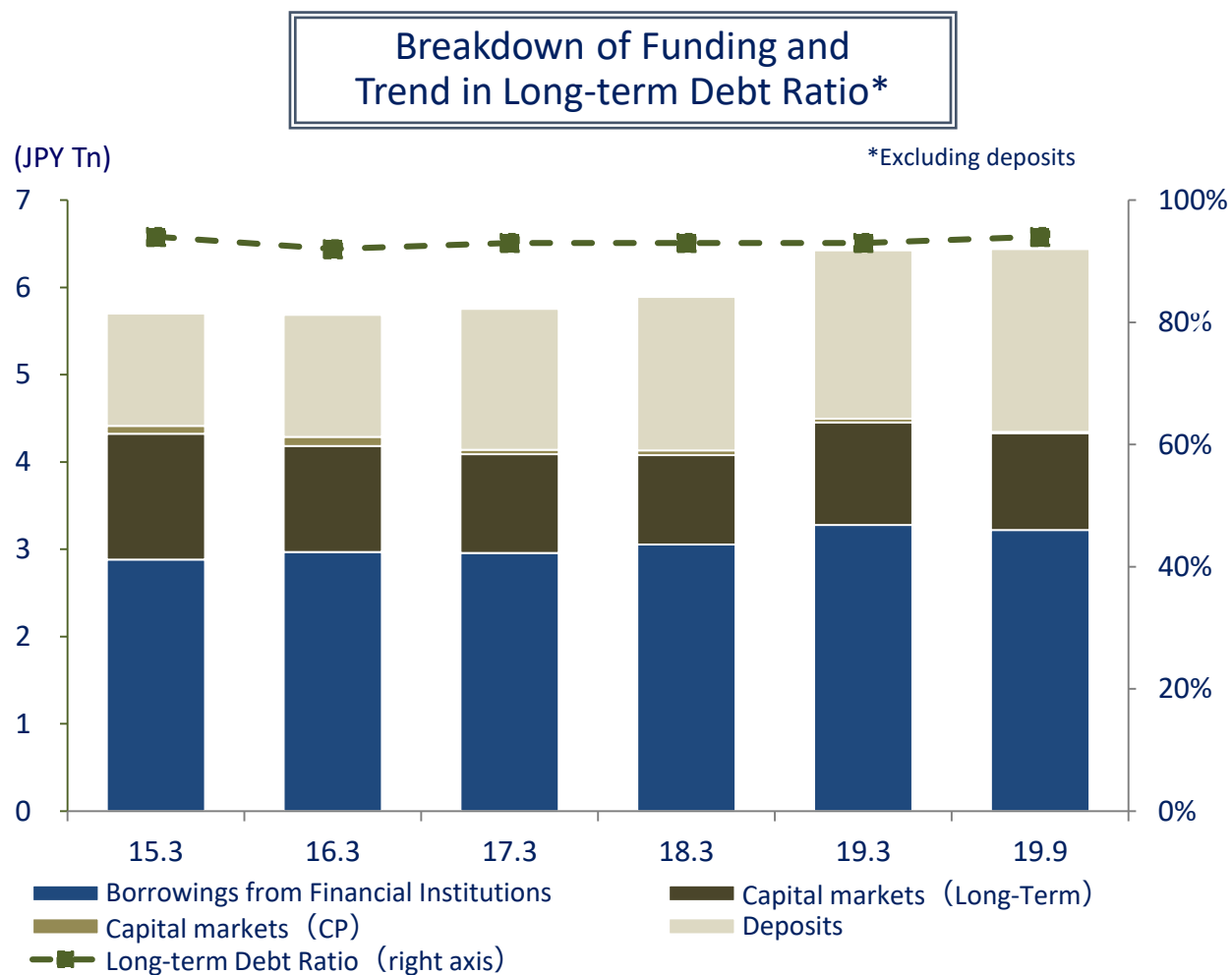
Segment Assets and ROA

(JPY Tn)



Overview (4) Funding structure / Employed Capital Ratio

- ✓ Funding structure : Diversified funding methods and maintained a high ratio of long-term debt
- ✓ Employed Capital Ratio : Continue to pursue growth while controlling risk and return



The Changes to Medium-Term Strategic Directions

The Background of Medium-Term Strategic Directions Change

Current Management Goals

- With the uncertain in external environments, it is challenging to achieve the targets of ROE, profit growth and maintaining credit rating at the same time.
- Concern over missing growth opportunities

Backgrounds and the Reason of the Change

- Recession becoming clearer and increasing geopolitical risks
- Distortion of asset prices due to excess liquidity
- As the pipelines are mainly development projects, costs incurs in advance



Basic Concepts after the Change

Continue Growth

Realize profits at the right time after adding value to the existing investments. Maintain the ROE target for medium to long term

Never Miss Business Opportunities

Will not miss business opportunities in order to avoid credit rating downgrade, while making maximum effort to maintain the credit rating

Strengthen the Shareholders Return

Prioritize investments but will not hold unnecessary capital, return the excess.

Medium to Long-Term Strategic Directions (1)

FY19.3 to FY21.3

Present

After the Change

Profit Growth

Annual net income growth
at between 4-8%

FY20.3 (E) Net income:
300 JPY bn (▲7% YoY, pre-tax profit +9%)

Capital Efficiency

ROE at 11% or higher

FY21.3 (E) Net income:
To be announced in May 2020

Financial Soundness

Maintain single A credit rating

Continue sound financial management
(Maximum effort to maintain single A)

Shareholders Return
1. Payout ratio
2. Buyback

1. 30%
2. Use share buyback as proactive capital management

1. 30% or 76 yen per share in FY20.3, whichever is higher
2. To be repurchased up to 100 JPY bn
(Period November 2019 – May 2020)


Medium to Long-Term Strategic Directions

Capital Efficiency Shareholders Return

ROE at 11% or higher
1. Consideration of minimum dividend per share
2. Consideration of proactive share buyback
(In principle, cancel treasury share that exceeds 5% of issued shares)

Medium to Long-Term Strategic Directions (2)

- ✓ Promoted financial soundness after the global financial crisis. Managed to achieve major improvement since then

Transition of key financial indicators	FY2008.3		FY2019.3
1. Financial leverage D/E ratio (excluding deposits)	4.6 times		1.6 times
2. Dependence on short-term funding Short-term debt + CP	1.3 JPY tn		0.3 JPY tn
3. Liquidity Cash* + Available long-term commitment lines	0.4 JPY tn		1.5 JPY tn
4. Shareholders' Equity Ratio Shareholders' equity ÷ Total assets	14.1%		23.8%

*Including cash of ORIX Bank and ORIX Life Insurance

Reference; current credit ratings

S&P: A - (Negative) Moody's: A3 (Stable) Fitch: A - (Stable) R&I: A + (Positive)

Medium to Long-Term Strategic Directions (3)

- ✓ After April 2018, continued to make portfolio replacement in line with medium to long-term growth view
- ✓ Continue to promote replacement at the right time with medium to long-term vision

New Investment

After April 2018

New investments; about 1.3 JPY tn

NXT Capital: wholly owned subsidiary (Aug. 2018)

Avolon: acquired 30% of issued share (Nov. 2018)

PE investment in Japan (CORNES AG) (Dec. 2019)

DAIKYO: wholly owned subsidiary (Jan. 2019)

PE investment in Japan (Wako Pallet) (Sep. 2019)

Sales

After April 2018

Sales, etc.; about 1.3 JPY tn

ORIX Golf Management (Sold in Mar. 2019)

United Asia Finance (Sold in Jun. 2019)

PE investment in Japan (1 case) (Sold in Jun. 2019)

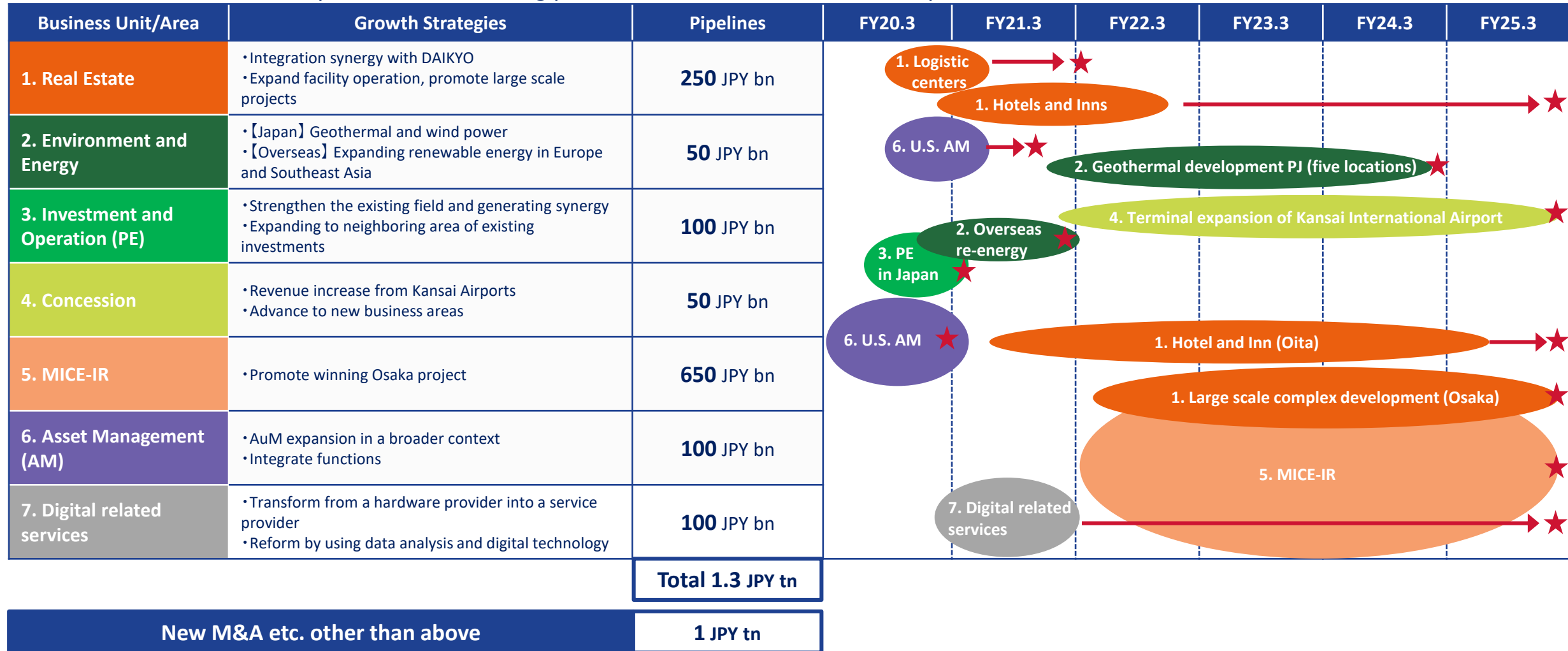
Houlihan Lokey (Sold all shares in Jul. 2019)

ORIX Living (Sold in Aug. 2019)

*Some items such as ORIX Life Insurance and ORIX Bank are not counted

Medium to Long-Term Strategic Directions (4)

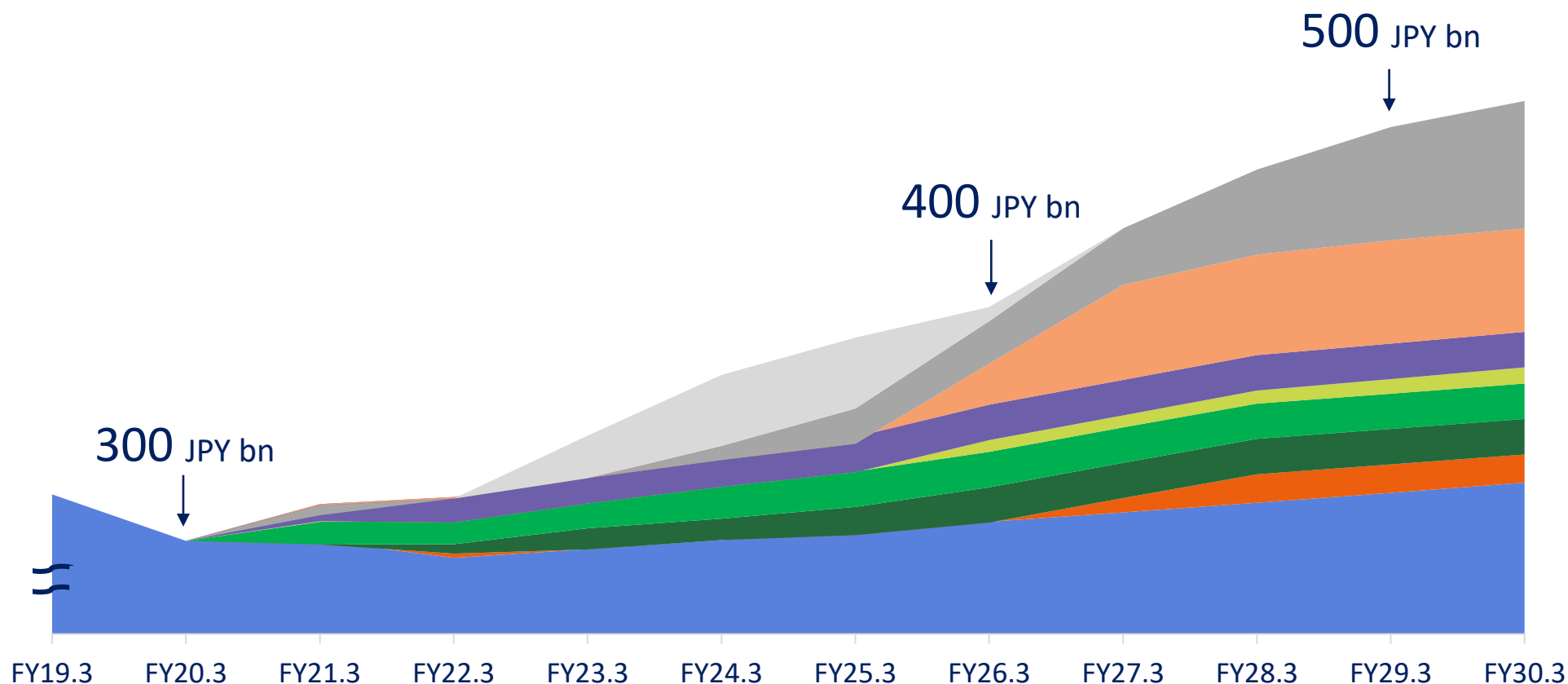
- ✓ Expected timing of investment and the expected timing for the start of profit contribution from the pipelines
- ✓ The pipeline only incorporates the projects with high likelihood of ORIX's engagement.
The size of the bubble expresses the investing period and the scale. ★ indicates profit contribution start time



Medium to Long-Term Strategic Directions (5)

- ✓ Aiming to sustain profit growth by executing projects in the pipeline and replacing portfolio

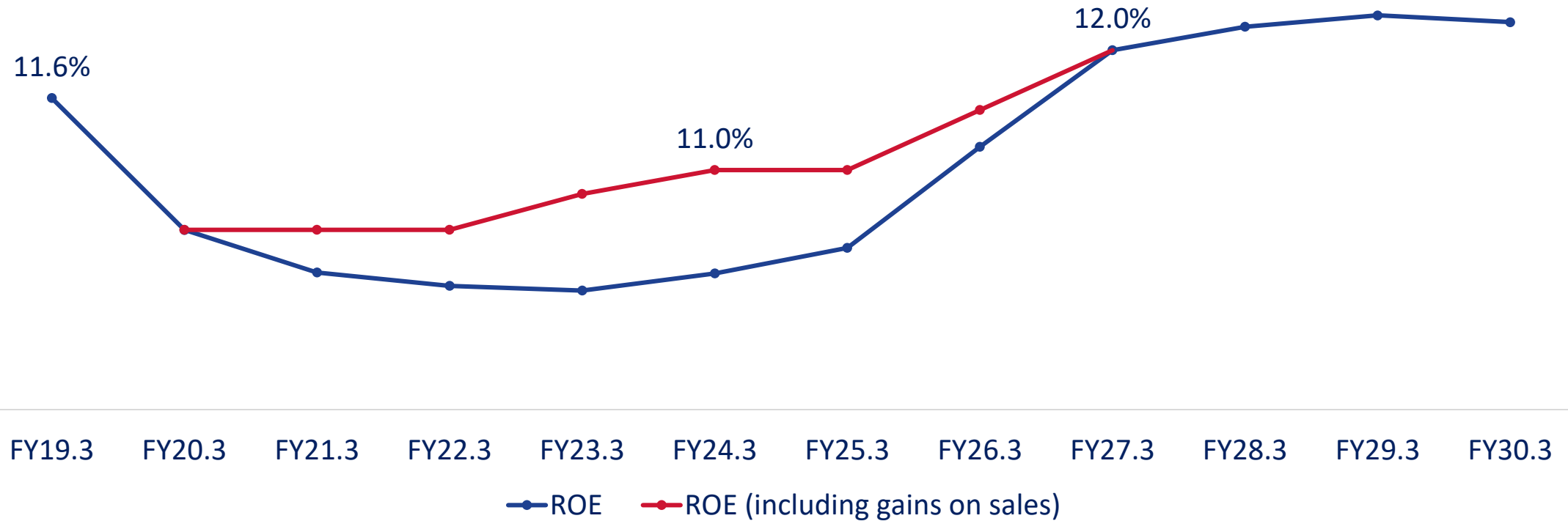
Net income prospect



Medium to Long-Term Strategic Directions (6)

- ✓ Aiming to achieve ROE11% at an early stage

ROE prospect



FY20.3 H1 net income was 159.2 JPY bn (up by 2.6%), annualized ROE at 10.9%

Maintain flexibility toward future growth

Changed Medium-Term Strategic Directions until FY2021.3

Aiming to achieve ROE 11% at an early stage

Maintain financial soundness and make maximum effort to maintain single A

Strengthen shareholders return

**Consider introducing the minimum dividend per share
and proactive share buybacks**

Segment Performance

(blank)

Segment Performance (1) Corporate Financial Services

*As the figures less than 0.1 JPY bn are rounded off, the total of individual business unit figures does not necessarily match the segment figures



Segment Profits: 9.2 JPY bn

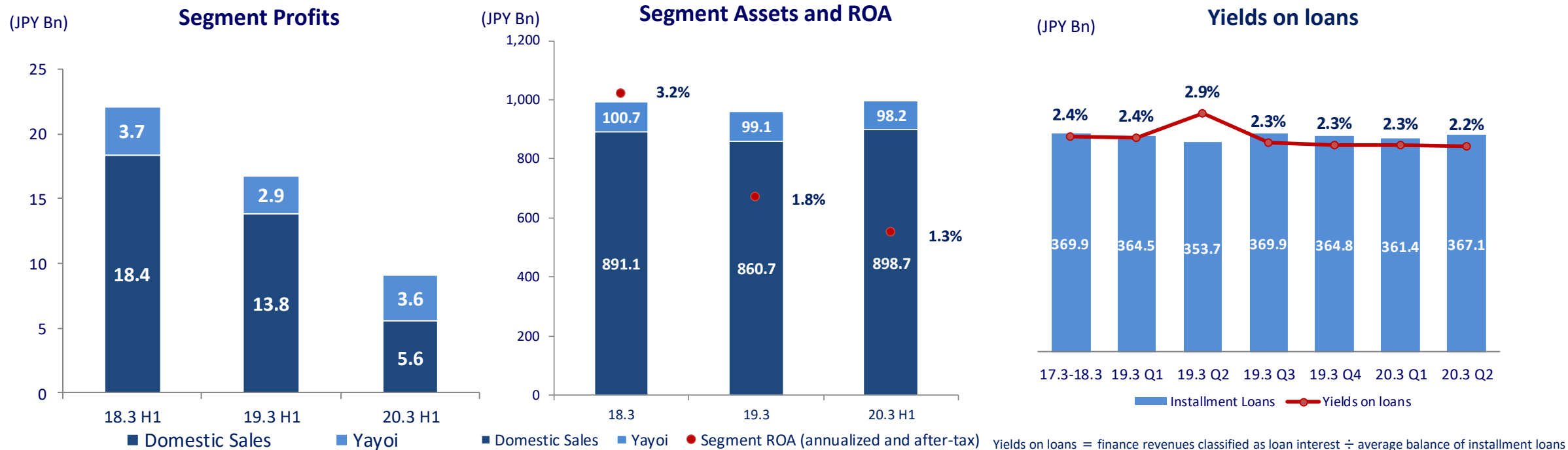
YoY ▲ 7.6 JPY bn (▲45%)

- ✓ Agency fee income from life insurance business for corporate customers decreased. Yields on loans were maintained
- ✓ Yayoi achieved increase in membership for fee-based support services and sales of packaged products
<Impact from the accounting standard change: IDC (Initial Direct Costs) ▲0.9 JPY bn>

Segment Assets: 997.0 JPY bn

YTD +37.2 JPY bn (+4%)

- ✓ Operating leases increased due to new lease accounting standards (+56.8 JPY bn)



Business status

- ✓ Promote business investment to SMEs with succession problems through utilizing financial know-how and sales network
- ✓ Diversification of services income continues while carefully dealing with asset accumulation at low spreads

Segment Performance (1) Corporate Financial Services



(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	37.4	36.0	32.4	30.7	28.8	15.7	12.2	78%
Gains on investment securities and dividends	1.0	7.1	2.5	17.1	-0.8	1.0	0.7	68%
Operating leases	24.5	25.5	25.6	23.4	23.5	11.9	11.4	95%
Services income	20.6	34.3	38.5	40.3	39.3	20.5	18.6	91%
Segment Revenues	85.9	107.5	103.1	115.8	95.2	51.1	45.7	89%
Interest expense	9.1	7.5	6.2	5.0	4.1	2.1	1.9	87%
Costs of operating leases	12.2	13.3	14.3	14.1	14.3	7.1	7.3	104%
Services expense	5.3	7.2	7.5	8.1	10.1	4.8	6.0	124%
Selling, general and administrative expenses	30.9	37.1	39.1	39.1	37.9	18.5	21.4	116%
Segment Expenses	61.0	65.8	68.2	68.8	69.0	33.8	38.1	113%
Segment Profits	25.5	42.4	38.0	49.3	25.5	16.8	9.2	55%
Net Investment in Leases	532.6	509.8	483.4	439.3	403.6	422.6	390.5	
Installment Loans	461.3	417.6	402.9	369.9	364.8	353.7	367.1	
Segment Assets	1,203.4	1,133.9	1,086.0	991.8	959.7	966.4	997.0	
ROA	1.46%	2.41%	2.34%	3.24%	1.79%	2.35%	1.28%	

Segment Performance (2) Maintenance Leasing

Segment Profits: 16.6 JPY bn

YoY ▲4.0 JPY bn (▲19%)

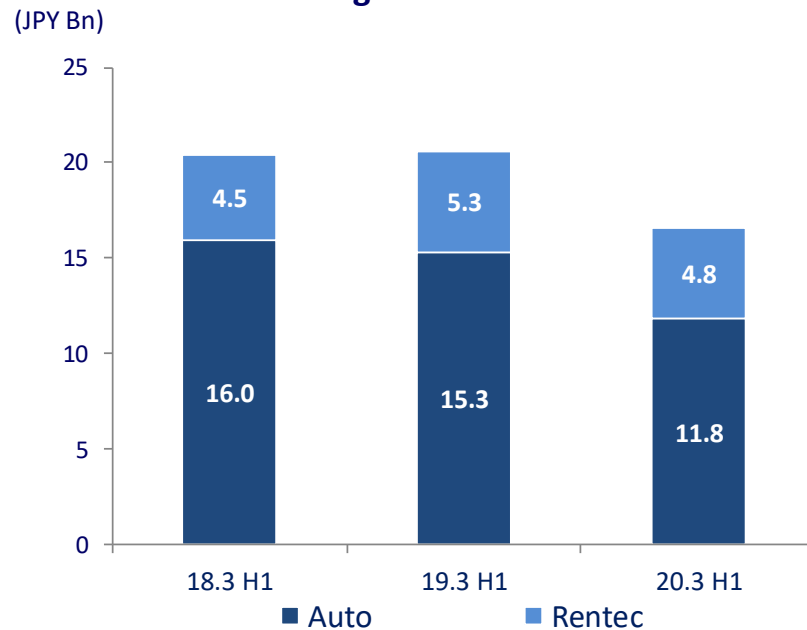
- ✓ Revenues from both Auto and Rentec increased. SG&A increase from service improvement partly caused profit decrease
<Impact from the accounting standard change: IDC (Initial Direct Costs) ▲1.3 JPY bn >

Segment Assets: 886.3 JPY bn

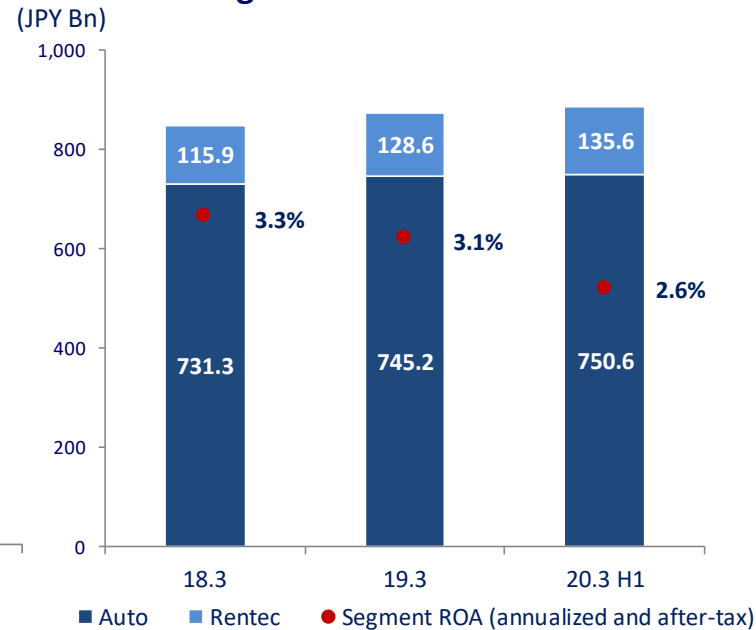
YTD +12.5 JPY bn (+1%)

- ✓ Remained at the same level as FY19.3

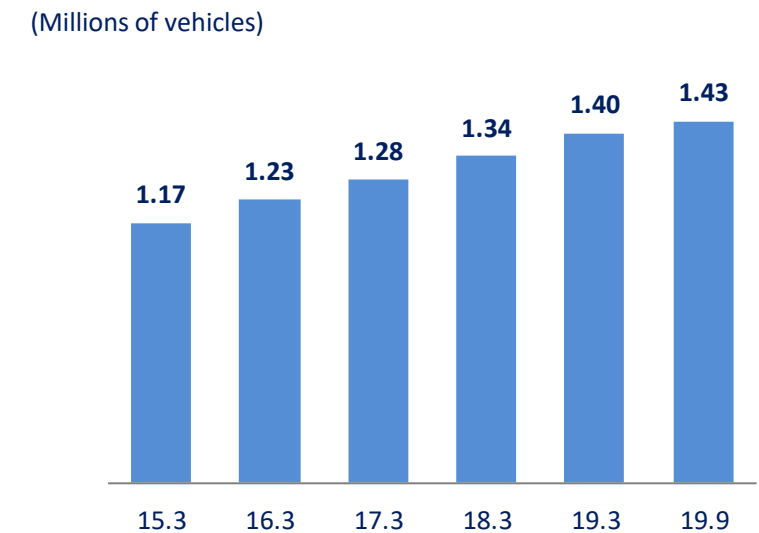
Segment Profits



Segment Assets and ROA



Number of Automobiles Under Management (ORIX Auto)



Business status

- ✓ Expand car sharing business nationwide in cooperation with car rental business. Promote MaaS (Mobility as a Service) by partnering with railway companies, etc.
- ✓ Seeking to expand the business of Yodogawa Transformer (rental business of power receiving and transforming facilities and equipment, and generators) as well as rental products line up such as collaboration robots and drones

Segment Performance (2) Maintenance Leasing



(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	11.7	12.5	13.4	14.2	14.4	7.1	7.7	108%
Operating leases	185.7	188.9	187.3	189.7	198.0	98.0	102.0	104%
Services income	62.5	66.8	66.3	67.8	70.6	34.1	34.3	100%
Segment Revenues	264.1	272.1	271.0	275.9	288.2	141.6	147.2	104%
Interest expense	4.2	4.0	3.7	3.2	3.0	1.6	1.4	89%
Costs of operating leases	138.2	141.5	143.3	145.4	154.4	76.1	80.5	106%
Services expense	38.5	39.7	39.2	40.1	40.6	19.4	20.2	104%
Selling, general and administrative expenses	38.8	41.0	42.9	44.1	46.5	22.8	25.7	113%
Segment Expenses	223.6	229.2	231.1	235.6	250.5	121.0	130.6	108%
Segment Profits	40.4	42.9	39.8	40.2	38.8	20.6	16.6	81%
Net Investment in Leases	257.1	285.5	308.9	319.9	328.4	324.7	324.9	
Investment in Operating Leases	488.6	492.4	492.6	505.5	525.4	512.8	542.1	
Segment Assets	750.7	783.0	806.7	847.2	873.8	859.0	886.3	
ROA	3.58%	3.72%	3.42%	3.32%	3.09%	3.31%	2.59%	

Segment Performance (3) Real Estate

Segment Profits: 46.2 JPY bn

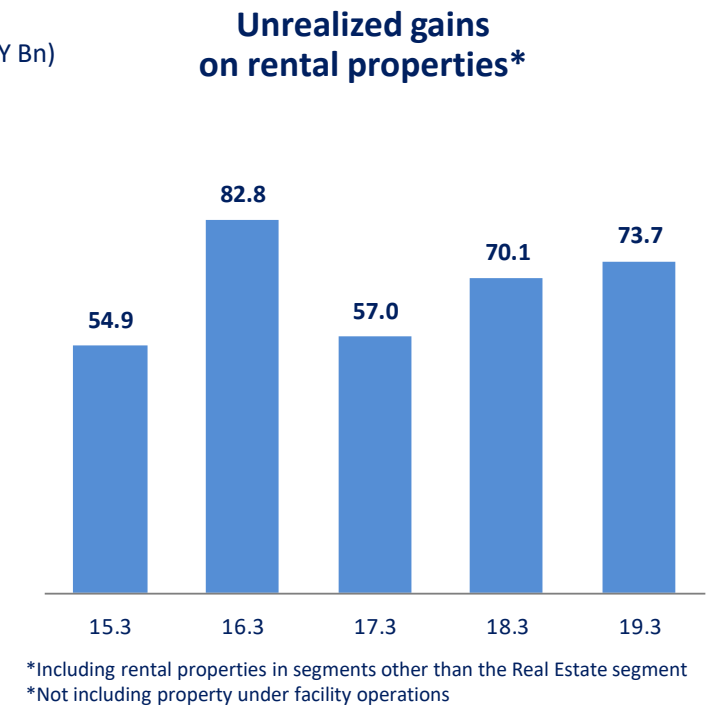
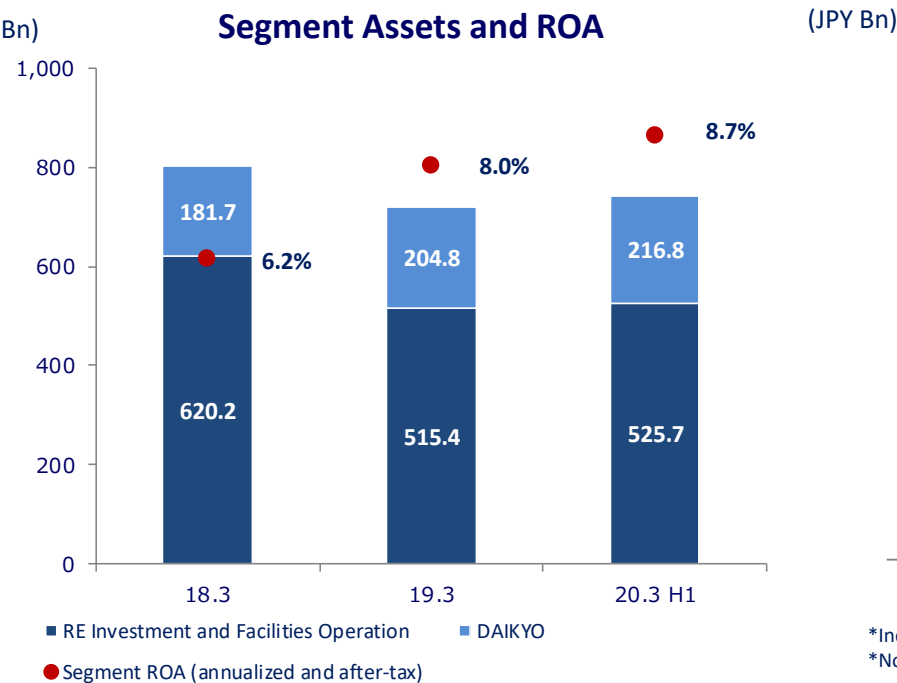
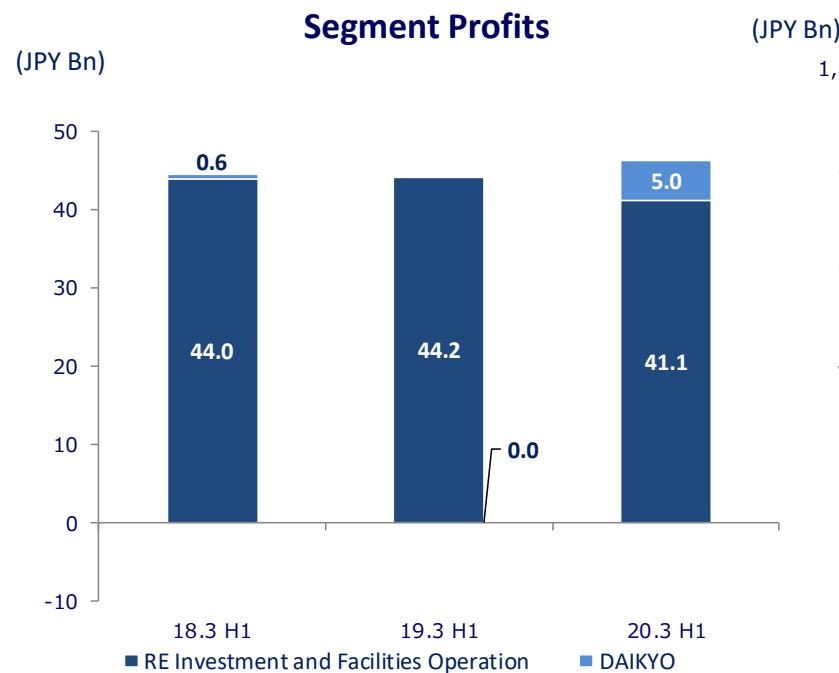
YoY +2.0 JPY bn (+5%)

- ✓ Gains on sales from ORIX Living, etc.
- ✓ Profits from real estate asset management remained stable

Segment Assets: 742.4 JPY bn

YTD +22.2 JPY bn (+3%)

- ✓ Assets decreased due to some selling while new investments continue
- ✓ Operating lease assets increased due to new lease accounting standards (+89.3 JPY bn)



Business status

- ✓ Promoted large-scale projects, such as renovations of Beppu Suginoi-Hotel (to be completed in 2025), the Osaka Second Zone Umekita project (to be opened in 2024)
- ✓ Integrated management initiative with DAIKYO, which became a wholly owned subsidiary in 2019, continues; promoting resources / know-how sharing in areas of Development and Sales, Brokerage, and Management and Construction

Segment Performance (3) Real Estate



(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	4.2	6.9	2.4	2.1	2.1	1.0	1.4	141%
Operating leases	71.4	67.9	96.0	55.2	72.5	41.4	36.3	88%
<i>Gains on Rental Property Sales</i>	15.5	16.8	50.6	14.3	35.0	21.5	18.4	85%
Sales of goods and real estate	104.6	134.8	122.0	131.8	141.5	46.0	47.5	103%
Services income	279.6	287.6	292.0	300.1	313.1	155.2	144.1	93%
Segment Revenues	460.6	498.7	512.8	489.8	529.1	244.0	229.2	94%
Interest expense	7.5	5.2	3.2	2.3	2.2	1.2	0.7	61%
Costs of operating leases	38.5	34.5	30.3	27.6	26.0	13.2	12.8	97%
Costs of goods and real estate sold	98.3	113.1	100.9	112.2	121.4	41.4	44.0	106%
Services expense	233.7	242.7	246.5	254.4	261.1	124.0	120.6	97%
Selling, general and administrative expenses	43.8	45.8	43.9	43.2	44.0	22.2	22.5	101%
Segment Expenses	461.7	450.5	429.0	444.0	457.0	202.1	201.3	100%
Segment Profits	9.8	52.3	84.5	74.4	89.2	44.2	46.2	105%
Investment in Operating Leases	436.5	392.0	318.3	273.0	242.0	238.0	278.6	
Property under Facility Operations	172.2	177.5	185.0	195.5	146.1	200.6	129.4	
Advances for Finance Lease and Operating Lease	44.7	38.5	19.8	21.6	29.9	26.3	33.0	
Investment in Affiliates	106.7	107.5	110.6	100.2	107.1	106.7	98.9	
Segment Assets	1,054.9	917.7	843.9	802.0	720.2	783.2	742.4	
ROA	0.57%	3.52%	6.55%	6.17%	8.03%	7.63%	8.65%	

Segment Performance (4) Investment and Operation

Segment Profits: 28.4 JPY bn

YoY +3.5 JPY bn (+14%)

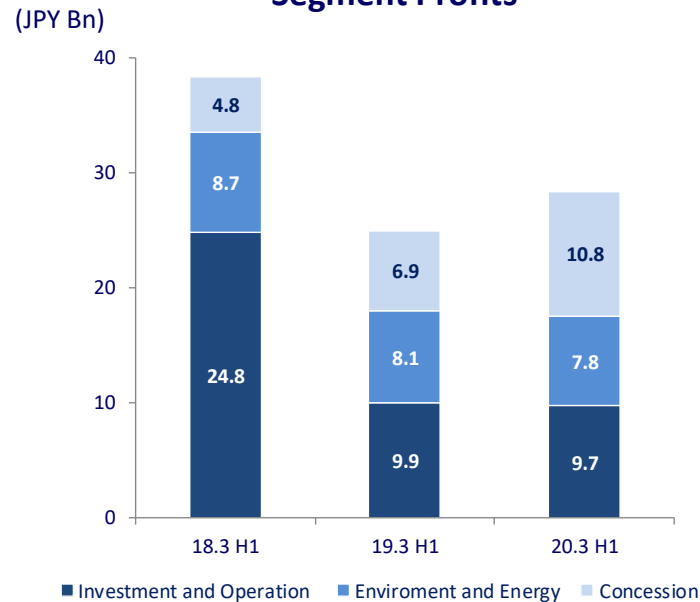
- ✓ Gains on sales in private equity investment in Q1.
- ✓ Profits from concession increased due to a rise in the number of tourists visiting Japan

Segment Assets: 773.0 JPY bn

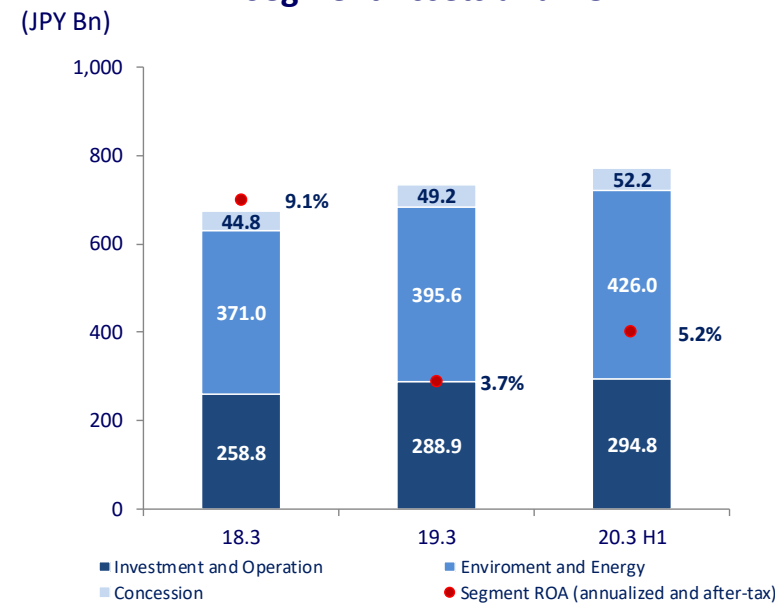
YTD +39.4 JPY bn (+5%)

- ✓ Invested in Wako Pallet, a major seller and leaser of logistics equipment
- ✓ Business assets related to environment and energy business increased due to new lease accounting standards (+39.8 JPY bn)

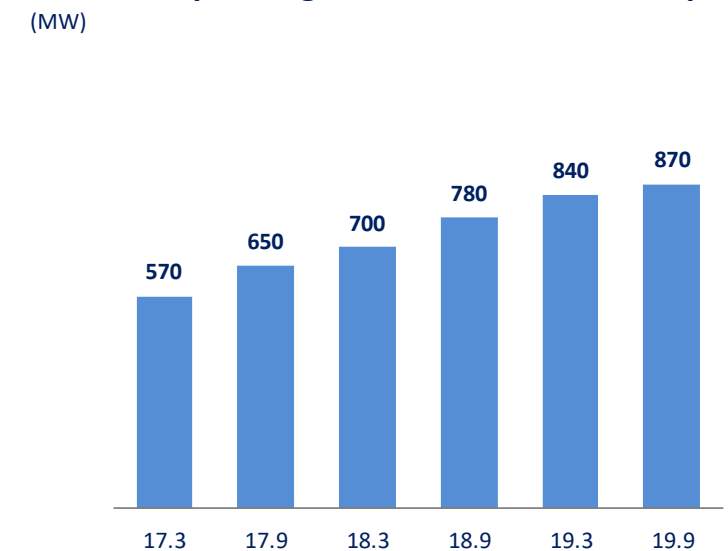
Segment Profits



Segment Assets and ROA



Solar power generation business in Japan



Business status

- ✓ Solar power generation business in Japan is doing well (1GW secured as of September, 30 2019); started construction of geothermal power plant in Minami-Kayabe and promote wind power as well
- ✓ Private equity investment generated investment return of more than 100 JPY bn in the last five years; exploring opportunities with view to engage in long-term strategic investment

Segment Performance (4) Investment and Operation

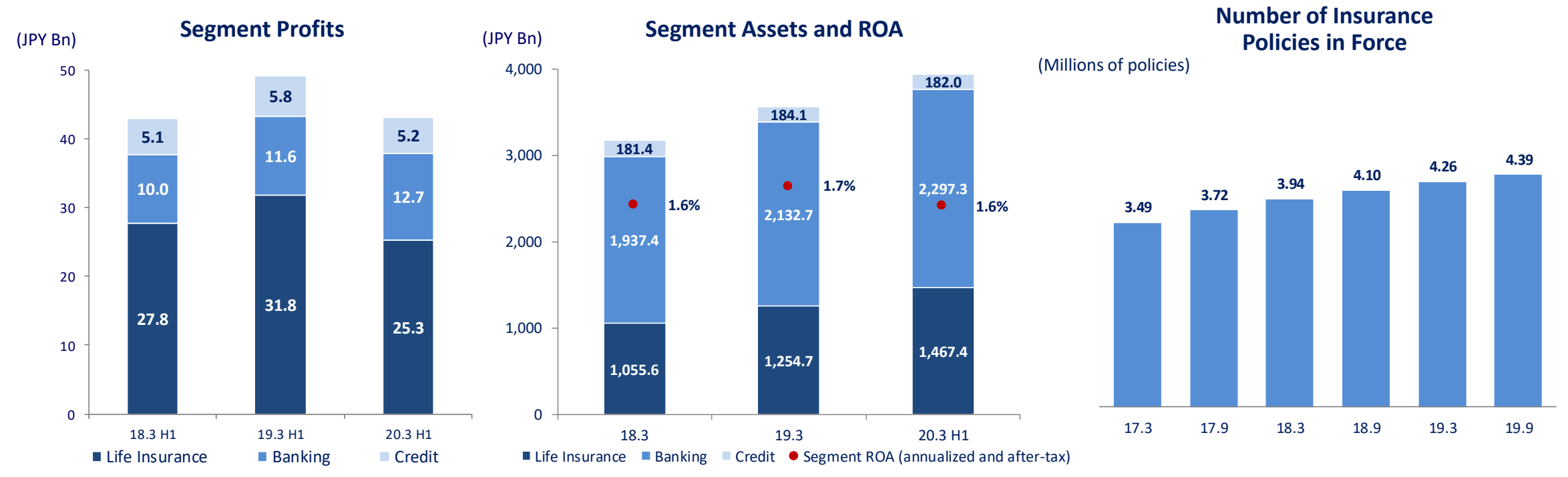
(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	16.0	12.9	11.0	9.3	9.1	5.2	3.3	64%
Gains on investment securities and dividends	9.3	10.2	12.9	7.6	0.1	0.6	0.7	124%
Sales of goods and real estate	276.5	596.7	825.0	924.2	436.0	277.0	126.1	46%
Services income	86.2	100.0	118.8	140.1	169.1	84.5	94.3	112%
Segment Revenues	389.7	721.4	970.0	1,083.5	615.2	367.7	225.1	61%
Interest expense	3.3	3.2	4.9	5.7	7.1	3.4	3.8	113%
Costs of goods and real estate sold	248.9	559.4	779.4	875.5	400.6	258.8	108.3	42%
Services expense	74.8	83.0	91.6	110.6	131.7	64.2	71.6	112%
Selling, general and administrative expenses	29.8	41.7	55.0	55.5	51.9	24.8	25.7	104%
Segment Expenses	358.9	687.6	937.1	1,047.3	591.7	351.1	209.4	60%
Equity in Net Income (Loss) of Affiliates and others	7.1	14.1	40.5	47.9	14.7	8.3	12.7	153%
Segment Profits	37.8	47.9	73.4	84.1	38.2	24.9	28.4	114%
Installment Loans	103.9	94.1	71.5	59.4	47.6	52.9	42.1	
Investment in Securities	84.1	66.6	46.4	28.6	25.8	30.0	23.9	
Property under Facility Operations	90.9	130.6	187.7	208.1	265.0	219.1	300.2	
Inventories	30.8	21.1	24.8	24.3	30.8	26.7	33.0	
Investment in Affiliates	35.6	91.8	60.3	156.9	162.0	155.1	162.5	
Goodwill, Intangible Assets Acquired in Business Combinations	56.3	68.6	116.5	122.7	158.7	120.6	159.4	
Segment Assets	458.4	540.4	593.8	674.6	733.6	687.3	773.0	
ROA	5.77%	6.37%	8.84%	9.06%	3.71%	5.01%	5.16%	

Segment Performance (5) Retail



Segment Profits: 43.2 JPY bn	YoY ▲6.0 JPY bn (▲12%)	Segment Assets: 3,946.7 JPY bn	YTD +375.3 JPY bn (+11%)
✓ Life insurance premium income increased with the number of policies increased. Profits decreased due to the large gains on sales in the last fiscal year and increase in SG&A		✓ Investment in securities at life insurance business and installment loans at banking business increased	



Business status	<ul style="list-style-type: none">✓ ORIX Life Insurance expanded its product lineup such as foreign currency-denominated product and simplified issue insurance products✓ ORIX Bank maintained a high loan-deposit ratio; net interest margin remained at 2% level
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Segment Performance (5) Retail

(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	56.8	61.0	68.1	72.9	76.7	38.7	40.1	104%
Life insurance premiums and related investment income	352.5	190.8	297.9	353.0	348.3	181.3	183.2	101%
Segment Revenues	426.1	254.4	368.7	428.7	428.9	221.7	225.6	102%
Interest expense	5.8	4.7	4.1	4.0	4.1	2.0	2.1	103%
Life insurance costs	272.0	122.0	201.4	256.3	247.8	126.4	131.9	104%
Selling, general and administrative expenses	60.5	67.5	77.0	79.2	78.7	37.2	38.7	104%
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	4.0	7.4	10.1	11.2	11.5	5.3	6.7	126%
Segment Expenses	342.2	203.4	295.8	354.2	344.7	172.6	182.4	106%
Segment Profits	120.6	51.8	72.9	74.5	84.2	49.2	43.2	88%

Installment Loans	1,411.7	1,523.1	1,727.0	1,852.8	2,050.0	1,910.4	2,220.0
Investment in Securities	2,228.6	1,876.3	1,502.7	1,260.3	1,474.8	1,400.9	1,680.5
Segment Assets	3,717.2	3,472.1	3,293.4	3,174.5	3,571.4	3,369.0	3,946.7
ROA	2.62%	0.96%	1.47%	1.57%	1.71%	2.06%	1.57%

Segment Performance (6) Overseas Business

Segment Profits: 86.9 JPY bn

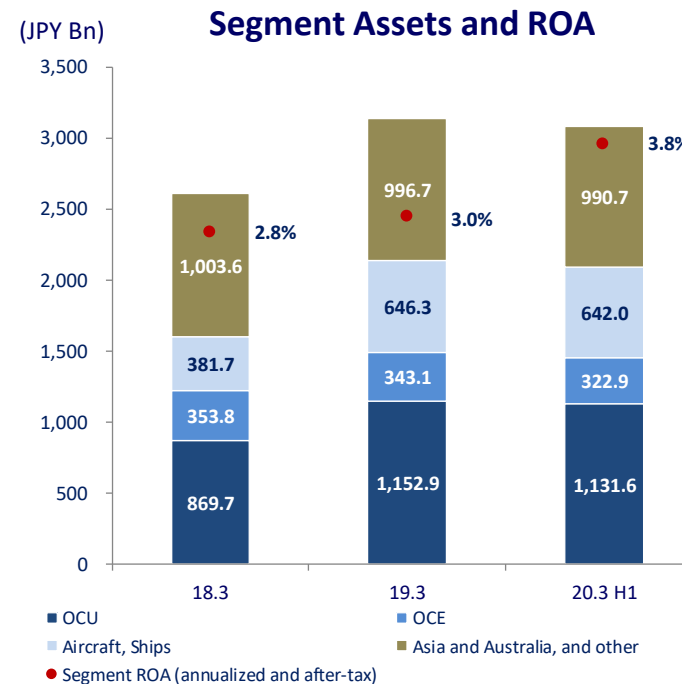
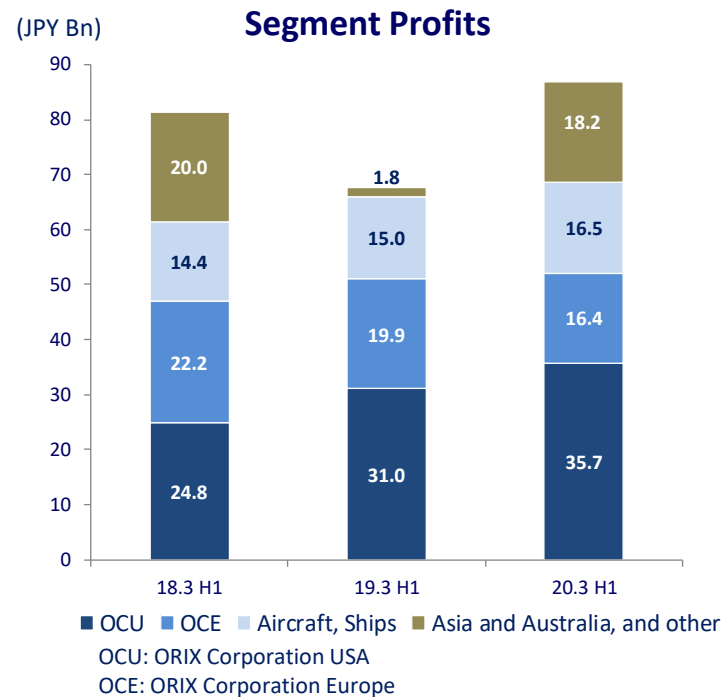
YoY +19.1 JPY bn (+28%)

- ✓ Profit from new investments in FY19.3 and gains on sales in Asia in Q1 contributed
- ✓ Foreign exchange impact ▲2.0 JPY bn

Segment Assets: 3,087.3 JPY bn

YTD ▲51.6 JPY bn (▲2%)

- ✓ Excluding foreign exchange impact of ▲116.8 JPY bn, segment assets increased by 65.1 JPY bn



Contribution from new investments

FY19.3 Large-scale investment	FY20.3 H1 Segment profits
NXT Capital (Loan origination, asset management)	5.4 JPY Bn
Avolon (Aircraft leasing)	5.7 JPY Bn

Business status

- ✓ Continue to seek diversification of loan and asset management business in U.S. and Europe
- ✓ Seek synergy with Avolon to further increase the scale of aircraft leasing business and increase the presence

Segment Performance (6) Overseas Business

(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	67.3	79.4	85.1	98.4	111.6	49.5	61.7	125%
Gains on investment securities and dividends	29.8	16.1	13.3	17.5	16.6	9.4	18.9	201%
Operating leases	82.1	92.0	88.4	111.6	121.9	59.2	54.4	92%
Services income	321.5	250.1	216.7	238.6	233.1	118.4	105.6	89%
Segment Revenues	565.2	530.4	462.7	479.6	490.7	238.8	244.4	102%
Interest expense	34.0	37.7	40.3	51.5	62.8	26.7	34.9	130%
Costs of operating leases	49.7	56.0	54.9	64.4	62.5	30.8	31.6	102%
Services expense	76.2	76.0	65.6	70.4	66.5	35.0	28.5	82%
Selling, general and administrative expenses	216.3	197.8	169.3	177.9	183.7	86.9	88.0	101%
Segment Expenses	464.8	450.9	390.5	382.9	395.1	185.1	189.2	102%
Segment Profits	105.8	148.5	112.4	106.6	125.4	67.7	86.9	128%
Net Investment in Leases	386.6	351.0	357.7	368.7	362.4	372.9	348.3	
Installment Loans	467.0	550.7	613.5	534.6	814.8	762.4	845.8	
Investment in Operating Leases	279.2	376.2	420.6	491.1	509.1	560.8	505.0	
Investment in Securities	382.1	354.2	433.3	413.4	385.3	399.6	374.6	
Investment in Affiliates	209.0	305.7	332.2	314.6	556.7	311.7	527.4	
Goodwill, Intangible Assets Acquired in Business Combinations	489.0	394.7	380.2	427.0	452.3	480.4	432.1	
Segment Assets	2,280.1	2,399.3	2,578.1	2,608.8	3,138.9	2,955.7	3,087.3	
ROA	3.13%	4.22%	3.08%	2.81%	2.99%	3.33%	3.82%	

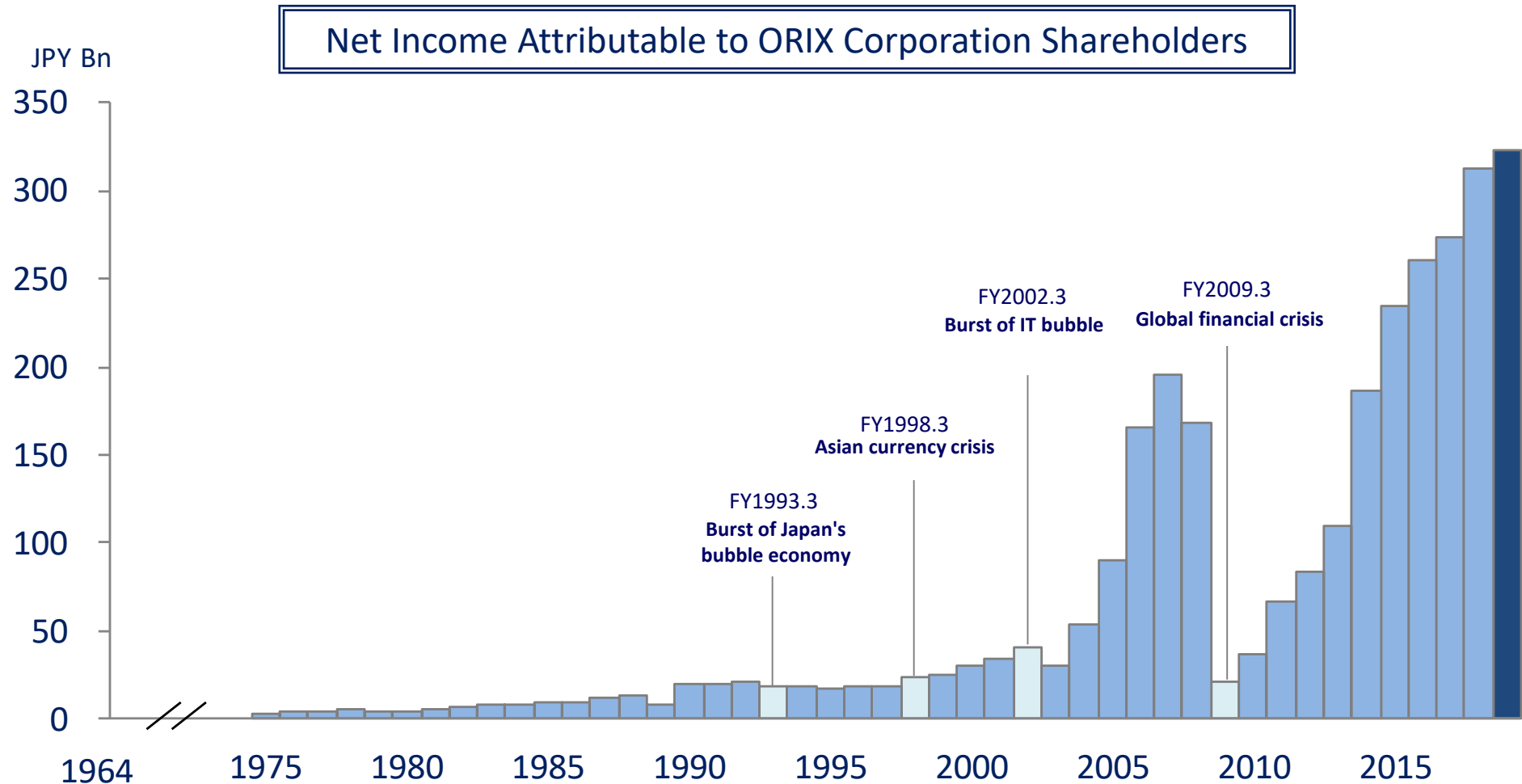
Appendix

About ORIX

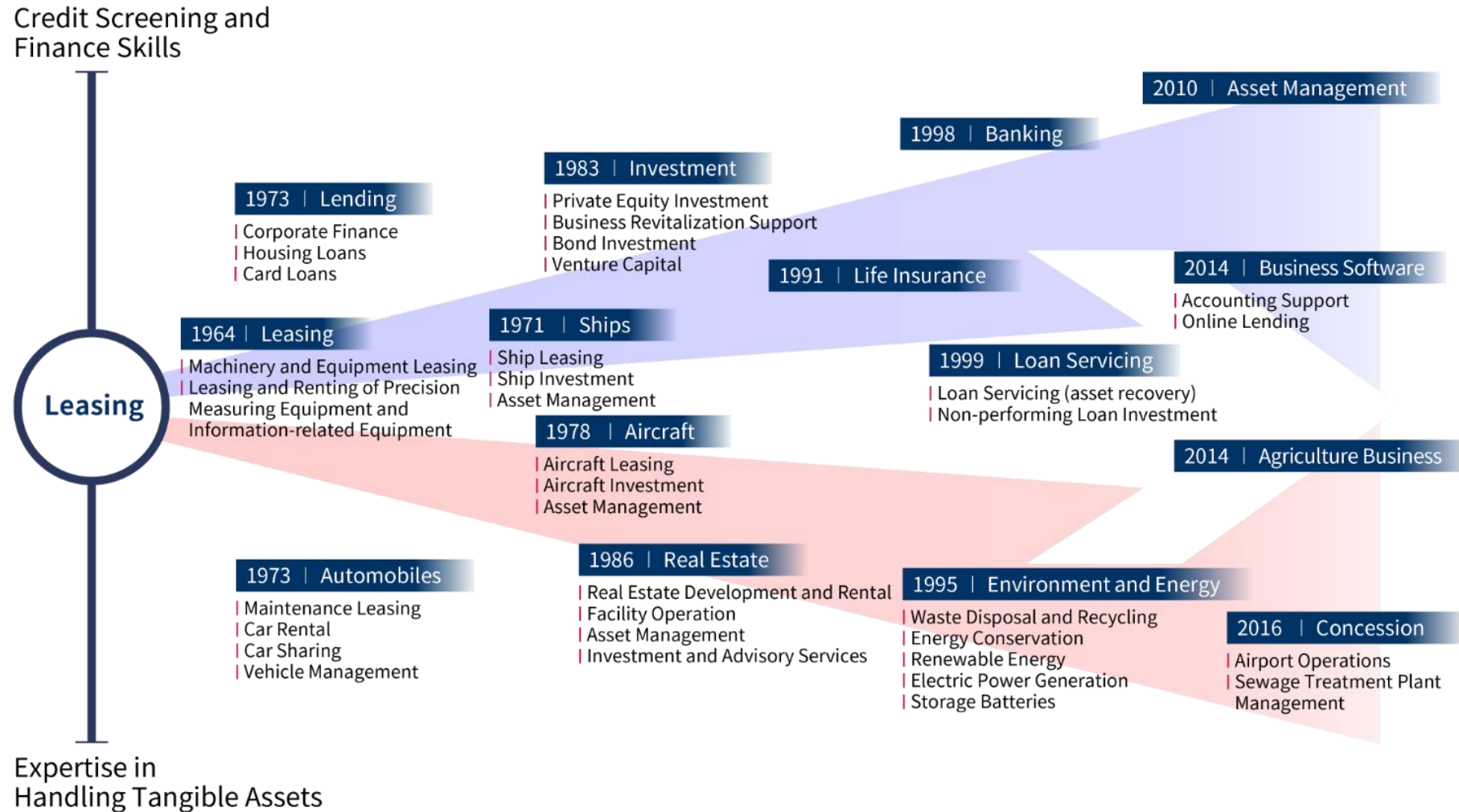
Proven Track Record of Profitability



- ✓ ORIX has achieved 54 years of sustained, profitable growth



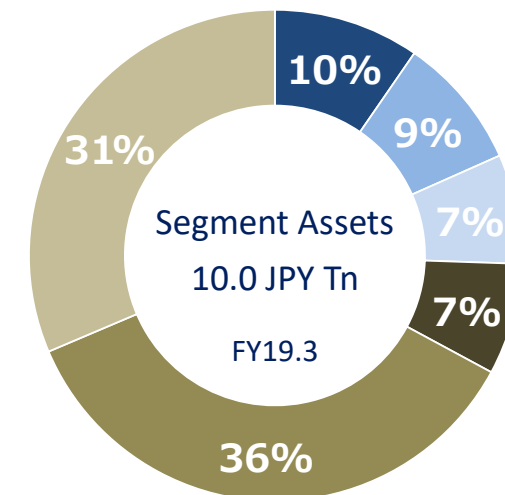
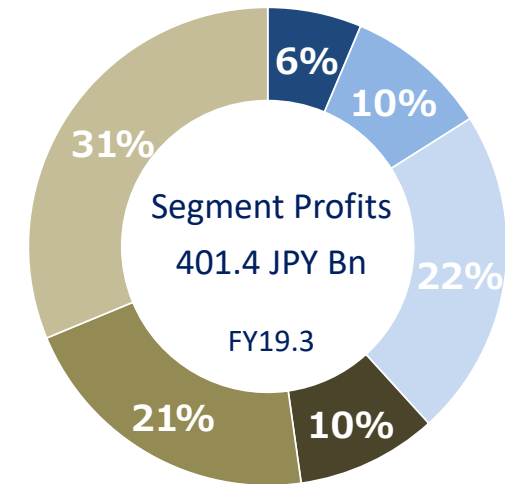
- ✓ ORIX will continue to enhance our expertise in finance and tangible assets as we synergistically expand our businesses



About ORIX Profits and Assets by Segment

- ✓ Individual businesses demonstrate their strengths to the maximum extent possible to bring about synergies

Corporate Financial Services	Finance and fee business
Maintenance Leasing	Automobile leasing and rentals, car-sharing; test and measurement instruments and IT-related equipment rentals and leasing
Real Estate	Real estate development, rental and management; facility operation; real estate investment management
Investment and Operation	Environment and energy, private equity and concession
Retail	Life insurance, banking and consumer finance
Overseas Business	Asset management, aircraft- and ship-related operations, private equity and finance



- ✓ Using its expertise cultivated in Japan, ORIX has expanded its business globally, with operations in 37 countries and regions worldwide



Business Locations



(As of September 30, 2019)

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

Appendix (1) Performance Overview

(JPY Bn)

	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Total Revenues	2,174.3	2,369.2	2,678.7	2,862.8	2,434.9	1,262.0	1,112.7	88%
Net Income *1	234.9	260.2	273.2	313.1	323.7	155.1	159.2	103%
Segment Assets	9,464.8	9,246.3	9,201.9	9,098.9	9,997.7	9,620.5	10,432.7	108%
Total Assets	11,439.9	10,992.9	11,231.9	11,426.0	12,174.9	11,778.5	12,511.1	106%
Shareholders' Equity	2,152.2	2,310.4	2,507.7	2,682.4	2,897.1	2,804.0	2,962.1	106%
Shareholders' Equity Ratio	18.8%	21.0%	22.3%	23.5%	23.8%	23.8%	23.7%	-0.1%
ROE	11.5%	11.7%	11.3%	12.1%	11.6%	11.3%	10.9%	-0.4%
Return on Segment Assets (ROA)	2.77%	2.78%	2.96%	3.42%	3.39%	3.31%	3.12%	-0.19%
D/E Ratio								
(Short and Long-Term Debt+Deposits)/Shareholders' Equity	2.7x	2.5x	2.3x	2.2x	2.2x	2.2x	2.2x	0.0x
(Short and Long-Term Debt)/Shareholders' Equity	2.1x	1.9x	1.7x	1.5x	1.6x	1.5x	1.5x	0.0x

*1 Net Income Attributable to ORIX Corporation Shareholders

*2 Accounting Standards Update 2016-02 (ASC 842 ("Leases")) has been applied since the first quarter of FY20.3

Appendix (2) Profits by Segment

								(JPY Bn)
	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Corporate Financial Services	25.5	42.4	38.0	49.3	25.5	16.8	9.2	55%
Maintenance Leasing	40.4	42.9	39.8	40.2	38.8	20.6	16.6	81%
Real Estate	9.8	52.3	84.5	74.4	89.2	44.2	46.2	105%
Investment and Operation	37.8	47.9	73.4	84.1	38.2	24.9	28.4	114%
Retail	120.6	51.8	72.9	74.5	84.2	49.2	43.2	88%
Overseas Business	105.8	148.5	112.4	106.6	125.4	67.7	86.9	128%
Total Segment Profits	339.8	385.7	420.9	429.1	401.4	223.3	230.4	103%

* Since the fourth quarter of FY19.3, the segment classification of DAIKYO has been changed from Investment and Operation segment to Real Estate segment. Past segment information has been reclassified accordingly.

Appendix (3) Assets by Segment

								(JPY Bn)
	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YTD)
Corporate Financial Services	1,203.4	1,133.9	1,086.0	991.8	959.7	966.4	997.0	104%
Maintenance Leasing	750.7	783.0	806.7	847.2	873.8	859.0	886.3	101%
Real Estate	1,054.9	917.7	843.9	802.0	720.2	783.2	742.4	103%
Investment and Operation	458.4	540.4	593.8	674.6	733.6	687.3	773.0	105%
Retail	3,717.2	3,472.1	3,293.4	3,174.5	3,571.4	3,369.0	3,946.7	111%
Overseas Business	2,280.1	2,399.3	2,578.1	2,608.8	3,138.9	2,955.7	3,087.3	98%
Total Segment Assets	9,464.8	9,246.3	9,201.9	9,098.9	9,997.7	9,620.5	10,432.7	104%

* Since the fourth quarter of FY19.3, the segment classification of DAIKYO has been changed from Investment and Operation segment to Real Estate segment. Past segment information has been reclassified accordingly.

Appendix (4) Income Statement Data

(JPY Bn)								
	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance revenues	192.8	208.2	211.9	228.3	242.9	117.4	126.1	107%
Gains on investment securities and dividends	56.4	35.8	30.3	43.3	16.0	11.7	20.4	174%
Operating leases	124.9	128.8	155.1	127.3	156.6	81.6	71.5	88%
Life insurance premiums and related investment income	79.5	68.1	95.8	96.5	100.6	54.9	51.5	94%
Sales of goods and real estate	48.8	85.8	86.5	75.5	60.9	25.4	24.5	96%
Services income	334.0	282.5	275.4	298.1	310.5	165.0	149.1	90%
Gross Profits*1	836.5	809.2	854.9	869.1	887.4	456.0	443.0	97%
Interest expense	72.6	72.8	72.9	76.8	93.3	41.8	50.2	120%
Selling, general and administrative expenses	427.8	422.7	418.7	431.6	437.0	210.6	221.2	105%
Provisions/Impairments	55.5	29.7	38.4	24.0	26.3	8.9	10.6	119%
Other (income) and expense, net	23.7	-3.7	-4.4	0.4	1.3	-0.5	-0.8	154%
Operating Income	256.8	287.7	329.2	336.2	329.4	195.1	161.7	83%
Equity in Net Income of Affiliates	30.5	45.7	26.5	50.1	33.0	6.8	32.6	478%
Gains on Sales of Subsidiaries and Affiliates, etc.	56.7	57.9	69.2	49.2	33.3	19.0	34.3	180%
Income before Income Taxes	344.0	391.3	425.0	435.5	395.7	220.9	228.6	103%
Net Income Attributable to ORIX Corporation Shareholders	234.9	260.2	273.2	313.1	323.7	155.1	159.2	103%

*1 Each revenue component deducted with corresponding costs and expenses

Appendix (5) Funding

(JPY Bn)

Funding	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
CP	89.6	102.4	50.1	54.9	41.1	79.8	15.8	-64.0
Borrowings from Financial Institutions	2,881.6	2,970.6	2,958.2	3,056.2	3,279.4	2,999.5	3,219.7	220.2
Bonds / MTN	1,151.5	938.1	885.1	940.1	997.5	935.2	957.8	22.6
Deposits	1,287.4	1,398.5	1,614.6	1,757.5	1,927.7	1,857.9	2,092.4	234.5
ABS, CMBS	291.3	275.5	245.1	82.1	177.8	171.0	152.3	-18.7
Short-term Debt, Long-term Debt and Deposits	5,701.4	5,685.0	5,753.1	5,890.7	6,423.5	6,043.4	6,438.0	394.6
Share of Long-Term Debt	94%	92%	93%	93%	93%	92%	94%	2%

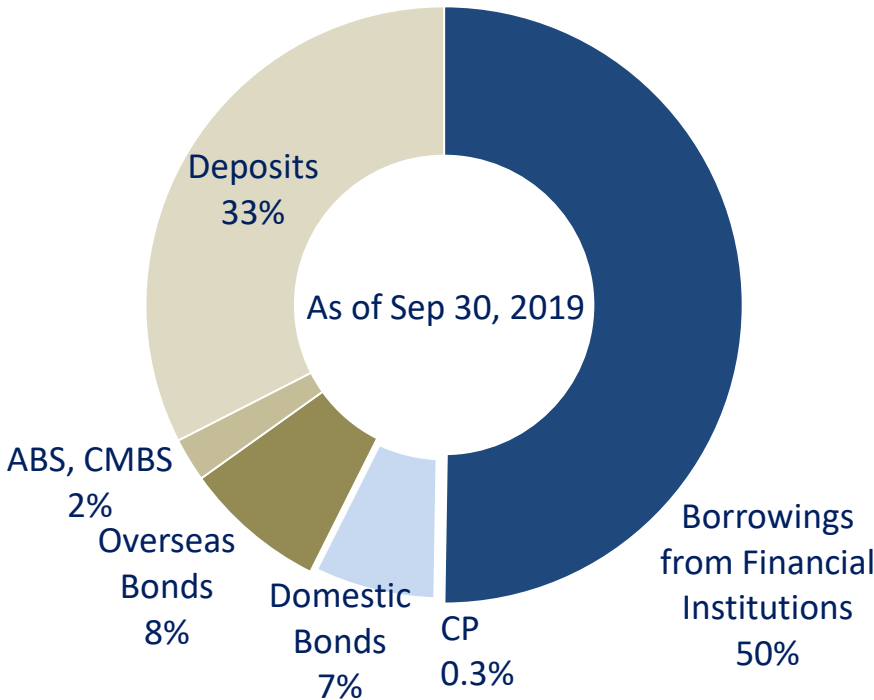
Liquidity (excl. ORIX Bank, ORIX Life Insurance)	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Cash and Cash Equivalents (1)	738.7	588.7	586.6	617.7	561.0	511.2	518.1	6.9
Available Commitment Line (2)	419.4	389.9	394.0	332.7	346.6	327.7	349.9	22.2
Liquidity (1+2)	1,158.1	978.6	980.6	950.4	907.6	838.9	868.0	29.1
Marketable Short-term Debt (3) *1	434.1	362.3	290.9	138.4	129.1	155.6	182.8	27.2
Liquidity Coverage Ratio (1+2)/(3)	267%	270%	337%	687%	703%	539%	475%	-64%

Funding Costs (including Deposits)	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Domestic Currency	0.76%	0.64%	0.50%	0.42%	0.40%	0.41%	0.38%	-0.03%
Foreign Currency	2.87%	2.74%	2.80%	2.76%	3.27%	3.10%	3.33%	0.23%

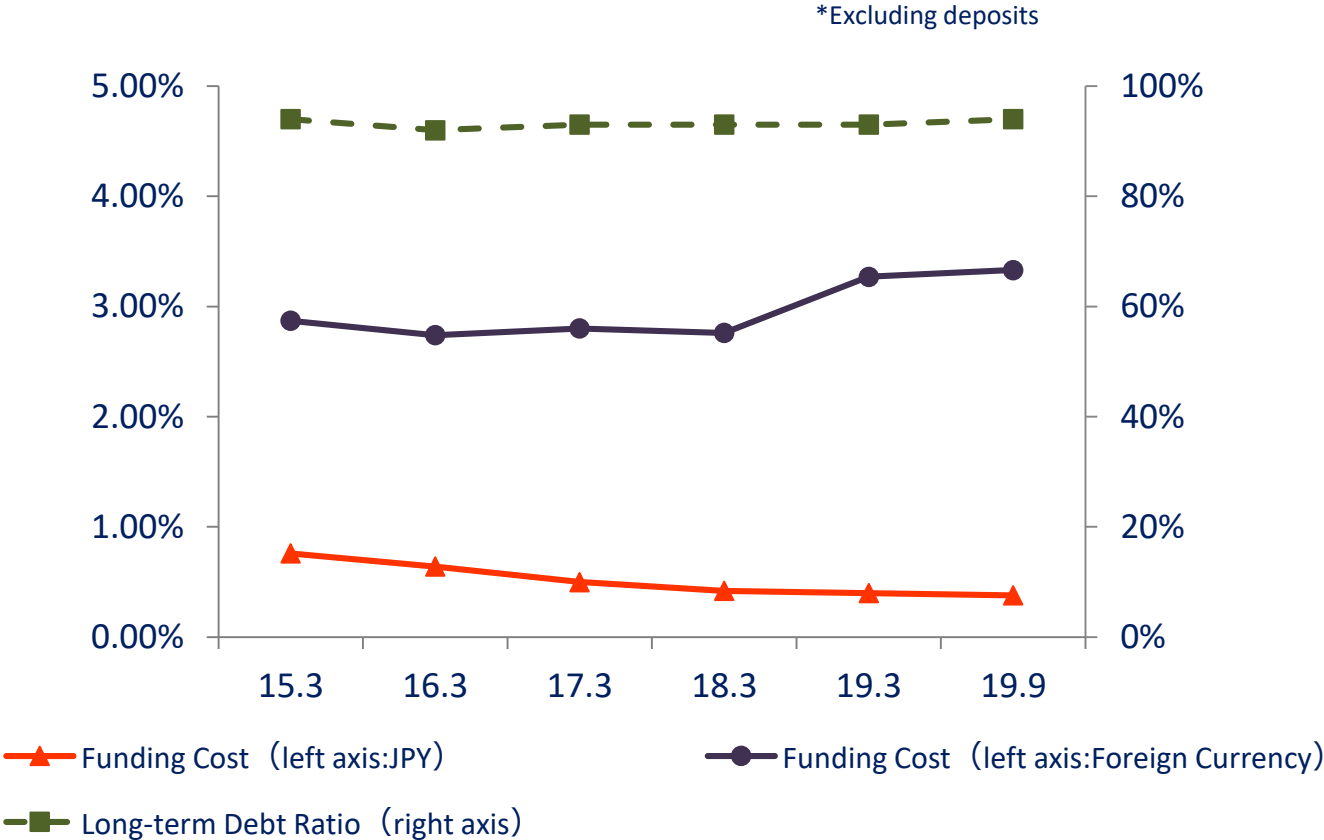
*1 Marketable Short-term Debt is the total of bonds and MTN expected to reach maturity within 1 year and the balance of CP.

✓ Diversified funding. Controlled costs while maintaining a high long-term debt ratio

Breakdown of Funding

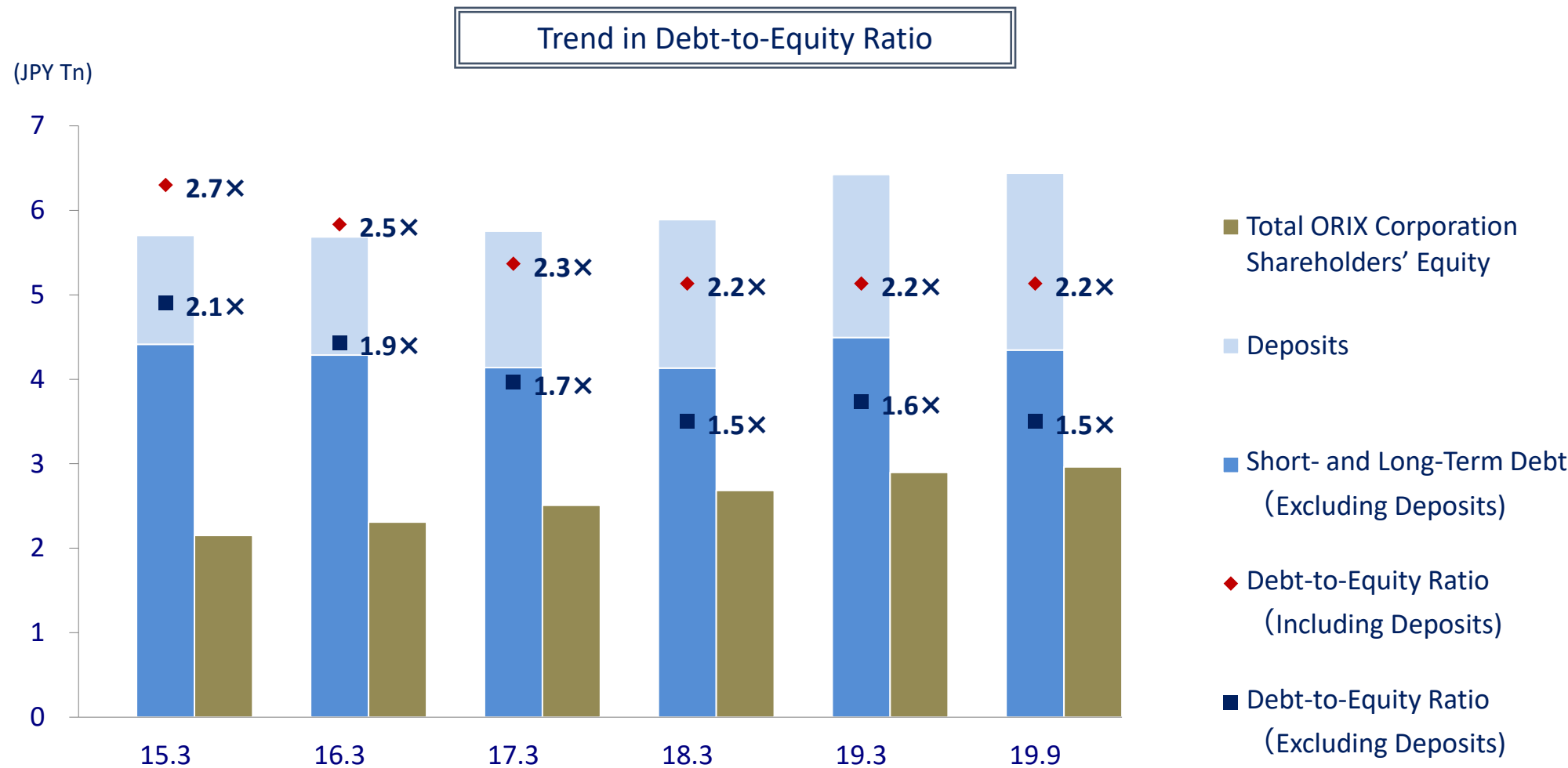


Trend in Funding Costs and Long-term Debt Ratio*



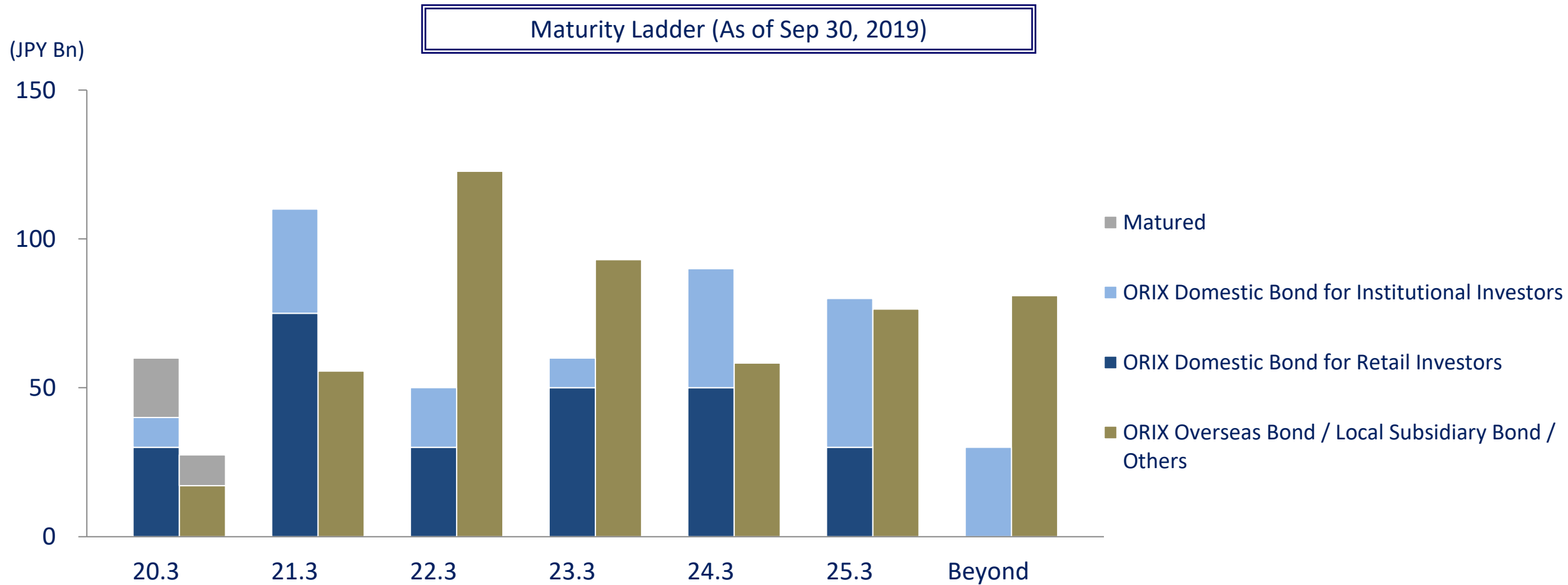
Financials (2) Debt-to-Equity Ratio

✓ Debt-to-Equity Ratio continuously stays at a low level



Financials (3) Bond Maturity Ladder

- ✓ Leveled out annual redemption amounts by dispersing bond maturities

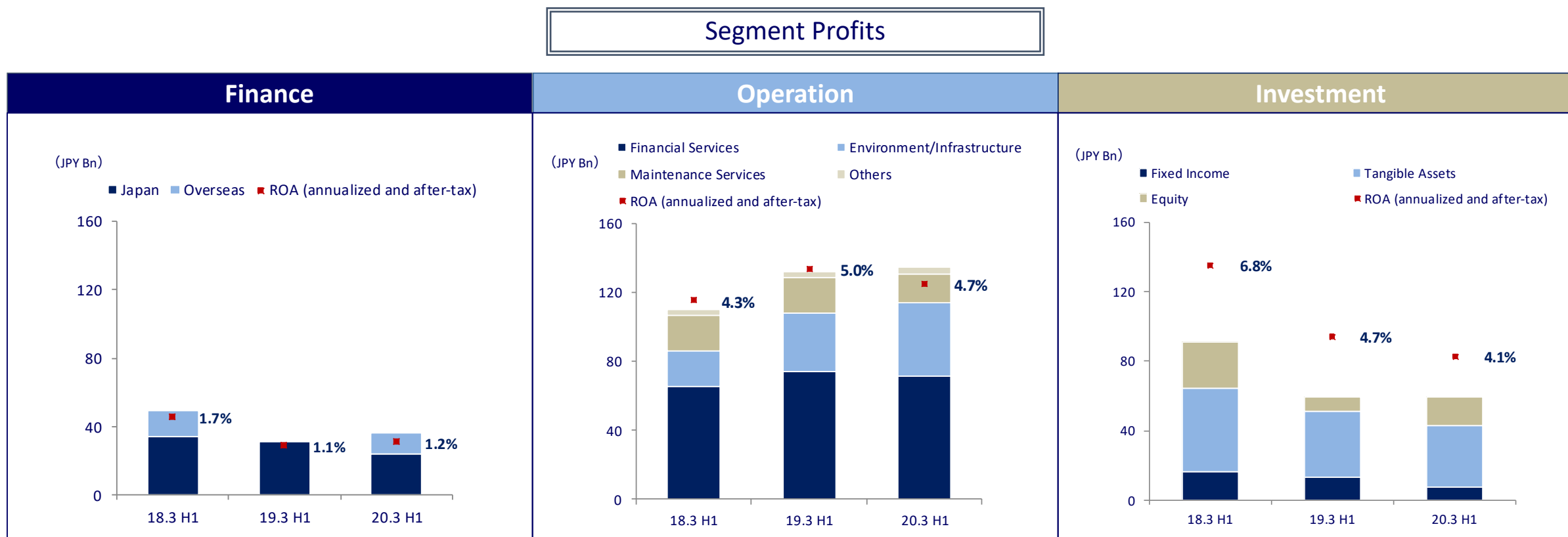


Performance in Three Categories

See P.45 for details on the three categories



Growth in Finance will not be proactively sought under the current low interest rate environment; rather, efforts will be made to maintain the current status. Focus will continue to be put on Operation and Investment with high ROA performances.



*No adjustments

Business Portfolio in Three Categories

Segment Profits



(JPY Bn)

The 3 categories	Sub Categories	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YoY)
Finance	Japan	43.3	50.4	56.0	73.4	54.2	31.4	23.6	75%
	Overseas	31.2	32.3	41.4	15.5	13.7	0.8	12.7	1581%
	Subtotal	74.5	82.6	97.3	88.8	67.9	32.2	36.3	113%
Operation	Environment/Infrastructure	5.3	31.1	48.7	57.7	68.6	33.9	42.7	126%
	Financial Services	155.7	115.8	99.1	122.0	124.1	74.3	71.6	96%
	Maintenance Services	40.4	42.9	39.8	40.2	38.8	20.6	16.6	81%
	Others	0.8	5.4	5.6	6.4	5.5	2.9	3.6	122%
	Subtotal	202.2	195.2	193.2	226.2	237.1	131.7	134.5	102%
Investment	Fixed Income	26.0	23.6	23.4	25.1	15.9	13.0	7.3	56%
	Tangible assets	10.0	36.2	61.6	65.9	76.1	38.2	35.6	93%
	Equity	27.1	48.1	45.4	23.0	4.5	8.2	16.8	204%
	Subtotal	63.2	108.0	130.4	114.0	96.5	59.4	59.6	100%
Total Segment Profits		339.8	385.7	420.9	429.1	401.4	223.3	230.4	103%

Business Portfolio in Three Categories

Segment Assets



(JPY Bn)

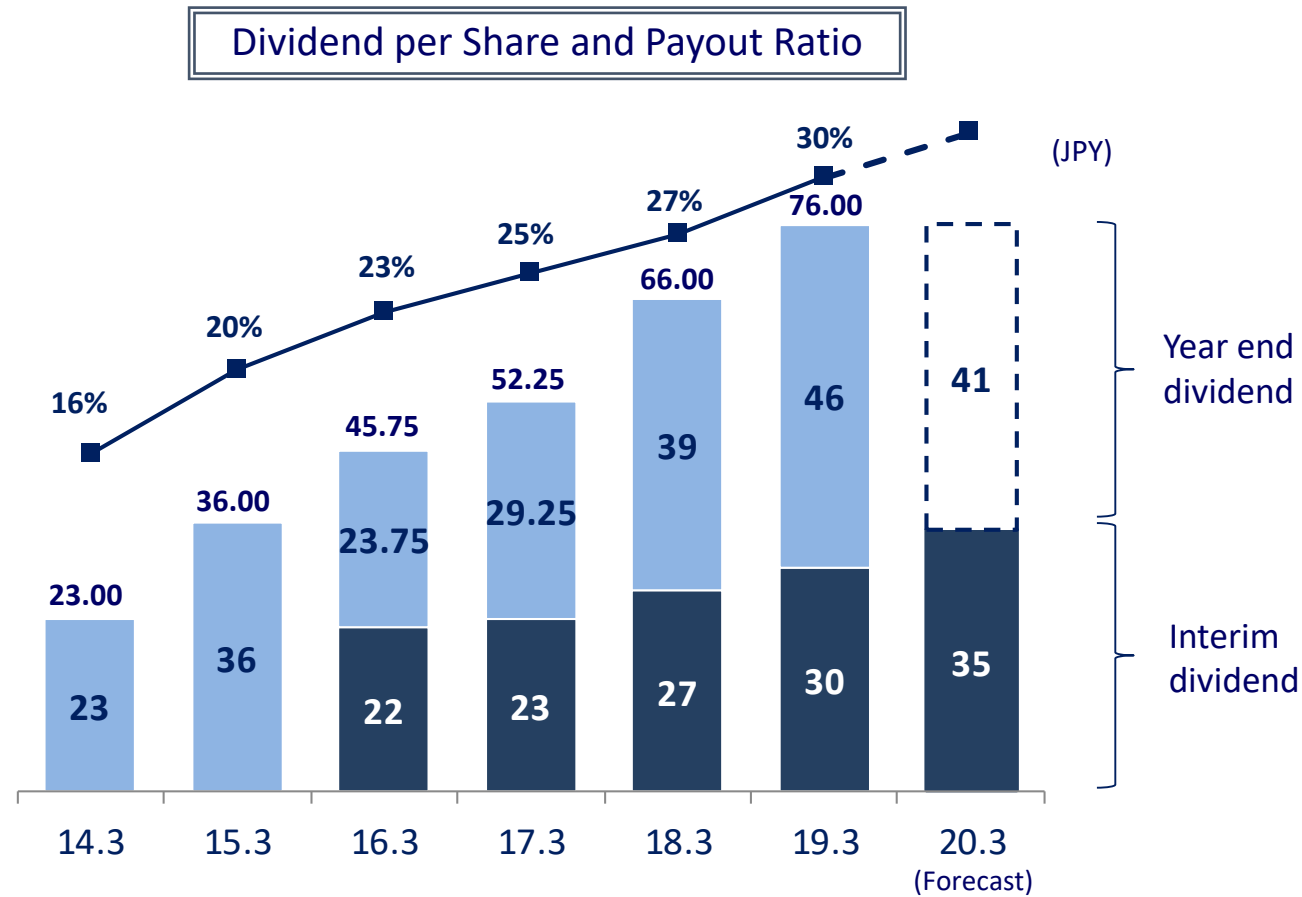
The 3 categories	Sub Categories	FY15.3	FY16.3	FY17.3	FY18.3	FY19.3	19.3 H1	20.3 H1	Change (YTD)
Finance	Japan	2,817.2	2,869.3	2,961.0	2,999.7	3,176.7	3,046.1	3,378.1	106%
	Overseas	801.8	868.3	901.3	977.4	1,025.6	1,032.2	997.3	97%
	Subtotal	3,619.0	3,737.6	3,862.2	3,977.1	4,202.4	4,078.3	4,375.4	104%
Operation	Environment/Infrastructure	544.6	629.8	692.1	790.4	767.5	814.2	808.2	105%
	Financial Services	2,517.4	2,143.7	1,855.8	1,649.5	2,075.4	2,050.2	2,283.0	110%
	Maintenance Services	750.7	783.0	806.7	847.2	873.8	859.0	886.3	101%
	Others	105.5	104.6	102.7	100.7	101.1	99.9	98.2	97%
	Subtotal	3,918.1	3,661.1	3,457.3	3,387.8	3,817.8	3,823.3	4,075.7	107%
Investment	Fixed Income	572.7	538.2	540.4	465.0	456.0	419.7	423.2	93%
	Tangible Assets	816.3	788.4	762.0	808.6	1,043.2	849.6	1,054.0	101%
	Equity	538.7	521.1	580.0	460.3	478.3	449.7	504.4	105%
	Subtotal	1,927.7	1,847.7	1,882.4	1,734.0	1,977.5	1,718.9	1,981.6	100%
Total Segment Assets		9,464.8	9,246.3	9,201.9	9,098.9	9,997.7	9,620.5	10,432.7	104%

Business Portfolio in Three Categories

		Finance	Operation				Investment			
Category	Main Risk	Credit risk	Operation/Business risk				Market risk			
	Capital Requirement	Low	Medium-High				High			
		Japan	Overseas	Environment/ Infrastructure	Financial Services	Maintenance Services	Others	Fixed Income	Tangible Assets	Equity
Segment	Corporate Financial Services	Leasing, Loan, Fee business					Yayoi			New business development
	Maintenance Leasing					ORIX Auto, ORIX Rentec				
	Real Estate			Facility operation, DAIKYO	REIT, RE investment advisory				RE investment	
	Investment and Operation			Environment and energy, Concession				Loan servicing		PE investment
	Retail	Banking, Consumer finance, Gurantee			Life insurance					
	Overseas Business		Leasing, Loan		Asset Management			Bond investment	Aircraft, Ships	PE investment

Shareholders Return

- ✓ The interim dividend at 35 yen per share in FY20.3
- ✓ The full year dividend in FY20.3 will be either a payout ratio of 30% or 76 yen per share, whichever is higher
- ✓ Maintain optimal balance between investment opportunities for sustainable future profit growth and stable shareholders return



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- Some of the financial information in these materials is unaudited.
- The Company believes that it will be considered a “passive foreign investment company” for United States Federal income tax purpose in the year to which these consolidated financial results relate and for the foreseeable future by reason of the composition of its assets and the nature of its income. A U.S. holder of the shares or ADSs of the Company is therefore 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.
- Nothing in this document shall be considered as an offer to sell or solicitation of an offer to buy any security, commodity or other instrument, including securities issued by the Company or any affiliate thereof.

A large circular graphic on the left side of the slide, composed of a thick ring with a color gradient from red at the top to purple at the bottom. The text "Answers, Custom Fit." is centered within the white space of the ring.

Answers, Custom Fit.

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