



Answers,  
Custom Fit.

# ORIX Corporation

Third Quarter Consolidated Financial Results  
For the Nine-Month Period Ended December 31, 2020

Hitomaro Yano      Executive Officer  
Head of Treasury and Accounting Headquarters

February 8, 2021

(TSE: 8591; NYSE: IX)

## (1) Overview

**142.0 JPY Bn in net income (-42% YoY), annualized ROE 6.4%**

Achieved 75% of FY21.3 net income forecast (190.0 JPY Bn), which was released at FY21.3 H1 announcement

Net income recovered QoQ, from 43.8 JPY Bn in Q2 to 48.2 JPY Bn in Q3

## (2) Shareholder Returns

**Completed execution of buyback program (44.2 JPY Bn) announced at H1 results**

**Repurchased shares cancelled**

No change to the plan of full-year dividend of 76 JPY per share or 50% payout ratio, whichever is higher

## (3) New Investments

**Invested approximately 400 JPY Bn in focus areas of Environment & Energy and asset management**

Largest renewable energy portfolio among Japanese listed companies (total owned generating capacity of 3 GW)

## (4) Financial Soundness

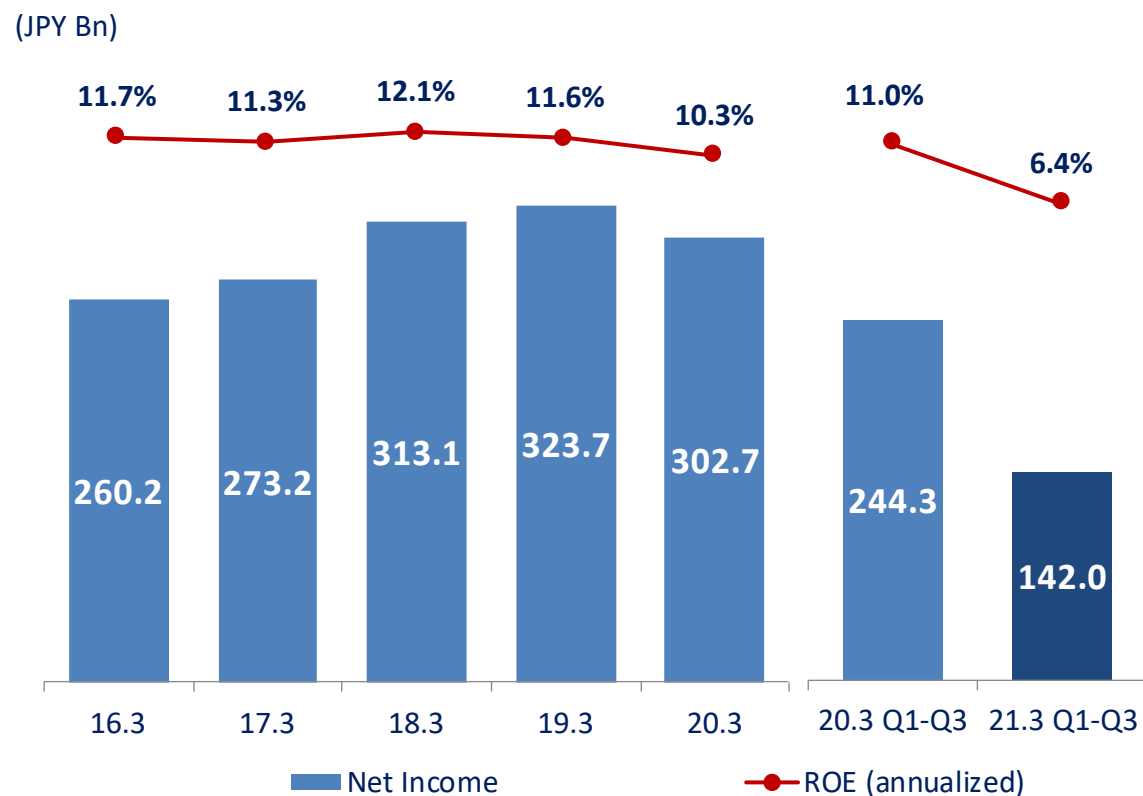
**Secured high liquidity / maintained A credit rating or higher**

S&P, Moody's and Fitch reaffirmed A- rating. R&I rating is AA-

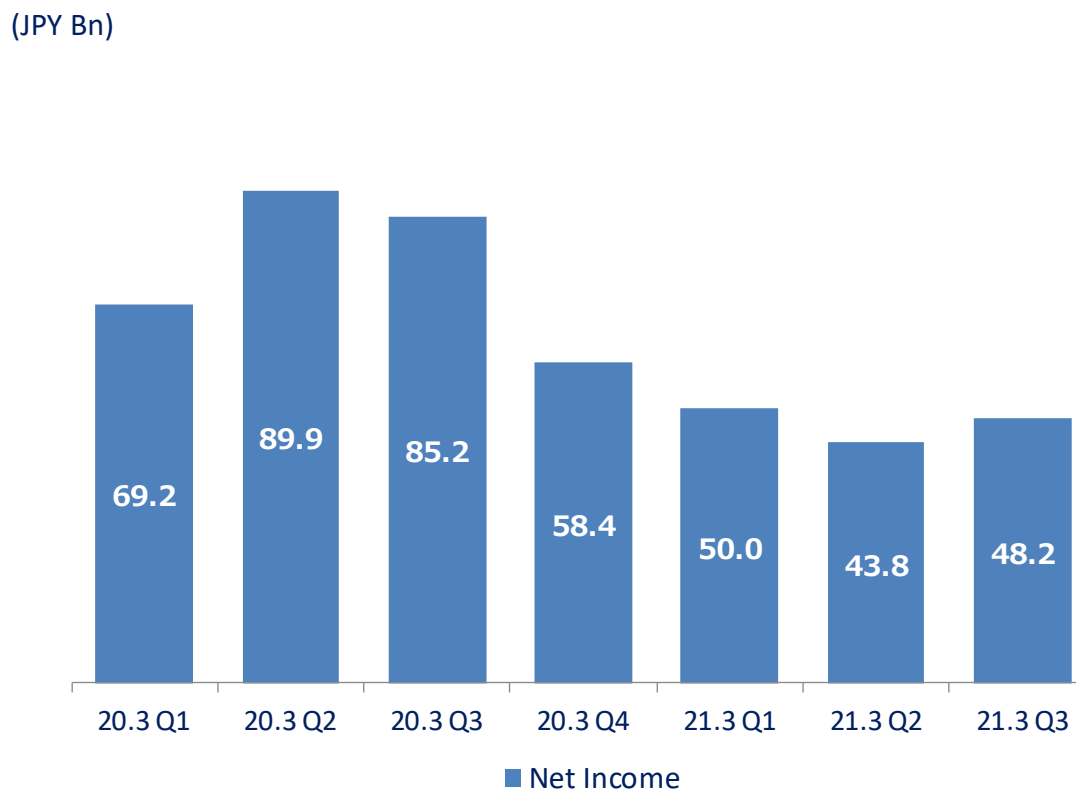
# Overview Net Income / ROE

- ✓ 142.0 JPY Bn in net income (down 42% YoY, 75% of FY21.3 forecast of 190.0 JPY Bn). Annualized ROE at 6.4%
- ✓ Net income recovered QoQ, from 43.8 JPY Bn in Q2 to 48.2 JPY Bn in Q3

Net income\* and ROE



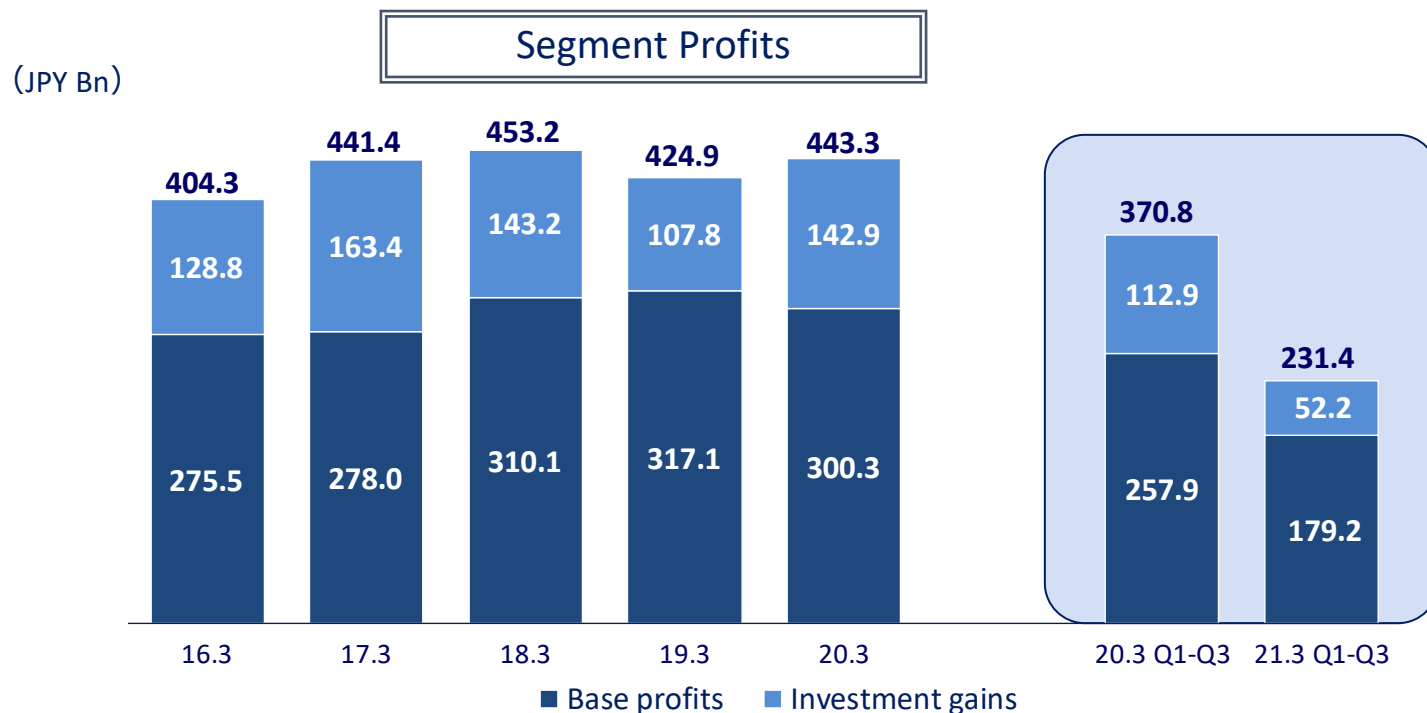
Quarterly Net Income Trend



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

# Overview Breakdown of Q1-Q3 Segment Profits

<b>FY 21.3 Q1-Q3 Segment profits</b> <b>231.4 JPY Bn</b> down by 37.6% YoY (-139.4 JPY bn)	<b>Base Profits</b>	<b>179.2 JPY Bn</b> , down by 30.5% YoY (-78.7 JPY Bn) Profits decreased in Real Estate (Facilities Operation), Concession, Aircraft Leasing Meanwhile, Environment & Energy, Life Insurance, Banking and Credit profits were firm despite COVID-19 impact
	<b>Investment Gains*</b>	<b>52.2 JPY Bn</b> , down by 53.8% YoY (-60.7 JPY Bn) Although investment gains were down YoY, achieved gains in Real Estate, US and Asia. Secured a certain level of profit despite COVID-19 impact



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

# Overview Q3 Impact of COVID-19

✓ Caution still warranted, but negative COVID-19 impact shrank in Q3 vs. Q2

(Figures are based on segment profits)

Business	Q3 Conditions	Impact amount (Q1)	Impact amount (Q2)	Impact amount (Q3)
① Real Estate (Facilities Operation)	COVID-19 impact smaller vs. Q2 with <i>Go To Travel</i> campaign Occupancy rates recovered through Nov, fell slightly in Dec	-6 JPY Bn	-3 JPY Bn	-2 JPY Bn
② Aircraft Leasing	Maintain cautious outlook as COVID-19 infections surge But fundraising climate remains favorable, with Avolon issuing five-year bond at 2.125% interest rate	-5 JPY Bn	-12 JPY Bn	-8 JPY Bn
③ Concession	Domestic flights recovered to 80% YoY in Dec, but industry climate still warrants caution	-4 JPY Bn	-9 JPY Bn	-8 JPY Bn
④ Corporate Financial Services and Maintenance Leasing	Auto, Rentec improved from Q2 to Q3	-5 JPY Bn	-2 JPY Bn	-0
⑤ ORIX USA	Provisions for credit losses (mainly for energy-related assets) booked in Q1 continued to decline in Q2 and beyond. Fund valuation improved	-9 JPY Bn	-1 JPY Bn	-0
⑥ Other (Life Insurance, etc.)	Reversal of liability reserve of ex-Hartford Life Insurance was a positive for Q1, but no similar impact in Q2 or Q3	+5 JPY Bn	-	-
Total		About -24 JPY Bn	About -27 JPY Bn	About -18 JPY Bn

# Segment Performance (1) Segment Profits

- ✓ Profits in six segments rose in QoQ, while four segments posted higher profits YoY

(JPY Bn)

(JPY Bn)

		Q1	Q2	Q3	QoQ	Q1-Q3	YoY	Highlight
1	Corporate Financial Services and Maintenance Leasing	10.2	14.7	16.2	1.5	41.2	-8.6	QoQ profits increased on recovery in Auto and Rentec
2	Real Estate	1.5	8.8	5.2	-3.6	15.6	-42.4	Occupancy rate of accommodation facilities recovered, but QoQ profits decreased as no large capital gains posted in Q3
3	PE Investment and Concession	4.5	-0.4	0.2	0.6	4.3	-39.4	Concession's profit remained flat (Currently, int'l flights sluggish but domestic flights are recovering)
4	Environment and Energy	8.1	6.0	3.7	-2.4	17.8	6.2	Profits remains solid, COVID-19 impact negligible. Profits increased YoY
5	Insurance	18.0	16.8	15.9	-0.8	50.7	7.1	Non-face-to-face sales channels made positive contribution despite COVID-19. Profits increased YoY
6	Banking and Credit	11.5	12.8	12.7	-0.1	37.0	7.5	Both Banking and Credit profits held steady. Profits increased YoY
7	Aircraft and Ships	7.3	-2.6	-1.6	1.0	3.1	-30.2	Decrease in lease revenue and investment gains in addition to Avolon's lower profits
8	ORIX USA	0.2	11.2	16.1	5.0	27.5	-22.7	QoQ profits increased significantly due to reduction of provisions for credit costs and improvement of valuation gain from funds
9	ORIX Europe	6.7	9.6	9.6	0.1	25.9	0.8	AUM recovered significantly, which contributed to increased QoQ profits
10	Asia and Australia	7.4	-2.8	3.7	6.5	8.4	-17.7	PE investment recorded Impairment in Q2 and Q3, but subsidiaries remained stable
Total		75.4	74.1	81.9	7.8	231.4	-139.4	—

370.8

49.8

58.0

43.7

11.6

43.6

29.4

33.3

50.3

25.1

26.1

20.3 Q1-Q3

231.4

41.2

15.6

17.8

50.7

37.0

27.5

25.9

8.4

21.3 Q1-Q3

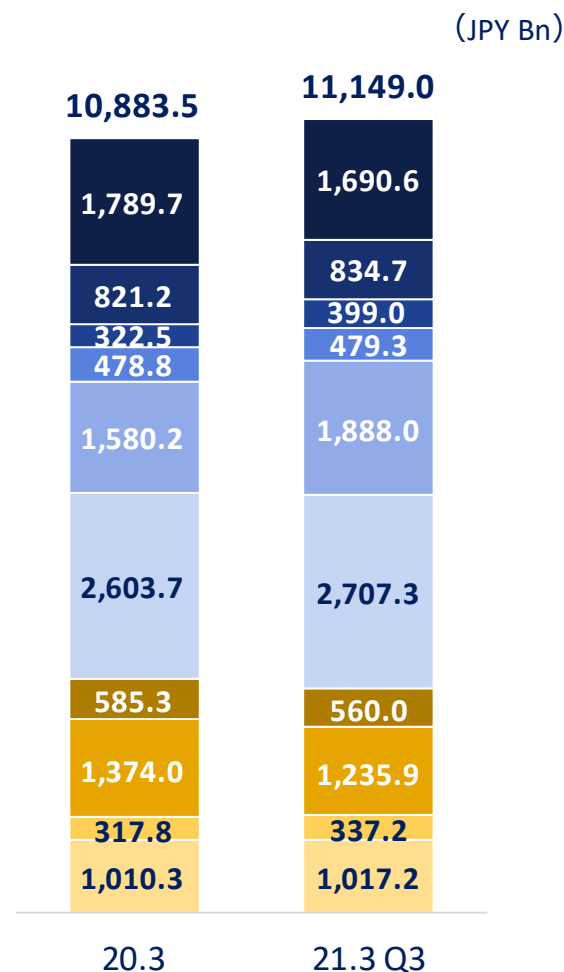
4.3

3.1

# Segment Performance (2) Segment Assets

- ✓ Corporate Financial Services and Maintenance Leasing, ORIX USA remain cautious about using balance sheet to fund new investments, assets down YoY
- ✓ Steady growth in new policies fueled growth in Insurance segment assets

(JPY Bn)



		21.3 Q3	YTD	ROA (annualized and after-tax)	Highlight
1	Corporate Financial Services and Maintenance Leasing	1,690.6	-99.1	2.2%	Auto, Rentec remained flat, while Corporate Financial Services decreased
2	Real Estate	834.7	13.5	1.7%	—
3	PE Investment and Concession	399.0	76.4	1.1%	Assets increased due to new investments
4	Environment and Energy	479.3	0.5	3.4%	—
5	Insurance	1,888.0	307.8	2.7%	Investment securities increased due to increase in new policies
6	Banking and Credit	2,707.3	103.5	1.3%	Installment loans in Banking increased
7	Aircraft and Ships	560.0	-25.3	0.5%	Mostly forex impact
8	ORIX USA	1,235.9	-138.2	1.9%	Installment loan origination decreased due to careful selection of investment and loan projects. Some forex impact
9	ORIX Europe	337.2	19.3	7.2%	—
10	Asia and Australia	1,017.2	6.9	0.8%	—
<b>Total</b>		<b>11,149.0</b>	<b>265.4</b>	<b>1.7%</b>	<b>—</b>

# New Investments

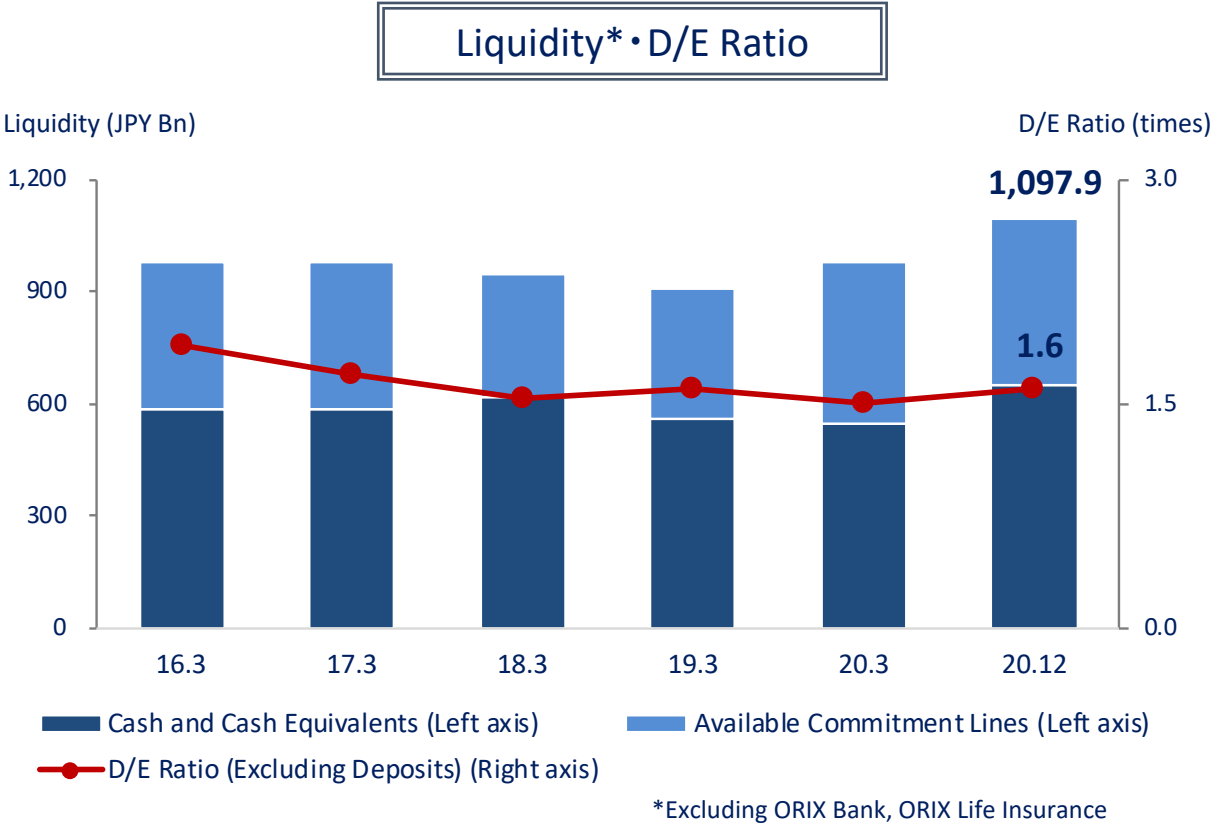
- ✓ **Approx. 400 JPY Bn** in new investments announced YTD in FY21.3
- ✓ Announced acquisition of Elawan, Gravis Capital Management, SUGIKO in Q3

	Company	Overview
<b>① Environment and Energy</b>  (Details on p. 17, 18)	Elawan	Global renewable energy company headquartered in Spain (Operating capacity: 0.7 GW, Pipeline: More than 10 GW)
	Greenko Energy	India's leading renewable energy operator (Operating capacity: 5.7 GW, Pipeline: More than 8 GW)
<b>② Asset Management</b>  (Details on p. 29)	Gravis Capital Management	British alternative asset management company (Manages funds with a significant ESG focus)
	Boston Capital	US's largest LIHTC syndicator (Acquisition makes ORIX USA's real-estate related AUM among largest in US)
<b>③ PE Investment</b>	SUGIKO Group Holdings	Major Japanese scaffolding and temporary construction materials rental company (Acquired Wako Pallet, leading lessor of logistics equipment, in FY20.3, aim to expand business scale)
	APRESIA Systems	Japanese network equipment manufacturer (ORIX to expand investment in DX accelerated by COVID-19)



# Financial Soundness / Liquidity

- ✓ Continue to maintain high liquidity
- ✓ S&P, Moody's, Fitch all reaffirmed A- ratings. R&I is AA-
- ✓ Ratings may change depending on timing of investments or asset sales, but we will maintain financial soundness commensurate with an 'A' rating over the medium to long term



**Credit Ratings**

(as of Dec 31, 2020)

Credit Ratings	
S&P	A- (Negative)
Moody's	A3 (Negative)
Fitch	A- (Negative)
R&I	AA- (Stable)

# Segment Performance

# Segment Performance (1)

## Corporate Financial Services and Maintenance Leasing

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



**Segment Profits: 41.2 JPYB Bn**

YoY -8.6 JPY Bn (-17%)

- ✓ Corporate Financial Services: Profits down QoQ on lower securities valuation gains
- ✓ Auto: +1.3 JPY Bn QoQ, fueled by rebound in rental car demand and stronger used car market
- ✓ Rentec: +1.2 JPY Bn QoQ as recovery in technology center utilization led to higher profits

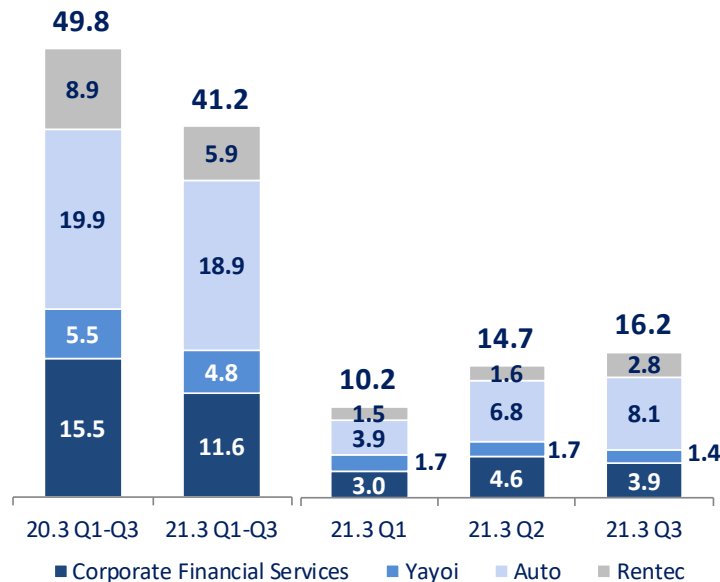
**Segment Assets: 1,690.6 JPY Bn**

YTD -99.1 JPY Bn (-6%)

- ✓ Remains cautious about investment using own balance sheet, assets lower YTD

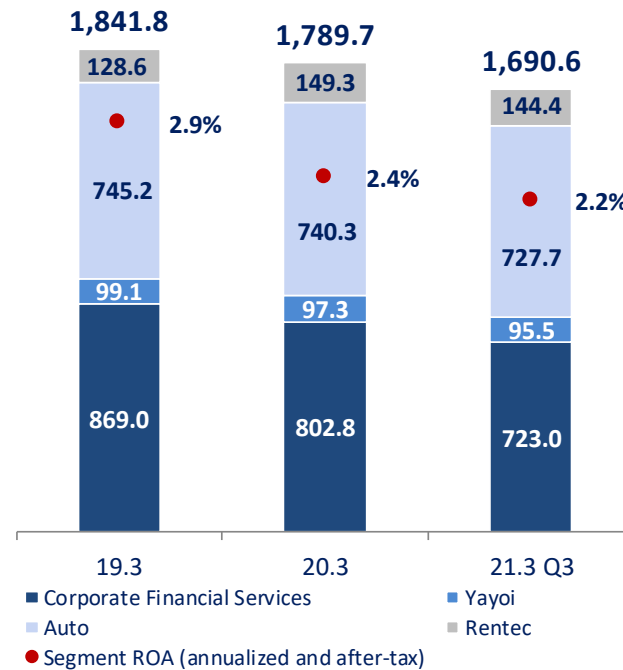
### Segment Profits

(JPY Bn)



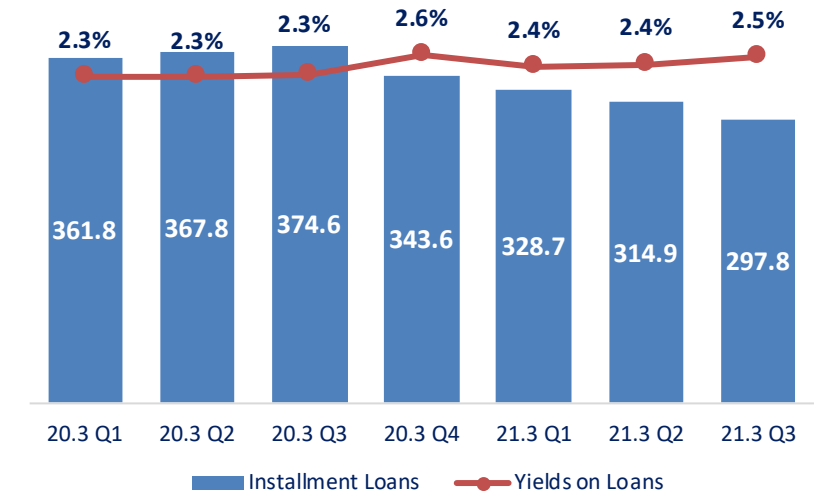
### Segment Assets and ROA

(JPY Bn)



### Yields on loans


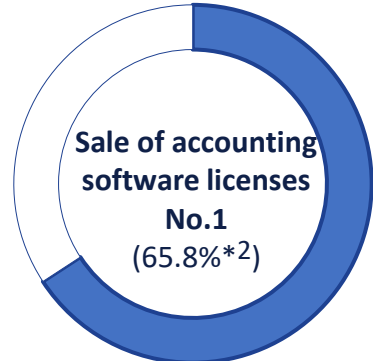
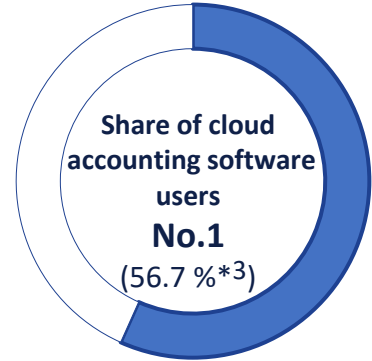
(JPY Bn)



Yields on loans = finance revenues classified as loan interest ÷ average balance of installment loans

# Corporate Financial Services and Maintenance Leasing

Main business: Finance and fee business; leasing and rental of automobiles, electronic measuring instruments and IT-related equipment; Yayoi

Corporate Financial Services	Auto	Yayoi
Utilize domestic ORIX Group network to provide solutions for SMEs	Automobile leasing, rental and car sharing	<b>No. 1 Share</b> of Package & Cloud Accounting Software Market for SMEs / Sole Proprietors
	<div>Vehicles under management <b>1,439,000</b></div> <hr/> <div>Leased vehicles      <b>Industry No. 1</b> <sup>*1</sup></div> <hr/> <div>Rental cars              <b>Industry No. 2</b> <sup>*1</sup></div> <hr/> <div>Car-share vehicles      <b>Industry No. 3</b> <sup>*1</sup></div>	<div>   </div> <div> <p>■ Yayoi   □ Others      ■ Yayoi   □ Others</p> <p><b>Sales: 20.27 JPY Bn</b></p> <p><b>Paid maintenance support contracts: 740,000</b></p> <p>(as of end-Sep 2020)</p> </div>

\*1 Research by ORIX Auto (as of end-Mar 2020)

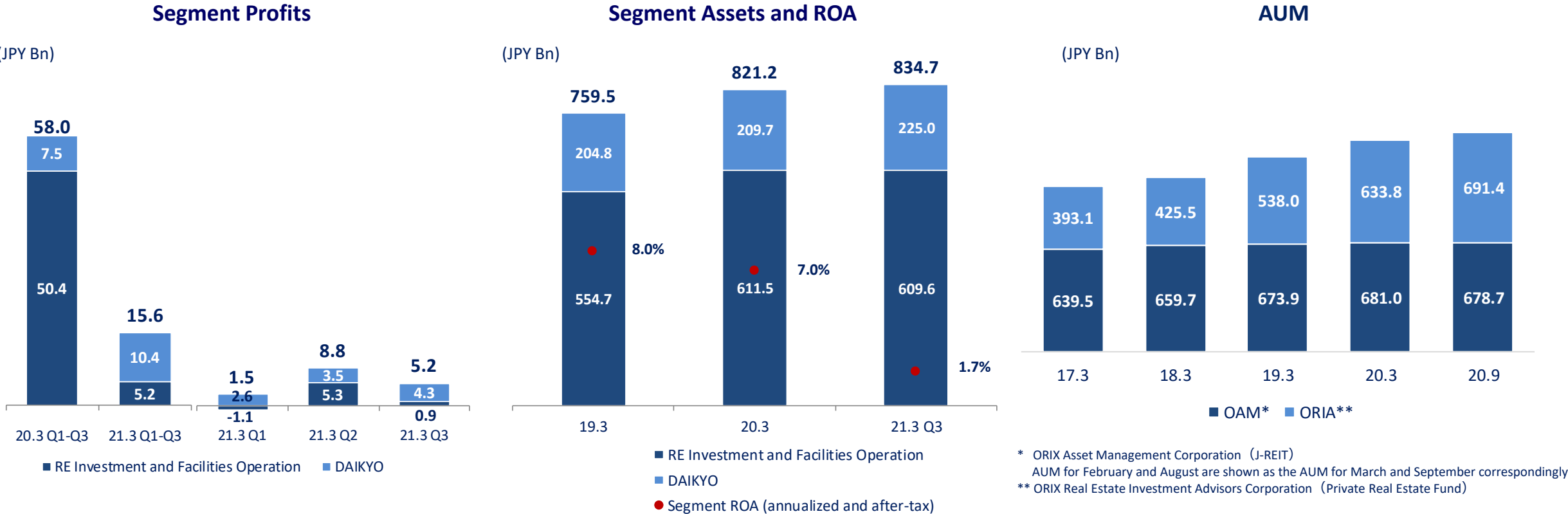
\*2 Yayoi product share of total business software market, compiled by ORIX from third-party market surveys. (Oct 1, 2019-June 30, 2020)

\*3 According to Cloud Accounting Software Use Survey by MM Research Institute, Apr 2020.

# Segment Performance (2) Real Estate

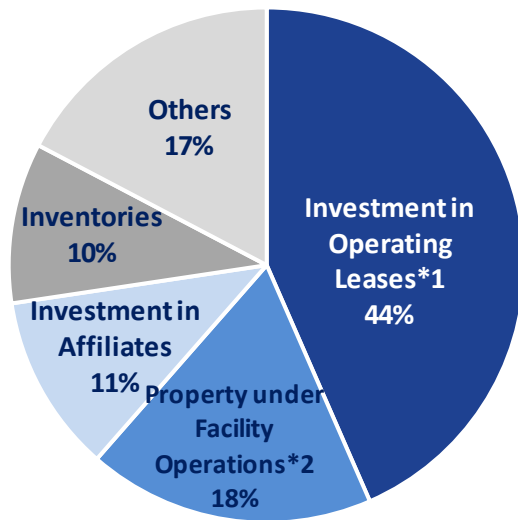


<b>Segment Profits : 15.6 JPY Bn</b>	YoY -42.4 JPY Bn (-73%)	<b>Segment Assets : 834.7 JPY Bn</b>	YTD +13.5 JPY Bn (+2%)
<ul style="list-style-type: none"><li>✓ RE Investment and Facilities Operations: Segment profit up as accommodation facility occupancy rates recovered Q3 profits down QoQ as no large capital gains posted</li><li>✓ DAIKYO: Condominium sales remained steady</li></ul>		<ul style="list-style-type: none"><li>✓ Asset growth flat</li><li>✓ AUM in Real Estate Asset Management increased steadily</li></ul>	



Main Business : Real estate development, rental and management; facility operations; real estate asset management

**Segment Assets**  
(as of March 31, 2020)



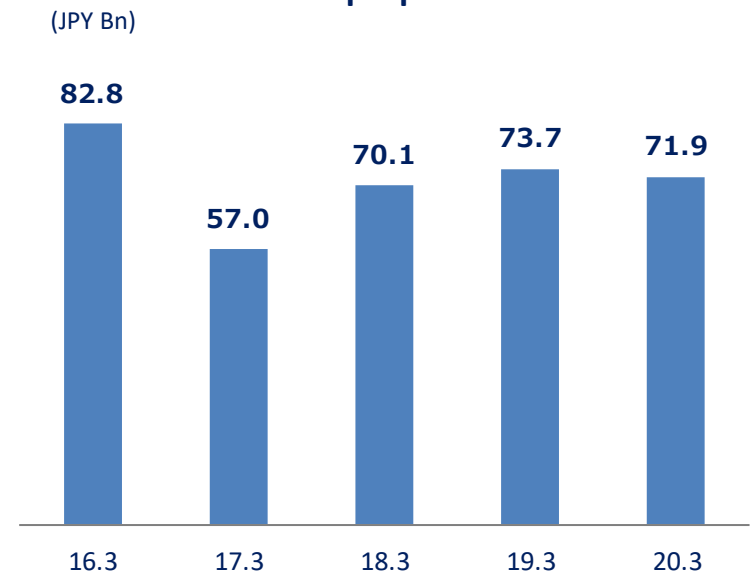
\*1: Includes advances for finance lease and operating lease

\*2: Includes advances for property under facility operations

**Segment Asset Trends**



**Unrealized gains on rental properties\***



\*Includes rental properties in segments other than the Real Estate segment  
Not including property in facility operations

# Segment Performance (3) PE Investment and Concession

**Segment Profits: 4.3 JPY Bn**

YoY -39.4 JPY Bn (-90%)

- ✓ PE Investment: Investee earnings were healthy  
However, profits were down on absence of year-earlier investment gain from PE investment
- ✓ Concession: Passenger traffic at Kansai Airports down  
(International flights still sluggish, but domestic flights recovering)

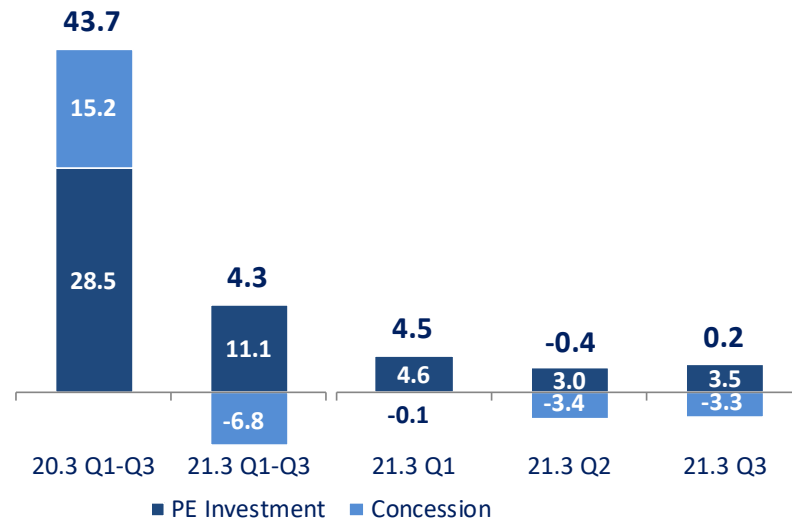
**Segment Asset: 399.0 JPY Bn**

YTD +76.4 JPY Bn (+24%)

- ✓ PE Investment: One new investment in Q1\*<sup>1</sup>, three new investments in Q3\*<sup>2</sup>
  - ✓ Concession: Flat
- \*1: DOJIN IYAKU-KAKO (Producer and seller of prescription and OTC drugs)  
\*2: Informatix (Developer of GIS smart map systems)  
SUGIKO GROUP (Major scaffolding, temporary construction materials rental company)  
APRESIA Systems (Network equipment manufacturer)

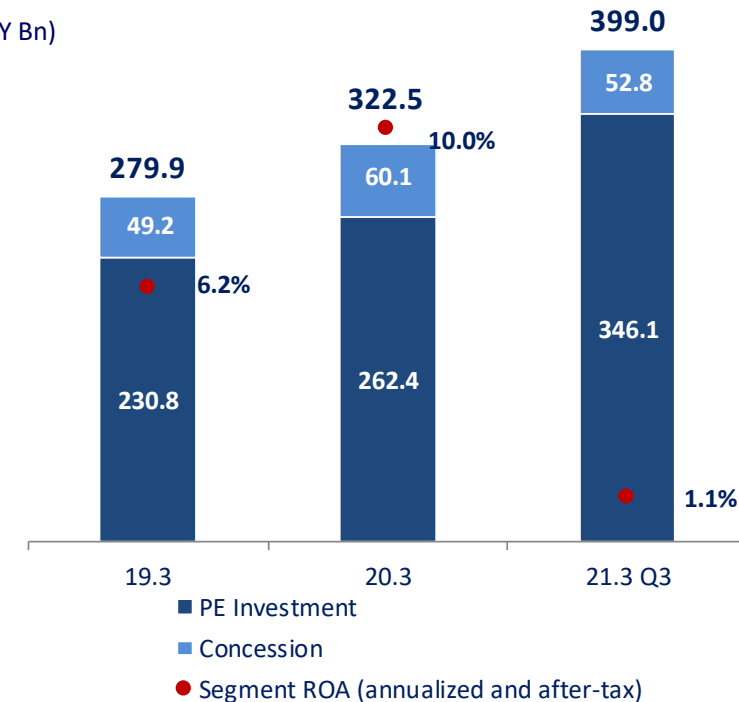
**Segment Profits**

(JPY Bn)



**Segment Assets and ROA**

(JPY Bn)



- ✓ Currently invested in 17 companies (as of end-Dec 2020); aim to create a new business segment for ORIX

## Investment Track Record

Leveraging our broad network and experience, we have established a superior investment track record

Target companies	Investment span
Small - Mid Cap Focus (EV: 20-30 JPY Bn)	3 - 5 years or longer (per project)
Total investments since 2012	Track record
26 companies	30% IRR average achieved in 8 exits since 2012

## What makes us unique?

ORIX has not only sufficient funding ability but also possesses significant operating expertise in a variety of industries. While aiming to increase the value of the investee company, we have flexibility in terms of investment horizon and the investment structure

<b>Flexibility</b>	<b>ORIX is not a Private Equity Fund; we invest our own funds.</b> We are flexible both in terms of investment horizon and the investment structure
<b>Hands-on</b>	<b>We establish a true partnership with the investee company,</b> often sending management staff to the investee and utilizing our entire network to help grow the business
<b>Synergies</b>	<b>We have an extensive domestic sales network</b> in Japan. We are involved in a diverse portfolio of businesses and will look to extract synergies
<b>Focus Areas</b>	<b>We are focused on areas which are expected to grow and have social significance incl :</b> logistics and rental, IT and information services, healthcare and dairy farming. In these focus areas, we will also consider owning the investee company for a longer period of time and do roll-up transactions for further growth, seeking synergies between the investees



# Segment Performance (4) Environment and Energy

**Segment Profits: 17.8 JPY Bn**

YoY +6.2 JPY Bn (+54%)

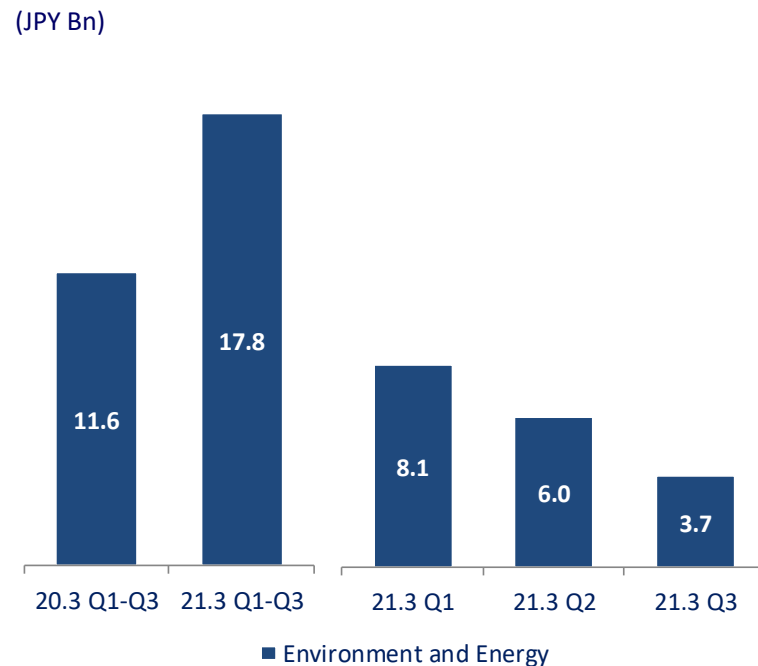
- ✓ Solid performance despite COVID-19 impact, segment profits down QoQ owing to seasonal factors (fewer hours of sunlight in solar business)
- ✓ Valuation gain booked in Q1 for India's wind power business

**Segment Assets: 479.3 JPY Bn**

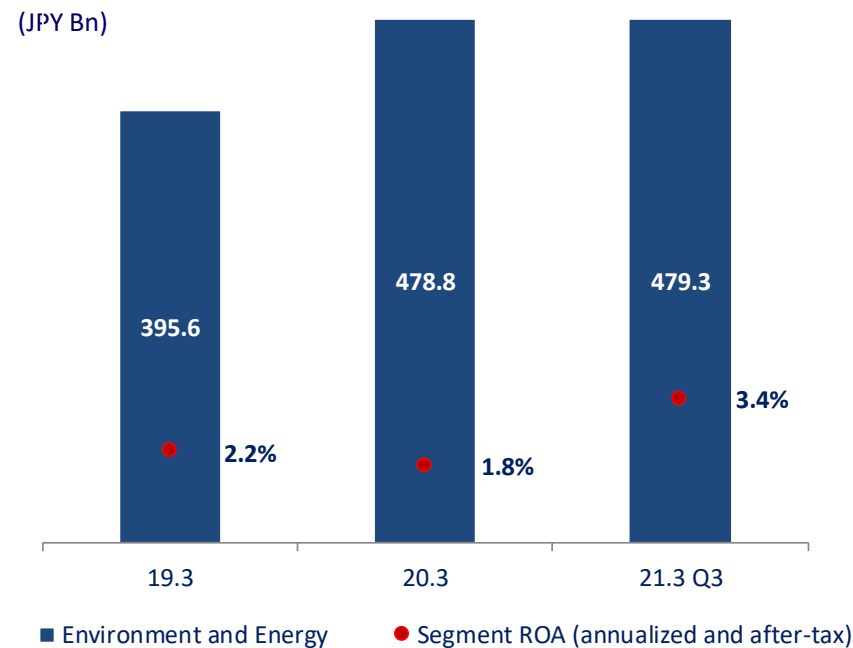
YTD +0.5 JPY Bn (flat)

- ✓ Asset growth flat
- ✓ Will acquire more than 20% of Greenko Energy's outstanding shares (aim to finalize agreement, share acquisition during FY21.3)
- ✓ Agreed to acquire 80% of Elawan's outstanding shares (aim to complete share acquisition during FY22.3)

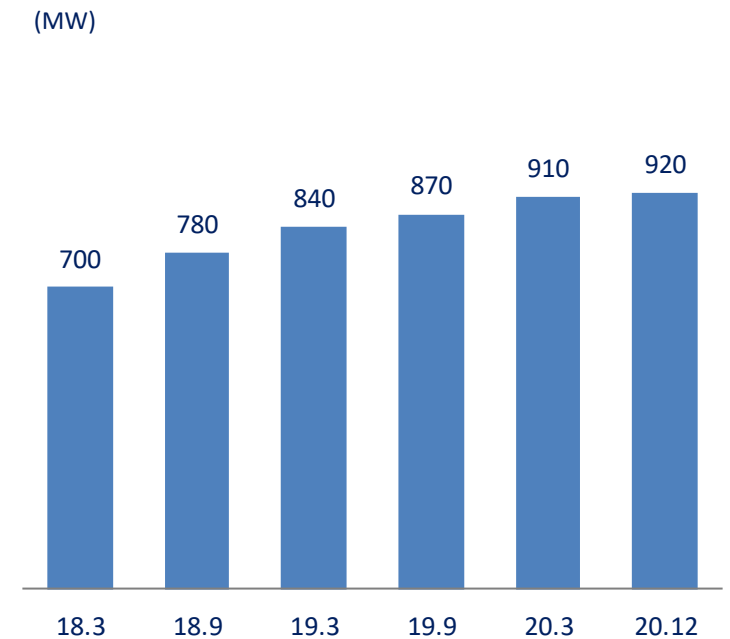
**Segment Profits**



**Segment Assets and ROA**

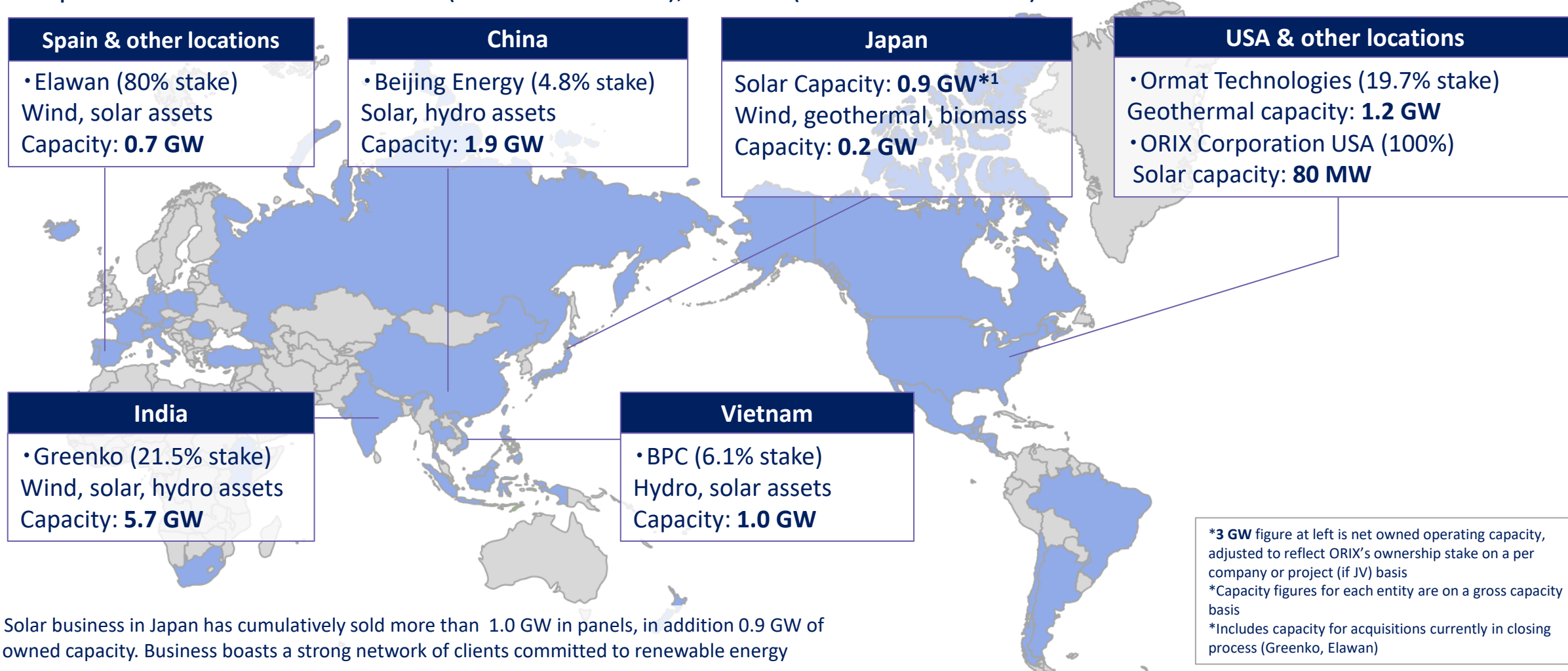


**Solar power business in Japan**



# Global Renewable Energy Portfolio

- ✓ Total net owned operating capacity of **3 GW\*** worldwide  
Around 2 GW of projects under construction, primarily at Elawan, Greenko.  
Pipeline assets include Greenko (more than 8 GW), Elawan (more than 10 GW)



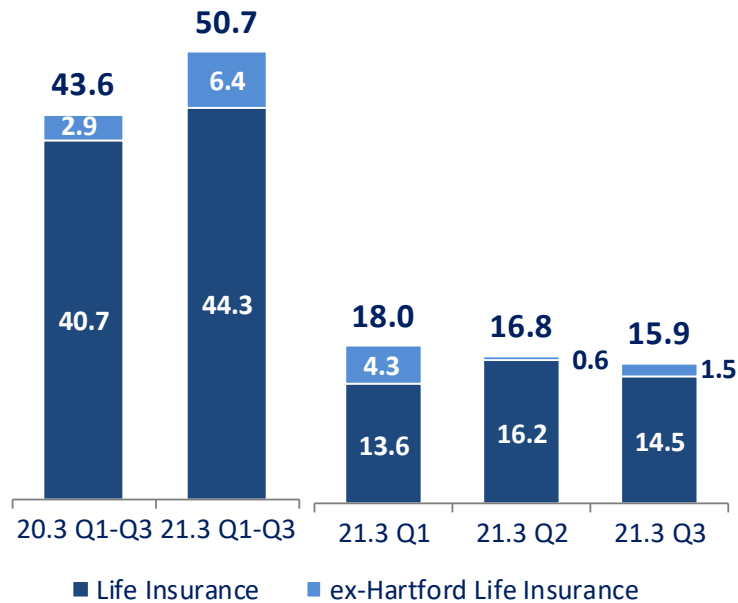
\*1 Solar business in Japan has cumulatively sold more than 1.0 GW in panels, in addition 0.9 GW of owned capacity. Business boasts a strong network of clients committed to renewable energy

# Segment Performance (5) Insurance

<b>Segment Profits: 50.7 JPY Bn</b> ✓ Posted steady profits despite COVID-19 ✓ Non-face-to-face channels posted growth	<b>YoY +7.1 JPY Bn (+16%)</b>	<b>Segment Assets: 1,888.0 JPY Bn</b> ✓ Investment securities increased due to increase in new policies	<b>YTD +307.8 JPY Bn (+19%)</b>
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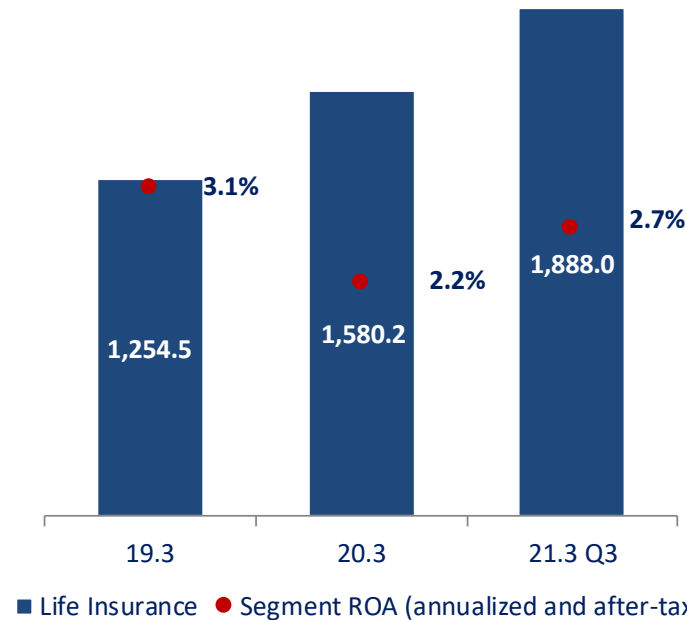
Segment Profits

(JPY Bn)



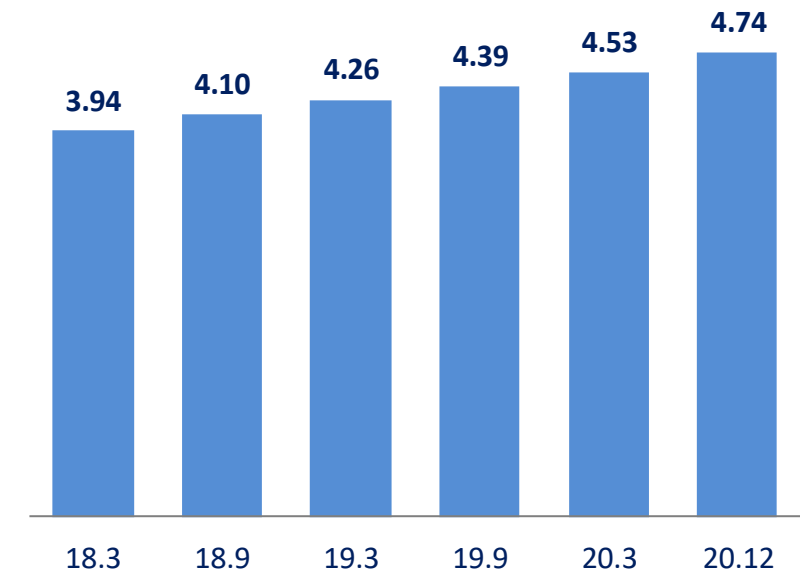
Segment Assets and ROA

(JPY Bn)



Number of Insurance Policies in Force

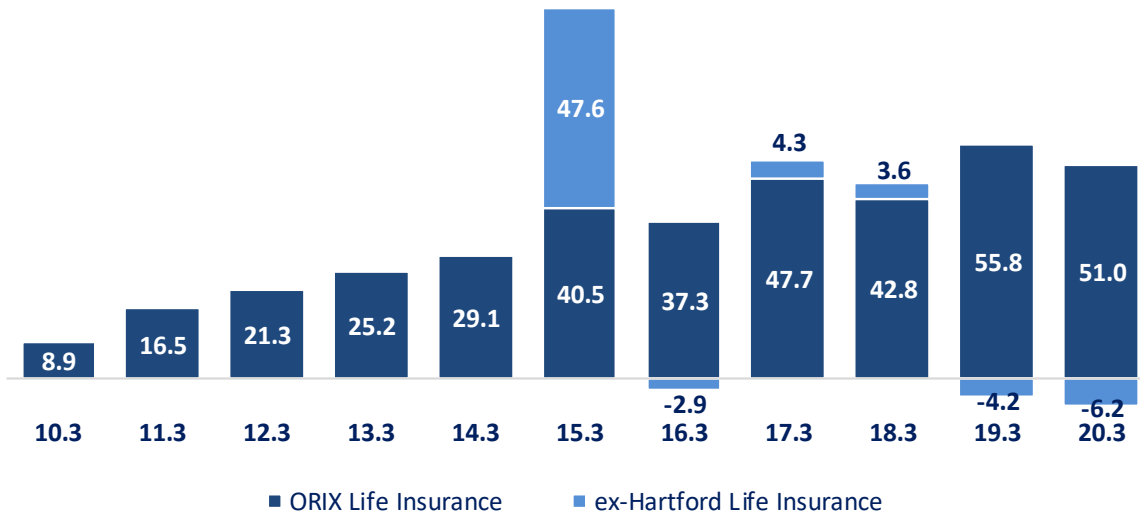
(Millions of policies)



- ✓ Omni-channel strategy utilizing four sales channels - agency, banks and other financial institutions, mail order and Internet sales, and in-person sales by ORIX Life reps
- ✓ Pioneering Internet / mail-order sales channel first launched in 1997, strong performer during COVID Industry-leader in share of direct channel sales
- ✓ Built well-balanced portfolio, moving away from third-sector dominant mix with introduction of new first-sector products

## Segment Profits\*

(JPY Bn)

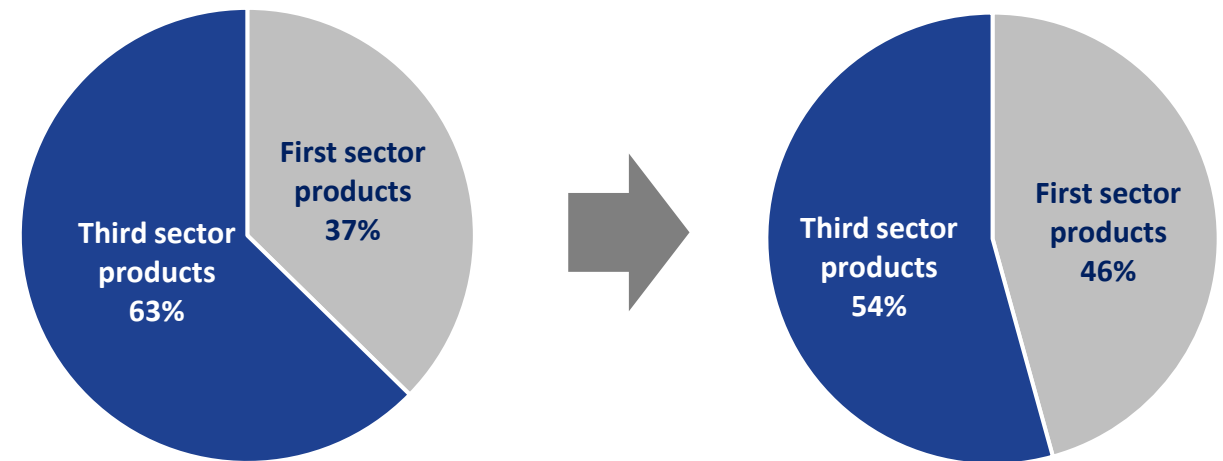


\*Segment Profits in FY15.3 includes bargain purchase gains through the acquisition of ex-Hartford Life Insurance

## Product Portfolio Mix Trends (Annualized premiums for policies in force)

FY2014.3

FY2020.3



- First sector products (Death protection, etc.)
- Third sector products (Health insurance, Cancer insurance, etc.)

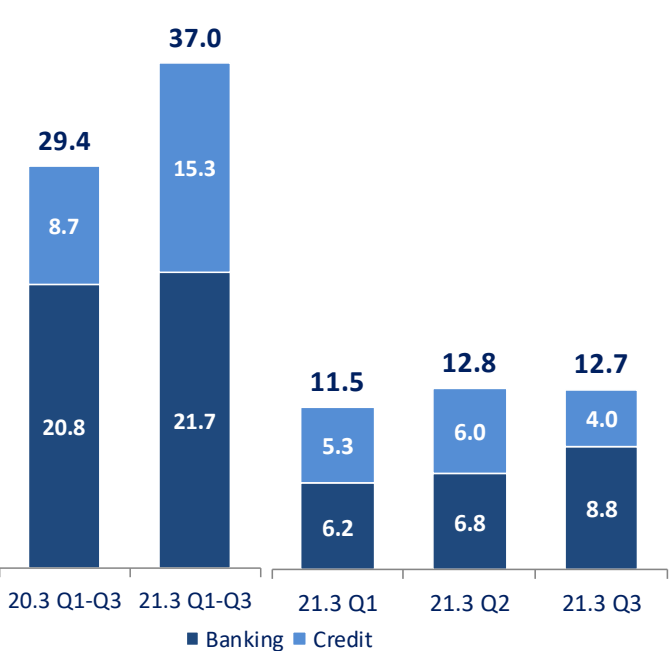
# Segment Performance (6) Banking and Credit



<b>Segment Profits: 37.0 JPY Bn</b>	YoY +7.5 JPY Bn (+26%)	<b>Segment Assets: 2,707.3 JPY Bn</b>	YTD +103.5 JPY Bn (+4%)
<ul style="list-style-type: none"><li>✓ Banking: Profits remain steady due to accumulation of assets</li><li>✓ Credit: Profits lower QoQ on absence of reversals of provisions for losses in Q3</li></ul>		<ul style="list-style-type: none"><li>✓ Banking: Profits higher on greater demand for real-estate investment loans utilizing non-face-to-face marketing capabilities</li><li>✓ Credit: Assets flat YoY</li></ul>	

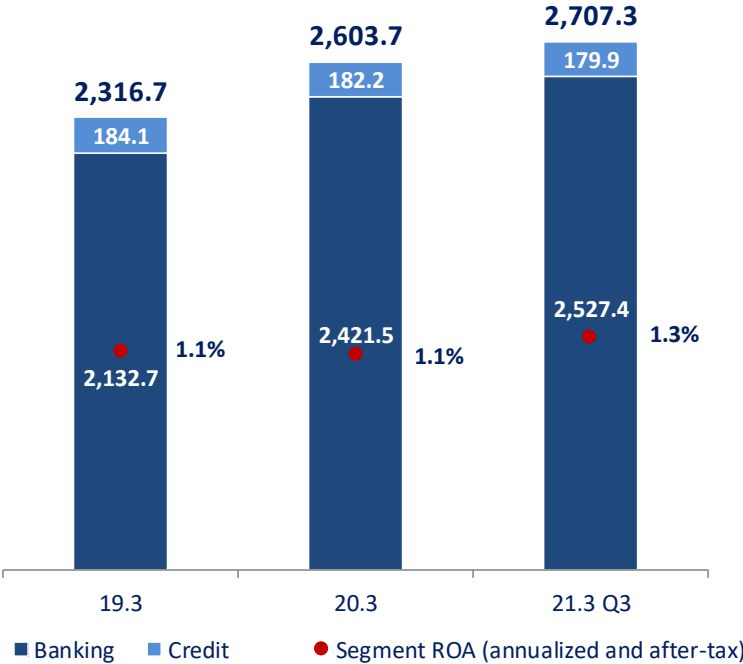
Segment Profits

(JPY Bn)



Segment Assets and ROA

(JPY Bn)



Gross Margin and Yield\*

(as of March 31, 2020)

ORIX Bank (non-consolidated)	
Investment Yield	2.12%
Funding Yield	0.18%
Gross Margin of Capital	1.94%

\*ORIX Bank's financial results disclosure materials (JGAAP)

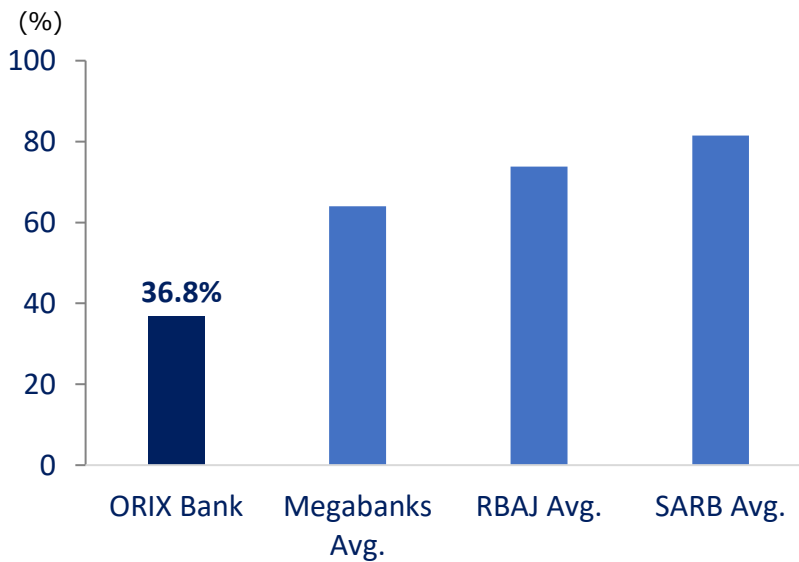
Investment Yield= Interest on investment accounts (mostly interest on loans)/Average outstanding balance

Funding Yield= Interest on interest-bearing liabilities/Average outstanding balance

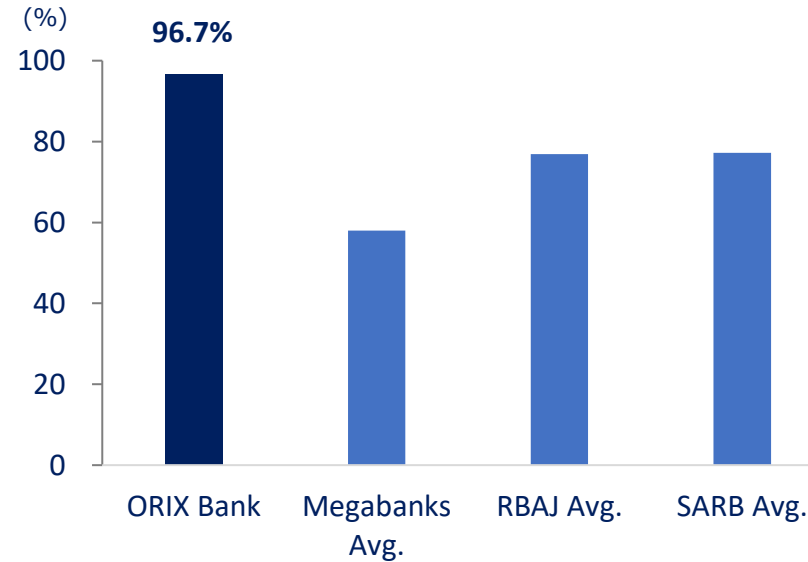
Gross Margin of Capital =Investment Yield - Funding Yield

- ✓ ORIX Bank's differentiated service menu focused on real-estate investment loans helps it realize a high ROE, ROA compared to peers
- ✓ Low-cost business model with no branches, ATMs, or settlement services delivers a low expense ratio and a high loan-to-deposit ratio

**FY20.3 Expense Ratio**



**FY20.3 Loan to Deposit Ratio**



**FY20.3 ROE/ROA<sup>\*1</sup>**

	ROE	ROA
ORIX Bank	9.4%	0.8%
Megabanks Avg.	5.9%	0.2%
RBAJ Avg. <sup>*2</sup>	3.0%	0.1%
SARB Avg. <sup>*3</sup>	1.8%	0.1%

<sup>\*1</sup> Japanese Bankers Association. Compiled by ORIX from FY2019 Financial Statements of All Banks report. Expense ratio calculated by dividing operating expenses by gross business profit

<sup>\*2</sup> Regional Bank Association of Japan average

<sup>\*3</sup> Second Association of Regional Banks average

# Segment Performance (7) Aircraft and Ships



**Segment Profits: 3.1 JPY Bn**

YoY -30.2 JPY Bn (-91%)

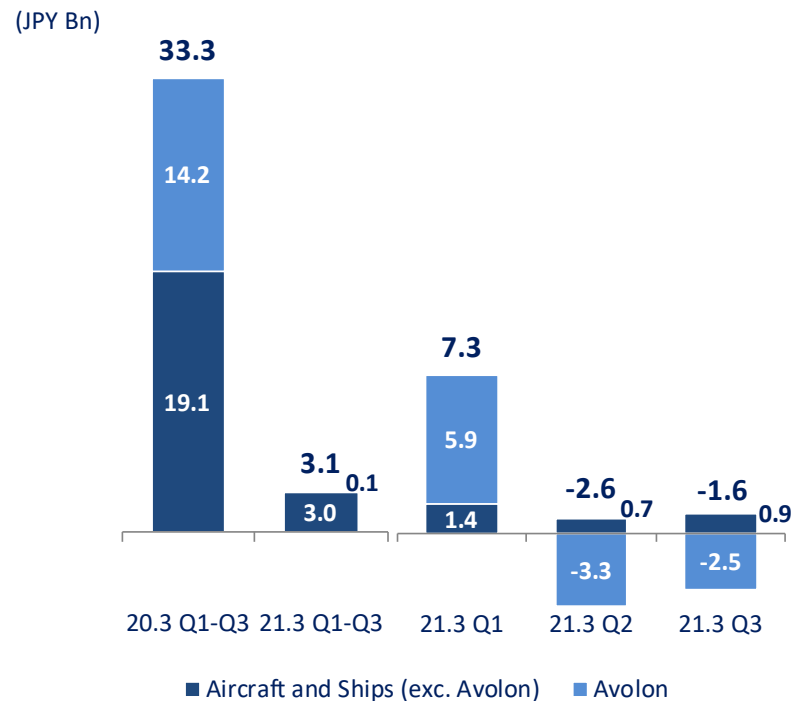
- ✓ Aircraft leasing, Avolon: Profits decreased on drop in lease revenue, investment gains  
(Lease revenue decreased partly due to impact from sales of aircraft in previous FY)

**Segment Assets: 560.0 JPY Bn**

YoY -25.3 JPY Bn (-4%)

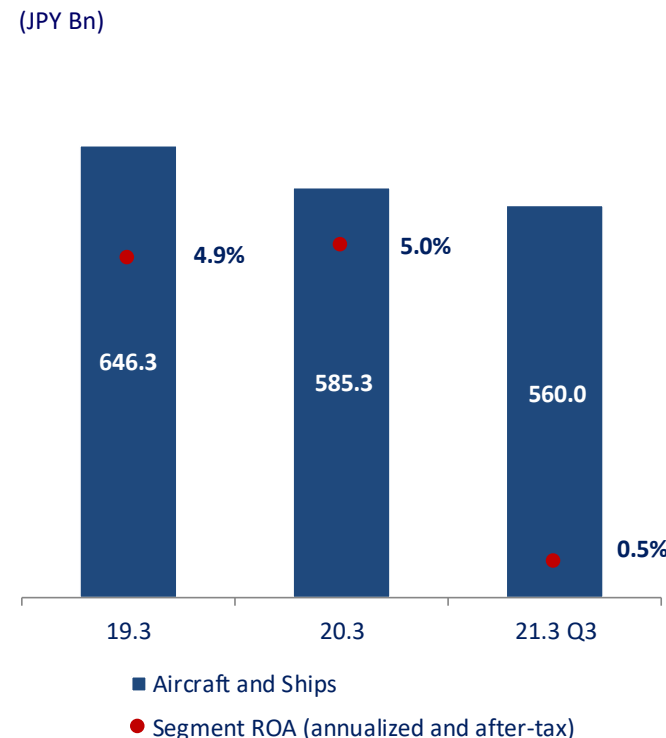
- ✓ Excluding forex impact, segment assets flat

**Segment Profits\***



\*Avolon's segment profits were reclassified to USGAAP, and thus differ from those announced by Avolon based on IFRS

**Segment Assets and ROA**



**Aircraft leasing business**

(as of December 31, 2020)

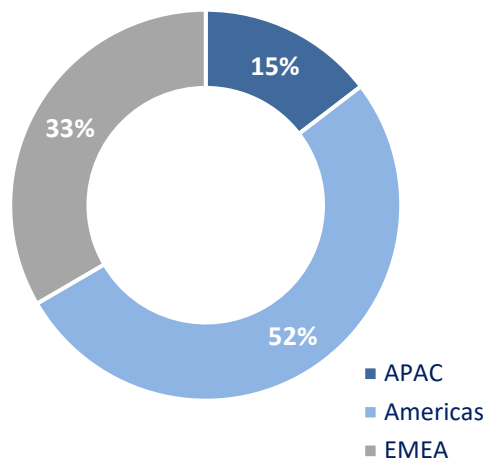
	ORIX	Avolon
Business history	<b>42 years</b> Started with finance leases (ORIX Aviation Established in 1991)	<b>10 years</b> (Established in 2010)
Business model	<ul style="list-style-type: none"> <li>Mainly trading in second-hand market</li> <li>Strengths include arrangement of aircraft purchases to third parties and asset management services</li> </ul>	<ul style="list-style-type: none"> <li>Sizable direct orders to aircraft manufacturers</li> <li>Strengths in direct leasing of the fleet</li> </ul>
ORIX Investment ratio	<b>100%</b>	<b>30%</b> (acquired in November 2018)
Rating	S&P: Top Strong (servicer ranking)	Fitch : BBB- Moody's : Baa3 S&P : BBB-

# Aircraft Leasing Business

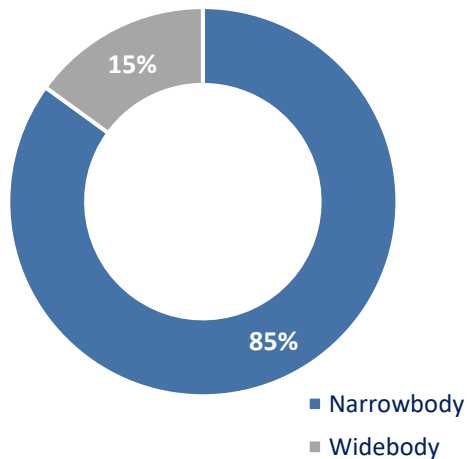


ORIX

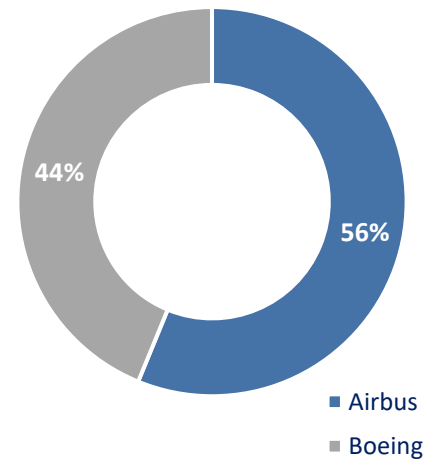
**GLOBALLY DIVERSE**  
(NBV)



**NARROWBODY WEIGHTING**  
(number of aircraft)



**OEM BREAKDOWN**  
(number of aircraft)



Owned fleet  
73

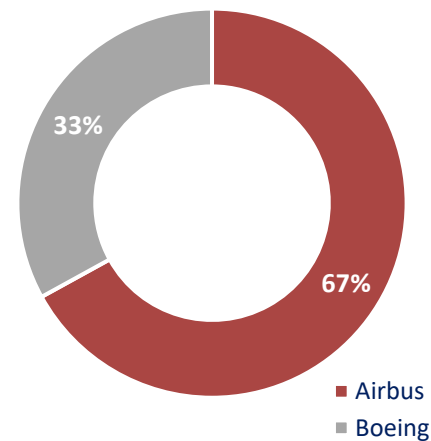
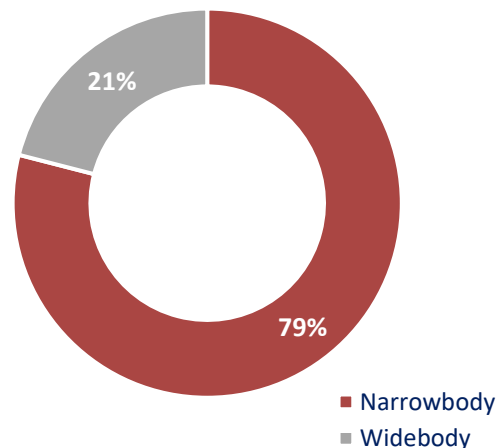
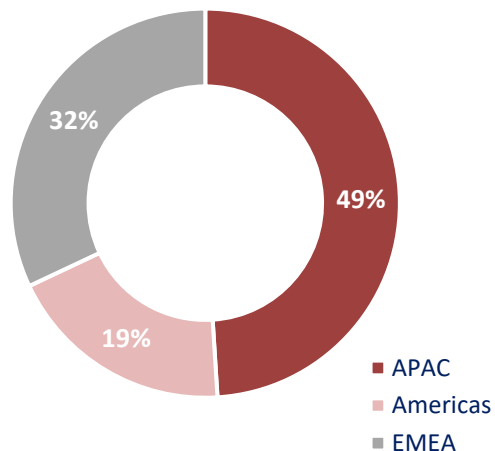
Committed fleet  
0

Average age  
5.8 years

Remaining lease term  
6.8 years

Managed fleet  
134

Avolon



Owned fleet  
510

Committed\*  
fleet  
270

Average age  
5.3 years

Remaining lease term  
6.8 years

\* Reduced from 400 aircraft at the end of December 2019

Fully placed through the end of 2021

The next unplaced B737MAX is scheduled for delivery in 2024

(as of December 31, 2020)



# Segment Performance (8) ORIX USA



**Segment Profits: 27.5 JPY Bn**

YoY -22.7 JPY Bn (-45%)

- ✓ Profits continued sharp recovery from Q2, owing to lower credit losses and improvement in fund valuation
- ✓ Lower YoY profits attributable to FY20.3 gain on the sale of Houlihan Lokey shares

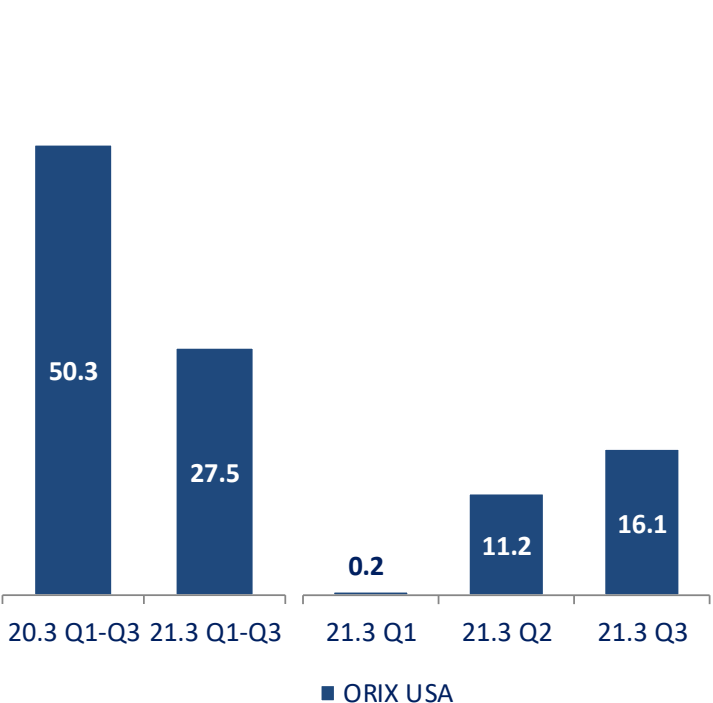
**Segment Assets: 1,235.9 JPY Bn**

YTD -138.2 JPY Bn (-10%)

- ✓ Remains cautious about investment using own balance sheet, assets lower YTD (incl. forex impact)
- ✓ OCU is # 1 originator of affordable housing in the US. With its purchase of Boston Capital, BFIM is the # 1 manager of LIHTC Assets with 15 USD Bn AUM

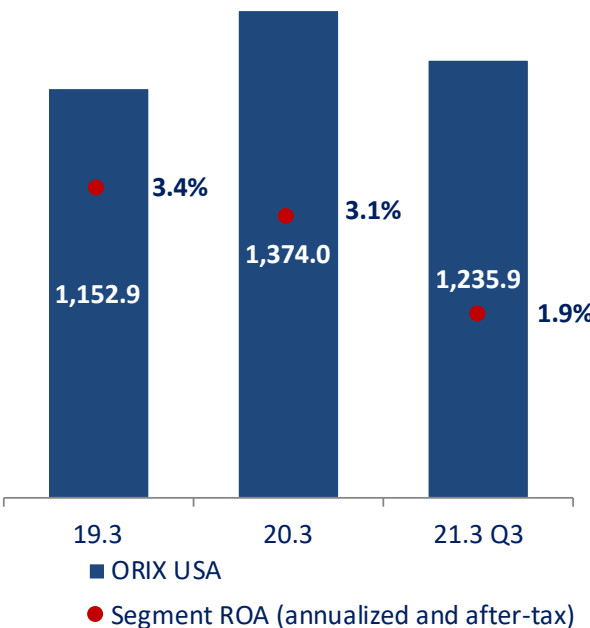
**Segment Profits**

(JPY Bn)



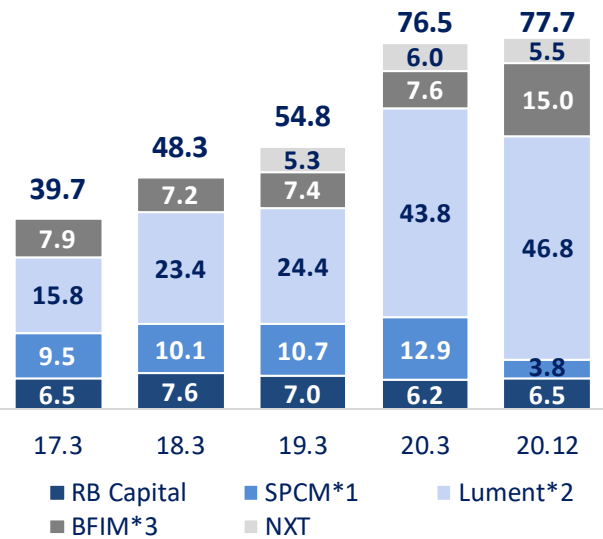
**Segment Assets and ROA**

(JPY Bn)



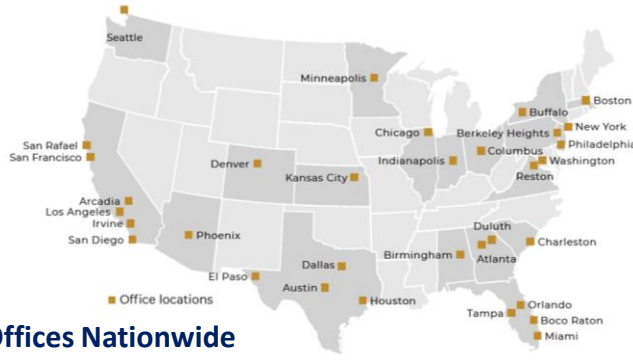
**AUM / AUA**

(USD Bn)



\*1: Signal Peak Capital Management, former Mariner  
\*2: Lument is combined total of former OREC, Red Capital Group, Lancaster Pollard, Hunt Real Estate  
\*3: BFIM completed acquisition of Boston Capital assets in Dec 2020

- ✓ 40+ year track record in US
  - ✓ Focused on serving the middle market customer across three verticals: Credit, Private Equity, Real Estate
- Aim to achieve further growth in asset management business

Credit	Private Equity	Real Estate
Segment assets: <b>\$6 bn</b>	Segment assets: <b>\$1 bn</b>	Segment assets: <b>\$5 bn</b>
<p><b><u>NXT Capital</u></b> \$7.7 bn in financing to U.S. middle market companies (primarily senior secured loans)</p> <p><b><u>ORIX Municipals &amp; Infrastructure</u></b> Invests in \$1 bn high-yield bond portfolio (municipal, infrastructure bonds)</p> <p><b><u>Signal Peak Capital Management</u></b> Manages \$4.8 bn in syndicated loans, structured credit (CLOs)</p>	<p><b><u>ORIX Capital Partners</u></b></p> <div> <p><b>Track record:</b> 16 deals in 5 years Focus on middle market; shift from infrastructure to IT services, digital marketing, factory automation</p> </div> <p><b><u>ORIX Private Equity Solutions</u></b></p> <div> <p><b>Track record:</b> 46 deals in 9 years Avg. size \$5-15 mn</p> </div>	<p><b><u>Merged three legacy brands into Lument</u></b></p> <div> <p><b>#1</b> FHA lender*    <b>#1</b> FHA affordable housing lender*    <b>TOP 3</b> Seniors housing lender*    <b>#1</b> FHA seniors housing lender*    <b>TOP 3</b> Fannie Mae small loan lender</p> <p>*Mortgage Bankers Association's 2019 CRE Originations Rankings</p>  <p><b>25+ Offices Nationwide</b> <b>~600 Employees Nationwide</b> <b>160+ Origination Staff Nationwide</b></p> </div>

# Segment Performance (9) ORIX Europe



**Segment Profits: 25.9 JPY Bn**

YoY +0.8 JPY Bn (+3%)

- ✓ Profits increased QoQ on a recovery in AUM
- ✓ Enjoyed improved mix shift with several mandates won

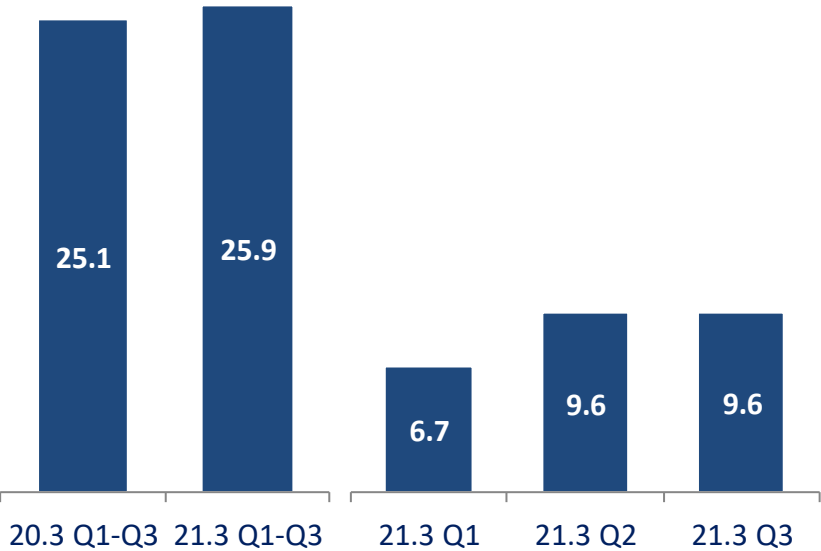
**Segment Assets: 337.2 JPY Bn**

YTD +19.3 JPY Bn (+6%)

- ✓ AUM increased moderately with market recovery
- ✓ Acquired 70% of Gravis Capital Management's outstanding shares

Segment Profits

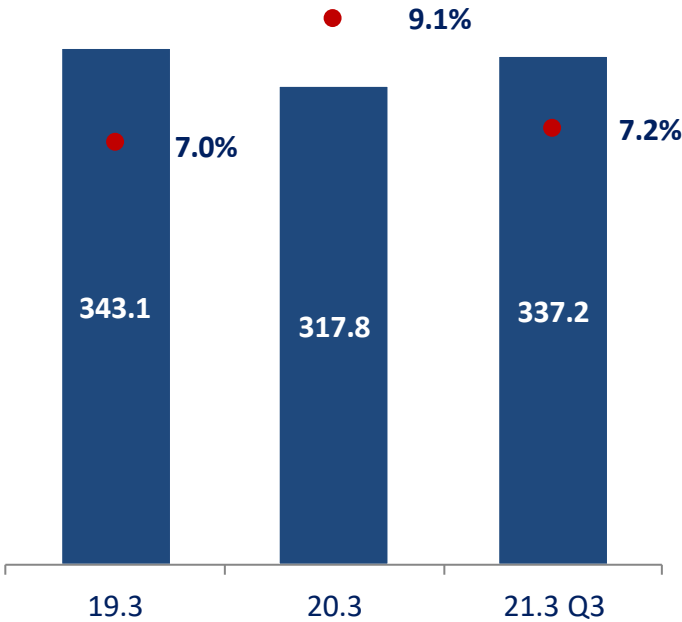
(JPY Bn)



■ ORIX Europe

Segment Assets and ROA

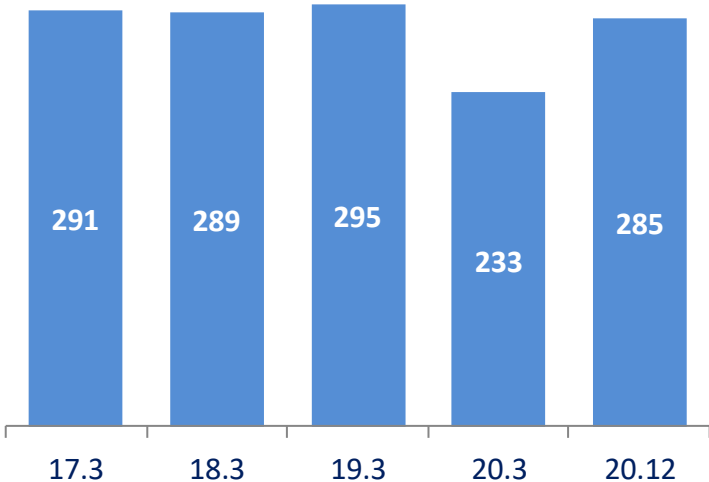
(JPY Bn)



■ ORIX Europe ● Segment ROA (annualized and after-tax)

AUM

(EUR Bn)



Segment business: Equity, fixed income asset management

Completed acquisition of alternative asset manager Gravis Capital Management\* in Feb 2021

## ① ORIX Europe Corporation

	Head Office	Primary Business	Established (Acquired)
Robeco	Rotterdam	Stocks, bonds, and investment solutions	1929 (2013)
Boston Partners	Boston	U.S. and global equities	1995 (2013)
Harbor Capital Advisors	Chicago	Manager selection	1983 (2013)
Transtrend	Rotterdam	CTA	1991 (2013)

## ② Gravis Capital Management\*

Gravis Capital Management	London	Alternative asset manager	2008 (2021)
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\*Manages funds investing primarily in the U.K. infrastructure, renewable energy and real estate sectors, with a significant ESG focus

An ESG pioneer since the mid-1990s, Robeco is recognized as a leader in sustainable investment

Robeco Parent AUM

(As of end-Sept 2020)



**158.0 EU Bn**

ESG-Integrated AUM



**138.0 EU Bn**

Announced support of Net Zero Asset Managers Initiative in Dec 2020, aims to achieve net zero greenhouse gas emissions across all assets under management by 2050

# Reference: ORIX's Asset Management Business

- ✓ Operates a diverse range of asset management businesses (**Total AUM 45 JPY Tn** as of end-Dec 2020)  
Completed acquisition of Boston Capital's LIHTC assets (AUM: 770 JPY Bn) in Dec 2020, Gravis Capital Management (AUM: 440 JPY Bn) in Feb 2021
- ✓ Asset management now comprises about **20%** of total segment profits

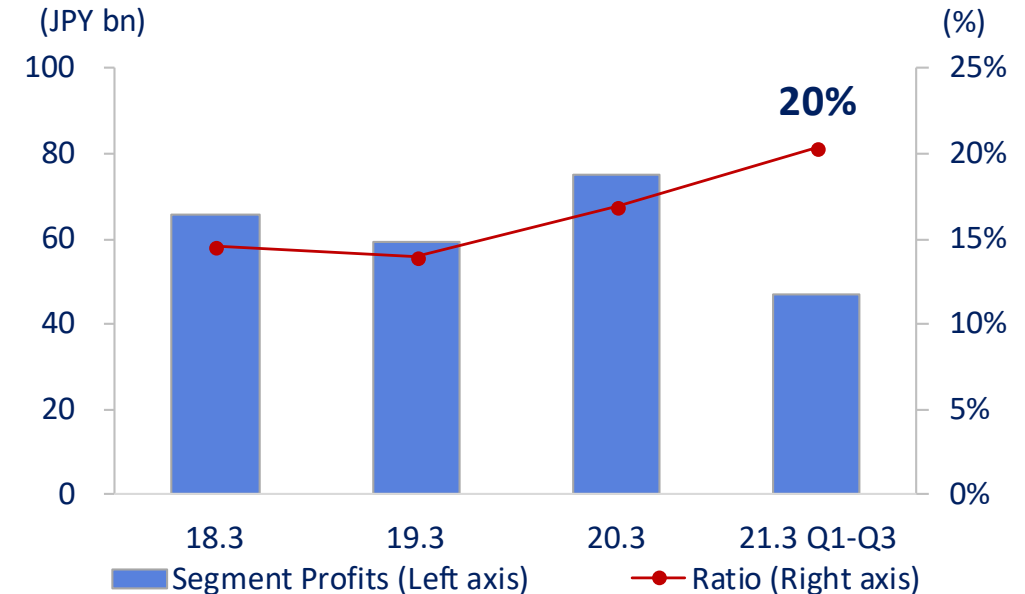
AUM of Asset Management Business

		(JPY Bn)			
Segment	Companies	18.3	19.3	20.3	20.12
OCE	Robeco, Harbor Capital Boston Partners, Transtrend	37,680	36,680	27,840	36,200
OCU	RB Capital, Signal Peak Capital* <sup>1</sup> , Lument* <sup>2</sup> , BFIM, NXT	5,110	6,090	8,330	8,030
Real Estate (Japan)	ORIA (ORIX Real Estate Investment Advisors) OAM (ORIX Asset Management )	1,090	1,210	1,310	1,310
<b>ORIX Group in total</b>		<b>43,880</b>	<b>43,980</b>	<b>37,480</b>	<b>45,540</b>

\*1: Former Mariner Investment Management, currently managing CLO assets

\*2: Former OREC, three merged legacy brands (Hunt Real Estate, Lancaster Pollard, Red Capital Group)

Asset Management Business - Segment Profits



Segment profits are total pre-tax profits for the entities listed at left.  
Interest income is a source of earnings for NXT, Lument and other entities, and profits from these businesses are also included above.

**ORIX is also a domestic top player in managing vehicles (1.439 Mn), aircraft (134), and condominiums (538,000 units)**

# Segment Performance (10) Asia and Australia



**Segment Profits: 8.4 JPY Bn**

YoY -17.7 JPY Bn (-68%)

- ✓ PE investment recorded Impairment in Q2 and Q3, but subsidiaries remained stable

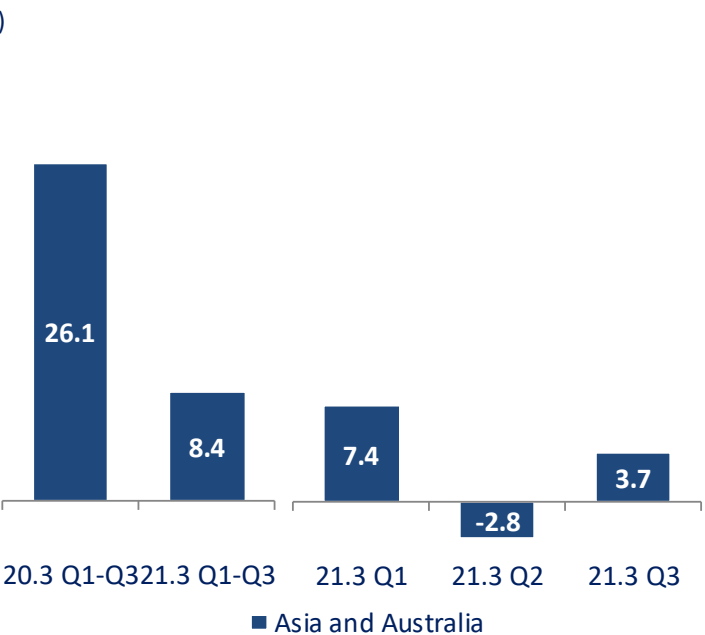
**Segment Assets: 1,017.2 JPY Bn**

YTD +6.9 JPY Bn (+1%)

- ✓ Excluding forex impact, segment assets fell by 26.7 JPY Bn YTD
- ✓ Invested in Nongfu Spring Water, China's largest packaged water supplier

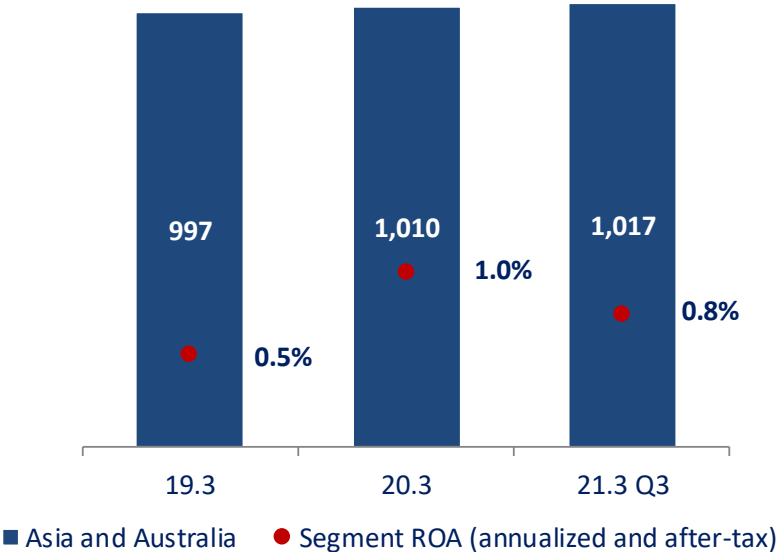
Segment Profits

(JPY Bn)

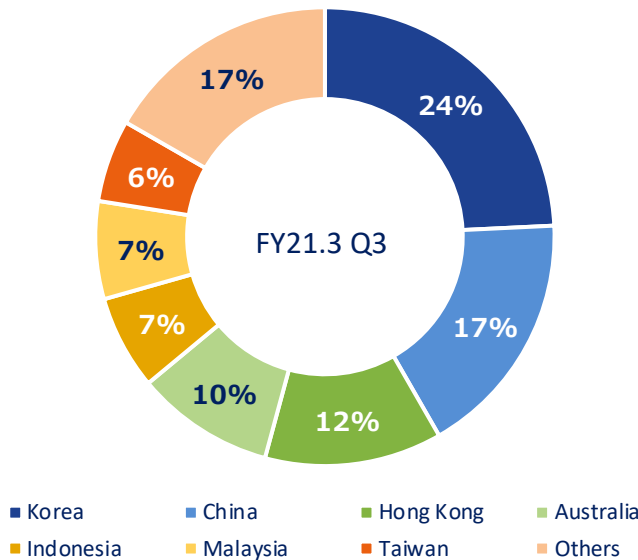


Segment Assets and ROA

(JPY Bn)

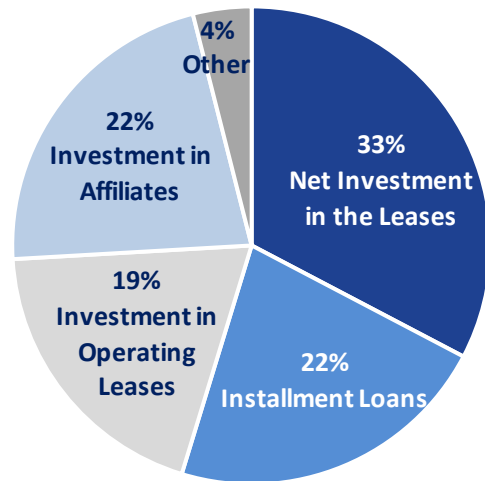


Segment Assets by Region

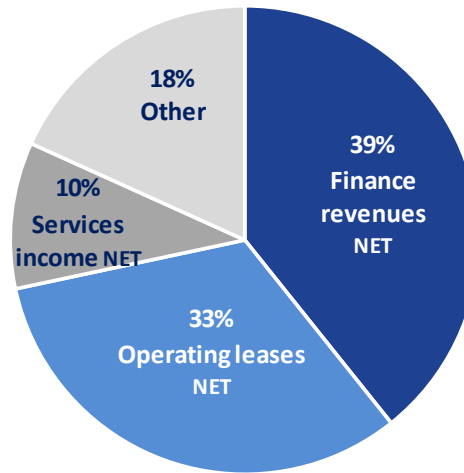


Main Business: Finance and investment businesses in Asia and Australia

**Segment Assets**  
(as of March 31, 2020)



**NET Segment Revenue\***  
(FY 20.3)



\* NET Segment Revenue = Segment Revenue - Segment Expenses  
(Before deduction of Selling, General and administrative expenses)

**Major Subsidiaries (Asia and Australia)**

Company Name	Country (Region)	Primary Business	Established
ORIX Asia Limited	Hong Kong	Leasing, Automobile Leasing, Lending, Banking	Sep. 1971
ORIX Leasing Malaysia Berhad	Malaysia	Leasing, Lending	Sep. 1973
PT. ORIX Indonesia Finance	Indonesia	Leasing, Automobile Leasing	Apr. 1975
ORIX Australia Corporation Limited	Australia	Automobile Leasing and Truck Rentals	Jul. 1986
ORIX Auto Infrastructure Services Limited	India	Automobile Leasing, Rentals, Leasing, Commercial Vehicle Loans, Commercial Mortgage Loans	Mar. 1995
ORIX Capital Korea Corporation	South Korea	Automobile Leasing, Leasing, Lending	Feb. 2004
ORIX China Corporation	China	Leasing, Rental	Aug. 2005

# Appendix

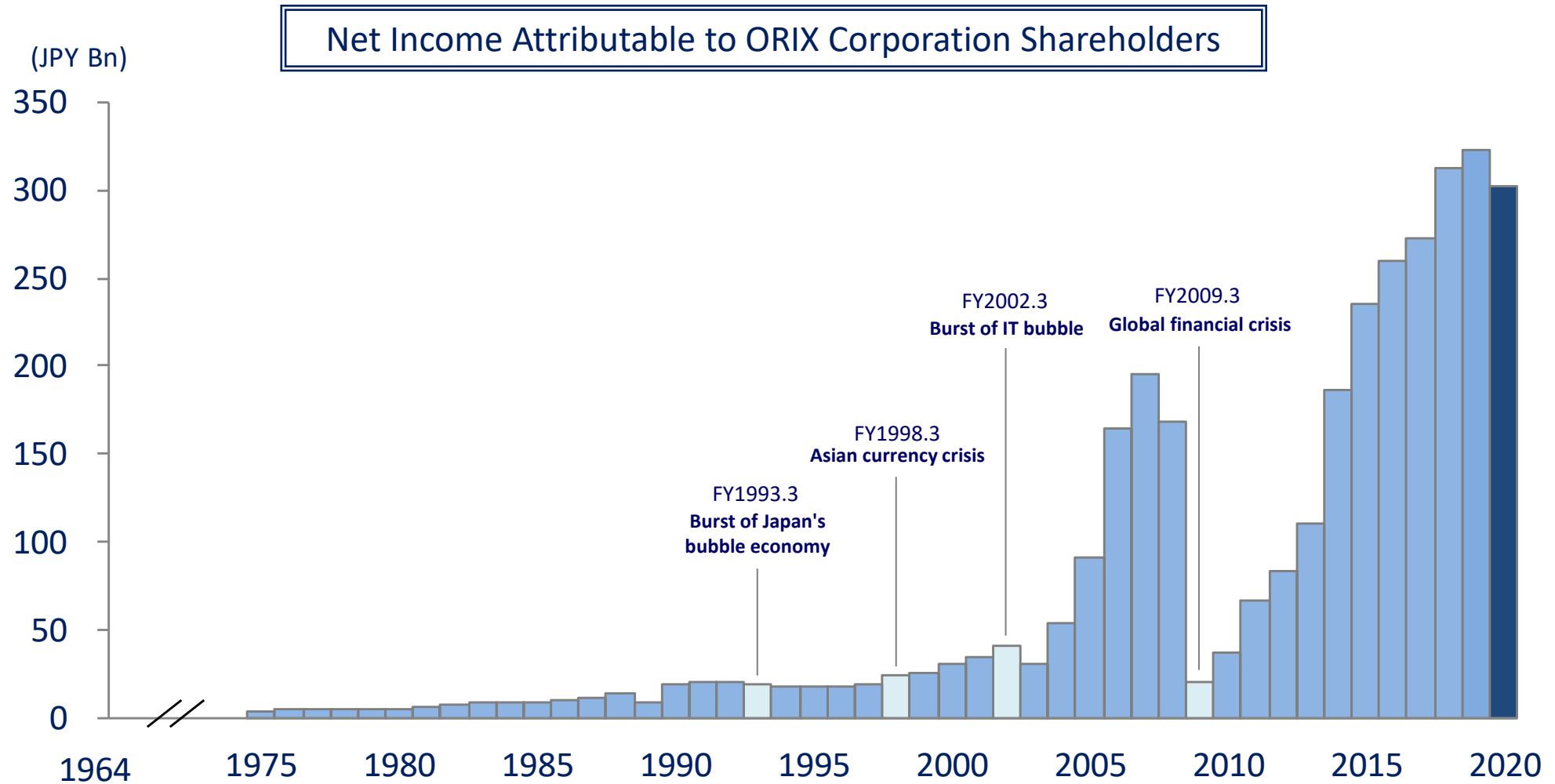


# About ORIX

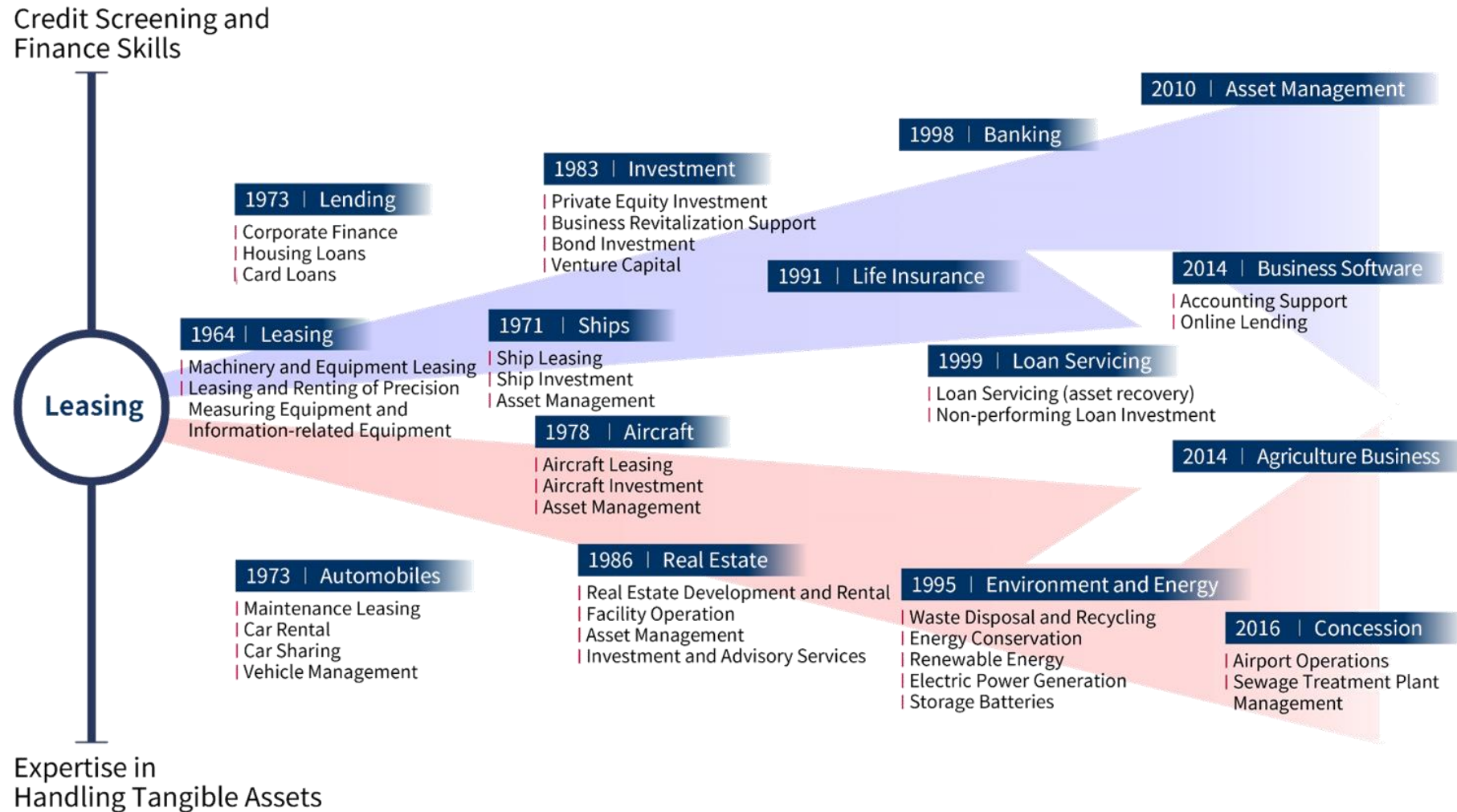
## Proven Track Record of Profitability



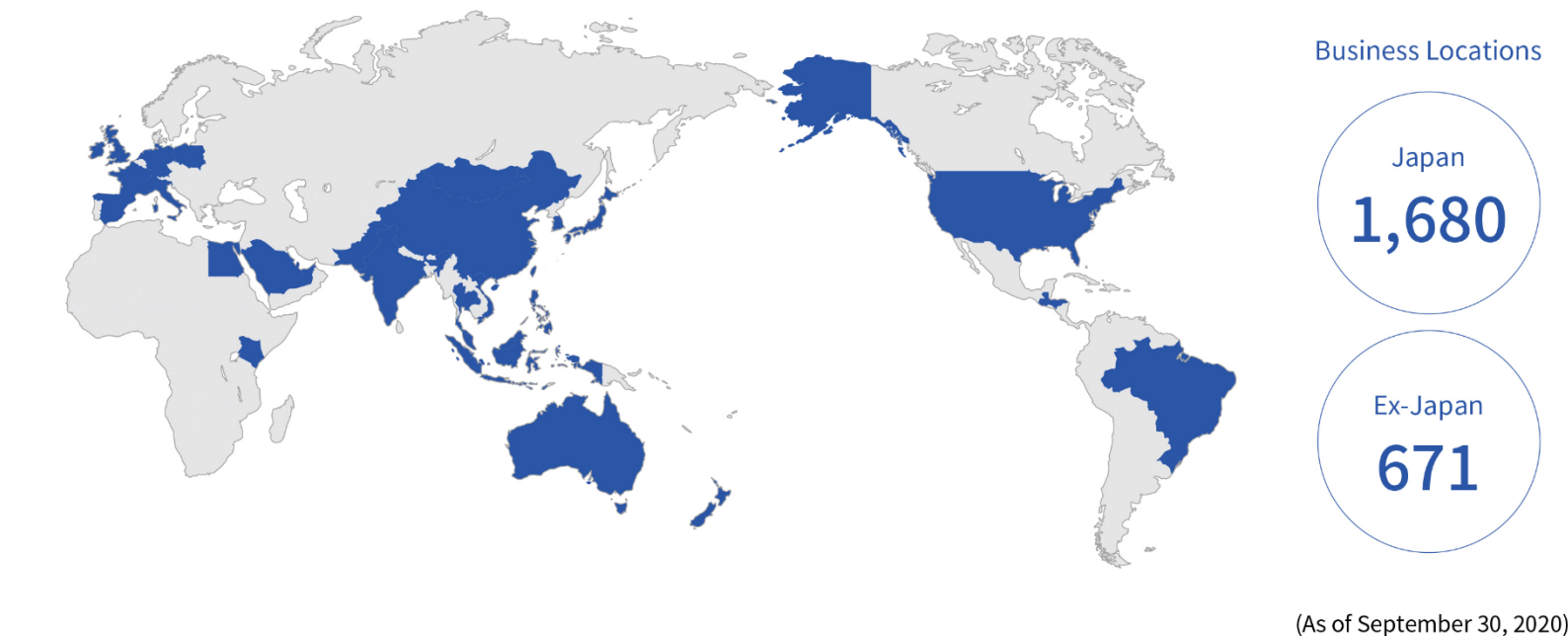
- ✓ ORIX has achieved 55 years of sustained, profitable growth



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



- ✓ Using its expertise cultivated in Japan, ORIX has expanded its business globally, with operations in 34 countries and regions worldwide



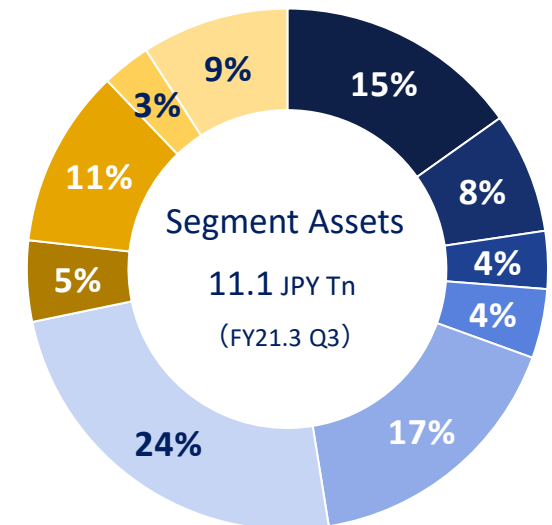
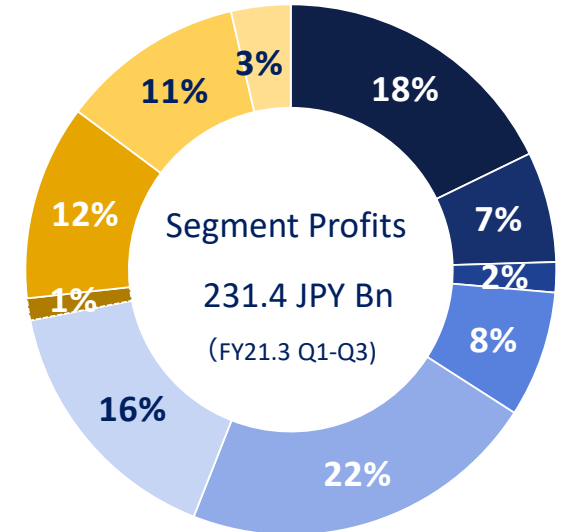
1970s	1980s	1990s	2000s	2010s
Global Network and Number of Countries and Regions				
7 countries and regions	12 countries and regions	18 countries and regions	26 countries and regions	34 countries and regions
Overseas expansion mainly through Leasing business in Asia		Further overseas expansion via diversification into aircraft-related and equity investment businesses		Expansion of business operations through acquisition of Robeco and development of the environment and energy business

# About ORIX Profits and Assets by Segment



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

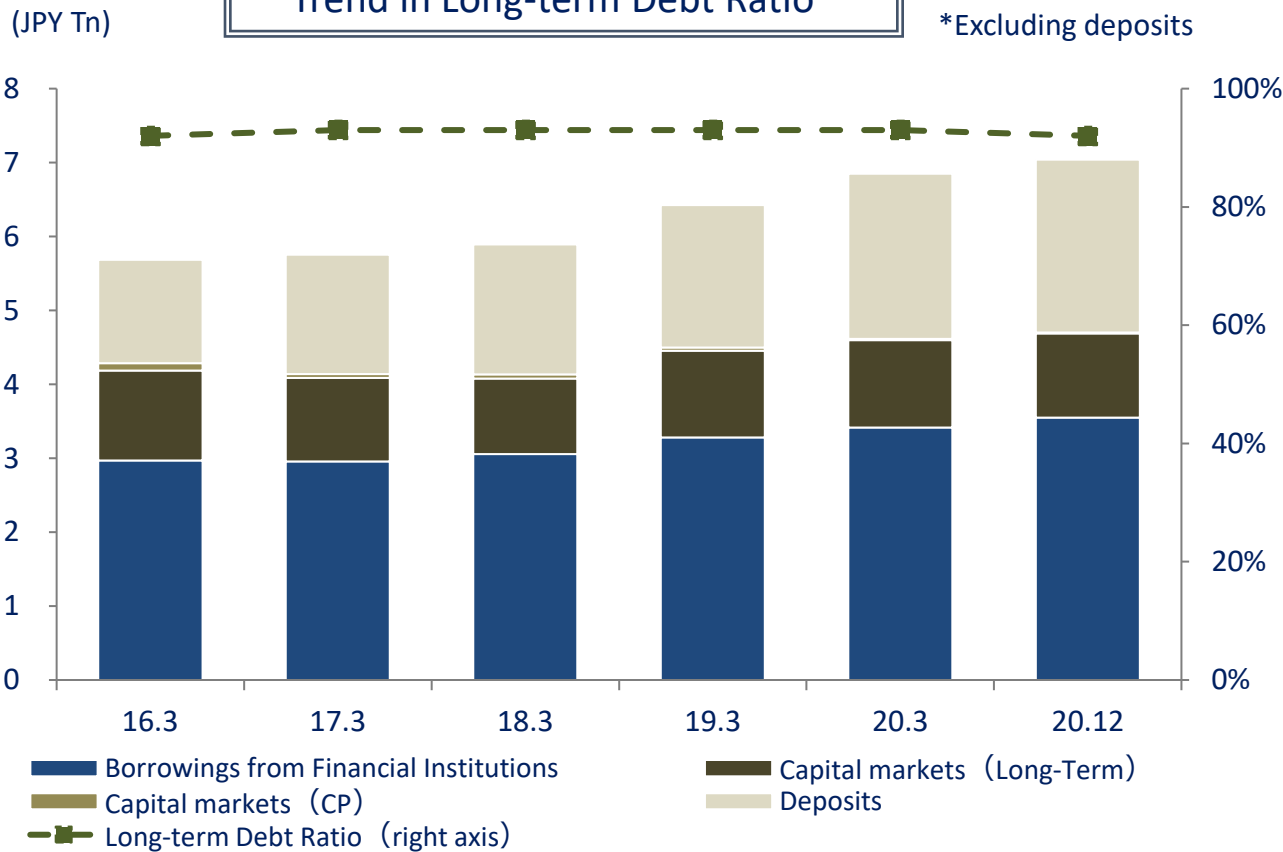
<b>Corporate Financial Services and Maintenance Leasing</b>	Finance and fee business; leasing and rental of automobiles, electronic measuring instruments and IT-related equipment; Yayoi
<b>Real Estate</b>	Real estate development, rental and management; facility operations; real estate asset management
<b>PE Investment and Concession</b>	Private equity investment and concession
<b>Environment and Energy</b>	Domestic and overseas renewable energy; electric power retailing; ESCO services; sales of solar panels and electricity storage system; recycling and waste management
<b>Insurance</b>	Life insurance
<b>Banking and Credit</b>	Banking and consumer finance
<b>Aircraft and Ships</b>	Aircraft leasing and management; ship-related finance and investment
<b>ORIX USA</b>	Finance, investment and asset management in the Americas
<b>ORIX Europe</b>	Equity and fixed income asset management
<b>Asia and Australia</b>	Finance and investment businesses in Asia and Australia



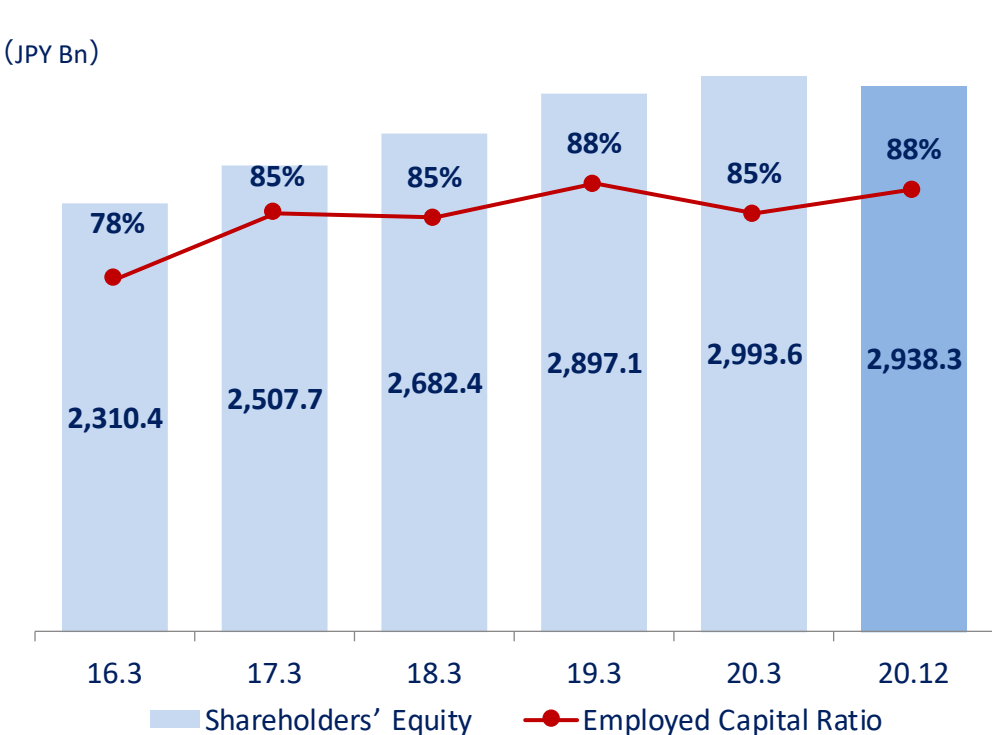
- ✓ Funding structure: Diversified funding methods and maintained a high ratio of long-term debt
- ✓ Employed Capital Ratio: Illustrates the ratio of capital employed to ORIX shareholders' equity

Continue to pursue growth while controlling risk and return

Breakdown of Funding and  
Trend in Long-term Debt Ratio\*

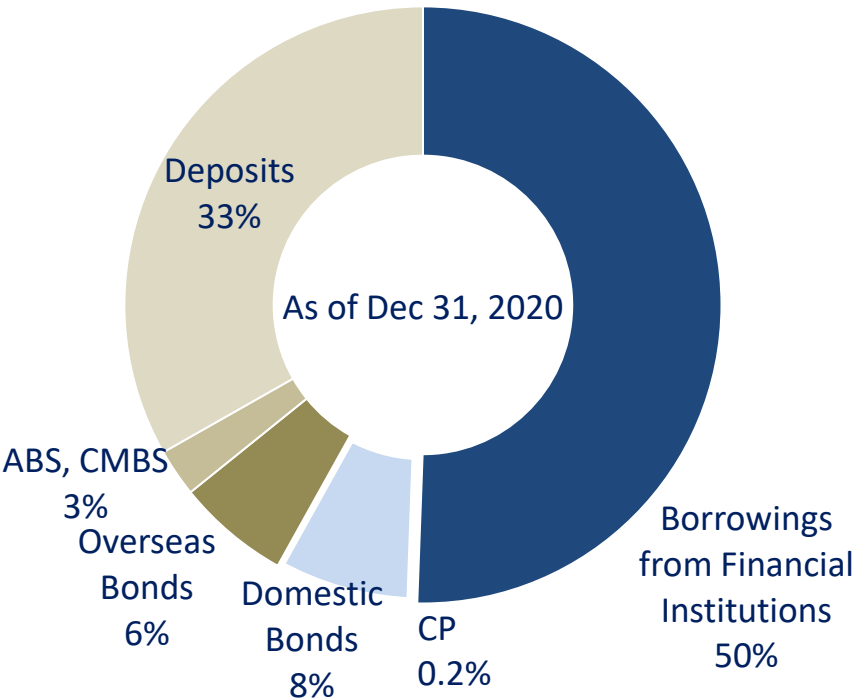


Shareholder's Equity /  
Employed Capital Ratio

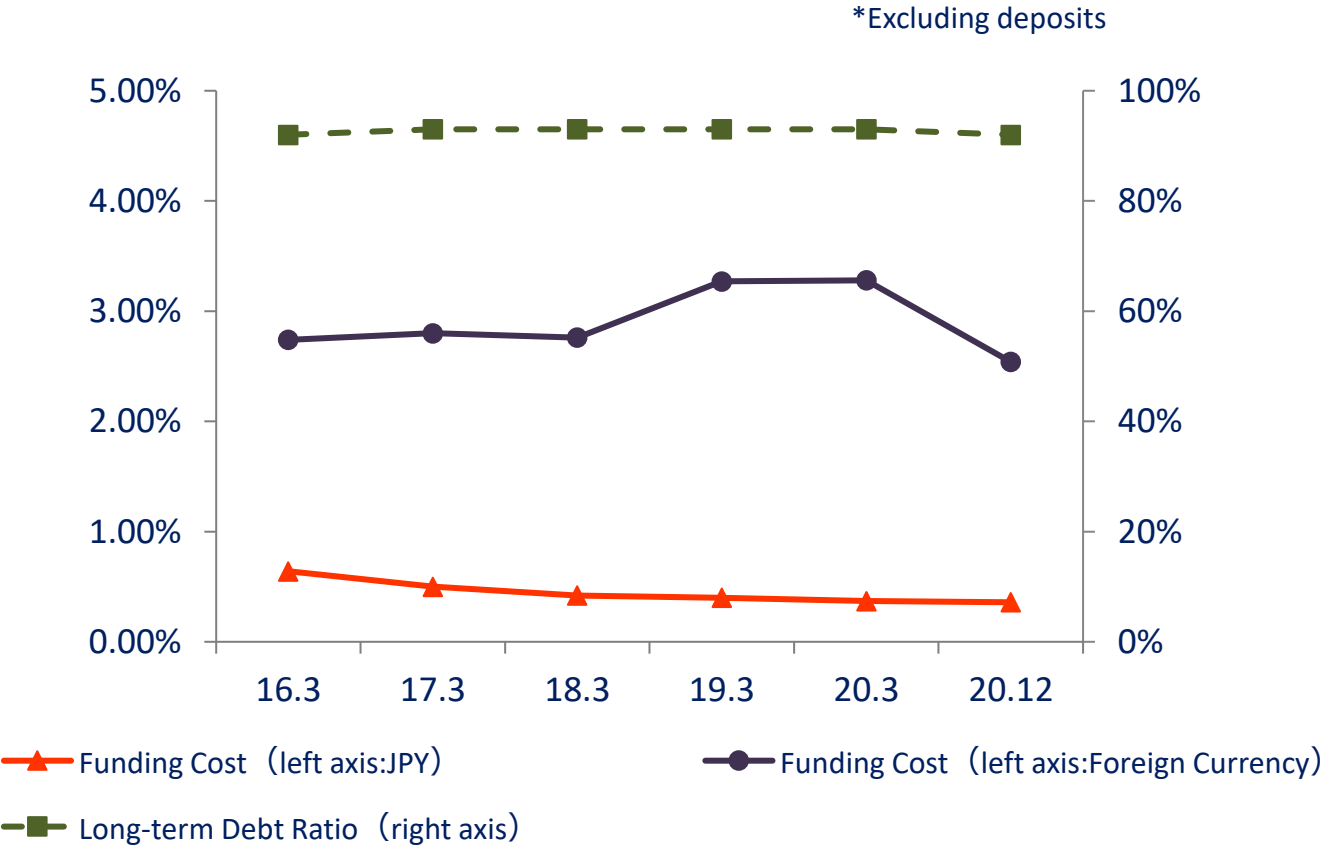


✓ Diversified funding. Controlled costs while maintaining a high long-term debt ratio

Breakdown of Funding



Trend in Funding Costs and Long-term Debt Ratio\*



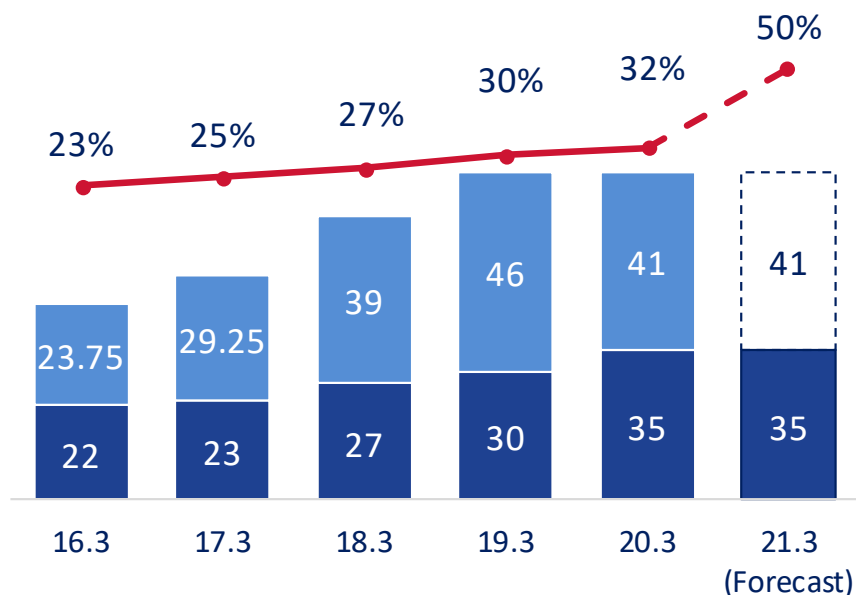
# Shareholder Return

- ✓ For FY21.3, full-year dividend of 76 JPY per share or 50% payout ratio, whichever is higher
- ✓ Completed execution of buyback program (44.2 JPY Bn) announced on Nov 2, 2020 with FY21.3 H1 results

## Dividend per Share and Payout Ratio

(JPY)

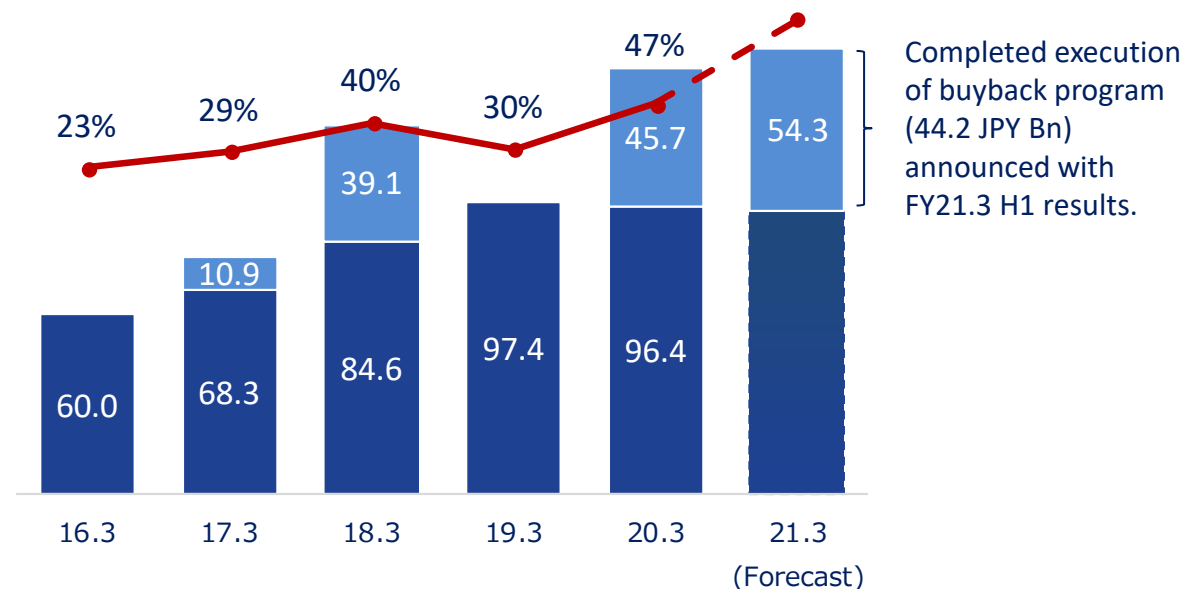
Interim Dividend Year-End Dividend Payout Ratio



## Share Buyback and Total Return Ratio

(JPY Bn)

Total dividend Buyback (actual)  
Buyback (forecast) Total return ratio



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- These materials contain forward-looking statements that reflect the Company’s intent, belief and current expectations about future events and financial results. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” “intends,” or words of similar meaning. These forward-looking statements are not guarantees of future performance. They are based on a number of assumptions about the Company’s operations and are subject to risks, uncertainties and other factors beyond the Company’s control. Accordingly, actual results may differ materially from these forward-looking statements. Factors that could cause such differences include, but are not limited to, those described under “Risk Factors” in the Company’s most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission and under “Business Risk” of the securities report (*yukashouken houkokusho*) filed with the Director of the Kanto Local Finance Bureau and of the consolidated financial results filed with the Tokyo Stock Exchange.
- 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 three thick, curved segments in red, blue, and purple. The text "Answers, Custom Fit." is centered within the white space of the circle.

Answers, Custom Fit.

For the current IR materials and archives of past financial data, please access our website.

IR Section

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