



## ORIX Reports Consolidated Financial Results for Q2 FY2017.3 142.2 bn yen in Net Income and ROE 12.2%

Tokyo, Japan –October 26, 2016 – ORIX Corporation (“ORIX”), a leading integrated financial services group, announced today that for the six month period ended September 30, 2016 (“the second consolidated period”), total revenues were 1,221.1 billion yen, a 4.4% increase year on year. Income before income taxes was 219.2 billion yen, a 12.6% decrease year on year, and net income was 142.2 billion yen, a 11.9% decrease year on year. Annualized ROE was 12.2% which exceeded our mid-term target of 11 to 12%.

Net income for the second consolidated period was 142.2 billion yen, a decrease of 19.1 billion yen year on year, largely due to the reduced profits of the Overseas Business segment resulted from a stronger yen, and also the gains on sale of Houlihan Lokey, Inc.’s shares and valuation gains (together approximately 40 billion yen) recognized during its IPO in the same period of the previous fiscal year. Despite the year on year decrease, the results of this second consolidated period were achieved with solid contribution from the Investment and Operation, Retail, and Real Estate segments, specifically domestic businesses such as environment and energy-related business generated higher services income, incomes from infrastructure (concession) business were recognized, and gains from well-timed sales of assets were recognized.

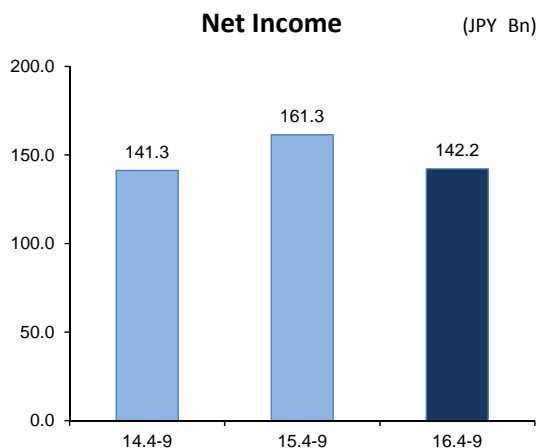
Furthermore, as part of the company’s capital policy, the company has resolved to implement a share repurchase program as detailed in a separate news release announced today.

### ■ Major Performance Indicators

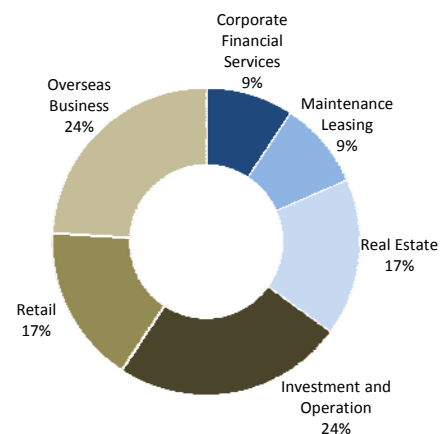
(JPY Bn)	2015.4-9	2016.4-9	Year on Year Change (%)
Total Revenues	1,170.2	1,221.1	4.4%
Income before Income Taxes	250.7	219.2	(12.6%)
Net Income*	161.3	142.2	(11.9%)
ROE(annualized)*	14.7%	12.2%	-

	2016.3	2016.9	Year on Year Change (%)
Total Assets	10,992.9	10,782.7	(2%)
Segment Assets	8,972.4	8,536.2	(5%)
Shareholders’ Equity*	2,310.4	2,365.0	2%
Shareholders’ Equity Ratio*	21.0%	21.9%	-

\*“Net Income” and “Shareholders’ Equity” used in this release are the same as “Net Income attributable to ORIX Corporation Shareholders” and “ORIX Corporation Shareholders’ Equity” referred to in the financial statement “Consolidated Financial Results September 30, 2016.” “Return on Equity (ROE, annualized)” and “Shareholders’ Equity Ratio” is calculated based on “ORIX Corporation Shareholders’ Equity.”



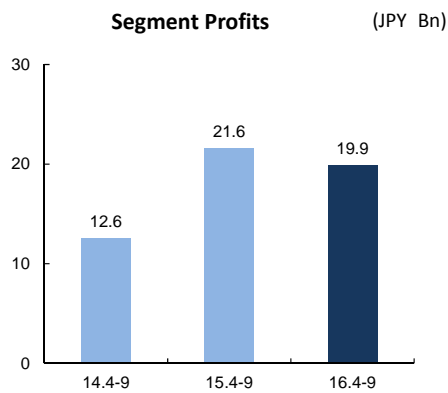
### Segment Profits Breakdown (2016.4-9)



## ■ Summary of Segment Performance (April 1, 2016 to September 30, 2016)

### Corporate Financial Services

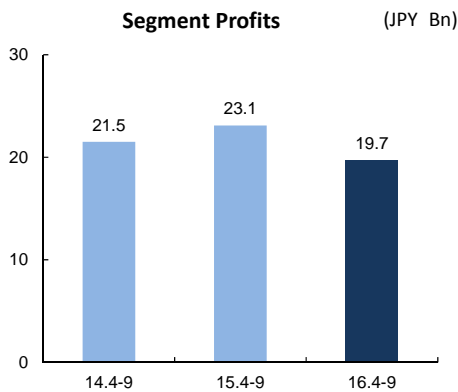
(Lending, leasing and fee business)



- Service income including revenues from Yayoi Co., Ltd. which was acquired in December 2014 increased.
- In the same period of the previous fiscal year, gains on sales of investment securities were recognized.
- Segment profits decreased 8% YoY to 19.9 bn yen.

### Maintenance Leasing

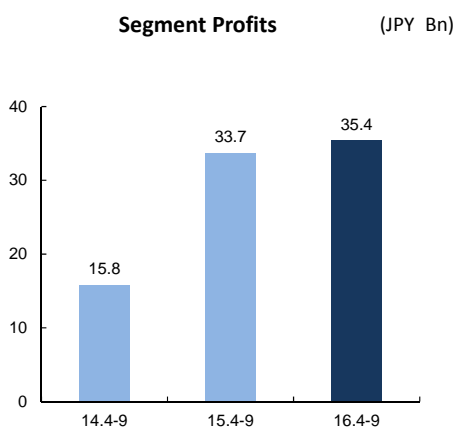
(Automobile leasing and rentals, car sharing and precision measuring equipment and IT-related equipment rentals and leasing)



- Gains on sales of used vehicles decreased YoY.
- Excluding the impact of securitization, lease assets with high profitability in the automobile leasing business continued to increase.
- Segment profits decreased 15% YoY to 19.7 bn yen.

### Real Estate

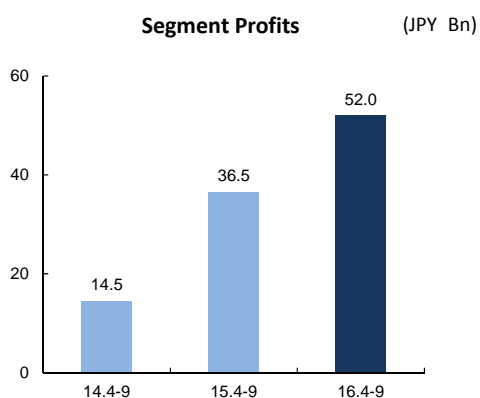
(Real estate development, rental, facility operation, REIT asset management, real estate investment and advisory services)



- The real estate market remained active, which resulted in an increase in gains on sales of rental properties.
- Services income trending toward recovery from the impact of the Kumamoto Earthquake in 2016.
- Segment profits increased 5% YoY to 35.4 bn yen.

## Investment and Operation

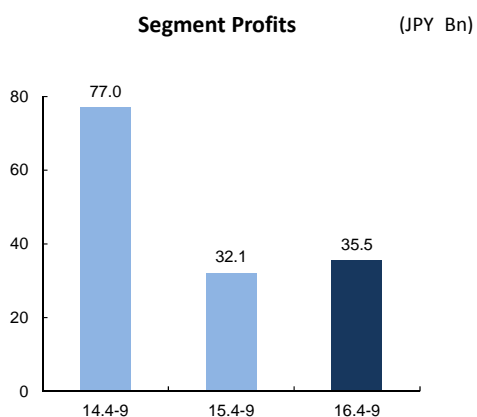
(Environment and energy-related business, principal investment, loan servicing {asset recovery} and infrastructure {concession} businesses)



- Service income from mega-solar projects and income from infrastructure (concession) business increased.
- Gains on sales of shares and bargain purchase gains from new investments were recognized.
- Segment profits increased 43% YoY to 52 bn yen.

## Retail

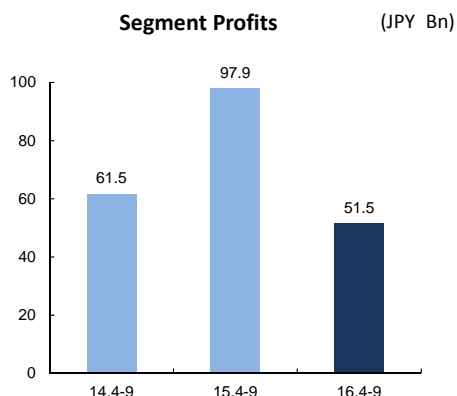
(Life insurance, banking and card loan business)



- Revenues from insurance business increased due to the increase in the number of in-force policies and investment income.
- A gain on sales of Monex Group shares (approximately 15 bn yen) and a bargain purchase gain from the acquisition of Hartford Life Insurance K.K. (approximately 36 bn yen) were recognized during the same period in FY2015.3.
- Segment profits increased 11% YoY to 35.5 bn yen.

## Overseas Business

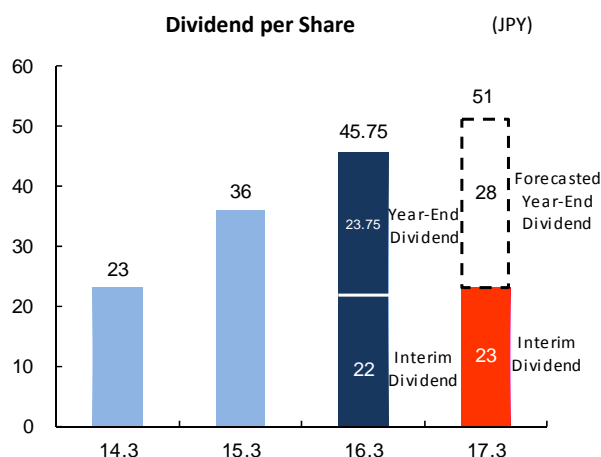
(Leasing, lending, investment in bonds, asset management and ship- and aircraft-related operations)



- In the same period of the previous fiscal year, a gain on sale of Houlihan Lokey, Inc. shares and valuation gains in its IPO (approximately 40 bn yen) as well as Robeco's one-time gain were recognized.
- Income from aircraft-related business increased.
- Segment profits decreased 47% YoY to 51.5 bn yen due to the impact caused by exchange rates.

## ■ Interim Dividend and Forecasted Year-End Dividend for the Fiscal Year Ending March 31, 2017

The interim dividend was formally determined at 23 yen per share in this fiscal year ending March 31, 2017 (“this fiscal year”) at the meeting of the Board of Directors held today. The year-end dividend is projected at 28 yen per share and the full year dividend is forecasted at 51 yen per share for this fiscal year. The forecasted full year dividend implies an increase of 11.5% from the previous fiscal year, which was determined in consideration of the balance between new investments for sustainable growth and stable shareholder returns.



ORIX will continue its pursuit of “Expansion in Non-Finance Businesses” while focusing on expanding operations through business portfolio diversification. Furthermore, ORIX aims to achieve its mid-term full year net income target of 300 billion yen by FY2018.3 through accelerating “Organic Growth” and “Investment in Key Areas” while utilizing ORIX’s strength and expertise.

For more detail, please refer to the financial statement “Consolidated Financial Results September 30, 2016” and Supplementary Information available on the ORIX website.

URL: <http://www.orix.co.jp/grp/en/ir/settlement/>

### Contact Information:

ORIX Corporation  
Corporate Planning Department  
Tel: +81-3-3435-3121

### About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is an opportunistic, diversified, innovation-driven global powerhouse with a proven track record of profitability. Established in 1964, ORIX at present operates a diverse portfolio of businesses in the operations, financial services, and investment spaces. ORIX’s highly complementary business activities span industries including: energy, private equity, infrastructure, automotive, ship and aircraft, real estate and retail financial services. ORIX has also spread its business globally by establishing locations in a total of 37 countries and regions across the world. Through its business activities, ORIX has long been committed to corporate citizenship and environmental sustainability. For more details, please visit our website: <http://www.orix.co.jp/grp/en/>

### Caution Concerning Forward Looking Statements:

These documents may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under “Risk Factors” in the Company’s annual report on Form 20-F filed with the United States Securities and Exchange Commission and under “4. Risk Factors” of the “Summary of Consolidated Financial Results” of the “Consolidated Financial Results April 1, 2015 – March 31, 2016.”