

ORIX CORP  
Form 6-K  
January 28, 2019  
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**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 January 2019**

**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

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| 1. <u>ORIX's Second Quarter Consolidated Financial Results (April 1, 2018 – December 31, 2018) filed with the Tokyo Stock Exchange on Monday January 28, 2019.</u> |             |

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**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: January 28, 2019

By /s/ Shoji Taniguchi  
Shoji Taniguchi  
Managing Executive Officer  
Assistant to CEO  
ORIX Corporation

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**Consolidated Financial Results**

**April 1, 2018    December 31, 2018**

January 28, 2019

*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**

**World Trade Center Building, 2-4-1 Hamamatsu-cho, Minato-ku, Tokyo 105-6135**

**JAPAN**

**Tel: +81-3-3435-3121 Fax: +81-3-3435-3154**

**E-mail: [orix\\_corpcomm@orix.jp](mailto:orix_corpcomm@orix.jp)**

**Table of Contents****Consolidated Financial Results from April 1, 2018 to December 31, 2018**

(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 <https://www.orix.co.jp/grp/en/ir/>)

**1. Performance Highlights as of and for the Nine Months Ended December 31, 2018****(1) Performance Highlights - Operating Results (Unaudited)**

(millions of yen)\*1

|                   | Total Revenues | Year-on-Year Change | Operating Income | Year-on-Year Change | Income before Taxes | Year-on-Year Change | Net Income Attributable to ORIX Corporation Shareholders | Year-on-Year Change |
|-------------------|----------------|---------------------|------------------|---------------------|---------------------|---------------------|--|---------------------|
| December 31, 2018 | 1,796,155      | (18.2%)             | 258,184          | (5.5%)              | 295,168             | (18.1%)             | 236,207  | (7.9%)              |
| December 31, 2017 | 2,194,882      | 14.0%               | 273,282          | 10.4%               | 360,488             | 7.9%                | 256,391  | 18.1%               |

Comprehensive Income Attributable to ORIX Corporation Shareholders was ¥229,249 million for the nine months ended December 31, 2018 (year-on-year change was a 15.9% decrease) and ¥272,442 million for the nine months ended December 31, 2017 (year-on-year change was a 46.8% increase).

|                   | Basic Earnings Per Share | Diluted Earnings Per Share |
|-------------------|--------------------------|----------------------------|
| December 31, 2018 | 184.53                   | 184.38                     |
| December 31, 2017 | 200.05                   | 199.86                     |

\*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<br>Assets | Total<br>Equity | Shareholders<br>Equity | Shareholders<br>Equity<br>Ratio |
|-------------------|-----------------|-----------------|------------------------|---------------------------------|
| December 31, 2018 | 12,121,792      | 2,883,350       | 2,817,498              | 23.2%                           |
| March 31, 2018    | 11,425,982      | 2,798,874       | 2,682,424              | 23.5%                           |

**\*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<br>Quarter-end | Second<br>Quarter-end | Third<br>Quarter-end | Year-end | Total |
|-----------------------|----------------------|-----------------------|----------------------|----------|-------|
| March 31, 2018        |                      | 27.00                 |                      | 39.00    | 66.00 |
| March 31, 2019        |                      | 30.00                 |                      |          |       |
| March 31, 2019 (Est.) |                      |                       |                      | 46.00    | 76.00 |

**\*Note 3:** For details of dividend payout ratio forecast for the fiscal year ending March 31, 2019, please refer to Announcement Regarding Revision of Dividend Policy, Interim Dividend and Dividend Payout Ratio for the Fiscal Year Ending March 31, 2019 announced on October 26, 2018.

## 3. Targets for the Year Ending March 31, 2019 (Unaudited)

In order to facilitate a better understanding of our medium- and long- term growth projections by our shareholders and potential investors, we decided to include our medium-term strategic directions in this document. For details, please refer to 1.Summary of Consolidated Financial Results (3) Medium-Term Strategic Directions FY2019-2021 on page 9.

## 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 ( x ) No ( )

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

\***Note 4:** For details, please refer to 2. Financial Information (6) Changes in Accounting Policies on page 14.

**(4) Number of Issued Shares (Ordinary Shares)**

1. The number of issued shares, including treasury stock, was 1,324,629,128 as of December 31, 2018, and 1,324,495,728 as of March 31, 2018.
2. The number of treasury stock was 42,843,623 as of December 31, 2018, and 42,843,413 as of March 31, 2018.
3. The average number of outstanding shares was 1,280,038,092 for the nine months ended December 31, 2018, and 1,281,625,426 for the nine months ended December 31, 2017.

The Company's shares held through the Board Incentive Plan Trust (1,823,993 shares as of December 31, 2018 and 1,651,443 shares as of March 31, 2018) are not included in the number of treasury stock 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 Nine Months Ended December 31, 2018**

|  |                   | Nine months<br>ended<br>December 31, 2017 | Nine months<br>ended<br>December 31, 2018 | Change    |         |
|--|-------------------|---|---|-----------|---------|
|  |                   |   |   | Amount    | Percent |
| Total Revenues   | (millions of yen) | 2,194,882                                 | 1,796,155                                 | (398,727) | (18)%   |
| Total Expenses   | (millions of yen) | 1,921,600                                 | 1,537,971                                 | (383,629) | (20)%   |
| Income before Income Taxes                               | (millions of yen) | 360,488                                   | 295,168                                   | (65,320)  | (18)%   |
| Net Income Attributable to ORIX Corporation Shareholders | (millions of yen) | 256,391                                   | 236,207                                   | (20,184)  | (8)%    |
| Earnings Per Share (Basic)                               | (yen)             | 200.05                                    | 184.53                                    | (15.52)   | (8)%    |
| (Diluted)  | (yen)             | 199.86                                    | 184.38                                    | (15.48)   | (8)%    |
| ROE (Annualized) *1                                      | (%)               | 13.2                                      | 11.5                                      | (1.7)     |         |
| ROA (Annualized) *2                                      | (%)               | 3.00                                      | 2.67                                      | (0.33)    |         |

\*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, 2018 to December 31, 2018)**

Total revenues for the nine months ended December 31, 2018 (hereinafter, the third consolidated period ) decreased 18% to ¥1,796,155 million compared to ¥2,194,882 million during the same period of the previous fiscal year. Services income increased due primarily to large gains from sales of property under facility operations, and an increase in sales of the environment and energy business. On the other hand, sales of goods and real estate decreased due primarily to a decrease in related revenues generated by a subsidiary in the principal investment business which had recognized significant demand during the same period of the previous fiscal year. In addition, despite an increase in life insurance premiums in line with an increase in policies in force, life insurance premiums and related investment income decreased due to a decrease in investment income from assets under variable annuity and variable life insurance contracts, as compared to the same period of the previous fiscal year during which market conditions had improved significantly.

Total expenses decreased 20% to ¥1,537,971 million compared to ¥1,921,600 million during the same period of the previous fiscal year. Services expense increased in line with the aforementioned increase in revenues. Costs of goods and real estate sold decreased in line with the aforementioned decrease in revenues. In addition, life insurance costs decreased due to a decrease in a provision of liability reserve from assets under variable annuity and variable life insurance contracts, despite the aforementioned increase in policies in force.

Equity in net income of affiliates decreased mainly due to the recognition of significant gains on sales of investments in real estate joint ventures during the same period of the previous fiscal year, and the recognition of losses in an affiliate in India during the third consolidated period. Gains on sales of subsidiaries and affiliates and liquidation losses, net decreased compared to the same period of the previous fiscal year due to significant gains on sales of

subsidiaries and affiliates recorded during the same period of the previous fiscal year.

As a result of the foregoing, income before income taxes for the third consolidated period decreased 18% to ¥295,168 million compared to ¥360,488 million during the same period of the previous fiscal year. In addition, although provision for income taxes decreased due to the reversal of the deferred tax liabilities previously recorded for undistributed earnings of DAIKYO INCORPORATED, net income attributable to ORIX Corporation shareholders decreased 8% to ¥236,207 million compared to ¥256,391 million during the same period of the previous fiscal year.

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**Table of Contents****Segment Information**

Total segment profits for the third consolidated period decreased 16% to ¥297,817 million compared to ¥356,189 million during the same period of the previous fiscal year. Segment profits increased in Real Estate and Retail segments, while segment profits decreased in Corporate Financial Services, Maintenance Leasing, Investment and Operation and Overseas Business segments.

Segment information for the third consolidated period is as follows:

**Corporate Financial Services Segment:** Loan, leasing and fee business

|                  | Nine months ended |                   | Change            |         |
|------------------|-------------------|-------------------|-------------------|---------|
|                  | December 31, 2017 | Nine months ended | Amount            | Percent |
|                  | (millions of yen) | December 31, 2018 | (millions of yen) |         |
| Segment Revenues | 86,194            | 71,717            | (14,477)          | (17)    |
| Segment Profits  | 37,551            | 19,760            | (17,791)          | (47)    |

|                | As of March 31, 2018    |                   | Change   |     |
|----------------|-------------------------|-------------------|----------|-----|
|                | As of December 31, 2018 | Amount            | Percent  |     |
|                | (millions of yen)       | (millions of yen) | (%)      |     |
| Segment Assets | 991,818                 | 974,870           | (16,948) | (2) |

Segment revenues decreased 17% to ¥71,717 million compared to ¥86,194 million during the same period of the previous fiscal year due to a decrease in finance revenues in line with decreases in average investment balances of direct financing leases and a decrease in gains on sales of securities, despite an increase in services income resulting from our stable fee businesses provided to domestic small- and medium-sized enterprise customers.

Segment expenses remained at the same level as the same period of the previous fiscal year.

As a result of the foregoing and due to the recognition of gains on sales of affiliates during the same period of the previous fiscal year, segment profits decreased 47% to ¥19,760 million compared to ¥37,551 million during the same period of the previous fiscal year.

Segment assets decreased 2% to ¥974,870 million compared to the end of the previous fiscal year due to a decrease in investment in direct financing leases despite an increase in investment in securities.

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

|                  | Nine months ended |                                     | Change            |         |
|------------------|-------------------|-------------------------------------|-------------------|---------|
|                  | December 31, 2017 | Nine months ended December 31, 2018 | Amount            | Percent |
|                  | (millions of yen) | (millions of yen)                   | (millions of yen) | (%)     |
| Segment Revenues | 207,239           | 214,304                             | 7,065             | 3       |
| Segment Profits  | 31,085            | 30,387                              | (698)             | (2)     |

|                | As of March 31, 2018 | As of December 31, 2018 | Amount            | Percent |
|----------------|----------------------|-------------------------|-------------------|---------|
|                | (millions of yen)    | (millions of yen)       | (millions of yen) | (%)     |
| Segment Assets | 847,190              | 862,354                 | 15,164            | 2       |

Segment revenues increased 3% to ¥214,304 million compared to ¥207,239 million during the same period of the previous fiscal year due to an increase in operating leases revenues.

Segment expenses increased due to increases in costs of operating leases and in selling, general and administrative expenses.

As a result of the foregoing, segment profits decreased 2% to ¥30,387 million compared to ¥31,085 million during the same period of the previous fiscal year.

Segment assets increased 2% to ¥862,354 million compared to the end of the previous fiscal year due to increases in new executions of investment in operating leases and investment in direct finance leases.

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

|                  | Nine months ended |                                     | Change            |         |
|------------------|-------------------|-------------------------------------|-------------------|---------|
|                  | December 31, 2017 | Nine months ended December 31, 2018 | Amount            | Percent |
|                  | (millions of yen) | (millions of yen)                   | (millions of yen) | (%)     |
| Segment Revenues | 138,632           | 158,015                             | 19,383            | 14      |
| Segment Profits  | 52,084            | 55,420                              | 3,336             | 6       |

Change

|                | <b>As of March 31,<br/>2018</b> | <b>As of December 31, 2018<br/>(millions of yen)</b> | <b>Amount<br/>(millions<br/>of yen)</b> | <b>Percent<br/>(%)</b> |
|----------------|---------------------------------|--|---|------------------------|
|                | <b>(millions of yen)</b>        |  |   |                        |
| Segment Assets | 620,238                         | 568,082  | (52,156)                                | (8)                    |

Segment revenues increased 14% to ¥158,015 million compared to ¥138,632 million during the same period of the previous fiscal year due to increases in operating leases revenues in line with an increase in gains on sales of rental properties and in services income from facilities operations which resulted from sales of property under facility operations.

Segment expenses decreased due to a decrease in write-downs of long-lived assets.

As a result of the foregoing, notwithstanding a decrease in equity in net income of affiliates due to significant gains on sales of investments in real estate joint ventures that were recognized during the same period of the previous fiscal year, segment profits increased 6% to ¥55,420 million compared to ¥52,084 million during the same period of the previous fiscal year.

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Segment assets decreased 8% to ¥568,082 million compared to the end of the previous fiscal year due to sales of rental properties and property under facility operations.

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

|                  | Nine months ended |  | Change            |         |
|------------------|-------------------|--|-------------------|---------|
|                  | December 31, 2017 | Nine months ended<br>December 31, 2018 | Amount            | Percent |
|                  | (millions of yen) | (millions of yen)                      | (millions of yen) | (%)     |
| Segment Revenues | 1,073,732         | 704,828                                | (368,904)         | (34)    |
| Segment Profits  | 62,648            | 30,392                                 | (32,256)          | (51)    |

|                | As of March 31, 2018 |                         | Change            |         |
|----------------|----------------------|-------------------------|-------------------|---------|
|                | As of March 31, 2018 | As of December 31, 2018 | Amount            | Percent |
|                | (millions of yen)    | (millions of yen)       | (millions of yen) | (%)     |
| Segment Assets | 856,348              | 959,049                 | 102,701           | 12      |

Segment revenues decreased 34% to ¥704,828 million compared to ¥1,073,732 million during the same period of the previous fiscal year due to a decrease in sales of goods by a subsidiary in the principal investment business which recognized significant demand during the same period of the previous fiscal year.

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

As a result of the foregoing and the recognition of significant gains on sales of shares of a subsidiary during the same period of the previous fiscal year, segment profits decreased 51% to ¥30,392 million compared to ¥62,648 million during the same period of the previous fiscal year.

Segment assets increased 12% to ¥959,049 million compared to the end of the previous fiscal year due to increases in property under facility operations in the environment and energy business and inventories, and an acquisition in the principal investment business.

**Table of Contents****Retail Segment:** Life insurance, banking and card loan

|                  | Nine months ended |  | Change            |         |
|------------------|-------------------|--|-------------------|---------|
|                  | December 31, 2017 | Nine months ended<br>December 31, 2018 | Amount            | Percent |
|                  | (millions of yen) | (millions of yen)                      | (millions of yen) | (%)     |
| Segment Revenues | 336,381           | 289,288                                | (47,093)          | (14)    |
| Segment Profits  | 63,274            | 66,237                                 | 2,963             | 5       |

|                | As of March 31, 2018    |                         | Change            |         |
|----------------|-------------------------|-------------------------|-------------------|---------|
|                | As of December 31, 2018 | As of December 31, 2018 | Amount            | Percent |
|                | (millions of yen)       | (millions of yen)       | (millions of yen) | (%)     |
| Segment Assets | 3,174,505               | 3,396,141               | 221,636           | 7       |

Segment revenues decreased 14% to ¥289,288 million compared to ¥336,381 million during the same period of the previous fiscal year due to a decrease in investment income from assets under variable annuity and variable life insurance contracts, this decrease was primarily due to the significant market improvement that had occurred during the same period of the previous fiscal year, which was partially offset by increases in life insurance premiums in line with an increase in policies in force and in finance revenues in the banking business.

Segment expenses decreased due to a decrease in life insurance costs as a provision of liability reserve from assets under variable annuity and variable life insurance contracts declined.

As a result of the foregoing, segment profits increased 5% to ¥66,237 million compared to ¥63,274 million during the same period of the previous fiscal year.

Segment assets increased 7% to ¥3,396,141 million compared to the end of the previous fiscal year due primarily to an increase in investment in securities in the life insurance business and an increase in installment loans in the banking business, despite the surrender of variable annuity and variable life insurance contracts.

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

|                  | Nine months ended |  | Change            |         |
|------------------|-------------------|--|-------------------|---------|
|                  | December 31, 2017 | Nine months ended<br>December 31, 2018 | Amount            | Percent |
|                  | (millions of yen) | (millions of yen)                      | (millions of yen) | (%)     |
| Segment Revenues | 360,288           | 365,420                                | 5,132             | 1       |
| Segment Profits  | 109,547           | 95,621                                 | (13,926)          | (13)    |

|                | As of March 31, 2018    |                         | Change            |         |
|----------------|-------------------------|-------------------------|-------------------|---------|
|                | As of December 31, 2018 | As of December 31, 2018 | Amount            | Percent |
|                | (millions of yen)       | (millions of yen)       | (millions of yen) | (%)     |
| Segment Assets | 2,608,819               | 3,148,818               | 539,999           | 21      |

Segment revenues increased 1% to ¥365,420 million compared to ¥360,288 million during the same period of the previous fiscal year mainly due to increases in finance revenues through an acquisition of loan and asset management company in the Americas and operating leases in the aircraft-related operation, despite a decrease in gains on investment securities and dividends.

Segment expenses increased mainly due to an increase in interest expense.

As a result of the foregoing and a decrease in equity in net income of affiliates due to the recognition of losses in an affiliate in India, segment profits decreased 13% to ¥95,621 million compared to ¥109,547 million in the same period of the previous fiscal year.

Segment assets increased 21% to ¥3,148,818 million compared to the end of the previous fiscal year due to increases in installment loans in line with an above-mentioned acquisition and in investment in affiliates by an acquisition of the shares of an aircraft leasing company in Ireland.



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

|                                |                   | As of March 31, |                            | Change  |         |
|--------------------------------|-------------------|-----------------|----------------------------|---------|---------|
|                                |                   | 2018            | As of December 31,<br>2018 | Amount  | Percent |
| Total Assets                   | (millions of yen) | 11,425,982      | 12,121,792                 | 695,810 | 6%      |
| (Segment Assets)               |                   | 9,098,918       | 9,909,314                  | 810,396 | 9%      |
| Total Liabilities              | (millions of yen) | 8,619,688       | 9,230,763                  | 611,075 | 7%      |
| (Long- and Short-term Debt)    |                   | 4,133,258       | 4,619,311                  | 486,053 | 12%     |
| (Deposits)                     |                   | 1,757,462       | 1,884,576                  | 127,114 | 7%      |
| Shareholders' Equity           | (millions of yen) | 2,682,424       | 2,817,498                  | 135,074 | 5%      |
| Shareholders' Equity Per Share | (yen)             | 2,095.64        | 2,201.24                   | 105.60  | 5%      |

Notes: 1. Shareholders' Equity refers to ORIX Corporation Shareholders' Equity based on U.S. GAAP.

2. Shareholders' Equity Per Share is calculated using total ORIX Corporation Shareholders' Equity.

Total assets increased 6% to ¥12,121,792 million compared to ¥11,425,982 million at the end of the previous fiscal year. Installment loans increased due primarily to the acquisition of a loan and asset management company in the Americas. Investment in securities increased due primarily to the purchase of investment in securities in the life insurance business. Investment in affiliates increased due to the acquisition of shares of an aircraft leasing company in Ireland. Segment assets increased 9% to ¥9,909,314 million compared to the end of the previous fiscal year.

In line with the increase in assets, long-term debt and short-term debt, and deposits in liabilities also increased compared to the end of the previous fiscal year.

Shareholders' equity increased 5% to ¥2,817,498 million compared to the end of the previous fiscal year due primarily to an increase in retained earnings.

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**(3) Medium-Term Strategic Directions FY2019-2021**

ORIX Group manages its business portfolio by dividing it into six segments: Corporate Financial Services, Maintenance Leasing, Real Estate, Investment and Operation, Retail, and Overseas Business. Furthermore, taking risk and capital requirements into account, ORIX Group categorizes these six segments into three categories: Finance, Operation and Investment to describe its mid-term strategic directions.

The Finance business is ORIX Group's customer base and source of information. However, given that the low interest rate environment makes growth difficult in the financial business, ORIX Group will continue to focus on Operation and Investment to grow stable earnings and will proactively enter new markets to nurture its next core businesses.

The Operation business for which operational risk is taken by ORIX Group is positioned as ORIX Group's growth driver and source for new and stable earnings. ORIX Group will engage in M&A and expand new investment with a focus on the environment and energy business, asset management business, concession business and life insurance business as well as other new business areas coming from the change in society and the market.

The Investment business provides ORIX Group with opportunities to develop new businesses. ORIX Group focuses mainly on private equity businesses in Japan and overseas, aircraft- and ship-related operations and will expand the scale of those businesses.

From the fiscal year ending March 31, 2019, ORIX Group aims to achieve annual net income attributable to ORIX Corporation shareholders growth of between 4% and 8%, and to maintain ROE above 11%.

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)

| <b>Assets</b>  | <b>As of March 31,<br/>2018</b> | <b>As of December 31,<br/>2018</b> |
|--|---------------------------------|------------------------------------|
| Cash and Cash Equivalents  | 1,321,241                       | 1,215,907                          |
| Restricted Cash  | 83,876                          | 119,292                            |
| Investment in Direct Financing Leases  | 1,194,888                       | 1,165,792                          |
| Installment Loans  | 2,823,769                       | 3,177,459                          |
| The amounts which are measured at fair value by electing the fair value option are as follows: |                                 |                                    |
| March 31, 2018   | ¥17,260 million                 |                                    |
| December 31, 2018  | ¥35,697 million                 |                                    |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses         | (54,672)                        | (57,343)                           |
| Investment in Operating Leases   | 1,344,926                       | 1,311,226                          |
| Investment in Securities   | 1,729,455                       | 1,844,206                          |
| The amounts which are measured at fair value by electing the fair value option are as follows: |                                 |                                    |
| March 31, 2018   | ¥37,631 million                 |                                    |
| December 31, 2018  | ¥23,554 million                 |                                    |
| Property under Facility Operations   | 434,786                         | 490,137                            |
| Investment in Affiliates   | 591,363                         | 850,648                            |
| Trade Notes, Accounts and Other Receivable   | 294,773                         | 261,801                            |
| Inventories  | 111,001                         | 145,019                            |
| Office Facilities  | 112,962                         | 108,146                            |
| Other Assets   | 1,437,614                       | 1,489,502                          |
| The amounts which are measured at fair value by electing the fair value option are as follows: |                                 |                                    |
| March 31, 2018   | ¥15,008 million                 |                                    |
| December 31, 2018  | ¥17,802 million                 |                                    |
| <b>Total Assets</b>  | <b>11,425,982</b>               | <b>12,121,792</b>                  |
| <b>Liabilities and Equity</b>  |                                 |                                    |
| Short-term Debt  | 306,754                         | 648,767                            |
| Deposits   | 1,757,462                       | 1,884,576                          |
| Trade Notes, Accounts and Other Payable  | 262,301                         | 233,687                            |
| Policy Liabilities and Policy Account Balances   | 1,511,246                       | 1,489,650                          |
| The amounts which are measured at fair value by electing the fair value option are as follows: |                                 |                                    |
| March 31, 2018   | ¥444,010 million                |                                    |
| December 31, 2018  | ¥362,073 million                |                                    |

|   |                   |                   |
|---|-------------------|-------------------|
| Current and Deferred Income Taxes                 | 366,947           | 368,045           |
| Long-term Debt                                    | 3,826,504         | 3,970,544         |
| Other Liabilities                                 | 588,474           | 635,494           |
| <b>Total Liabilities</b>                          | <b>8,619,688</b>  | <b>9,230,763</b>  |
| <b>Redeemable Noncontrolling Interests</b>        | <b>7,420</b>      | <b>7,679</b>      |
| <b>Commitments and Contingent Liabilities</b>     |                   |                   |
| Common Stock                                      | 220,961           | 221,111           |
| Additional Paid-in Capital                        | 267,291           | 257,625           |
| Retained Earnings                                 | 2,315,283         | 2,470,128         |
| Accumulated Other Comprehensive Income (Loss)     | (45,566)          | (55,463)          |
| Treasury Stock, at Cost                           | (75,545)          | (75,903)          |
| <b>Total ORIX Corporation Shareholders Equity</b> | <b>2,682,424</b>  | <b>2,817,498</b>  |
| <b>Noncontrolling Interests</b>                   | <b>116,450</b>    | <b>65,852</b>     |
| <b>Total Equity</b>                               | <b>2,798,874</b>  | <b>2,883,350</b>  |
| <b>Total Liabilities and Equity</b>               | <b>11,425,982</b> | <b>12,121,792</b> |

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

|  | <b>As of March 31,<br/>2018</b> | <b>As of December 31,<br/>2018</b> |
|--|---------------------------------|------------------------------------|
| Accumulated Other Comprehensive Income (Loss)    |                                 |                                    |
| Net unrealized gains on investment in securities | 10,465                          | 5,380                              |
| Debt valuation adjustments                       | 0                               | 654                                |
| Defined benefit pension plans                    | (20,487)                        | (20,535)                           |
| Foreign currency translation adjustments         | (31,806)                        | (37,147)                           |
| Net unrealized losses on derivative instruments  | (3,738)                         | (3,815)                            |
| <b>Total</b>                                     | <b>(45,566)</b>                 | <b>(55,463)</b>                    |

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

|   | (millions of yen)                         |   |
|---|---|---|
|   | Nine months<br>ended<br>December 31, 2017 | Nine months<br>ended<br>December 31, 2018 |
| <b>Revenues :</b>   |   |   |
| Finance revenues  | 171,348                                   | 179,951                                   |
| Gains on investment securities and dividends                              | 33,919                                    | 4,767                                     |
| Operating leases  | 289,967                                   | 313,321                                   |
| Life insurance premiums and related investment income                     | 278,538                                   | 228,020                                   |
| Sales of goods and real estate  | 836,689                                   | 453,199                                   |
| Services income   | 584,421                                   | 616,897                                   |
| <b>Total Revenues</b>   | <b>2,194,882</b>                          | <b>1,796,155</b>                          |
| <b>Expenses :</b>   |   |   |
| Interest expense  | 56,806                                    | 67,376                                    |
| Costs of operating leases   | 188,777                                   | 191,493                                   |
| Life insurance costs  | 205,030                                   | 152,799                                   |
| Costs of goods and real estate sold                                       | 782,273                                   | 415,810                                   |
| Services expense  | 358,724                                   | 375,245                                   |
| Other (income) and expense, net   | (1,096)                                   | 242                                       |
| Selling, general and administrative expenses                              | 315,267                                   | 320,084                                   |
| Provision for doubtful receivables and probable loan losses               | 11,960                                    | 14,075                                    |
| Write-downs of long-lived assets  | 3,029                                     | 26  |
| Write-downs of securities   | 830                                       | 821                                       |
| <b>Total Expenses</b>   | <b>1,921,600</b>                          | <b>1,537,971</b>                          |
| <b>Operating Income</b>   | <b>273,282</b>                            | <b>258,184</b>                            |
| Equity in Net Income of Affiliates  | 46,289                                    | 16,514                                    |
| Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses, net | 40,917                                    | 20,470                                    |
| <b>Income before Income Taxes</b>   | <b>360,488</b>                            | <b>295,168</b>                            |
| Provision for Income Taxes  | 98,934                                    | 56,140                                    |
| <b>Net Income</b>   | <b>261,554</b>                            | <b>239,028</b>                            |
| <b>Net Income Attributable to the Noncontrolling Interests</b>            | <b>4,875</b>                              | <b>2,387</b>                              |
| <b>Net Income Attributable to the Redeemable Noncontrolling Interests</b> | <b>288</b>                                | <b>434</b>                                |
| <b>Net Income Attributable to ORIX Corporation Shareholders</b>           | <b>256,391</b>                            | <b>236,207</b>                            |

Note : Revenues from guarantees in the consolidated statements of income have been reclassified from Services income to Finance revenues starting from the three months ended June 30, 2018. The change aims to reflect revenue structure of the Company and its subsidiaries more appropriately accompanying the adoption of ASC606 ( Revenue from Contracts with Customers ). Corresponding to the change, the presented amounts in the consolidated statements of income for the previous fiscal year have been reclassified retrospectively to conform to the presentation for the nine months period ended December 31, 2018.

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

|   | (millions of yen)                         |   |
|---|---|---|
|   | Nine months<br>ended<br>December 31, 2017 | Nine months<br>ended<br>December 31, 2018 |
| <b>Net Income :</b>   | 261,554                                   | 239,028                                   |
| Other comprehensive income, net of tax:   |   |   |
| Net change of unrealized gains (losses) on investment in securities                 | (9,926)                                   | (1,835)                                   |
| Net change of debt valuation adjustments  | 0   | 303                                       |
| Net change of defined benefit pension plans   | (583)                                     | 5   |
| Net change of foreign currency translation adjustments                              | 25,882                                    | (5,129)                                   |
| Net change of unrealized gains (losses) on derivative instruments                   | 439                                       | (64)                                      |
| Total other comprehensive income  | 15,812                                    | (6,720)                                   |
| <b>Comprehensive Income</b>   | <b>277,366</b>                            | <b>232,308</b>                            |
| <b>Comprehensive Income Attributable to the Noncontrolling Interests</b>            | <b>4,587</b>                              | <b>2,299</b>                              |
| <b>Comprehensive Income Attributable to the Redeemable Noncontrolling Interests</b> | <b>337</b>                                | <b>760</b>                                |
| <b>Comprehensive Income Attributable to ORIX Corporation Shareholders</b>           | <b>272,442</b>                            | <b>229,249</b>                            |

**(4) Assumptions for Going Concern**

There is no corresponding item.

**(5) Significant Changes in Shareholders Equity**

There is no corresponding item.



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**Table of Contents****(6) Changes in Accounting Policies****(Adoption of New Accounting Standards)**

In May 2014, Accounting Standards Update 2014-09 ( Revenue from Contracts with Customers ASC 606 ( Revenue from Contracts with Customers )) was issued, and related amendments were issued thereafter. The core principle of these Updates requires that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company and its subsidiaries adopted these Updates on April 1, 2018, using the cumulative-effect method, for only those contracts that are not completed at the date of initial adoption. The adoption primarily resulted in changes in the timing of revenue recognition for performance fees received from customers regarding asset management business, and certain project-based orders in real estate business for which the Company and its subsidiaries currently apply the percentage-of-completion or completed contract method. The effect of adopting these Updates on the Company and its subsidiaries' financial position at the adoption was mainly an increase of ¥405 million in retained earnings in the consolidated balance sheets.

In January 2016, Accounting Standards Update 2016-01 ( Recognition and Measurement of Financial Assets and Financial Liabilities ASC 825-10 ( Financial Instruments Overall )) was issued. This Update requires an entity to measure equity investments at fair value, and requires recognizing the changes in fair value through earnings or using alternative method that requires carrying value to be adjusted by subsequent observable transactions. Additionally, this Update revises the presentation of certain fair value changes for financial liabilities measured at fair value. The Company and its subsidiaries adopted this Update on April 1, 2018. The effect of adopting this Update on the Company and its subsidiaries' financial position at the adoption date was mainly a decrease of ¥2,899 million in accumulated other comprehensive income and an increase of ¥2,899 million in retained earnings in the consolidated balance sheets, due to reclassification of unrealized changes in fair value of equity investments from accumulated other comprehensive income to retained earnings, and reclassification of changes in fair value of financial liabilities resulting from a change in the instrument-specific credit risk when the Company and its subsidiaries have elected to measure the liabilities at fair value in accordance with the fair value option, from retained earnings to accumulated other comprehensive income.

In October 2016, Accounting Standards Update 2016-16 ( Intra-Entity Transfers of Assets Other Than Inventory ASC 740 ( Income Taxes )) was issued. This Update eliminates the exception to defer the income tax consequences of intra-entity transfers of assets other than inventory until the assets are ultimately sold to an outside party and requires the recognition of the current and deferred tax consequences when those transfers occur. The Company and its subsidiaries adopted this Update on April 1, 2018. The effect of adopting this Update on the Company and its subsidiaries' financial position at the adoption date was mainly an increase of ¥3,772 million in retained earnings in the consolidated balance sheets.

**Table of Contents****(7) Segment Information (Unaudited)****1. Segment Information by Sector**

|   | (millions of yen)                      |                    |  |                    |                   |                      |
|---|--|--------------------|--|--------------------|-------------------|----------------------|
|   | Nine Months ended<br>December 31, 2017 |                    | Nine Months ended<br>December 31, 2018 |                    | March 31,<br>2018 | December 31,<br>2018 |
|   | Segment<br>Revenues                    | Segment<br>Profits | Segment<br>Revenues                    | Segment<br>Profits | Segment<br>Assets | Segment<br>Assets    |
| Corporate Financial Services                              | 86,194                                 | 37,551             | 71,717                                 | 19,760             | 991,818           | 974,870              |
| Maintenance Leasing                                       | 207,239                                | 31,085             | 214,304                                | 30,387             | 847,190           | 862,354              |
| Real Estate   | 138,632                                | 52,084             | 158,015                                | 55,420             | 620,238           | 568,082              |
| Investment and Operation                                  | 1,073,732                              | 62,648             | 704,828                                | 30,392             | 856,348           | 959,049              |
| Retail  | 336,381                                | 63,274             | 289,288                                | 66,237             | 3,174,505         | 3,396,141            |
| Overseas Business   | 360,288                                | 109,547            | 365,420                                | 95,621             | 2,608,819         | 3,148,818            |
| <b>Segment Total</b>                                      | <b>2,202,466</b>                       | <b>356,189</b>     | <b>1,803,572</b>                       | <b>297,817</b>     | <b>9,098,918</b>  | <b>9,909,314</b>     |
| Difference between Segment Total and Consolidated Amounts | (7,584)                                | 4,299              | (7,417)                                | (2,649)            | 2,327,064         | 2,212,478            |
| <b>Consolidated Amounts</b>                               | <b>2,194,882</b>                       | <b>360,488</b>     | <b>1,796,155</b>                       | <b>295,168</b>     | <b>11,425,982</b> | <b>12,121,792</b>    |

**Note 1:** The Company evaluates the performance of segments based on income before income taxes, adjusted for net income attributable to the noncontrolling interests and net income attributable to the redeemable noncontrolling interests before applicable tax effect. Tax expenses are not included in segment profits.

**Note 2:** From the three months ended June 30, 2018, consolidated VIEs for securitizing financial assets such as lease receivables and loan receivables, which had been excluded from segment revenues, segment profits and segment assets until the previous fiscal year, are included in segment revenues, segment profits and segment assets of each segment. As a result of this change, the presented amounts in the financial information of the segments for the previous fiscal year have been retrospectively reclassified to conform to the presentation for the nine months ended December 31, 2018.

**Note 3:** Inter-segment transactions are included in segment revenues, and eliminations of inter-segment transactions are included in difference between segment total and consolidated amounts.

**2. Geographic Information**

(millions of yen)

|  |  |                |
|--|--|----------------|
|  | <b>Nine Months Ended December 31, 2017</b> |                |
|  | <b>Japan</b>                               | <b>Other*2</b> |

|                            |           | <b>The<br/>Americas*1</b> |         | <b>Consolidated<br/>Amounts</b> |
|----------------------------|-----------|---------------------------|---------|---------------------------------|
| Total Revenues             | 1,822,281 | 160,264                   | 212,337 | 2,194,882                       |
| Income before Income Taxes | 247,489   | 58,737                    | 54,262  | 360,488                         |

(millions of yen)

**Nine Months Ended December 31, 2018**

|                            | <b>Japan</b> | <b>The Americas*1</b> | <b>Other*2</b> | <b>Consolidated<br/>Amounts</b> |
|----------------------------|--------------|-----------------------|----------------|---------------------------------|
| Total Revenues             | 1,433,808    | 149,509               | 212,838        | 1,796,155                       |
| Income before Income Taxes | 201,496      | 55,590                | 38,082         | 295,168                         |

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

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

**\*Note 3:** From the three months ended June 30, 2018, regarding ORIX Corporation Europe N.V., both total revenues and income before income taxes, previously disclosed in Other, are disclosed separately in the above areas, and the information about geographic areas for the previous fiscal year has been retrospectively reclassified as a result of this change.

**(8) Subsequent Events**

There are no material subsequent events.