

ORIX CORP
Form 6-K
October 30, 2017
Table of Contents

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 OF

THE SECURITIES EXCHANGE Act of 1934

For the month of October 2017

ORIX Corporation

(Translation of Registrant's Name into English)

World Trade Center Bldg., 2-4-1 Hamamatsu-cho, Minato-Ku, Tokyo, JAPAN

(Address of Principal Executive Offices)

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(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No

Table of Contents

Table of Documents Filed

| | Page |
|---|-------------|
| 1. <u>ORIX's Second Quarter Consolidated Financial Results (April 1, 2017 – September 30, 2017) filed with the Tokyo Stock Exchange on Monday October 30, 2017.</u> | |
| 2. <u>English press release entitled, Announcement Regarding Interim Dividend and Dividend Payout Ratio for the Fiscal Year Ending March 31, 2018.</u> | |

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORIX Corporation

Date: October 30, 2017

By /s/ Kazuo Kojima
Kazuo Kojima
Director
Deputy President & CFO
ORIX Corporation

Table of Contents

Consolidated Financial Results

April 1, 2017 September 30, 2017

October 30, 2017

In preparing its consolidated financial information, ORIX Corporation (the Company) and its subsidiaries have complied with generally accepted accounting principles in the United States of America.

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.

The Company believes that it may have been a passive foreign investment company for U.S. federal income tax purposes in the year to which these consolidated financial results relate by reason of the composition of its assets and the nature of its income. In addition, the Company may be a PFIC for the foreseeable future. Assuming that the Company is a PFIC, a U.S. holder of the shares or ADSs of the Company will be 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.

For further information please contact:

Investor Relations

ORIX Corporation

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JAPAN

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Table of Contents**Consolidated Financial Results from April 1, 2017 to September 30, 2017**

(U.S. GAAP Financial Information for ORIX Corporation and its Subsidiaries)

Corporate Name: ORIX Corporation
Listed Exchanges: Tokyo Stock Exchange (Securities No. 8591)
New York Stock Exchange (Trading Symbol : IX)
Head Office: Tokyo JAPAN
Tel: +81-3-3435-3121
(URL <http://www.orix.co.jp/grp/en/ir/index.html>)

1. Performance Highlights as of and for the Six Months Ended September 30, 2017**(1) Performance Highlights - Operating Results (Unaudited)**

(millions of yen)*1

| | Total Year-on-Year Revenues Change | | Operating Income Change | | Income before Taxes Change | | Net Income Attributable to ORIX Corporation Shareholders Change | |
|--------------------|---------------------------------------|-------|----------------------------|--------|-------------------------------|---------|--|---------|
| September 30, 2017 | 1,517,796 | 24.3% | 189,027 | 13.6% | 252,612 | 15.2% | 165,970 | 16.8% |
| September 30, 2016 | 1,221,125 | 4.4% | 166,349 | (8.8%) | 219,235 | (12.6%) | 142,150 | (11.9%) |

Comprehensive Income Attributable to ORIX Corporation Shareholders was ¥180,526 million for the six months ended September 30, 2017 (year-on-year change was a 108.3% increase) and ¥86,686 million for the six months ended September 30, 2016 (year-on-year change was a 38.8% decrease).

| | Basic Earnings Per Share | Diluted Earnings Per Share |
|--------------------|-----------------------------|-------------------------------|
| September 30, 2017 | 129.40 | 129.29 |
| September 30, 2016 | 108.57 | 108.47 |

*Note 1: Unless otherwise stated, all amounts shown herein are in millions of Japanese yen, except for Per Share and dividend amounts which are in single yen.

(2) Performance Highlights - Financial Position (Unaudited)

| | Total Assets | Total Equity | Shareholders Equity | Shareholders Equity Ratio |
|--------------------|-----------------|-----------------|------------------------|------------------------------|
| September 30, 2017 | 11,426,036 | 2,747,842 | 2,610,740 | 22.8% |

| | | | | |
|----------------|------------|-----------|-----------|-------|
| March 31, 2017 | 11,231,895 | 2,647,625 | 2,507,698 | 22.3% |
|----------------|------------|-----------|-----------|-------|

***Note 2:** Shareholders Equity refers to Total ORIX Corporation Shareholders Equity.

Shareholders Equity Ratio is the ratio of Total ORIX Corporation Shareholders Equity to Total Assets.

2. Dividends (Unaudited)

| | First Quarter-end | Second Quarter-end | Third Quarter-end | Year-end | Total |
|-----------------------|----------------------|-----------------------|----------------------|----------|-------|
| March 31, 2017 | | 23.00 | | 29.25 | 52.25 |
| March 31, 2018 | | 27.00 | | | |
| March 31, 2018 (Est.) | | | | | |

***Note 3:** Estimated dividend amount for the fiscal year ending March 31, 2018 has not yet been determined.

For details of dividend payout ratio forecast for the Fiscal Year Ending March 31, 2018, please refer to

Announcement Regarding Interim Dividend and Dividend Payout Ratio for the Fiscal Year Ending March 31, 2018 announced today.

3. Targets for the Year Ending March 31, 2018 (Unaudited)

| | Net Income Attributable to ORIX Corporation Shareholders | Year-on-Year Change |
|----------------|---|--------------------------------|
| March 31, 2018 | 300,000 | 9.8% |

4. Other Information

(1) Changes in Significant Consolidated Subsidiaries Yes () No (x)

Addition - None () Exclusion - None ()

(2) Adoption of Simplified Accounting Method Yes () No (x)

(3) Changes in Accounting Principles, Procedures and Disclosures

1. Changes due to adoptions of new accounting standards Yes () No (x)

2. Other than those above Yes () No (x)

(4) Number of Issued Shares (Ordinary Shares)

1. The number of issued shares, including treasury stock, was 1,324,142,328 as of September 30, 2017, and 1,324,107,328 as of March 31, 2017.

2. The number of treasury shares was 42,843,042 as of September 30, 2017, and 19,394,191 as of March 31, 2017.

3. The average number of outstanding shares was 1,282,566,866 for the six months ended September 30, 2017, and 1,309,302,129 for the six months ended September 30, 2016.

The Company's shares held through the Board Incentive Plan Trust (1,962,243 shares as of September 30, 2017 and 2,126,076 shares as of March 31, 2017) are not included in the number of treasury stock shares as of the end of the periods, but are included in the average number of shares outstanding as treasury stock shares that are deducted from the basis of the calculation of per share data.

Table of Contents**1. Summary of Consolidated Financial Results****(1) Financial Highlights****Financial Results for the Six Months Ended September 30, 2017**

| | | Six months | Six months | Change | |
|--|-------------------|-----------------------------|-----------------------------|---------|---------|
| | | ended September 30, 2016 | ended September 30, 2017 | Amount | Percent |
| Total Revenues | (millions of yen) | 1,221,125 | 1,517,796 | 296,671 | 24% |
| Total Expenses | (millions of yen) | 1,054,776 | 1,328,769 | 273,993 | 26% |
| Income before Income Taxes | (millions of yen) | 219,235 | 252,612 | 33,377 | 15% |
| Net Income Attributable to ORIX Corporation Shareholders | (millions of yen) | 142,150 | 165,970 | 23,820 | 17% |
| Earnings Per Share (Basic) | (yen) | 108.57 | 129.40 | 20.83 | 19% |
| (Diluted) | (yen) | 108.47 | 129.29 | 20.82 | 19% |
| ROE (Annualized) *1 | (%) | 12.2 | 13.0 | 0.8 | |
| ROA (Annualized) *2 | (%) | 2.61 | 2.93 | 0.32 | |

*Note 1: ROE is the ratio of Net Income Attributable to ORIX Corporation Shareholders for the period to average ORIX Corporation Shareholders Equity.

*Note 2: ROA is calculated based on Net Income Attributable to ORIX Corporation Shareholders.

Overview of Business Performance (April 1, 2017 to September 30, 2017)

Total revenues for the six months ended September 30, 2017 (hereinafter, the second consolidated period) increased 24% to ¥1,517,796 million compared to ¥1,221,125 million during the same period of the previous fiscal year. Life insurance premiums and related investment income in the life insurance business increased due to an increase in life insurance premiums in line with an increase in new insurance contracts, and an increase in investment income from assets under variable annuity and variable life insurance contracts following the market's recovery. In addition, sales of goods and real estate increased due primarily to revenues generated by subsidiaries in the principal investment business, and services income increased due primarily to service expansion in the environment and energy business.

Total expenses increased 26% to ¥1,328,769 million compared to ¥1,054,776 million during the same period of the previous fiscal year. Life insurance costs increased due to an increase in a provision of liability reserve in line with the aforementioned increase in new insurance contracts and an increase in investment income. In addition, costs of goods and real estate sold and services expense increased in line with the aforementioned increased revenues.

Equity in net income of affiliates increased due mainly to the recognition of significant gains on sales of investments in real estate joint ventures. Gains on sales of subsidiaries and affiliates and liquidation losses, net decreased compared to the same period of the previous fiscal year during which significant gains on sales of shares of an affiliate were recorded in the Investment and Operation segment.

As a result of the foregoing, income before income taxes for the second consolidated period increased 15% to ¥252,612 million compared to ¥219,235 million during the same period of the previous fiscal year, and net income attributable to ORIX Corporation shareholders increased 17% to ¥165,970 million compared to ¥142,150 million

during the same period of the previous fiscal year.

- 3 -

Table of Contents**Segment Information**

Total segment profits for the second consolidated period increased 17% to ¥249,752 million compared to ¥214,034 million during the same period of the previous fiscal year. While segment profits decreased in the Investment and Operation segment, segment profits for each of the other segments increased.

Segment information for the second consolidated period is as follows:

Corporate Financial Services Segment: Loan, leasing and fee business

| | Six months ended September 30, 2016 (millions of yen) | Six months ended September 30, 2017 (millions of yen) | Change | |
|------------------|--|--|--------------------------------|----------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Revenues | 51,995 | 53,983 | 1,988 | 4 |
| Segment Profits | 19,874 | 22,049 | 2,175 | 11 |

| | As of March 31, 2017 (millions of yen) | As of September 30, 2017 (millions of yen) | Change | |
|----------------|---|---|-----------------------------|----------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Assets | 1,032,152 | 1,001,476 | (30,676) | (3) |

The Japanese economy on the whole entered a moderate recovery phase despite some areas of weakness. The balance of outstanding loans at financial institutions continues to increase while interest rates on loans remain at low levels.

Segment revenues increased 4% to ¥53,983 million compared to ¥51,995 million during the same period of the previous fiscal year due to an increase in gains on sales of securities, and an increase in services income resulting from our stable fee businesses to domestic small- and medium-sized enterprise customers and from revenue generated by Yayoi Co. Ltd, despite a decrease in finance revenues in line with a decrease in investment in direct financing leases and installment loans.

Segment expenses increased due to an increase in expenses in line with the aforementioned revenues expansion, notwithstanding a decrease in interest expenses.

As a result of the foregoing and the recognition of gains on sales of shares of affiliates, segment profits increased 11% to ¥22,049 million compared to ¥19,874 million during the same period of the previous fiscal year.

Segment assets decreased 3% to ¥1,001,476 million compared to the end of the previous fiscal year due to decreases in investment in direct financing leases and installment loans.

Table of Contents

Maintenance Leasing Segment: Automobile leasing and rentals, car-sharing, and test and measurement instruments and IT-related equipment rentals and leasing

| | Six months ended September 30, 2016 (millions of yen) | Six months ended September 30, 2017 (millions of yen) | Change Amount (millions of yen) | Change Percent (%) |
|------------------|--|--|---------------------------------------|--------------------------|
| Segment Revenues | 134,820 | 137,048 | 2,228 | 2 |
| Segment Profits | 19,655 | 20,438 | 783 | 4 |

| | As of March 31, 2017 (millions of yen) | As of September 30, 2017 (millions of yen) | Change Amount (millions of yen) | Change Percent (%) |
|----------------|---|---|---------------------------------------|--------------------------|
| Segment Assets | 752,513 | 782,512 | 29,999 | 4 |

While demand in corporate capital investment has been gradually increasing, uncertainty in the domestic and overseas economic outlook has deterred new investment. The volume of new auto-leases is gradually increasing due to moderate economic recovery in Japan.

Segment revenues increased 2% to ¥137,048 million compared to ¥134,820 million during the same period of the previous fiscal year due to increases in finance revenues and operating leases revenues in line with an increased average segment asset balance in the automobile leasing business.

Segment expenses increased in line with the aforementioned revenue increase.

As a result, segment profits increased 4% to ¥20,438 million compared to ¥19,655 million during the same period of the previous fiscal year.

Segment assets increased 4% to ¥782,512 million compared to the end of the previous fiscal year due primarily to an increase in new auto-leases in the automobile leasing business.

Real Estate Segment: Real estate development and rental, facility operation, REIT asset management, and real estate investment and advisory services

| | Six months ended September 30, 2016 (millions of yen) | Six months ended September 30, 2017 (millions of yen) | Change Amount (millions of yen) | Change Percent (%) |
|------------------|--|--|---------------------------------------|--------------------------|
| Segment Revenues | 104,084 | 95,755 | (8,329) | (8) |
| Segment Profits | 35,447 | 43,991 | 8,544 | 24 |

| | As of March 31, 2017 | As of September 30, 2017 | Change |
|--|----------------------------|--------------------------------|--------|
|--|----------------------------|--------------------------------|--------|

| | (millions of yen) | (millions of yen) | Amount (millions of yen) | Percent (%) |
|----------------|-------------------|-------------------|--------------------------------|----------------|
| Segment Assets | 657,701 | 628,885 | (28,816) | (4) |

- 5 -

Table of Contents

Land prices remain high and vacancy rates in the Japanese office building market remain at low levels, especially in the Greater Tokyo Area due primarily to the quantitative easing policies implemented by the Bank of Japan, including the low interest rate environment. However, we are also seeing a trend where sales prices of condominiums are no longer increasing. Changes in tourism preferences such as increased availability and usage of vacation rentals are affecting hotels and Japanese inns operation.

Segment revenues decreased 8% to ¥95,755 million compared to ¥104,084 million during the same period of the previous fiscal year due primarily to a decrease in operating leases revenues in line with a decrease in gains on sales of rental property in Japan and decreased asset balance in operating leases, partially offset by an increase in services income from facilities operations.

Segment expenses increased compared to the same period of the previous fiscal year due primarily to an increase in services expense from facilities operations.

As a result of the foregoing and due to an increase in equity in net income of affiliates in line with the recognition of significant gains on sales of investments in real estate joint ventures, segment profits increased 24% to ¥43,991 million compared to ¥35,447 million during the same period of the previous fiscal year.

Segment assets decreased 4% to ¥628,885 million compared to the end of the previous fiscal year due primarily to a decrease in investment in operating leases, which resulted from sales of rental properties.

Investment and Operation Segment: Environment and energy, principal investment, loan servicing (asset recovery), and concession

| | Six months ended September 30, 2016 | Six months ended September 30, 2017 | Change | |
|------------------|---|---|-----------------------------|----------------|
| | (millions of yen) | (millions of yen) | Amount (millions of yen) | Percent (%) |
| Segment Revenues | 539,042 | 774,421 | 235,379 | 44 |
| Segment Profits | 52,041 | 38,927 | (13,114) | (25) |

| | As of March 31, 2017 | As of September 30, 2017 | Change | |
|----------------|----------------------------|--------------------------------|-----------------------------|----------------|
| | (millions of yen) | (millions of yen) | Amount (millions of yen) | Percent (%) |
| Segment Assets | 768,675 | 863,640 | 94,965 | 12 |

Investment in infrastructure, especially energy infrastructure, is diversifying in Japan. In the energy business, among renewable energy, investment is expanding beyond solar power to wind and geothermal power. In addition, business structures are also diversifying. In infrastructure investment markets, the use of private funds is expanding in public facilities management. In emerging countries, infrastructure demand is growing rapidly with economic growth, and Japanese companies are expected to increase infrastructure investment.

Segment revenues increased 44% to ¥774,421 million compared to ¥539,042 million during the same period of the previous fiscal year due to increases in sales of goods from subsidiaries in the principal investment business and

services income from the environment and energy business.

Segment expenses increased compared to the same period of the previous fiscal year in line with the aforementioned revenues expansion.

On the other hand, due to the recognition of significant gains on sales of shares of an affiliate during the same period of the previous fiscal year, segment profits decreased 25% to ¥38,927 million compared to ¥52,041 million during the same period of the previous fiscal year.

Table of Contents

Segment assets increased 12% to ¥863,640 million compared to the end of the previous fiscal year due primarily to a new large-scale investment in affiliates in the environment and energy business.

Retail Segment: Life insurance, banking and card loan

| | Six months ended September 30, 2016 (millions of yen) | Six months ended September 30, 2017 (millions of yen) | Change | |
|------------------|--|--|-------------------------------------|------------------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Revenues | 151,095 | 219,505 | 68,410 | 45 |
| Segment Profits | 35,507 | 42,950 | 7,443 | 21 |

| | As of March 31, 2017 (millions of yen) | As of September 30, 2017 (millions of yen) | Change | |
|----------------|---|---|---|------------------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Assets | 3,291,631 | 3,209,131 | (82,500) | (3) |

While the life insurance business in Japan is currently affected by macroeconomic factors such as domestic population decline, we are seeing a rise in demand for medical insurance. Companies are developing new products and revising insurance premiums which reflect the performance of related products. In the card loan business for individuals, banks and other lenders are refraining from expanding their assets due to an overheating business environment.

Segment revenues increased 45% to ¥219,505 million compared to ¥151,095 million during the same period of the previous fiscal year due mainly to an increase in life insurance premiums in line with an increase in new insurance contracts, and an increase in investment income from assets under variable annuity and variable life insurance contracts in the life insurance business following the market's recovery.

Segment expenses increased compared to the same period of the previous fiscal year due to an increase in a provision of liability reserve in line with the aforementioned increase in new insurance contracts and an increase in investment income.

As a result of the foregoing, segment profits increased 21% to ¥42,950 million compared to ¥35,507 million during the same period of the previous fiscal year.

Segment assets decreased 3% to ¥3,209,131 million compared to the end of the previous fiscal year due primarily to sales of investment in securities as well as the surrender of variable annuity and variable life insurance contracts in the life insurance business, offsetting an increase in installment loans in the banking business.

Table of Contents

Overseas Business Segment: Leasing, loan, bond investment, asset management and aircraft and ship-related operations

| | Six months ended September 30, 2016 (millions of yen) | Six months ended September 30, 2017 (millions of yen) | Change | |
|------------------|--|--|-------------------------------------|------------------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Revenues | 240,643 | 238,641 | (2,002) | (1) |
| Segment Profits | 51,510 | 81,397 | 29,887 | 58 |

| | As of March 31, 2017 (millions of yen) | As of September 30, 2017 (millions of yen) | Change | |
|----------------|---|---|-------------------------------------|------------------------|
| | | | Amount (millions of yen) | Percent (%) |
| Segment Assets | 2,454,200 | 2,630,516 | 176,316 | 7 |

The U.S. economy has continued to recover with improvements in employment and income environment; other regions have also experienced moderate recovery. Although interest rates remain low worldwide, reduction of quantitative easing policies are likely in advanced nations. The asset management industry is expected to increase assets under management due to the increase in pension assets and the high-income class population over the mid- and long-term. And, the aviation industry is expected to continue to expand its market size against the backdrop of increasing passenger demand mainly in emerging countries. In addition, there are political and geopolitical tensions in certain regions that need to be monitored carefully.

Segment revenues decreased 1% to ¥238,641 million compared to ¥240,643 million during the same period of the previous fiscal year due to a decrease in sales of goods resulting from the sale of a subsidiary during the previous fiscal year, despite increases in finance revenues mainly from the Americas and operating leases revenues of aircraft-related operations in line with an increase in gains on sales of aircraft.

Segment expenses decreased compared to the same period of the previous fiscal year due primarily to a decrease in costs of goods sold resulting from the aforementioned sale of a subsidiary.

As a result of the foregoing and due to the recognition of gains on sales of affiliates in the Americas and Asia, segment profits increased 58% to ¥81,397 million compared to ¥51,510 million in the same period of the previous fiscal year.

Segment assets increased 7% to ¥2,630,516 million compared to the end of the previous fiscal year due to increases in investment in operating leases of aircraft-related operations, installment loans in the Americas and Asia, and the recognition of goodwill and other intangible assets in line with investment in a new subsidiary, offsetting a decrease in investment in securities in the Americas.

Table of Contents**(2) Consolidated Financial Condition****Summary of Assets, Liabilities, Shareholders' Equity**

| | | As of March 31, 2017 | As of September 30, 2017 | Change | |
|--------------------------------|-------------------|----------------------------|--------------------------------|---------|---------|
| | | | | Amount | Percent |
| Total Assets | (millions of yen) | 11,231,895 | 11,426,036 | 194,141 | 2% |
| (Segment Assets) | | 8,956,872 | 9,116,160 | 159,288 | 2% |
| Total Liabilities | (millions of yen) | 8,577,722 | 8,671,464 | 93,742 | 1% |
| (Long- and Short-term Debt) | | 4,138,451 | 4,203,216 | 64,765 | 2% |
| (Deposits) | | 1,614,608 | 1,698,428 | 83,820 | 5% |
| Shareholders' Equity | (millions of yen) | 2,507,698 | 2,610,740 | 103,042 | 4% |
| Shareholders' Equity Per Share | (yen) | 1,925.17 | 2,040.70 | 115.53 | 6% |

Note: Shareholders' Equity refers to ORIX Corporation Shareholders' Equity based on U.S. GAAP. Shareholders' Equity Per Share is calculated using total ORIX Corporation Shareholders' Equity.

Total assets increased 2% to ¥11,426,036 million compared to ¥11,231,895 million at the end of the previous fiscal year. Investment in securities decreased due primarily to sales of investment in securities as well as the surrender of variable annuity and variable life insurance contracts in the life insurance business. On the other hand, investment in affiliates increased due primarily to a new large-scale investment in the environment and energy business. Segment assets increased 2% to ¥9,116,160 million compared to the end of the previous fiscal year.

We manage the balance of interest-bearing liabilities at an appropriate level taking into account the condition of assets and liquidity on-hand as well as the domestic and overseas financial environment. As a result, long- and short-term debt and deposits increased compared to the end of the previous fiscal year. In addition, policy liabilities and policy account balances decreased due to the surrender of variable annuity and variable life insurance contracts.

Shareholders' equity increased 4% to ¥2,610,740 million compared to the end of the previous fiscal year due primarily to an increase in retained earnings, despite a decrease due to share repurchases.

(3) Medium-Term Management Targets

ORIX continues to provide innovative and flexible solutions to address changes in the market environment and customer needs. ORIX's diversified business portfolio consists of six business segments: Corporate Financial Services, Maintenance Leasing, Real Estate, Investment and Operation, Retail, and Overseas Business. These business segments are closely integrated with each other to create greater value through sharing know-how and expertise.

ORIX, using its diversified business portfolio as a basis, intends to capitalize on its business foundation, client base, industry know-how and accumulated expertise, to continuously improve profitability by providing high value-added services to the market. Furthermore, under our mid-term strategy of Expansion in Non-Finance Business, ORIX aims to achieve sustainable profit growth.

Our strategy of Expansion in Non-Finance Business consists of Organic growth and New investment in key areas. With these principles, we will pursue new business arising from the changing business environment.

Organic growth : Deepen our strengths and expertise to further expand our existing operations both in Japan and abroad. Those in Japan include fee business, automobile-related business, facility operation business, and life insurance business. Those abroad include automobile-related business, and further diversification towards non-finance business.

Table of Contents

New investment in key areas : Continue to pursue new investment opportunities in key areas identified as the environment and energy business and private equity investment in Japan and abroad, the network in Asia, global asset management, and concession business.

The Company aims to achieve ¥300 billion in net income and ROE around 11% to 12% for the fiscal year ending March 31, 2018.

Although forward-looking statements in this document are attributable to current information available to ORIX Corporation and are based on assumptions deemed reasonable by ORIX Corporation, actual financial results may differ materially due to various factors. Readers are urged not to place undue reliance on such forward-looking statements.

Factors causing a result that differs from forward-looking statements include, but are not limited to, those described under Risk Factors in our Form 20-F submitted to the U.S. Securities and Exchange Commission.

Table of Contents**2. Financial Information****(1) Condensed Consolidated Balance Sheets (Unaudited)**

| | (millions of yen) | |
|--|----------------------------|--------------------------------|
| | As of March 31, 2017 | As of September 30, 2017 |
| Assets | | |
| Cash and Cash Equivalents | 1,039,870 | 1,185,961 |
| Restricted Cash | 93,342 | 88,242 |
| Investment in Direct Financing Leases | 1,204,024 | 1,214,698 |
| Installment Loans | 2,815,706 | 2,825,895 |
| The amounts which are measured at fair value by electing the fair value option are as follows: | | |
| March 31, 2017 | ¥19,232 million | |
| September 30, 2017 | ¥14,735 million | |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses | (59,227) | (57,976) |
| Investment in Operating Leases | 1,313,164 | 1,334,675 |
| Investment in Securities | 2,026,512 | 1,849,333 |
| The amounts which are measured at fair value by electing the fair value option are as follows: | | |
| March 31, 2017 | ¥24,894 million | |
| September 30, 2017 | ¥34,031 million | |
| Property under Facility Operations | 398,936 | 404,967 |
| Investment in Affiliates | 524,234 | 594,430 |
| Trade Notes, Accounts and Other Receivable | 283,427 | 276,278 |
| Inventories | 117,863 | 129,882 |
| Office Facilities | 110,781 | 109,975 |
| Other Assets | 1,363,263 | 1,469,676 |
| The amounts which are measured at fair value by electing the fair value option are as follows: | | |
| March 31, 2017 | ¥22,116 million | |
| September 30, 2017 | ¥15,242 million | |
| Total Assets | 11,231,895 | 11,426,036 |
| Liabilities and Equity | | |
| Short-Term Debt | 283,467 | 335,665 |
| Deposits | 1,614,608 | 1,698,428 |
| Trade Notes, Accounts and Other Payable | 251,800 | 211,910 |
| Policy Liabilities and Policy Account Balances | 1,564,758 | 1,542,450 |
| The amounts which are measured at fair value by electing the fair value option are as follows: | | |

| | | | |
|---|------------------|-------------------|-------------------|
| March 31, 2017 | ¥605,520 million | | |
| September 30, 2017 | ¥517,019 million | | |
| Current and Deferred Income Taxes | | 445,712 | 408,298 |
| Long-Term Debt | | 3,854,984 | 3,867,551 |
| Other Liabilities | | 562,393 | 607,162 |
| Total Liabilities | | 8,577,722 | 8,671,464 |
| Redeemable Noncontrolling Interests | | 6,548 | 6,730 |
| Commitments and Contingent Liabilities | | | |
| Common Stock | | 220,524 | 220,563 |
| Additional Paid-in Capital | | 268,138 | 267,634 |
| Retained Earnings | | 2,077,474 | 2,205,281 |
| Accumulated Other Comprehensive Income (Loss) | | (21,270) | (6,714) |
| Treasury Stock, at Cost | | (37,168) | (76,024) |
| Total ORIX Corporation Shareholders Equity | | 2,507,698 | 2,610,740 |
| Noncontrolling Interests | | 139,927 | 137,102 |
| Total Equity | | 2,647,625 | 2,747,842 |
| Total Liabilities and Equity | | 11,231,895 | 11,426,036 |

Table of Contents**Note :** Breakdowns of Accumulated Other Comprehensive Income (Loss)

| | As of March 31, 2017 | As of September 30, 2017 |
|--|-------------------------------------|---|
| Accumulated Other Comprehensive Income (Loss) | | |
| Net unrealized gains on investment in securities | 32,279 | 29,317 |
| Defined benefit pension plans | (17,330) | (17,777) |
| Foreign currency translation adjustments | (31,736) | (13,843) |
| Net unrealized losses on derivative instruments | (4,483) | (4,411) |
| Total | (21,270) | (6,714) |

- 12 -

Table of Contents**(2) Condensed Consolidated Statements of Income (Unaudited)**

| | (millions of yen) | |
|--|---|---|
| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
| Revenues : | | |
| Finance revenues | 96,582 | 106,477 |
| Gains on investment securities and dividends | 15,207 | 20,477 |
| Operating leases | 196,072 | 197,958 |
| Life insurance premiums and related investment income | 115,736 | 181,210 |
| Sales of goods and real estate | 433,526 | 616,568 |
| Services income | 364,002 | 395,106 |
| Total Revenues | 1,221,125 | 1,517,796 |
| Expenses : | | |
| Interest expense | 35,348 | 37,921 |
| Costs of operating leases | 121,266 | 125,225 |
| Life insurance costs | 71,423 | 131,715 |
| Costs of goods and real estate sold | 390,364 | 579,565 |
| Services expense | 218,993 | 236,615 |
| Other (income) and expense, net | (681) | (1,464) |
| Selling, general and administrative expenses | 203,699 | 209,299 |
| Provision for doubtful receivables and probable loan losses | 6,743 | 7,998 |
| Write-downs of long-lived assets | 1,409 | 1,472 |
| Write-downs of securities | 6,212 | 423 |
| Total Expenses | 1,054,776 | 1,328,769 |
| Operating Income | 166,349 | 189,027 |
| Equity in Net Income of Affiliates | 15,765 | 38,613 |
| Gains on Sales of Subsidiaries and Affiliates and Liquidation | | |
| Losses, net | 32,834 | 24,972 |
| Bargain Purchase Gain | 4,287 | 0 |
| Income before Income Taxes | 219,235 | 252,612 |
| Provision for Income Taxes | 72,296 | 83,211 |
| Net Income | 146,939 | 169,401 |
| Net Income Attributable to the Noncontrolling Interests | 4,641 | 3,283 |

| | | |
|---|---------|---------|
| Net Income Attributable to the Redeemable Noncontrolling Interests | 148 | 148 |
| Net Income Attributable to ORIX Corporation Shareholders | 142,150 | 165,970 |

- 13 -

Table of Contents**(3) Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

| | (millions of yen) | |
|--|---------------------|---------------------|
| | Six months ended | Six months ended |
| | September 30, 2016 | September 30, 2017 |
| Net Income : | 146,939 | 169,401 |
| Other comprehensive income (loss), net of tax: | | |
| Net change of unrealized gains (losses) on investment in securities | (2,853) | (3,027) |
| Net change of defined benefit pension plans | 1,499 | (447) |
| Net change of foreign currency translation adjustments | (59,512) | 18,655 |
| Net change of unrealized gains (losses) on derivative instruments | (1,800) | 76 |
| Total other comprehensive income (loss) | (62,666) | 15,257 |
| Comprehensive Income | 84,273 | 184,658 |
| Comprehensive Income (Loss) Attributable to the Noncontrolling Interests | (1,789) | 3,950 |
| Comprehensive Income (Loss) Attributable to the Redeemable Noncontrolling Interests | (624) | 182 |
| Comprehensive Income Attributable to ORIX Corporation Shareholders | 86,686 | 180,526 |

(4) Assumptions for Going Concern

There is no corresponding item.

(5) Significant Changes in Shareholders Equity

There is no corresponding item.

| | | The Americas*1 | | Consolidated Amounts |
|----------------------------|---------|-----------------------|---------|-----------------------------|
| Total Revenues | 967,471 | 87,298 | 166,356 | 1,221,125 |
| Income before Income Taxes | 166,471 | 16,032 | 36,732 | 219,235 |

(millions of yen)

Six Months Ended September 30, 2017

| | Japan | The Americas*1 | Other*2 | Consolidated Amounts |
|----------------------------|--------------|-----------------------|----------------|-----------------------------|
| Total Revenues | 1,270,724 | 57,546 | 189,526 | 1,517,796 |
| Income before Income Taxes | 168,992 | 26,893 | 56,727 | 252,612 |

***Note 1:** Mainly the United States

***Note 2:** Mainly Asia, Europe, Australasia and Middle East

Note 3: Robeco, one of the Company's subsidiaries domiciled in the Netherlands, conducts principally an asset management business. Due to the integrated nature of such business with its customer base spread across the world, Other locations include the total revenues and the income before income taxes of Robeco for the six months ended September 30, 2016 and 2017, respectively. The revenues of Robeco aggregated on a legal entity basis were ¥47,184 million in the Americas and ¥36,867 million in Other for the six months ended September 30, 2016, and ¥50,433 million in the Americas and ¥40,320 million in Other for the six months ended September 30, 2017.

Table of Contents

(7) Subsequent Events

Acquisition of Treasury Stock of the Company's subsidiary

The Board of Directors of DAIKYO INCORPORATED, a consolidated subsidiary of the Company, has, pursuant to Article 37 of its Articles of Incorporation, in accordance with Article 459, paragraph 1 of the Companies Act, passed the following resolutions with regard to the matters provided in Article 156, paragraph 1 of the Companies Act concerning the acquisition of treasury stock at the Meeting of the Board of Directors held on October 26, 2017.

(1) Reason for Treasury Stock Acquisition

To strengthen shareholder returns and increase capital efficiency

(2) Details of Treasury Stock Acquisition

Type of shares to be acquired: Common shares

Total number of shares: Up to 4,100,000 shares

Total amount of shares to be acquired: Up to 8.5 billion yen

Period of acquisition: From October 27, 2017 to October 26, 2018

Method of acquisition: Market purchases on the Tokyo Stock Exchange

Table of Contents**Announcement Regarding Interim Dividend and Dividend Payout Ratio for the Fiscal Year Ending March 31, 2018**

TOKYO, Japan October 30, 2017 ORIX Corporation announced that a resolution has been formally reached at a meeting of the Board of Directors held today with regards to the interim dividend for the fiscal year ending March 31, 2018 (FY2018.3). The dividend payout ratio for the FY2018.3 is also included in this announcement as below.

1. Interim Dividend Detail for the FY2018.3

| | Amount Decided | Previous Dividend Forecast (Announced on May 15, 2017) | Dividend Paid for the Previous Year (FY2017.3) |
|-----------------------|-----------------------|---|---|
| Record Date | September 30, 2017 | September 30, 2017 | September 30, 2016 |
| Dividend Per Share | 27.00 yen | 27.00 yen | 23.00 yen |
| Total Dividend Amount | 34,595 million yen | | 30,157 million yen |
| Effective Date | December 4, 2017 | | December 2, 2016 |
| Source of Dividend | Retained earnings | | Retained earnings |

2. Dividend Payout Ratio for the FY2018.3

The dividend payout ratio for the FY2018.3 has also been decided at 27%, up 2% from the fiscal year ended March 31, 2017. The year-end dividend for the FY2018.3 is going to be determined in consideration of the optimal balance between securing capital for investment in future profit growth and return to the shareholders.

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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 36 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 1. Summary of Consolidated Financial Results of the Consolidated Financial Results April 1, 2016 March 31, 2017.