

Message from the CEO

Sustainability as part of ORIX's DNA

Sustainability used to be peripheral to investment decisions, corporate management and employee recruiting. It was generally a concept that academia, non-profits and governmental and intergovernmental organizations used within a social and moral context. However, society at large has embraced the sustainability mindset. It is becoming a fundamental parameter for investment decisions among stakeholders, and society's expectations and requirements for companies are escalating. Sustainability is not a mere formality. For a truly global company that contributes to economic development and sustained growth within the context of constant economic, societal and environmental change, it is a fundamental component of all corporate activities.

ORIX currently operates in 37 countries and regions around the world. We originated in Japan and have our headquarters here, but we do not subscribe to the stereotypical model and culture of a Japanese company. We believe we must be an international company that holds itself to the highest global standards. The move toward sustainability in Japan may not yet have the same momentum as it does in other economically developed regions such as Europe and the United States, but ORIX sets detailed directives and goals for sustainability that it can pursue in its day-to-day

business activities. Sustainability as a mindset has been an integral part of ORIX's DNA since day one, and our goal has always been to meet societal needs through our business activities.

ORIX has consistently inculcated a corporate culture that stresses innovation, flexibility and action. As a result, we believe we have grown into a corporation unlike any other. Our unique corporate culture has been a source of strength that has enabled ORIX to grow diverse businesses worldwide.

ORIX's multi-faceted diversity

The diversity that characterizes ORIX has two aspects. One is the geographical diversity of our business network encompassing not just Japan, but the world. The other is the extensive experience and long list of achievements generated by our exceptionally diverse portfolio of businesses. This diversity is an irreplaceable asset that defines and characterizes ORIX. The extensive experience we have gained from managing our diverse portfolio of businesses gives us the ability to see through the peripheral and grasp the essential core of any particular matter, which enables us to anticipate societal needs and quickly and flexibly capture emerging business opportunities.

However, the diversity of our global business portfolio



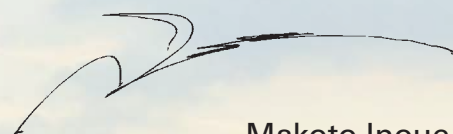
and our geographic diversity sometimes pose challenges in applying the monolithic concept of sustainability throughout ORIX. Our people operate in a variety of environments and regions and therefore have differing needs and issues, so a Group-wide management approach is not necessarily appropriate. Even if we set a Group-wide framework for sustainability, not all businesses can apply it without modification. We therefore need to consider approaches to sustainability that accommodate the characteristics, environment and issues of each business unit. That requires senior management from the Group CEO on down to clearly demonstrate their commitment to sustainability and to give direction to ORIX.

Each business unit is responsible for creating and executing its own approach to sustainability aligned with both the characteristics of its business and the Group-wide sustainability framework. We need to put in the time and effort to do this carefully, with due consideration of relevant issues. I intend to maintain a proactive approach to sustainability and as the head of senior management will disclose in detail information regarding ORIX's directives with regards sustainability. ORIX operates in a wide range of businesses, and can therefore respond flexibly to all types of social change. We continuously provide this unique value to the markets we serve. That is the ORIX business model.

Sustainable growth driven by diversity

Managing risk is also part of sustainability. But with risk also comes the potential for new and significant opportunities. If we lose sight of this, we risk being constrained by conservative, short-term thinking in our business activities. ORIX therefore needs to nurture a long-term, "eyes on the horizon" approach that incorporates multiple perspectives, all informed by sustainability. Such an approach will enable us to engage in various new businesses.

I am confident that ORIX's diversity will drive sustainable growth in a changing world. We look forward to expanding our portfolio of businesses that contribute to society, and to further deepening our dialogue with stakeholders.



Makoto Inoue

Member of the Board of Directors
Representative Executive Officer
President and Chief Executive Officer