Notice of the 53rd Annual General Meeting of Shareholders

Contents

Notice of the 53rd Annual General Meeting of Shareholders 2
Reference Documents for the General Meeting of Shareholders 3
Business Report for the 53rd Fiscal Year (From April 1, 2015 to March 31, 2016) 16
Consolidated Balance Sheet 49
Consolidated Statement of Income 52
Consolidated Statement of Changes in Equity 53
Non-consolidated Balance Sheet 54
Non-consolidated Statement of Income 56
Audit Committee's Report 57

May 31, 2016
ORIX CORPORATION

This document is a translation of the Japanese language original prepared solely for convenience of reference (certain portions of the Japanese language original applicable to voting procedures in Japan that are not applicable to shareholders outside Japan have been omitted). In the event of any discrepancy between this translated document and the Japanese language original, the Japanese language original shall prevail. Please note that certain portions of this document may not be applicable to shareholders outside Japan.

Securities Code: NYSE: IX
TSE: 8591
May 31, 2016

To Our Shareholders:

Makoto Inoue
Director,
Representative Executive Officer
ORIX CORPORATION
2-4-1, Hamamatsu-cho
Minato-ku, Tokyo, Japan

ORIX CORPORATION
Notice of the 53rd Annual General Meeting of Shareholders

We cordially invite you to attend the 53rd Annual General Meeting of Shareholders of ORIX CORPORATION ("The Company") to be held as set forth below.

Details

1. Date and Time: Tuesday, June 21, 2016 at 10:00 a.m. (JST)

2. Place: Fuyo, Banquet Floor, The Main Bldg., Hotel New Otani Tokyo
4-1, Kioi-cho, Chiyoda-ku, Tokyo, Japan
* Please note that the meeting will be held in a different place from the previous year.
* On the day of the meeting many shareholders are expected to attend. Please note that if the main venue is full, shareholders will be guided to the alternate venue within the same hotel.
* Please kindly accept abolition of presents from this year to the shareholders who attended the General Meeting of Shareholders. We would like to sincerely ask the shareholders' understanding of the abolition.

3. Agenda of the Meeting:

Matters to be reported:

1. The business report and the consolidated financial statements for the 53rd fiscal year (from April 1, 2015 to March 31, 2016), as well as the audit reports of the public accounting firm and the Audit Committee for consolidated financial statements
2. Financial statements for the 53rd fiscal year (from April 1, 2015 to March 31, 2016)

Matters to be resolved:

Proposal 1. Partial Amendments to the Articles of Incorporation

Proposal 2. Election of Thirteen (13) Directors

- In case there are any changes in relation to the reference documents for the General Meeting of Shareholders and the business reports, the financial statement and the consolidated financial statement, we will notify you through the following Company's website.
  The Company's website: http://www.orix.co.jp/grp/en/

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

The Company proposes the following amendments to the Articles of Incorporation of the Company.

1. Reason for the Amendments

In order to reflect more accurately the current business activities of the Company and its subsidiaries, and for the purpose of clarifying the purposes of business, the Company proposes to add a new business item in the provision of Article 2 of the current Articles of Incorporation.

2. Details of the Amendments

The contents of the amendments are as follows;

(Changes are underlined)

Current Articles of Incorporation	Proposed Amendments
Article 2. (Purposes) The purpose of the Company shall be to engage in the following businesses:	Article 2. (Purposes) The purpose of the Company shall be to engage in the following businesses:
(1) – (9) [Omitted]	(1) – (9) [No Change]
[New Provision]	(10) facility planning, development, maintenance, management and operation of airports, roads, other public facilities and similar kinds of aforementioned facilities and the assumption or undertaking of public works
[New Provision]	(11) production, processing, sale, purchase, research and development of agricultural products, food products and agriculture-related products and facilities
(10) – (20) [Omitted]	(12) – (22) [No Change]

Proposal 2: Election of Thirteen (13) Directors

The terms of office of all 13 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Consequently, the shareholders are requested to elect 13 Directors based on the decision by the Nominating Committee.

The Nominating Committee has appointed candidates for Directors of such mix that ensures the Board of Directors will have a balance and diversity of knowledge, experience and capability as a whole. In particular, when appointing the candidates for Outside Directors, the Nominating Committee has appointed candidates determined to be able to appropriately perform the duties of Outside Director such as making proposals for important matters in the Company's management and overseeing corporate management. This includes the following candidates: persons with abundant experience as corporate executives; persons with specialized knowledge relating to corporate management such as economics, business management, law, and accounting; and persons with extensive knowledge in aspects affecting corporate management in general such as politics, society, culture, and academia. The Company determines that the candidates for Outside Directors possess sufficient independence as they meet the 'Requirements for Independent Directors' established by the Nominating Committee and the requirements for independent director prescribed by Tokyo Stock Exchange, Inc. in Japan.

Candidates for the 13 Director positions are as follows:

No.	Name	Current Positions and Responsibilities in the Company	
1	Makoto Inoue -Reelected-	Director, Representative Executive Officer, President and Chief Executive Officer	
2	Kazuo Kojima -Reelected-	Director, Representative Executive Officer, Deputy President and Chief Financial Officer, Responsible for Corporate Planning Department	
3	Tamio Umaki -Reelected-	Director, Representative Executive Officer, Deputy President, Head of Group Human Resources and Corporate Administration Headquarters, Responsible for Secretarial Office, Responsible for Group Internal Audit Department	
4	Katsunobu Kamei -Reelected-	Director, Group Executive Vice President	
5	Yuichi Nishigori -Reelected-	Director, Corporate Executive Vice President Head of Energy and Eco Services Business Headquarters	
6	Kiyoshi Fushitani -Newly nominated-	Corporate Executive Vice President, Head of Global Business and Alternative Investment Headquarters, Head of East Asia Business Headquarters, Head of Global Transportation Services Headquarters	
7	Hideaki Takahashi -Reelected-	Director, Nominating Committee, Compensation Committee	
8	Eiko Tsujiyama -Reelected-	Director, Audit Committee (Chairperson), Compensation Committee	Outside Director Independent Director
9	Robert Feldman -Reelected-	Director, Nominating Committee, Compensation Committee (Chairperson)	Outside Director Independent Director
10	Takeshi Niinami -Reelected-	Director, Nominating Committee, Compensation Committee	Outside Director Independent Director
11	Nobuaki Usui -Reelected-	Director, Nominating Committee (Chairperson), Audit Committee	Outside Director Independent Director
12	Ryuji Yasuda -Reelected-	Director, Nominating Committee, Audit Committee, Compensation Committee	Outside Director Independent Director
13	Heizo Takenaka -Reelected-	Director, Nominating Committee, Audit Committee,	Outside Director Independent Director

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
1	Makoto Inoue (Oct. 2, 1952) -Reelected-	Apr. 1975 Joined the Company Jan. 2003 Deputy Head of Investment Banking Headquarters Feb. 2005 Assumed office of Executive Officer, the Company Jan. 2006 Assumed office of Corporate Senior Vice President, the Company Jun. 2009 Assumed office of Corporate Executive Vice President, the Company Jun. 2010 Assumed office of Director and Deputy President, the Company Jan. 2011 Assumed office of Director, Representative Executive Officer, President, the Company (present), Chief Operating Officer Jan. 2014 Co-Chief Executive Officer Jun. 2014 Chief Executive Officer (present) <Reasons for nomination for Director> Mr. Makoto Inoue has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his service as President, Representative Executive Officer and Chief Executive Officer. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	54,041
2	Kazuo Kojima (Jul. 5, 1956) -Reelected-	Apr. 1980 Joined the Company Apr. 2003 Deputy Head of Real Estate Finance Headquarters Feb. 2005 Assumed office of Executive Officer, the Company Jan. 2007 Assumed office of Corporate Senior Vice President, the Company Jan. 2008 Assumed office of Corporate Executive Vice President, the Company Jun. 2008 Assumed office of Director, Corporate Executive Vice President, the Company Sep. 2012 Responsible for Investment and Operation Headquarters Jan. 2014 Responsible for Energy and Eco Services Business Headquarters, Head of Global Business and Alternative Investment Headquarters Jun. 2015 Assumed office of Representative Executive Officer, Deputy President and Chief Financial Officer, the Company (present) Jan. 2016 Responsible for Corporate Planning Department (present) <Reasons for nomination for Director> Mr. Kazuo Kojima has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his business execution experience in the field of corporate financial services, maintenance leasing, real estate, project development and investment and overseas business, and his service as Chief Financial Officer. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	33,582

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
3	Tamio Umaki (Jan. 16, 1948) -Reelected-	Apr. 1972 Joined the Company Mar. 1999 Head of Tohoku Area Jun. 1999 Assumed office of Executive Officer, the Company Jan. 2002 Assumed office of Group Executive Jan. 2007 Assumed office of Group Senior Vice President Oct. 2008 Assumed office of Corporate Senior Vice President, the Company, Chief Information Officer Jan. 2009 Head of Human Resources and Corporate Administration Headquarters Jun. 2010 Assumed office of Corporate Executive Vice President, the Company Jun. 2011 Assumed office of Director, Corporate Executive Vice President, the Company Jun. 2013 Assumed office of Director, Deputy President, the Company Sep. 2013 Responsible for Group Legal and Compliance Department, Responsible for Group Internal Audit Department Oct. 2013 Responsible for Group Compliance Department Jan. 2014 Responsible for Secretarial Office (present) Jan. 2016 Assumed office of Director, Representative Executive Officer, Deputy President, the Company (present) Responsible for Group Internal Audit Department (present) Apr. 2016 Head of Group Human Resources and Corporate Administration Headquarters (present) <Reasons for nomination for Director> Mr. Tamio Umaki has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his business execution experience in the field of corporate financial services, human resources and corporate administration. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	36,420
4	Katsunobu Kamei (Jul. 8, 1957) -Reelected-	Apr. 1980 Joined the Company Feb. 2005 Deputy Head of Kinki Sales Headquarters Jan. 2008 Assumed office of Executive Officer, the Company Jan. 2011 Assumed office of Group Senior Vice President President, ORIX Auto Corporation (present) Jun. 2014 Assumed office of Director, Corporate Executive Vice President, the Company Jun. 2015 Head of Domestic Sales Headquarters Jan. 2016 Assumed office of Director, Group Executive Vice President the Company (present) <Reasons for nomination for Director> Mr. Katsunobu Kamei has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his business execution experience in the field of corporate financial services and maintenance leasing. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	17,128

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
5	Yuichi Nishigori (Jan. 28, 1957) -Reelected-	Apr. 1980 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Apr. 2003 Joined the Company Jan. 2007 Deputy Head of Alternative Investment and Development Headquarters Jan. 2009 Assumed office of Executive Officer, the Company Sep. 2011 Acting Head of Investment and Operation Headquarters Jan. 2012 Head of Investment and Operation Headquarters Sep. 2012 Director, Ubiteq, INC. (Outside) (present) Jan. 2014 Assumed office of Corporate Senior Vice President, the Company Head of Energy and Eco Services Business Headquarters (present) Jun. 2015 Assumed office of Director, Corporate Senior Vice President, the Company Jan. 2016 Assumed office of Director, Corporate Executive Vice President (present)	13,750
		<Reasons for nomination for Director> Mr. Yuichi Nishigori has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his business execution experience in the field of project development and investment. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	
6	Kiyoshi Fushitani (Nov. 22, 1950) -Newly nominated-	Apr. 1973 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation) Feb. 1975 Joined the Company Sep. 2011 Chairman, ORIX Investment Corporation Sep. 2012 Deputy Head of Global Business and Alternative Investment Headquarters Jan. 2015 Assumed office of Corporate Senior Vice President, the Company Head of Global Transportation Services Headquarters (present) Jun. 2015 Head of East Asia Business Headquarters (present) Jan. 2016 Assumed office of Corporate Executive Vice President, the Company (present) Head of Global Business and Alternative Investment Headquarters (present)	1,500
		<Reasons for nomination for Director> Mr. Kiyoshi Fushitani has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through his business execution experience in the field of global business and alternative investment. The Nominating Committee has appointed him as a new candidate for Director because it has determined he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management given that he possesses extensive understanding of the Company's operations.	

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
7	Hideaki Takahashi (Mar. 22, 1948) -Reelected-	Aug. 1974 Joined NCR Corporation Mar. 1992 Assumed office of Vice President and Representative Director, NCR Japan, Ltd. Dec. 1997 Assumed office of Senior Vice President, NCR Corporation and Chairman and Representative Director, NCR Japan, Ltd. Mar. 2000 Assumed office of Executive Vice President and Representative Director, Fuji Xerox Co., Ltd. Jan. 2006 Professor, Graduate School of Media and Governance at Keio University (present) Nov. 2006 Assumed office of Part-time Advisor, the Company Apr. 2007 Assumed office of Director, Fukuoka Financial Group, Inc. (Outside) (present) Jun. 2014 Assumed office of Director, the Company (present), Special Advisor to CEO <ORIX Committee Membership> Nominating Committee, Compensation Committee <Reasons for nomination for Director> Mr. Hideaki Takahashi has wide-ranging experience and knowledge in corporate management through his past experiences, including Chairman and Representative Director of NCR Japan, Ltd., and Executive Vice President and Representative Director of Fuji Xerox Co., Ltd. Moreover, at the Company, after serving as Part-time Advisor, he has served as Director. He therefore has a wealth of experience and advanced knowledge relating to the diversified business activities of the ORIX through this service. He has actively expressed his opinions and made proposals during deliberations at Board of Directors Meeting, Nominating Committee, and Compensation Committee, pointing to important matters regarding the Company's management by using his managerial decision making skills based on his wide-ranging experience and knowledge. The Nominating Committee has appointed him as a candidate for Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc. gained from inside and outside the company.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
8	Eiko Tsujiyama (Dec. 11, 1947) -Reelected- Candidate for Outside Director/ Independent Director	Apr. 1974 Registered as Certified Public Accountant Aug. 1980 Assistant Professor, School of Humanities at Ibaraki University Apr. 1985 Assistant Professor, School of Economics at Musashi University Apr. 1991 Professor, School of Economics at Musashi University Apr. 1996 Assumed office of Dean, School of Economics at Musashi University Apr. 2003 Professor, School of Commerce at Waseda University (present) Professor, Graduate School of Commerce at Waseda University (present) Sep. 2004 Professor, Faculty of Commerce at Waseda University (present) Jun. 2008 Assumed office of Corporate Auditor, Mitsubishi Corporation (Outside) (present) Jun. 2010 Assumed office of Director, the Company (present) Sep. 2010 Assumed office of Dean, Graduate School of Commerce at Waseda University May 2011 Assumed office of Corporate Auditor, Lawson, Inc. (Outside) (present) Jun. 2011 Assumed office of Audit & Supervisory Board Member, NTT DoCoMo, Inc. (currently NTT DOCOMO, INC.) (Outside) (present) Jun. 2012 Assumed office of Audit & Supervisory Board Member, Shiseido Company, Limited (Outside) (present) <ORIX Committee Membership> Audit Committee (Chairperson), Compensation Committee <Reasons for nomination for Outside Director> Ms. Eiko Tsujiyama serves as a professor of Waseda University, Faculty of Commerce and has served on government and institutional finance and accounting councils both in Japan and overseas. She has extensive knowledge as a professional accountant. She participated in all 8 meetings of the Board of Directors during the fiscal year ending March 31, 2016 and as Chairperson of the Audit Committee, she has received periodic reports from the Company's internal audit unit and actively expressed her opinions and made proposals, while leading discussions on the effectiveness of the Company's internal control system. The Nominating Committee has appointed her as a candidate for Outside Director because it has determined that she can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of her knowledge and experience, etc., from an independent and objective standpoint. Her period in service as of the conclusion of this Annual General Meeting of Shareholders will be six years.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
9	Robert Feldman (Jun. 12, 1953) -Reelected- Candidate for Outside Director/ Independent Director	Oct. 1983 Economist, International Monetary Fund May 1989 Chief Economist, Salomon Brothers Inc. (currently Citigroup Global Markets Japan Inc.) Feb. 1998 Managing Director, Chief Economist Japan, Morgan Stanley Japan Securities (currently Morgan Stanley MUFG Securities Co., Ltd.) Apr. 2003 Managing Director, Co-Director of Japan Research, Chief Economist, Morgan Stanley Japan Securities (currently Morgan Stanley MUFG Securities Co., Ltd.) Dec. 2007 Managing Director, Head of Japan Economic Research, Morgan Stanley Japan Securities (currently Morgan Stanley MUFG Securities Co., Ltd.) Jun. 2010 Assumed office of Director, the Company (present) Jul. 2012 Managing Director, Chief Economist and Head of Fixed Income Research, Morgan Stanley MUFG Securities Co., Ltd. Mar. 2014 Managing Director and Chief Economist, Morgan Stanley MUFG Securities Co., Ltd. (present) <ORIX Committee Membership> Nominating Committee, Compensation Committee (Chairperson) <Reasons for nomination for Outside Director> Mr. Robert Feldman currently serves as Managing Director and Chief Economist at Morgan Stanley MUFG Securities Co., Ltd., and as an economist, has a deep understanding of the environment and events of business management both in Japan and overseas. He participated in all 8 meetings of the Board of Directors during the fiscal year ending March 31, 2016 and as Chairperson of the Compensation Committee, he has actively expressed his opinions and made proposals during deliberations between the Directors' compensation system and compensation levels in order to enhance their role as medium- and long-term incentives, from a global perspective based on his wide-ranging experience and knowledge. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc., from an independent and objective standpoint. His period in service as of the conclusion of this Annual General Meeting of Shareholders will be six years.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
10	Takeshi Niinami (Jan. 30, 1959) -Reelected- Candidate for Outside Director/ Independent Director	Jun. 1995 Assumed office of President, Sodex Corporation (currently LEOC Co., Ltd.) Apr. 2001 Unit Manager of Lawson Business and Mitsubishi's Dining Logistical Planning team, Consumer Industry division, Mitsubishi Corporation May 2002 Assumed office of President, Representative Director and Executive Officer, Lawson, Inc. Mar. 2005 Assumed office of President, Representative Director and CEO, Lawson, Inc. Jun. 2010 Assumed office of Director, the Company (present) May 2013 Assumed office of Representative Director and CEO, Lawson, Inc. May 2014 Assumed office of Chairman and Representative Director, Lawson, Inc. Assumed office of Chairman and Director, Lawson, Inc. Jun. 2014 Assumed office of Director, Mitsubishi Motors Corporation (Outside) (present) Oct. 2014 Assumed office of President, Suntory Holdings Limited. (present) <ORIX Committee Membership> Nominating Committee, Compensation Committee <Reasons for nomination for Outside Director> Mr. Takeshi Niinami currently serves as President of Suntory Holdings Limited. He has wide-ranging experience and knowledge of corporate management. He participated in 6 out of 8 meetings of the Board of Directors during the fiscal year ending March 31, 2016 and has actively expressed his opinions and made proposals during deliberations at Board of Directors Meeting, Nominating Committee, and Compensation Committee, pointing to important matters regarding company management by using his managerial decision making skills based on his wide-ranging experience and knowledge. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc., from an independent and objective standpoint. His period in service as of the conclusion of this Annual General Meeting of Shareholders will be six years.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
11	Nobuaki Usui (Jan. 1, 1941) -Reelected- Candidate for Outside Director/ Independent Director	May 1995 Director-General of the Tax Bureau, Ministry of Finance Jan. 1998 Commissioner, National Tax Agency Jul. 1999 Administrative Vice Minister, Ministry of Finance Jan. 2003 Governor and CEO, National Life Finance Corporation (currently Japan Finance Corporation) Dec. 2008 Advisor, The Japan Research Institute, Limited Jun. 2011 Assumed office of Audit & Supervisory Board Member, KONAMI CORPORATION (currently KONAMI HOLDINGS CORPORATION) (Outside) (present) Jun. 2012 Assumed office of Director, the Company (present) <ORIX Committee Membership> Nominating Committee, Audit Committee <Reasons for nomination for Outside Director> Mr. Nobuaki Usui served as the Administrative Vice Minister of Ministry of Finance and the Governor and CEO of National Life Finance Corporation (currently, Japan Finance Corporation). He has a wealth of knowledge and experience as a finance and tax expert. He participated in all 8 meetings of the Board of Directors during the fiscal year ending March 31, 2016, and as Chairperson of the Nominating Committee, he has actively expressed his opinions and made proposals, leading discussions and deliberations on members of the Board of Directors and executive officers suitable for the Company's business operations. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc., from an independent and objective standpoint. His period in service as of the conclusion of this Annual General Meeting of Shareholders will be four years.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
12	Ryuji Yasuda (Apr. 28, 1946) -Reelected- Candidate for Outside Director/ Independent Director	Jun. 1991 Director, McKinsey & Company Jun. 1996 Chairman, A. T. Kearney, Asia Jun. 2003 Chairman, J-Will Partners, Co., Ltd. Assumed office of Director, Daiwa Securities Group Inc. (Outside) (present) Apr. 2004 Professor, Graduate School of International Corporate Strategy at Hitotsubashi University Apr. 2007 Assumed office of Director, Fukuoka Financial Group, Inc. (Outside) (present) Jun. 2009 Assumed office of Director, Yakult Honsha Co., Ltd. (Outside) (present) Jun. 2013 Assumed office of Director, the Company (present) Jun. 2015 Assumed office of Director, Benesse Holdings, Inc. (Outside) (present) <ORIX Committee Membership> Nominating Committee, Audit Committee, Compensation Committee <Reasons for nomination for Outside Director> Mr. Ryuji Yasuda served as Director of McKinsey & Company and Chairman of A.T. Kearney, Asia, and currently serves as an adjunct professor at Graduate School of International Corporate Strategy at Hitotsubashi University. He has a specialized knowledge on corporate strategy acquired through a wide range of past experience. He participated in all 8 meetings of the Board of Directors during the fiscal year ending March 31, 2016 and has actively expressed his opinions and made proposals during deliberations at Board of Directors Meeting, Nominating Committee, Audit Committee and Compensation Committee, pointing to important matters regarding company management, using his expertise in corporate strategy. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc., from an independent and objective standpoint. His period in service as of the conclusion of this Annual General Meeting of Shareholders will be three years.	0

No.	Name (Date of Birth)	Career Summary, Current Position and Important Concurrent Position	Number of shares held in the Company
13	Heizo Takenaka (Mar. 3, 1951) -Reelected- Candidate for Outside Director/ Independent Director	Apr. 1990 Assistant Professor, Faculty of Policy Management at Keio University Apr. 1996 Professor, Faculty of Policy Management at Keio University Apr. 2001 Minister of State for Economic and Fiscal Policy Sep. 2002 Minister of State for Financial Services and for Economic and Fiscal Policy Jul. 2004 Elected to House of Councillors Sep. 2004 Minister of State for Economic and Fiscal Policy and Communications and Privatization of Postal Services Oct. 2005 Minister for Internal Affairs and Communications and Privatization of Postal Services Dec. 2006 Director, Academyhills (present) Aug. 2009 Chairman and Director, PASONA Group Inc. (present) Apr. 2010 Professor, Faculty of Policy Management at Keio University Jun. 2015 Assumed office of Director, the Company (present) Apr. 2016 Professor, Faculty of Regional Development Studies at Toyo University (present) Director, Center for Global Innovation Studies at Toyo University (present) <ORIX Committee Membership> Nominating Committee, Audit Committee <Reasons for nomination for Outside Director> Mr. Heizo Takenaka served successively as Minister of State for Economic and Fiscal Policy, Minister of State for Financial Services, Minister of State for Communications and Privatization of Postal Services and Minister for Internal Affairs, and currently serves as Professor of Toyo University, Faculty of Regional Development Studies. He has a deep understanding of the environment and events of business management and economics and financial policies both in Japan and overseas. He participated in 5 out of 6 meetings of the Board of Directors since he assumed the post of Director during the fiscal year ending March 31, 2016 and has actively expressed his opinions and made proposals during deliberations at Board of Directors Meeting, Nominating Committee and Audit Committee, pointing to important matters regarding company management, using his expertise in economics and financial policies. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfil a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience, etc., from an independent and objective standpoint. His period in service as of the conclusion of this Annual General Meeting of Shareholders will be one year.	0

Notes: 1. The Nominating Committee established 'Requirements for Independent Directors' as set forth below, and all candidates for Outside Directors meet these requirements.

(1) Independent Director must not be a principal trading partner*, or Executive Officer (including operating officers, hereinafter the same) or an employee of a principal trading partner of the ORIX Group as of now and during the last one year.

* A "principal trading partner" refers to an entity with a business connection with the ORIX Group with a transaction amount equivalent to more than the greater of 2% of consolidated total sales (consolidated total revenues in the case of the ORIX Group) or one million US dollars of the ORIX Group or the entity in any one of the latest fiscal year and the preceding three fiscal years.

(2) Independent Director did not receive directly a large amount of compensation (10 million yen or higher in one fiscal year) outside the Director's compensation from the ORIX Group in any of the latest fiscal year and the preceding three fiscal years. Further, corporation or other entity for which such Independent Director serves as consultant, account specialist, or legal expert, did not receive a large amount of compensation (equivalent to more than the greater of 2% of consolidated total revenues (or consolidated total sales), or one million US dollars) from the ORIX Group as of now and in the last one year.

(3) Independent Director is not a major shareholder of the Company (10% or higher of issued shares), or representative of the interests of a major shareholder as of now.

(4) Independent Director was not an executive officer, etc. of a company having a relationship of concurrent directorship* with the Company in any of the latest fiscal year and the preceding three fiscal years.

*"Concurrent directorship" refers to such case that an Executive Officer of the Company or its subsidiaries who serves as director of a company in which the Independent Director has been an Executive Officer, also assumes the post of Outside Director of the Company.

(5) Independent Director was not a member of the executive board (limited to those who execute business) or any other person executing business (referring to an officer, corporate member or employee who executes business of the organization) of any organization (including public interest incorporated associations, public interest incorporated foundations and non-profit corporations) that have received a large amount of donation or assistance (annual average of 10 million yen or higher over the past three fiscal years) from the ORIX Group.

(6) Independent Director did not serve as an accounting auditor, a certified public accountant (or tax accountant) as an accounting advisor, or a corporate member, a partner or a corporate worker of audit firm (or tax accountant corporation) of the ORIX Group who performed the audit work in person (excluding engagement as a supporting role) on the ORIX Group in any of the latest fiscal year and the preceding three fiscal years.

(7) None of their family members* falls under any of the following:

1) A person who was an Executive Officer, etc. or important employee of the ORIX Group during the past three years.

2) A person who falls under one of the requirements specified in (1) through (3), (5) and (6) above. For an employee in (1), however, such person shall be limited to an Executive Officer, for the second sentence in (2), such person shall be limited to a corporate member or a partner of the corporation or other entity and for (6), such person shall be limited to an Executive Officer or an employee who performs the audit on the ORIX Group in person.

*"Family members" include a spouse, those related within the second degree by consanguinity or affinity, or other kin living with the Outside Director.

(8) There must be no material conflict of interest or any possible conflict of interest that might influence the independent Director's judgment in performing their duties as an Outside Director.

2. Ms. Eiko Tsujiyama, Mr. Robert Feldman, and Mr. Nobuaki Usui have not had past involvement in corporate management except as Outside Director, outside corporate auditor and outside audit & supervisory board member. However, they are nominated as candidates for Outside Director as it has been determined that they are able to appropriately perform the duties of Outside Director for the aforementioned reasons.

3. It came to light in April 2016 that at Mitsubishi Motors Corporation, where Mr. Takeshi Niinami serves as Outside Director, fraudulent operations were carried out in regard to fuel consumption tests for vehicles manufactured by the said company. Mr. Niinami was unaware of the facts until they were reported, but made proposals from a compliance perspective on a routine basis at the Board of Directors meetings. Mr. Niinami, after the facts came to light, provided instruction to the said company regarding a thorough investigation of the facts as well as measures to prevent the reoccurrence of a similar incident.

4. The Company has executed an agreement regarding limitation on liability with each Outside Director, which will limit his/her liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act, set forth in Article 427, Paragraph 1 of the Companies Act. The maximum amount of liabilities provided in such agreement is equal to the Minimum Liability Amount set forth in Article 425, Paragraph 1 of the Companies Act. The Company expects to renew the said agreement with each of the candidates for Outside Director if they are appointed as Director.

(Attachments to Notice of the Annual General Meeting of Shareholders)

Business Report for the 53rd Fiscal Year

From April 1, 2015 to March 31, 2016

1. Management's Basic Policy

(1) Management's Basic Policy

The ORIX Group's corporate philosophy and management policy are shown below.

Corporate Philosophy	ORIX is constantly anticipating market needs and working to contribute to society by developing leading financial services on a global scale and striving to offer innovative products that create new value for customers.

Management Policy	• ORIX strives to meet the diverse needs of its customers and to deepen trust by constantly providing superior services. • ORIX aims to strengthen its base of operations and achieve sustained growth by integrating its resources to promote synergies amongst different units. • ORIX makes efforts to develop a corporate culture that shares a sense of fulfillment and pride by developing personnel resources through corporate programs and promoting professional development. • ORIX aims to attain stable medium-and long-term growth in shareholder value by implementing these initiatives.

(2) Target Performance Indicators

In its pursuit of sustainable growth, ORIX will use the following performance indicators: Net income attributable to ORIX Corporation shareholders to indicate profitability, ROE to indicate capital efficiency and ROA to indicate asset efficiency. ORIX aims to achieve a mid-term net income target of ¥300 billion for the fiscal year ending March 31, 2018, and ROE around 11% to 12% by striving to increase asset efficiency through quality asset expansion to capture business opportunities along with increased capital efficiency by strengthening profit-earning opportunities such as fee-based businesses.

Three-year trends in performance indicators are as follows.

		As of March 31,		
		2014	**2015**	**2016**
Net income attributable to ORIX Corporation shareholders……	(Millions of yen)	187,364	234,948	260,169
ROE ……	(%)	10.5	11.5	11.7
ROA……	(%)	2.14	2.29	2.32

(3) Profit Distribution Policy and Dividends

ORIX aims to increase shareholder value by utilizing profits earned from business activities that were secured primarily as retained earnings, to strengthen its business foundation and make investments for future growth. At the same time, ORIX strives to make stable and sustainable distribution of dividends at the level in line with its business performance.

Based on this fundamental, dividend is paid twice in the fiscal year and the annual dividend is raised to 45.75 yen per share (interim dividend paid is 22.00 yen per share and year-end dividend is 23.75 yen per share) from 36.00 yen per share in the previous fiscal year. Regarding the payment of dividends, in accordance with Article 459, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulates that ORIX may pay dividends from surplus by resolution of the Board of Directors.

With regards to the decision of share buyback, ORIX aims to act with flexibility and swiftness while considering various factors such as the adequate level of the Company's retained earnings, the soundness of financial condition and external factors such as changes in the business environment and share price valuation and its trend.

For the next fiscal year ending on March 31, 2017, we will continue to focus on the optimal balance between securing capital for investment in future profit growth and providing the appropriate level of dividend to shareholders. Furthermore, dividend distribution for the next fiscal year is also scheduled twice a year with an interim dividend and a year-end dividend. The interim dividend for the next fiscal year is projected at 23.00 yen per share. The year-end dividend for the next fiscal year is to be determined.

Three-year trends in dividends per share are as follows:

	As of March 31,		
	2014	**2015**	**2016**
Dividends applicable to fiscal year per Share (yen)	23	36	45.75

2. Current State of the ORIX

The matters described in 2. Current State of the ORIX are based on the terms, forms and preparation methods that have been required for issuance of American Depositary Receipt, etc. (hereinafter referred to as "US GAAP").

(1) Progress and Results of the ORIX's Business Activities

Economic Environment

The world economy has been suppressed with low level of growth due primarily to falling commodity prices such as the price of crude oil and fluctuations in financial markets. Moderate economic growth is expected among developed countries. Meanwhile, economic growth in emerging and developing countries is expected to be weak overall and disparity in economic growth among such countries continues to widen. In addition, political and geopolitical tensions in certain regions need to be monitored carefully.

The Japanese economic outlook is becoming increasingly unclear due primarily to economic slowdown in emerging countries and the adoption of negative interest rate policy by the Bank of Japan in the second half of the fiscal year despite positive corporate earnings during the first half.

Overview of Consolidated Business Performance (April 1, 2015 to March 31, 2016)

Total revenues for the consolidated fiscal year ended March 31, 2016 (hereinafter referred to as "the fiscal year") increased 9% to ¥2,369,202 million compared to ¥2,174,283 million during the previous fiscal year. Finance revenues increased due primarily to an increase in the average balance of installment loans. In addition, sales of goods and real estate increased due primarily to revenues generated by subsidiaries acquired during the previous fiscal year. Meanwhile, given the significant market improvement during the previous fiscal year, life insurance premiums and related investment income for the fiscal year decreased on a year-on-year basis, due to a significant decrease in investment income from variable annuity and variable life insurance contracts held by Hartford Life Insurance K.K. (hereinafter referred to as "HLIKK"). HLIKK was merged into ORIX Life Insurance Corporation (hereinafter referred to as "ORIX Life Insurance") on July 1, 2015.

Total expenses increased 9% to ¥2,081,461 million compared to ¥1,917,454 million during the previous fiscal year. Costs of goods and real estate sold increased in line with the aforementioned revenue increases. On the other hand, life insurance costs decreased due to a reversal of liability reserve in line with the aforementioned decrease in investment income from variable annuity and variable life insurance contracts held by HLIKK. In addition, write-downs of long-lived assets decreased compared to the previous fiscal year in which an impairment of large-scale properties under facility operation and leased real estate was recorded.

Equity in net income of affiliates increased due primarily to an increase in the income from the affiliates in the Americas. Gains on sales of subsidiaries and affiliates and liquidation losses, net increased compared to the previous fiscal year due primarily to the recognition of a gain on the partial divestment of shares of Houlihan Lokey, Inc. (hereinafter referred to as "HL"), in connection with its initial public offering in the United States and its becoming an equity method affiliate.

As a result of the foregoing, income before income taxes for the fiscal year increased 14% to ¥391,302 million compared to ¥344,017 million during the previous fiscal year, and net income attributable to ORIX Corporation shareholders increased 11% to ¥260,169 million compared to ¥234,948 million during the previous fiscal year.

(2) Summary of Consolidated Financial Results

		Fiscal Year ended March 31,			
		2013	2014	2015	2016
Total Revenues	(millions of yen)	1,052,477	1,375,292	2,174,283	2,369,202
Total Operating Income	(millions of yen)	150,853	203,048	256,829	287,741
Net Income Attributable to ORIX Corporation Shareholders	(millions of yen)	111,909	187,364	234,948	260,169
Earnings Per Share					
(Basic)	(yen)	102.87	147.75	179.47	198.73
(Diluted)	(yen)	87.37	143.20	179.21	198.52
Shareholders' Equity Per Share	(yen)	1,345.63	1,465.77	1,644.60	1,764.34
Total Assets	(millions of yen)	8,439,710	9,066,961	11,443,628	10,996,906
Shareholders' Equity	(millions of yen)	1,643,596	1,919,346	2,152,198	2,310,431
ROE	(%)	7.4	10.5	11.5	11.7
ROA	(%)	1.33	2.14	2.29	2.32
Number of Employees		19,043	25,977	31,035	33,333

Notes: 1. Pursuant to FASB ASC 205-20 ("Presentation of Financial Statements—Discontinued Operations"), the results of operations which meet the criteria for discontinued operations are reported as a separate component of income, and those related amounts that had been previously reported are reclassified.
2. Earnings Per Share is calculated based on the average number of outstanding shares for the fiscal period and is rounded to nearest hundredth of a yen. Other amounts are presented rounding to the nearest million yen.
3. Total Revenues do not include consumption tax and the like.

(3) Summary of Principal Businesses, Principal Business Locations and Employees of the ORIX Group (as of March 31, 2016)

Business Segment	Principal Businesses Principal Business Locations and Number of Locations	Number of Employees
Corporate Financial Services	Lending, leasing and fee business	2,635
	104 locations principally in Tokyo, Osaka, Kanagawa, Aichi and Fukuoka	
Maintenance Leasing	Automobile leasing and rentals, car sharing, and test and measurement instruments and IT-related equipment rentals and leasing	2,609
	1,139 locations principally in Tokyo, Osaka, Kanagawa, Aichi and Fukuoka	
Real Estate	Real estate development and rental, facility operation, REIT asset management and real estate investment advisory services	4,312
	95 locations principally in Tokyo, Osaka, Kanagawa, Aichi and Fukuoka	
Investment and Operation	Environment and energy-related business, principal investment, and loan servicing (asset recovery)	11,914
	18 locations principally in Tokyo, Osaka and Fukuoka	
Retail	Life insurance, banking and card loan business	2,457
	84 locations principally in Tokyo, Osaka, Kanagawa, Aichi and Fukuoka	
Overseas Business	Leasing, lending, investment in bonds, asset management and ship and aircraft-related operations	8,166
	37 countries and regions including U.S.A., Hong Kong, Malaysia, Indonesia, Australia, Ireland, China and the Netherlands	
Subtotal		32,093
Non Segment Specific		1,240
Total		33,333

Notes: 1. Number of Employees refers to the number of employees of the Company and its subsidiaries.
2. Concerning the number of business locations in the overseas business, each country or region is treated as one location, and a portion of affiliate companies may be included.

(4) Segment Information

Corporate Financial Services Segment:

Principal Business

Lending, leasing and fee business

Mid-Term Strategic Directions

- Shift from finance revenues to services income
- Maximize synergy potential with Yayoi Co.
- Utilize domestic network to target growth areas

	As of March 31, 2016
Asset composition	12%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	79	86	107
Segment Profits	25	26	42

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	992	1,133	1,050

Summary of Performance

The Japanese economic outlook is becoming increasingly unclear due primarily to economic slowdown in emerging countries and the adoption of negative interest rate policy by the Bank of Japan in the second half of the fiscal year despite positive corporate earnings during the first half. The balance of outstanding loan at financial institutions continues to increase and interest rates on loans remain at low levels. Segment revenues increased 25% to ¥107,150 million compared to ¥85,502 million during the previous fiscal year due to increases in services income and sales of goods primarily from revenue generated by Yayoi Co., Ltd. (hereinafter, "Yayoi"), which we acquired on December 22, 2014, and a robust fee business that serves domestic small- and medium-sized enterprise customers. In addition, gains on sales of investment securities were recognized during the fiscal year, which offset a decrease in finance revenues in line with the decreased average balance of installment loans. While segment expenses increased compared to the previous fiscal year due primarily to an increase in selling, general and administrative expenses following the consolidation of Yayoi, segment profits increased 66% to ¥42,418 million compared to ¥25,519 million during the previous fiscal year.

Segment assets decreased 7% to ¥1,049,867 million compared to the end of the previous fiscal year due primarily to decreases in installment loans and investment in direct financing leases.

Maintenance Leasing Segment:

Principal Business

Automobile leasing and rentals, car sharing and test and measurement instruments and IT-related equipment rentals and leasing

Mid-Term Strategic Directions

- Further expansion of the business while maintaining high profitability
- Capitalize on competitive advantage to increase market shares
- Deepen expertise and develop solution business

	As of March 31, 2016
Asset composition	8%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	251	264	272
Segment Profits	37	40	43

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	622	663	731

Summary of Performance

Revenues have been growing through the high value-added services provided towards the demands in capital investment for boosting competitiveness and further cost reduction while corporate capital investment in general has been decreasing. The volume of new auto leases in Japan during the fiscal year was similar to the level of the previous fiscal year.

Segment revenues increased 3% to ¥271,662 million from ¥263,499 million during the previous fiscal year due primarily to increases in operating leases revenues and finance revenues resulting from the steady expansion of assets in the automobile business and in services income derived from value-added services such as maintenance. Despite an increase in segment expenses due primarily to increases in the costs of operating leases, services expense, and selling, general and administrative expenses, which were in line with revenue growth, segment profits increased 6% to ¥42,935 million compared to ¥40,366 million during the previous fiscal year.

Segment assets increased 10% to ¥731,329 million compared to the end of the previous fiscal year due primarily to an increase in leasing assets, mainly in the automobile business.

Real Estate Segment:

Principal Business

Real estate development; rentals and financing, facility operation, REIT asset management and real estate investment advisory services

Mid-Term Strategic Directions

- Continue to shift business model towards one with higher stability and profitability
- Develop new value-added services
- Capitalize facility operation expertise in markets abroad

	As of March 31, 2016
Asset composition	8%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	203	182	192
Segment Profits	18	4	43

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	962	835	740

Summary of Performance

The real estate market has remained active due primarily to the quantitative easing policy of the Bank of Japan, including the adoption of negative interest rates. Land prices have been high and office rents and vacancy rates in the Japanese office building market continue to show signs of improvement especially in the Greater Tokyo area. Furthermore, due to an increase in the number of tourists from abroad, we are seeing increases in the occupancy rates and average daily rates of hotels and Japanese inns. Meanwhile, we are also seeing a trend where sales prices of condominiums stopped rising and domestic property acquisitions by foreign funds decreasing. Segment revenues increased 5% to ¥191,540 million compared to ¥182,321 million during the previous fiscal year due primarily to an increase in services income from the facility operation business, despite a decrease in rental revenues, which are included in operating leases revenues, in line with a decrease in the balance of real estate assets.

Segment expenses decreased compared to the previous fiscal year due primarily to a decrease in write-downs of long-lived assets and decreases in interest expense and costs of operating leases in line with decreased asset balance.

As a result of the foregoing, segment profits increased significantly by approximately twelve times to ¥42,902 million compared to ¥3,484 million during the previous fiscal year.

Segment assets decreased 11% to ¥739,592 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, and a decrease in installment loans and investment in securities.

Investment and Operation Segment:

Principal Business

Environment and energy-related business, principal investment and loan servicing (asset recovery)

Mid-Term Strategic Directions

- Target growth opportunities with stable revenue streams
- Push the environment and energy-related business forward to the next stage
- Investment in new business fields

	As of March 31, 2016
Asset composition	8%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	237	666	1,028
Segment Profits	96	42	57

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	552	660	704

Summary of Performance

In Japan, while the government is reassessing its renewable energy purchase program, the significance of renewable energy in the mid- to long- term is on the rise with investment targets expanding beyond solar power generation projects to include wind and geothermal power generation projects. In the capital market, since January 2016, size of merger and acquisitions (hereinafter "M&A") transactions appear to have decreased despite an increase in the total number of M&A transactions closed during the fiscal year compared to previous fiscal year in which several large cross-border M&A transactions took place.

Segment revenues increased 54% to ¥1,028,355 million compared to ¥666,120 million during the previous fiscal year due primarily to a significant increase in sales of goods and real estate contributed by subsidiaries acquired during the previous fiscal year and an increase in gains on sale of condominium by DAIKYO INCORPORATED (hereinafter, "DAIKYO"). An increase in the amount of services income from the environment and energy-related business also contributed. Segment expenses also increased compared to the previous fiscal year due to an increase in expenses in connection with acquired subsidiaries including DAIKYO and the environment and energy-related business, each of which increased in line with segment revenues expansion.

As a result of the foregoing and the recognition of gains on sales of shares of subsidiaries, segment profits increased 35% to ¥57,220 million compared to ¥42,414 million during the previous fiscal year.

Segment assets increased 7% to ¥704,156 million compared to the end of the previous fiscal year due primarily to an increase in property under facility operations in the environment and energy-related business and investment in affiliates resulting from the investment in the facility operation business of the Kansai and Osaka International Airports. Meanwhile, installment loans, investment in securities and inventories decreased.

Retail Segment:

Principal Business

Life insurance, banking and card loan business

Mid-Term Strategic Directions

- Grow from mid size insurer to a major insurer
- Expand card loan business via integrated management of ORIX Bank and ORIX Credit

	As of March 31, 2016
Asset composition	39%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	212	426	254
Segment Profits	50	121	52

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	2,167	3,701	3,463

Summary of Performance

Although the life insurance business in Japan is affected by macroeconomic factors such as population decline, we are seeing an increasing number of companies launching new insurance products in response to the rising demand for medical insurance. On the other hand, with the introduction of negative interest rate policy, we are also seeing certain discontinued products and increased insurance premium for new contract. In the consumer finance sector, banks and other lenders are expanding their assets to further secure new revenue streams, and competition in the lending business continues to intensify on the back of the current low interest rate environment. Segment revenues decreased 40% to ¥254,289 million compared to ¥425,977 million during the previous fiscal year due to a significant decrease in investment income from variable annuity and variable life insurance contracts held by HLIKK, offsetting a steady increase in life insurance revenue generated by ORIX Life Insurance and an increase in finance revenues in the banking business.

Segment expenses decreased compared to the previous fiscal year due primarily to a reversal of liability reserve for the aforementioned decrease in investment income of HLIKK.

As a result of the foregoing and the recognition of a bargain purchase gain from the acquisition of HLIKK last fiscal year, segment profits decreased 57% to ¥51,756 million compared to ¥120,616 million during the previous fiscal year.

Segment assets decreased 6% to ¥3,462,772 million compared to the end of the previous fiscal year due primarily to a substantial decrease in investment in securities held by HLIKK, offsetting an increase in installment loans in the banking business.

Overseas Business Segment:

Principal Business

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

Mid-Term Strategic Directions

- Position as the driver for Group's growth and profitability
- Expansion of asset management business
- Aggressively develop aircraft and shipping businesses

	As of March 31, 2016
Asset composition	25%

Billions of yen

	Year ended March 31,		
	2014	2015	2016
Segment Revenues	412	562	526
Segment Profits	70	104	143

Billions of yen

	As of March 31,		
	2014	2015	2016
Segment Assets	1,972	2,179	2,285

Summary of Performance

The world economy has been suppressed with low level of growth due primarily to falling commodity prices such as the price of crude oil and fluctuations in financial markets. While moderate economic growth is expected among developed countries, economic growth in emerging and developing countries is expected to be weak overall and disparity in economic growth among such countries continues to widen. In addition, political and geopolitical tensions in certain regions need to be monitored carefully. Segment revenues decreased 6% to ¥526,008 million compared to ¥561,893 million during the previous fiscal year due to a decrease in gains on sales of investment securities and the deconsolidation of HL, despite increases in sales of goods and finance revenues in the Americas, and increases in operating leases revenues in Asia.

Segment expenses decreased compared to the previous fiscal year due to the deconsolidation of HL, despite an increase in costs of operating leases.

Segment profits increased 37% to ¥142,879 million compared to ¥104,143 million in the previous fiscal year due primarily to the recognition of a gain on the partial divestment of HL shares in connection with its initial public offering in the United States and an increase in income from affiliates in the Americas.

Segment assets increased 5% to ¥2,284,733 million compared to the end of the previous fiscal year due primarily to an increase in investment in operating leases by the aircraft-related operations and an increase in corporate lending in the Americas and an increase in installment loans resulted from the acquisition of an auto loan company in Asia.

(5) Funding Situation (Important factor)

1) The funding situation

At the end of the current fiscal year, the funding of ORIX Group balanced at ¥5,689,002 million composed of short/long term debts and deposits.

The borrowings from the financial institution vary in sources by major banks, regional banks, foreign banks, life insurance companies, casualty insurance companies and others. The number of our lenders exceeded 200 as of March 31, 2016. The funding from capital markets consist of straight bonds, commercial paper ("CP"), medium-term notes ("MTN"), payable under securitized assets.

For the current fiscal year, we have placed importance on lengthening the tenor of debts and carrying out measures such as dispersing the amount of repayment. We will continue to strengthen stability of the funding to prepare for the fluctuation risks in the financial market in the future.

2) Capital expenditures

In the fiscal year ended March 31, 2016, ¥463,770 million of capital expenditures were made in operating lease investment mainly in the Maintenance Leasing Segment, the Overseas Business Segment and the Real Estate Segment. In addition, ¥78,454 million was invested in equipment not including the above mentioned rental purpose investment mainly such as solar power generation equipment belonging to the Investment and Operation Segment.

3) Assignment of business, merger, company split, share acquisition and sales

On July 1, 2015, HLIKK was merged into ORIX Life Insurance.

4) Main lenders and the amount of borrowings (As of the end of March 2016)

The borrowings of ORIX Group are mainly led by the Company. Main lenders of the Company at the end of the fiscal year are as follows.

Millions of yen

Lender	Outstanding Amount of Borrowings
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	174,898
Mizuho Bank, Ltd.	174,776
Sumitomo Mitsui Banking Corporation	161,302
Sumitomo Mitsui Trust Bank, Limited	90,280
The Norinchukin Bank	80,420

Note: Amount less than one million yen have been rounded off.

(6) Challenges to be Addressed

1) Medium-term management targets

ORIX continues to provide innovative and flexible solutions to address changes in the market environment and 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 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.

ORIX's strategy of "Expansion in Non-Finance Business" consists of "Organic growth" and "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.

"New investment in key areas": Continue to pursue new investment opportunities in key areas identified as the environment and energy-related business and principal investment in Japan and abroad, the network in Asia, global asset management, and concession business

2) Development of business structure that supports management strategies

It is vital for ORIX to continue to maintain and develop a business structure that flexibly and swiftly adapts to the changing business environment. ORIX will take the following three steps in order to achieve the aforementioned mid-term management targets.

Further advancement of risk management: Fortify ORIX's growth-supporting risk management foundation by enhancing the expertise necessary to manage risk, and further refining the ability to discern good risks from bad ones.

Pursue transactions that are both socially responsible and economically viable: Pursue transactions that are socially responsible from a social and environmental standpoint while providing products and services that are valued by clients and improve ORIX profitability.

Create a fulfilling workplace: Focus on ORIX's strengths as a global organization to create a fulfilling work environment for all employees regardless of nationality, age, gender, background or type of employment.

(7) Significant Parent Company, Subsidiaries and Affiliates

1) Parent company

No items to report.

2) Significant subsidiaries

Business Segment	Company Name	Common Stock (millions of yen unless stated otherwise)	ORIX Voting Power ratios (%)	Principal Businesses
Corporate Financial Services	Yayoi Co., Ltd.	50	99	Development, Marketing, and Support of Business Management Software and Related Services
Maintenance Leasing	ORIX Auto Corporation	500	100	Automobile Leasing, Rentals, Car Sharing, Sales of Used Automobiles
	ORIX Rentec Corporation	730	100	Rental and Leasing of Test and Measurement Instruments and IT-Related Equipment
Real Estate	ORIX Real Estate Corporation	200	100	Real Estate Development and Rental, Facilities Operation
	ORIX Golf Holdings Corporation	100	100 (0)	Golf Course Management
	ORIX Real Estate Investment Advisors Corporation	50	100	Real Estate Investment and Advisory Services
Investment and Operation	ORIX Asset Management and Loan Services Corporation	500	100	Loan Servicing
	DAIKYO INCORPORATED	41,171	64 (0)	Real Estate Development and Sales, Urban Development
Retail	ORIX Life Insurance Corporation	59,000	100	Life Insurance
	ORIX Bank Corporation	45,000	100	Banking
	ORIX Credit Corporation	4,800	100	Consumer Finance Services
Overseas Business	ORIX USA Corporation	US$730,016,000	100	Corporate Finance
	ORIX Asia Limited	HK$14,000,000 US$29,200,000	100	Leasing, Automobile Leasing, Lending, Banking
	ORIX Leasing Malaysia Berhad	RM50,532,000	100	Leasing, Lending
	PT. ORIX Indonesia Finance	Rp420,000 million	85	Leasing, Automobile Leasing
	ORIX Australia Corporation Limited	A$30,000,000	100	Automobile Leasing, Truck Rentals
	ORIX Aviation Systems Limited	US$300,000	100	Aircraft Leasing, Asset Management, Aircraft-Related Technical Services
	ORIX (China) Investment Co., Ltd.	RMB1,191,843,000	100	Leasing, Equity Investment, Other Financial Services
	Robeco Groep N.V.	EUR4,538,000	90	Asset Management

Notes: 1. ORIX Voting Power ratios are rounded down to the nearest whole figures. The figures in the ( ) are the indirect holding ratios.

2. Common stock amounts are rounded down to millions of yen. (Foreign currency amounts are rounded down to the displayed unit.)

3. On July 1, 2015, HLIKK was merged into ORIX Life Insurance.

3) Specified subsidiaries

No items to report.

4) Significant affiliates

No items to report.

(8) Fundamental Policy Regarding Shareholders with Controlling Interest

The Company does not currently have a fundamental policy with regard to measures in response to shareholders with sufficient voting rights to give them control over corporate management. Moreover, the Company has not recently introduced takeover defense measures.

The Company plans to proceed with prudent consideration of this issue in light of changes in relevant laws and regulations and in the operating environment, with the intent of taking related measures, if necessary.

(9) Other Important Matters

No items to report.

3. Stock Information (As of March 31, 2016)

(1) Total Number of Shares Authorized: 2,590,000,000 shares

(2) Total Number of Shares Issued: 1,324,058,828 shares

(3) Number of Shareholders: 178,573

(4) Major Shareholders (Top 10)

Name	Number of Shares Held (Thousands)	Percentage of Total Shares Issued (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	118,667	9.05
The Master Trust Bank of Japan, Ltd. (Trust Account)	71,154	5.42
JP MORGAN CHASE BANK 380055	61,423	4.68
Japan Trustee Services Bank, Ltd. (Trust Account 9)	38,184	2.91
THE CHASE MANHATTAN BANK 385036	35,055	2.67
STATE STREET BANK AND TRUST COMPANY	31,108	2.37
THE BANK OF NEW YORK MELLON SA/NV 10	26,312	2.00
CITIBANK, N.A.－NY, AS DEPOSITARY BANK FOR DEPOSITARY SHARE HOLDERS	25,049	1.91
STATE STREET BANK AND TRUST COMPANY 505225	20,444	1.55
STATE STREET BANK WEST CLIENT－TREATY 505234	19,925	1.51

Notes: 1. Numbers of shares held are rounded down to the nearest thousand.

2. Percentages of total shares issued are rounded down to the second decimal place.

3. In addition to the above, the Company holds 12,848 thousand shares of treasury stock. Pursuant to Article 308, Paragraph 2 of the Companies Act, these shares have no voting rights. The percentages of total shares issued above are calculated excluding the treasury stock (12,848 thousand shares).

(5) Other Important Matters Relating to Shares

No items to report.

4. Directors and Executive Officers

(1) Directors

(As of March 31, 2016)

Name	Current Positions (on Committees)	Important Concurrent Position(s)
Makoto Inoue		
Kazuo Kojima		
Tamio Umaki		
Katsunobu Kamei		President, ORIX Auto Corporation
Yuichi Nishigori		
Yoshiyuki Yamaya		Representative Director and CEO of Kansai Airports
Hideaki Takahashi	Nominating Committee, Compensation Committee	Professor, Graduate School of Media and Governance at Keio University Director, Fukuoka Financial Group, Inc. (Outside)
Eiko Tsujiyama	Audit Committee (Chairperson), Compensation Committee	Professor, Faculty of Commerce at Waseda University Corporate Auditor, Mitsubishi Corporation (Outside) Corporate Auditor, Lawson, Inc. (Outside) Audit & Supervisory Board Member, NTT DOCOMO, INC. (Outside) Audit & Supervisory Board Member, Shiseido Company, Limited (Outside)
Robert Feldman	Nominating Committee, Compensation Committee (Chairperson)	Managing Director and Chief Economist, Morgan Stanley MUFG Securities Co., Ltd.
Takeshi Niinami	Nominating Committee, Compensation Committee	President, Suntory Holdings Limited. Director, ACCESS CO., LTD. (Outside) Director, Mitsubishi Motors Corporation (Outside)
Nobuaki Usui	Nominating Committee (Chairperson), Audit Committee	Auditor, KONAMI HOLDINGS CORPORATION (Outside)
Ryuji Yasuda	Nominating Committee, Audit Committee, Compensation Committee	Director, Daiwa Securities Group Inc. (Outside) Director, Fukuoka Financial Group, Inc. (Outside) Director, Yakult Honsha Co., Ltd. (Outside) Director, Benesse Holdings, Inc. (Outside)
Heizo Takenaka	Nominating Committee, Audit Committee	Professor, Faculty of Policy Management at Keio University Director, Global Security Research Institute at Keio University Director, Academyhills Chairman and Director, PASONA Group Inc.

Notes: 1. Makoto Inoue, Kazuo Kojima, Tamio Umaki and Yuichi Nishigori also serve as Executive Officers.

2. Eiko Tsujiyama, Robert Feldman, Takeshi Niinami, Nobuaki Usui, Ryuji Yasuda and Heizo Takenaka are Outside Directors. Appointment of Independent Directors is mandated by Tokyo Stock Exchange, Inc. to protect the interests of general shareholders; all the Company's Outside Directors are registered as Independent Directors.

3. Yuichi Nishigori and Heizo Takenaka were newly elected as Directors at the 52nd Annual General Meeting of Shareholders held on June 23, 2015.

4. Eiko Tsujiyama is qualified as a certified public accountant and possesses considerable knowledge relating to finance and accounting.

5. For details of important concurrent positions held by Directors who also serve as Executive Officers, please refer to the column headed Important Concurrent Position(s) under (2) below.

6. The Company does not have full-time audit committee member based on the evaluation that the effectiveness of the audit by the audit committee is assured by the following measures:

a - upon assignment by the Appointed Audit Member, the executive officer in charge of the Internal Audit Department of the Company attends important ORIX meetings and reports necessary information to the Audit Committee in a timely manner; and

b - based on the annual audit plan approved by the Audit Committee, the Internal Audit Department of the Company conducts internal audits and reports results and status of improvements to the Audit Committee.

(2) Executive Officers

(As of March 31, 2016)

Position(s)	Name	Responsibilities	Important Concurrent Position(s)
Representative Executive Officer, President	Makoto Inoue	President and Chief Executive Officer	
Representative Executive Officer, Deputy President	Kazuo Kojima	Chief Financial Officer Responsible for Corporate Planning Department	
Representative Executive Officer, Deputy President	Tamio Umaki	Head of Human Resources and Corporate Administration Headquarters Responsible for Secretarial Office Responsible for Group Internal Audit Department	
Vice Chairman	Hiroaki Nishina	Group Kansai Representative Responsible for Real Estate Segment	Chairman, ORIX Real Estate Corporation President, ORIX Baseball Club Corporation
Corporate Executive Vice President	Yuichi Nishigori	Head of Energy and Eco Services Business Headquarters	Director, Ubiteq, INC. (Outside)
Corporate Executive Vice President	Shintaro Agata	Head of Treasury Headquarters	
Corporate Executive Vice President	Kiyoshi Fushitani	Head of Global Business and Alternative Investment Headquarters Head of East Asia Business Headquarters Head of Global Transportation Services Headquarters	
Corporate Senior Vice President	Takao Kato	Head of Accounting Headquarters	President, ORIX Management Information Center Corporation
Corporate Senior Vice President	Kazutaka Shimoura	Head of Risk Management Headquarters	
Corporate Senior Vice President	Hideto Nishitani	Chairman and President, ORIX USA Corporation	
Corporate Senior Vice President	Tetsuo Matsumoto	Head of Real Estate Headquarters Responsible for Finance Department	President, ORIX Real Estate Corporation Director, DAIKYO INCORPORATED (Outside)
Corporate Senior Vice President	Satoru Katahira	Chief Information Officer Head of OQL Business and Sales Promotion Headquarters Responsible for IT Planning Office Responsible for Public Sector Project Management Department	
Corporate Senior Vice President	Shuji Irie	Head of Investment and Operation Headquarters Responsible for Concession Business Development Department	Director, ARRK CORPORATION (Outside)
Executive Officer	Tetsuro Masuko	Head of District Sales Headquarters	
Executive Officer	Satoru Matsuzaki	Head of Tokyo Sales Headquarters	
Executive Officer	Hiroshi Nishio	Deputy Head of Global Business and Alternative Investment Headquarters	
Executive Officer	Masaaki Kawano	Responsible for Corporate Communications Department Responsible for Legal and External Relations Department Responsible for Group Compliance Department Responsible for Group IoT Business Department	

Position(s)	Name	Responsibilities	Important Concurrent Position(s)
		Responsible for Business Development Department I and II Responsible for Robeco Group	
Executive Officer	Shinichi Obara	Head of Kinki Sales Headquarters Group Kansai Deputy Representative	
Executive Officer	Shuichi Murakami	Deputy Head of Risk Management Headquarters	
Executive Officer	Harukazu Yamaguchi	Deputy Head of Global Business and Alternative Investment Headquarters	
(Retired on December 31, 2015)			
Representative Executive Officer, Deputy President	Yoshiyuki Yamaya	Responsible for Retail Segment Responsible for Retail Business Planning Office Responsible for Concession Business Development Department Responsible for Airport Operation Project Office	President, ORIX Credit Corporation
Corporate Executive Vice President	Katsunobu Kamei	Responsible for Corporate Financial Services Segment and Maintenance Leasing Segment	President, ORIX Auto Corporation
Corporate Senior Vice President	Eiji Mitani	Head of Kinki Sales Headquarters Group Kansai Deputy Representative	
Executive Officer	Shigeki Seki	Deputy Head of Human Resources and Corporate Administration Headquarters	
Executive Officer	Tsukasa Kimura	Deputy Head of Energy and Eco Services Business Headquarters	
Executive Officer	Hiroko Yamashina	Responsible for Group Compliance Department Responsible for Group Internal Audit Department	
Executive Officer	Ryuhei Sakamoto	Deputy Head of Treasury Headquarters Responsible for Airport Operation Project Office	

Notes: 1. Makoto Inoue, Kazuo Kojima, Tamio Umaki and Yuichi Nishigori also serve as Directors.

2. Tetsuro Masuko, Shinichi Obara, Shuichi Murakami and Harukazu Yamaguchi assumed the post of Executive Officer during the fiscal year ended March 31, 2016.

3. Hiroko Yamashina's name is recorded as Hiroko Arai on the official family register.

(3) Compensation in Fiscal 2016

1) Total amount of compensation for directors and executive officers

Position	Fixed compensation		Performance-linked compensation (planned)		Share component of compensation		Total compensation	
	Number of People	Amount Paid (Millions of yen)	Number of People	Amount Paid (Millions of yen)	Number of People	Amount Paid (Millions of yen)	Number of People	Amount Paid (Millions of yen)
Directors (Outside Directors)	9 (7)	106 (68)	-	-	1 (1)	19 (19)	9 (7)	125 (87)
Executive Officers	30	771	30	359	6	521	30	1,652
Total	39	877	30	359	7	540	39	1,777

Notes: 1. The number of people and amounts paid in the table above include one director and 10 executive officers (including those serving concurrently as Directors and Executive Officers) who retired during fiscal 2016. As of March 31, 2016, there were 13 Directors (including six Outside Directors) and 20 executive officers (including those serving concurrently as Directors and Executive Officers).

2. In fiscal 2016, no persons serving concurrently as Directors and Executive Officers were remunerated as Directors. The total compensation figure for six people serving concurrently as Directors and Executive Officers is shown in the Executive Officers line.
3. The share component of the compensation system is a system in which Directors and Executive Officers are awarded a prescribed number of points during their period of service and, at the time of retirement, ORIX's shares are delivered through a trust to them in accordance with the number of points they have accumulated. The abovementioned amounts paid by the share component of compensation system is shown based on an amount that is calculated by multiplying the total number of ORIX's shares delivered to Directors and Executive Officers who retired during fiscal 2016 by the stock market price at the time the trust acquired ORIX's shares (¥1,588 per share).
4. The Company did not provide stock options in the form of stock acquisition rights in fiscal 2016. For details of stock acquisition rights, refer to "I. Stock Acquisition Rights" within the online information accompanying the Notice of the 53rd Annual General Meeting of Shareholders.
5. Figures shown are rounded down by discarding figures of less than 1 million yen.

2) Matters relating to policy regarding amount and calculation of compensation for Directors and executive officers

a. Method for deciding policy

The Company decides its compensation policy for fiscal 2016 by means of its Compensation Committee comprising non-executive Directors.

b. Details of the Policy

ORIX's business objective is to increase shareholder value over the medium- to long-term. ORIX believes in each Director and Executive Officer responsibly performing his or her duties and in the importance of cooperation among different business units in order to achieve continued growth of ORIX Group. The Compensation Committee believes that in order to accomplish such business objectives, Directors and Executive Officers should place emphasis not only on performance during the current fiscal year, but also on medium- to long-term results. Accordingly, under the basic policy that compensation should provide effective incentives, ORIX takes such factors into account when making decisions regarding the compensation system and compensation levels for Directors and executive officers. Taking this basic policy into consideration, we have established separate policies for the compensation of Directors and executive officers in accordance with their respective roles.

i. Compensation Policy for Directors

The compensation policy for Directors who are not also Executive Officers aims for composition of compensation that is effective in maintaining supervisory and oversight functions of executive officers' performance in business operations, which is the main duty of Directors. Specifically, ORIX's compensation structure consists of fixed compensation and share-based compensation. Fixed compensation is, in principal, a certain amount that is added to the compensation of the chairperson and member of each committee. Share-based compensation reflecting medium- to long-term performance is granted in the form of ORIX's shares, which is calculated based on the number of points earned and accumulated by the individual while in office until retirement. In addition, the Company strives to maintain a competitive level of compensation with Director compensation according to the role fulfilled, and receives third-party research reports on Director compensation for this purpose.

ii. Compensation Policy for Executive Officers

The compensation policy for Executive Officers, including those who are also Directors, aims for a level of compensation that is effective in maintaining business operation functions, while also incorporating a component that is linked to current period business performance. Specifically, ORIX's compensation structure consists of fixed compensation, performance-linked compensation, and share-based compensation. Fixed compensation is decided for each individual based on a standard amount for each position. Compensation linked to business performance uses the level of achievement of the net income target as a performance indicator, adjusting the position-based standard amount within the range of 0% to 200%. Share-based compensation reflecting medium- to

long-term performance is granted as a certain number of points for each position while in office, and the actual number of ORIX's shares granted to such individual executive officer's is calculated based on the number of points earned and accumulated by the individual while in office until retirement. In addition, based on the outcome of a third-party compensation research agency investigation, the Company strives to maintain a competitive level of compensation with executive officer compensation functioning as an effective incentive.

(4) Matters relating to Directors and executive officers who retired or were dismissed during fiscal 2016

For details of the executive officer who retired during the fiscal year ended March 31, 2016, refer to "(2) Executive Officers" above.

(5) Outside Directors

1) Important concurrent positions

Please refer to (1) above in the column entitled Directors who hold important concurrent positions. There are no important matters to be disclosed concerning relationships between the Company and the other entities at which the Outside Directors have important concurrent positions.

2) Relationship with the Company or specially related business entities of the Company

To the Company's knowledge, the Outside Directors are not a spouse or other relative within the third degree of relationship of any persons executing business, etc. of the Company or its specially related business entities.

3) Main activities

Name	Status of attendance at Board of Directors Meetings and Audit Committee Meetings held in fiscal year ended March 31, 2016	Statements made at Board of Directors Meetings and Audit Committee Meetings
Eiko Tsujiyama	Attended 8 of 8 meetings of the Board of Directors Attended 10 of 10 meetings of the Audit Committee	She made necessary statements in an appropriate timeframe and manner by utilizing her abundant experience and specialist knowledge as a professional accountant. She led deliberation in committee meetings of the Audit Committee as the Chairperson of the Audit Committee.
Robert Feldman	Attended 8 of 8 meetings of the Board of Directors	He made necessary statements in an appropriate timeframe and manner from a global perspective based on extensive insight as an economist.
Takeshi Niinami	Attended 6 of 8 meetings of the Board of Directors	He made necessary statements in an appropriate timeframe and manner based on broad experience and insight as a corporate executive.
Nobuaki Usui	Attended 8 of 8 meetings of the Board of Directors Attended 10 of 10 meetings of the Audit Committee	He made necessary statements in an appropriate timeframe and manner based on abundant experience and extensive insight as a specialist in finance and tax.
Ryuji Yasuda	Attended 8 of 8 meetings of the Board of Directors Attended 10 of 10 meetings of the Audit Committee	He made necessary statements in an appropriate timeframe and manner based on abundant knowledge as a corporate strategy specialist.
Heizo Takenaka	Attended 5 of 6 meetings of the Board of Directors since he assumed the post of Director Attended 5 of 6 meetings of the Audit Committee since he assumed the post of member of the Audit Committee	He made necessary statements in an appropriate timeframe and manner based on abundant experience and extensive insight as a specialist in economic and monetary policy.

4) Agreement limiting liability

The Company has executed an agreement with each Outside Director, which will limit his/her liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act, set forth in Article 427, Paragraph 1 of the Companies Act (so-called "Agreement limiting liability"). The maximum amount of liabilities provided in such agreement is equal to the Minimum Liability Amount set forth in Article 425, Paragraph 1 of the Companies Act. The Company has not executed the said agreement with non-executive directors (excluding Outside Directors) and an accounting auditor.

5) Total amount of compensation to Outside Directors for the fiscal year ended March 31, 2016

The total amount of compensation to Outside Directors is the same as the amount paid in the column entitled Compensation for Directors of (3) 1) above. No compensation is received from subsidiaries of the Company.

6) Statements or objections from Outside Directors about above description of Outside Directors

There are no specific statements or objections from the Outside Directors about the details of matters stated in 1)–5) above.

(6) Other Important Matters Concerning Directors and Executive Officers (including persons appointed after the closing day of the fiscal year ended March 31, 2016)

No items to report.

5. Basic Policy and System in Corporate Governance

(1) Corporate Governance System

1) Basic policy in corporate governance

ORIX believes that a robust corporate governance system is a vital element of effective enhanced management and therefore has established sound and transparent corporate governance to carry out appropriate business activities in line with our core policies and ensure objective management.

The Company's Corporate Governance System is characterized by:

- separation of execution and supervision through a "Company with Nominating Committee, etc." board model;
- Nominating, Audit and Compensation Committee each is formed entirely by non-executive directors and the Audit Committee is formed entirely by outside directors;
- all outside directors satisfy "Requirements for Independent Directors"; and
- all outside directors are highly qualified in their respective fields.

2) Rationale behind adopting ORIX's current Corporate Governance System and history of ORIX's strengthening of such system

The Company believes that swift execution of operations is vital to flexible adjustment of business model in response to changes in the business environment. Furthermore, the Company believes that the Company's governance system in which outside directors with expertise in their respective fields monitor and advise on legal compliance and appropriate execution of operations promotes improved management transparency. Based on these principles, the Company's board of directors possesses supervising function, and under the "Company with Nominating Committee, etc." board model, which the Company adopted in June 2003, delegates certain responsibilities to three committees (Nominating, Audit and Compensation Committees) to carry out the role of effective governance. Please refer to the history of the Company's strengthening of its Corporate Governance System to be described below.

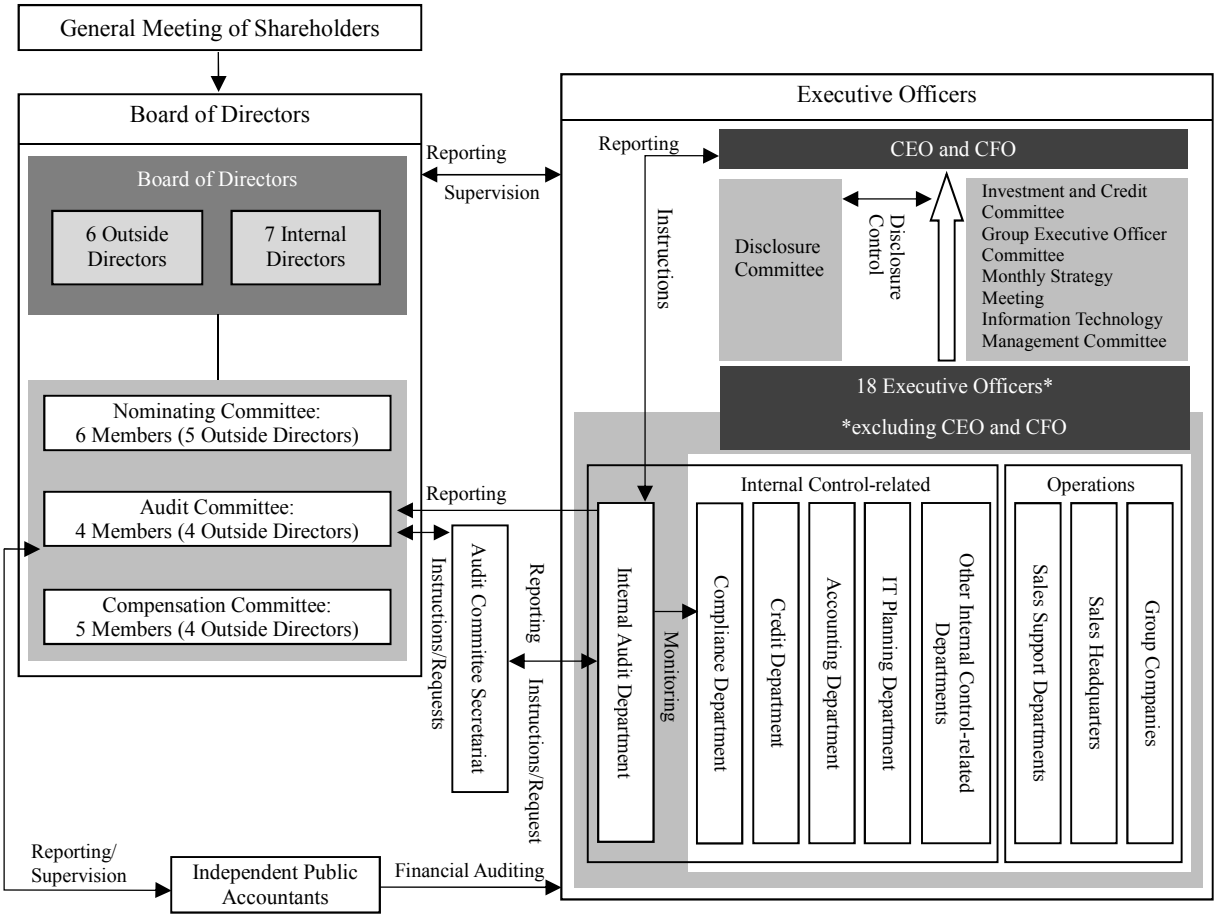
Supervision by directors is separated from the execution of operations with the three committees (Nominating, Audit and Compensation Committees) that form the heart of the board of directors. Each committee is formed entirely by non-executive directors to help avoid conflicts of interest with our shareholders. In addition, all outside directors must meet the objective and specific "Requirements for Independent Directors" as set forth by the Nominating Committee.

Below is a summary of the history of the Company's strengthening corporate governance system;

June 1997	Established Advisory Board
June 1998	Introduced Corporate Executive Officer System
June 1999	Introduced Outside Director System
June 2003	Adopted the "Company with Committees" board model
May 2006	Adopted the new "Company with Committees" board model in line with the enactment of the Companies Act of Japan
May 2015	Adopted the new "Company with Nominating Committees, etc." board model in line with the amendment of the Companies Act of Japan

(2) Our Corporate Governance System

ORIX's Corporate Governance System as of March 31, 2016 is as follows.



< Board of Directors >

The board of directors as of March 31, 2016 includes 13 members, six of whom are outside directors.

From April 1, 2015 through March 31, 2016, the board of directors met eight times. The attendance rate of directors for these meetings was 97%.

The board of directors carries out decisions related to items that, either as a matter of law or pursuant our Articles of Incorporation, cannot be delegated to executive officers, and important items as determined by the regulations of the board of directors. The board of directors is responsible for decision-making and monitoring ORIX's basic policies on a regular basis, which include corporate planning such as capital management, fund procurement, personnel strategies and internal control system. Aside from such items, the board of directors delegates decision-making regarding operational execution to representative executive officers to facilitate better efficiency and swiftness of such process. The board of directors also receives reports from executive officers and committees regarding the status of business operations.

< Structure and Activities of the Three Committees >

All members of the three committees (Nominating, Audit and Compensation Committees) consist of non-executive directors, and the Audit Committee consist entirely of outside directors.

	Nominating Committee	Audit Committee	Compensation Committee
Members as of March 31, 2016	6 Members Nobuaki Usui (Chairperson) Robert Feldman Takeshi Niinami Ryuji Yasuda Hideaki Takahashi Heizo Takenaka	4 Members Eiko Tsujiyama (Chairperson) Nobuaki Usui Ryuji Yasuda Heizo Takenaka	5 Members Robert Feldman (Chairperson) Eiko Tsujiyama Takeshi Niinami Ryuji Yasuda Hideaki Takahashi
Number of meetings held during fiscal 2016 (Attendance rate)	Three (3) meetings (89%)	Ten (10) meetings (98%)	Five (5) meetings (92%)

< Nominating Committee >

The Nominating Committee is authorized to propose the slate of director election or dismissal to be submitted to the general meetings of shareholders. Directors shall be elected and dismissed by a resolution of the general meetings of shareholders. In addition, the Nominating Committee deliberates on the election or dismissal of our executive officers, although this is not required under the Companies Act of Japan.

The Nominating Committee stipulates the “Requirements for Independent Directors” in accordance with nomination criteria for directors. (Please refer to Proposal 2 “Election of thirteen (13) Directors” in the Reference Documents for the general meeting of the shareholders.)

< Audit Committee >

The Audit Committee monitors the execution of the duties of the Directors and Executive Officers and prepares audit reports. The Audit Committee decides the content of proposals to appoint, dismiss or refuse the reappointment of the Company’s Independent Public Accountants, which are submitted to the general meeting of shareholders. The Audit Committee Secretariat was established to assist the Audit Committee regarding the execution of its duties.

< Compensation Committee >

The Compensation Committee decides the policy for determining the compensation to be paid to individual Directors and Executive Officers, as well as the actual compensation to be paid to each individual.

For details about the compensation policy for Directors and Executive Officers prescribed by the Compensation Committee, refer to “4. (3) 2) Matters relating to policy regarding amount and calculation of compensation for Directors and Executive Officers” above.

(3) Internal Control Systems (Frameworks to secure the adequacy of ORIX business procedures)

The Company once again resolved the frameworks and "Establishment and improvement of systems to ensure the performance of duties of executive officers to comply with laws and regulations and the Articles of Incorporation and to ensure appropriateness of other duties" and "Matters necessary for the performance of the duties of the Audit Committee" at the Board of Directors meeting held on May 20, 2015 in accordance with the Article 416 of the Companies Act and Article 112 of the Ordinance for Enforcement of the Companies Act.

The outline of the resolution is as follows.

[Establishment and improvement of systems to ensure the performance of duties of executive officers to comply with laws and regulations and the Articles of Incorporation and to ensure appropriateness of other duties]

1) Systems to ensure that the duties of executive officers of the Company and directors and the like of the subsidiaries are performed efficiently

a) The Company adopts the "Company with Nominating Committees, etc." board model. To the extent permitted under laws and regulations, the board of directors may resolve the Company to delegate the power to resolve business execution to representative executive officers by its resolution to enhance the speed and efficiency of execution of business operations.

b) ORIX adopts appropriate internal authority policies for each group company depending on its size and category in order to carry out business operations efficiently.

c) The Investment and Credit Committee ("ICC") which includes members of top management including CEO and CFO ("Top Management") and the executive officer in charge of the Committee meets, in principle, three times a month primarily to deliberate and decide on credit transactions and investments that exceed certain specified value amounts, important matters related to management of the Company and matters that have been assigned to representative executive officers by the board of directors. Any other matters shall be decided by the decision-maker to be appointed from time to time depending on the importance of such matters.

d) The Information Technology Management Committee includes the members of Top Management and the executive officer in charge of information technology ("IT") systems and meets in principle once a month to deliberate and approve fundamental policies and important matters for IT operations and IT systems.

e) ORIX decides on strategies for each department and business unit individually, and in order for Top Management to monitor them and if necessary efficiently change the strategies, Monthly Strategy Meetings are held, in principle, once a month per business units between Top Management and the individuals in charge of individual business units to discuss matters such as the state of achievement of strategic targets and changes in the business environment.

f) The Group Executive Officer Committee, in which executive officers of the Company and group executives who are appointed from the directors or the executive corporate officers of the group companies by the board resolutions, participate, are held on a monthly basis to share important information related to the business execution of ORIX, to optimize the efficiency of operations of ORIX as a whole.

g) The Disclosure Committee plays a key role in ensuring timely and adequate disclosure adhering to laws, regulations and policies, and the appropriate transmission, storage and management of significant information that may affect the operations and financials of ORIX upon the occurrence of a significant incident.

<Outline of Systems in Operation>

a) The Board of Directors of the Company resolves upon delegation to representative executive officers any such matter for it to resolve as may be delegated to the executive officers to the extent permitted under laws and regulations except for certain matters, so that the Company may enhance the speed and efficiency of decision making and the execution of business operations.

b) The Board of Directors, on resolving upon division of duties and relations among executive officers of the Company, ensures that there shall not be made any overlap of their business execution or gaps in division of duties.

c) The important meetings and committees common to ORIX are held at the Company in order to share the business issues and to ensure efficient business execution; at such times in the current fiscal year as follows:

- The Investment and Credit Committee 35 times
- The Information Technology Management Committee 15 times
- Monthly Strategy Meetings 95 times
- The Group Executive Officer Committee 12 times
- The Disclosure Committee 33 times

d) In each group companies, division of duties policies and authority policies are established that define the limits of duties for each department under charge of each director and the execution authorities of each department. In respect of important business execution in the subsidiaries, after deliberation at the Investment and Credit Committee, the representative executive officer of the Company makes determination, and instructs the directors of each group company, in order that the important business execution of the subsidiaries is under control.

2) Systems and policies relating to risk of loss management, etc. in ORIX

ORIX monitors and manages risks relating to the Group business according to type of risk and impact on business management, through its risk management system to meet the changes in the business environment, changes accompanying expansion of business, and potential diversification of risks.

<Outline of Systems in Operation>

a) ORIX has made policies according to risk factors, such as investment and credit policies, ALM policies and disaster risk management policies. In addition, for the purposes of centralized risk management, ORIX makes crisis response policies, providing for the route and manner of reporting at the time a crisis occurs, and responds to and manages a crisis to the extent that said crisis impacts ORIX management.

b) Crisis and litigation matters are regularly reported to the Audit Committee and the Board of Directors, which in turn are monitoring the state of management and systems.

c) Every year, ORIX establishes a compliance program, identifies risk factors caused by properties of business, and determines material risks to ORIX management and the state of responses made to those risks are examined by the Group Compliance Department.

3) Systems regarding storing and managing information relating to the performance of the duties of executive officers of the Company

The Company establishes systems that regulate the storage and management of information relating to the performance of the duties of executive officers, including documents such as the minutes of the committees, internal application approvals and other information. The separately established policies and procedures stipulates the classification of the information, the term of storage, method of management and matters pertaining to disposal of information. Through these policies and procedures, the Company promotes development of a system that ensures confidentiality and the effective usage of information.

<Outline of Systems in Operation>

a) With regard to information on the minutes, internal application approvals and the like in relation to performance of duties of the executive officers of the Company, ORIX has made information management policies providing for the manner in which information is managed and the period in which it is kept.

b) In case a director or the Audit Committee of the Company requests a sight of the minutes described a) above, the Board of Directors Secretariat or the Audit Committee Secretariat will

meet such request.

c) The secretariat to the relevant meeting or committee keeps materials on agendas submitted to the important meetings and committees common to ORIX, and maintains confidentiality by putting a limit on the directors / executive officers / employees who can access to such materials.

4) Systems to ensure that the performance of duties of directors / executive officers / employees of ORIX complies with laws and regulations and the Articles of Incorporation

a) ORIX adopts and complies with group common principles such as its Corporate Philosophy, Management Policy and Action Guidelines.

b) ORIX enacts and develops policies regarding compliance in order to let the directors / executive officers / employees act in accordance with laws and regulations, internal policies and ethical norms and to promote adherence to them. The Business Conduct Principles strictly avoids involvement of unlawful or anti-social organizations.

c) ORIX has whistle-blower channels to discover illegal or unethical conduct, or violations of internal policies at an early stage through consultation or reporting, to avoid deplorable events, and take necessary actions to improve and enhance the integrity of ORIX.

d) The Internal Audit Department of the Company performs internal audits of the effectiveness of internal control systems, efficiency and effectiveness of operations, compliance with laws and regulations, and other factors pertaining to the management of ORIX through a risk-based approach. In addition, the Internal Audit Department of the Company and corporate auditors of the subsidiaries jointly monitor critical risk.

e) To secure the accuracy and reliability of financial reporting, ORIX establishes systems to ensure adequate internal control over financial reporting through the existing policies and procedures.

f) In anticipation of further expansion of overseas operations, the group internal management system is further strengthened with a global perspective.

g) The internal controls departments, such as the Credit Department, Compliance Department, Accounting Department and IT Planning Department of the Company establish systems, monitor and assist the operations of ORIX to comply with laws and regulations and the Articles of Incorporation.

h) The Credit Department of the Company evaluates the suitability of initiatives and products by evaluating and monitoring credit and investment activities.

i) The Compliance Department of the Company evaluates whether operations are in compliance with laws and regulations, promotes an internal culture of compliance through training, and monitors the degree of adherence to compliance policies to improve the compliance systems.

j) The Accounting Department of the Company oversees and monitors the accounting at the consolidated group level and for each subsidiary to ensure the legal compliance and the accuracy of accounting process and to monitor and supervise financial reporting of each subsidiary.

k) The IT Planning Department of the Company ensures the appropriate acquisition, use and management of information.

<Outline of Systems in Operation>

a) In the current fiscal year, ORIX has set out to establish a global compliance system and reviewed the “Principles of Conduct”, which provides for the matters with which the directors / executive officers / employees of ORIX shall comply as members of a global company. In order to permeate compliance awareness and share the corporate vision, ORIX has established not only its “Corporate Philosophy”, but also “Principles of Conduct,” “Action Guidelines” and other documents, and it is making these policies well-known to directors / executive officers / employees. The policies can be viewed on the company website.

English: http://www.orix.co.jp/grp/en/company/philosophy/

Japanese: http://www.orix.co.jp/grp/company/philosophy/

b) ORIX has set “Compliance Hotline Policies” and established whistle-blower channels within and out of the Company to detect and prevent illegal or unethical conduct, or violation of internal policies at early stages. In the current fiscal year, ORIX has reinforced the function of reporting from overseas subsidiaries.

c) ORIX promotes compliance, by way of establishing internal control departments, such as the Credit Department, Group Compliance Department, Legal and External Relations Department and Accounting Department, and streamlining the systems of the Company to keep execution of business in compliance with laws and regulations and the Articles of Incorporation. Furthermore, the Group Internal Audit Department is established to take up internal auditing and monitor maintenance and operation of the internal control systems.

d) ORIX works to educate everyone about important laws and regulations through e-learning and other methods so that compliance becomes common knowledge.

5) System for reporting on the performance of the duties of directors and the like of subsidiaries of ORIX to the Company

With regard to management, operation and other matters within the group companies, the Company has enacted the system through the policies of the Company, the Management Advisory Agreement between the Company and the subsidiaries, and dispatches officers to report on important matters of the subsidiaries to the Company. Additionally, the Company gives advice and guidance to subsidiaries if necessary.

<Outline of Systems in Operation>

a) ORIX shares material business issues to management of ORIX by the executive officers of the Company, the group executive officers of ORIX and the directors of the subsidiaries at the Group Executive Officer Committee.

b) The group executive officers and the directors of the subsidiaries report appropriately on the progress in business plans, the state of execution of directors / executive officers / employees duties, and the business environment surrounding each group company at the important meetings and committees common to ORIX, such as Board of Directors meetings, the Audit Committee of the Company and Monthly Strategy Meetings.

c) The subsidiaries report on the status of execution of specific business operations in accordance with the policies on matters which require the prior approval of the Company set by the relevant subsidiaries or management agreements.

[Matters necessary for the performance of the duties of the Audit Committee]

1) Systems of reporting for directors / executive officers / employees of ORIX to the Audit Committee

a) The directors / executive officers / employees of ORIX shall report to the Audit Committee upon knowledge of any fact occurred to each of the group companies in the business activity that constitutes serious breach of laws and regulations or serious breach of the Articles of Incorporation or serious misconduct or any fact that could cause significant loss to such group company.

b) Upon knowledge of any fact that any activity which constitutes breach of laws and regulations, internal policies, or the generally accepted ethics, or upon any suspicion that any of the aforementioned are occurring, the directors / executive officers / employees of ORIX shall report to and consult with, and provide the basis for such knowledge or suspicion to, the internal or externally contracted whistle-blower channels. In case that the head of whistle-blower channels judges that such report or consultation is of the serious nature, he / she shall report such information to the Audit Committee of the Company. In addition, the directors / executive officers / employees of ORIX may report to the Audit Committee or the appointed audit member within the Audit Committee (the member responsible for the collection of information on the

performance of the duties and investigation of the operating assets, hereinafter the "Appointed Audit Member") of concerns regarding accounting, accounting internal control, or auditing matters.

c) The directors / executive officers / employees of ORIX shall report information requested by the Appointed Audit Member to the Audit Committee of the Company periodically or as appropriate.

<Outline of Systems in Operation>

a) The policies of the Audit Committee stipulates that the Appointed Audit Member may require directors / executive officers / employees of ORIX to report on certain facts regarding performance of the duties and may investigate into the business and financial conditions of ORIX.

b) The directors / executive officers / employees of ORIX are reporting periodically to the Audit Committee as follows:

- report by CEO of the Company on the performance of duties ····· semiannually
- accounting report by head of Accounting Headquarters of the Company ··· quarterly
- report by Group Internal Audit Department on the internal audit and evaluation of internal control ····· quarterly
- report by Group Compliance Department on illegal or unethical conduct, status of whistle-blowing and disputes ····· quarterly

c) In addition to b) above, in the current fiscal year, the head of Risk Management Headquarters of the Company has reported to Audit Committee about his performance of duties.

d) In case that the executive officer in charge of the Group Compliance Department judges that the report or consultation made at whistle-blower channels is of the serious nature, he / she shall promptly report such information to the Board of Directors, CEO and the Audit Committee of the Company (no such case whistle-blown in the current fiscal year).

e) Channels are available for direct whistle-blowing to the Audit Committee of the Company or the Appointed Audit Member through the Audit Committee Secretariat on accounting, accounting internal control, or audit matters (no such case whistle-blown in the current fiscal year).

f) The internal policies stipulate that if any person who becomes aware of any fact that is required to be whistle-blown fails to report or consult about such fact, such person is disciplined pursuant to the work policies.

2) Systems to ensure that the person who has reported in accordance with the above 1) shall not be treated unfavorably by reason of the said report

ORIX internal policies stipulate that any director / executive officer / employee who has reported to or consulted with the whistle-blower channels and / or the Audit Committee shall not be treated unfavorably because of said report or consultation.

ORIX establishes a system in which reporters / consultors will not receive an unfavorable treatment as a result of their reporting or consulting by adopting internal policies that stipulates that any person treating such reporters / consultors unfavorably contrary to internal policies shall be punished according to the internal policies.

<Outline of Systems in Operation>

The "Compliance Hotline Policies", common policies of ORIX, stipulates that no one who has reported to or consulted with the whistle-blower channels and / or the Audit Committee shall be treated unfavorably by reason of said report or consultation. It also stipulates that any person who treats whoever so reported or consulted unfavorably in violation of internal policies shall be disciplined pursuant to the work regulations.

3) Systems to ensure that audit by the Audit Committee is effectively performed

a) The executive officer of the Company who is in charge of the Internal Audit Department shall attend important ORIX meetings upon assignment of the Appointed Audit Member, and report necessary information for auditing to the Audit Committee in a timely manner to support the information gathering of the Audit Committee.

b) To conduct the internal audit of the Company, the Internal Audit Department of the Company shall develop an annual audit plan and seek approval for the plan from the Audit Committee.

c) The Internal Audit Department of the Company shall, by way of an Audit Results Report, inform the Audit Committee of the results of each group company's internal audit. In addition, the Internal Audit Department of the Company will take measures regarding the matters which were pointed out by the audit to improve, will conduct a follow-up audit and the like, and report on the status of any improvements to the Audit Committee.

d) The Internal Audit Department of the Company shall continually collaborate with the Audit Committee and cooperate fully with any request for investigation by the Audit Committee.

<Outline of Systems in Operation>

a) The executive officer in charge of the Group Internal Audit Department of the Company as delegated by the Appointed Audit Member, attends important meetings and committees common to ORIX, such as the Investment and Credit Committee, Group Executive Officer Committee and Monthly Strategy Meetings, to understand the decision-making process, execution of business and state of compliance of each group company, and reports on such matters to the Audit Committee on a quarterly basis.

b) The annual audit plan of the Company is approved by the CEO and Audit Committee.

c) The results of each group company's internal audit are reported to the Audit Committee.

d) The Group Internal Audit Department of the Company in cooperation with corporate auditors and internal audit departments of subsidiaries conducts joint monitoring of material risks and reports on the results and the status of improvement thereof to the Audit Committee on a quarterly basis.

e) The Audit Committee, six times per year, requests the attendance of the accounting auditor and receives from the accounting auditor the reporting of information on the outline and progress of the integrated audit plan, the results of the quarterly review, the status of non-audit services, the results of inspection by the Certified Public Accountants and Auditing Oversight Board and the quality management system.

f) In order to afford a better understanding of the ORIX business, Audit Committee Members visit offices. Furthermore, after the closing of the Audit Committee, a briefing session is held at which the status of each ORIX business segment, business strategies and progress in projects are reported, thereby information necessary for audit purposes being shared.

4) Matters concerning directors / employees who shall assist the performance of duties of the Audit Committee

a) The Company has the Audit Committee Secretariat to assist the operations of the Audit Committee.

b) As necessary, the Audit Committee may commission the Audit Committee Secretariat to assist in the operation of the Audit Committee.

<Outline of Systems in Operation>

a) An Audit Committee Secretariat has put in place, and for the purposes of ensuring specialty necessary for the assisting in the work by the Audit Committee of the Company, the staff members of the Audit Committee Secretariat are in concurrent service as employees of the Group Internal Audit Department.

b) The staff of the Audit Committee Secretariat, in addition to the preparation of the minutes of the Audit Committee, on the instructions of the Audit Committee of the Company, assists the work

by the Audit Committee and confirms appropriateness of non-audit services provided by the accounting auditor or its affiliates to ORIX.

5) Matters regarding the independence of the directors / employees provided in 4) above from executive officers

The appointment and evaluation of, changes to, and disciplinary action toward the staff of the Audit Committee Secretariat shall be carried out with the approval of the Audit Committee.

<Outline of Systems in Operation>

The appointment and evaluation of, changes in, and disciplinary action against the Audit Committee Secretariat staff is effected with the approval of the Audit Committee.

6) Systems to ensure that the Audit Committee effectively instructs the directors / employees provided in 4) above

Regarding operations that staff of the Audit Committee Secretariat carries out on instructions from the Audit Committee; the executive officers themselves shall cooperate, and direct others to cooperate.

<Outline of Systems in Operation>

a) The head of the Group Internal Audit Department is appointed to staff of the Audit Committee Secretariat, so that the Department may efficiently conduct auditing and investigation as instructed by the Audit Committee.

b) "The Group Internal Audit Policies" are established as common policies of ORIX, which stipulate that the Group Internal Audit Department may require each group companies to submit materials or give an explanation, and no department that has been requested to cooperate may refuse to cooperate with the Group Internal Audit Department without cause.

7) Matters of policy concerning advance payments, reimbursement procedures, cost and expenses incurred through performance of Audit Committee duties

a) The Company bears the cost and expenses associated with conducting the duties of the Audit Committee.

b) The Audit Committee may appoint outside experts to conduct its duties as necessary.

<Outline of Systems in Operation>

The Company bears all costs, expenses and debts in connection with conducting the duties of the Audit Committee in an appropriate manner.

CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2016
ORIX Corporation and Subsidiaries

	Millions of yen
ASSETS	
Cash and Cash Equivalents	730,420
Restricted Cash	80,979
Investment in Direct Financing Leases	1,190,136
Installment Loans	2,592,233
(The amount of ¥20,673 million as of March 31, 2016 is measured at fair value by electing the fair value option under FASB ASC 825.)	
Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses	(60,071)
Investment in Operating Leases	1,349,199
Investment in Securities	2,344,792
(The amount of ¥27,367 million as of March 31, 2016 is measured at fair value by electing the fair value option under FASB ASC 825.)	
Property under Facility Operations	327,016
Investment in Affiliates	530,667
Trade Notes, Accounts and Other Receivable	294,638
Inventories	139,950
Office Facilities	120,173
Other Assets	1,356,774
(The amount of ¥37,855 million as of March 31, 2016 is measured at fair value by electing the fair value option under FASB ASC 825.)	
Total Assets	**10,996,906**

	Millions of yen
LIABILITIES AND EQUITY	
Liabilities:	
Short-Term debt	349,624
Deposits	1,398,472
Trade Notes, Accounts and Other Payable	266,216
Policy Liabilities and Policy Account Balances	1,668,636
(The amount of ¥795,001 million as of March 31, 2016 is measured at fair value by electing the fair value option under FASB ASC 825.)	
Income taxes:	
Current	17,398
Deferred	341,360
Long-Term Debt	3,940,906
Other Liabilities	534,008
Total Liabilities	**8,516,620**
Redeemable Noncontrolling Interests	**7,467**
Commitments and Contingent Liabilities	
Equity:	
Common stock	220,469
Additional paid-in capital	257,629
Retained earnings	1,864,241
Accumulated other comprehensive income	(6,222)
Treasury stock, at cost	(25,686)
Total ORIX Corporation shareholders' equity	2,310,431
Noncontrolling interests	**162,388**
Total Equity	**2,472,819**
Total Liabilities and Equity	**10,996,906**

Note: The assets of consolidated variable interest entities (VIEs) that can be used only to settle obligations of those VIEs are below:

	Millions of yen
ASSETS	
Cash and Cash Equivalents	4,697
Investment in Direct Financing Leases (Net of Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses)	134,604
Installment Loans (Net of Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses)	195,702
Investment in Operating Leases	227,340
Property under Facility Operations	79,697
Investment in Affiliates	65,059
Others	93,410
Total Assets	**800,509**

Note: The liabilities of consolidated VIEs for which creditors (or beneficial interest holders) do not have recourse to the general credit of the Company and its subsidiaries are below:

	Millions of yen
LIABILITIES	
Trade Notes, Accounts and Other Payable	1,576
Long-Term Debt	479,152
Others	11,778
Total Liabilities	**492,506**

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2016

	Millions of yen
Revenues :	
Finance revenues	200,889
Gains on investment securities and dividends	35,786
Operating leases	373,910
Life insurance premiums and related investment income	189,421
Sales of goods and real estate	834,010
Services income	735,186
Total Revenues	**2,369,202**
Expenses :	
Interest expense	72,821
Costs of operating leases	245,069
Life insurance costs	121,282
Costs of goods and real estate sold	748,259
Services expense	445,387
Other (income) and expense, net	(3,729)
Selling, general and administrative expenses	422,692
Provision for doubtful receivables and probable loan losses	11,717
Write-downs of long-lived assets	13,448
Write-downs of securities	4,515
Total Expenses	**2,081,461**
Operating Income	**287,741**
Equity in net income of affiliates	45,694
Gains on sales of subsidiaries and affiliates and liquidation losses, net	57,867
Income before Income Taxes	**391,302**
Provision for income taxes	120,312
Net Income	**270,990**
Net Income Attributable to the Noncontrolling Interests	**10,002**
Net Income Attributable to the Redeemable Noncontrolling Interests	**819**
Net Income Attributable to ORIX Corporation Shareholders	**260,169**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2016

Millions of yen

	ORIX Corporation Shareholders' Equity					Total ORIX Corporation Shareholders' Equity	Noncontrolling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock			
Balance at April 1, 2015	220,056	255,595	1,672,585	30,373	(26,411)	2,152,198	165,873	2,318,071
Contribution to subsidiaries						-	6,801	6,801
Transaction with noncontrolling interests		1,918				1,918	(10,519)	(8,601)
Comprehensive income, net of tax:								
Net income			260,169			260,169	10,002	270,171
Other comprehensive income (loss)								
Net change of unrealized gains (losses) on investment in securities				(3,145)		(3,145)	24	(3,121)
Net change of defined benefit pension plans				(4,436)		(4,436)	313	(4,123)
Net change of foreign currency translation adjustments				(25,197)		(25,197)	(2,679)	(27,876)
Net change of unrealized losses on derivative instruments				(3,817)		(3,817)	(246)	(4,063)
Total other comprehensive Income (loss)						(36,595)	(2,588)	(39,183)
Total comprehensive income						223,574	7,414	230,988
Cash dividends			(76,034)			(76,034)	(7,181)	(83,215)
Exercise of stock options	413	409				822	-	822
Acquisition of treasury stock					(2)	(2)	-	(2)
Disposition of treasury stock		(426)	(53)		727	248	-	248
Adjustment of redeemable noncontrolling interests to redemption value			7,557			7,557	-	7,557
Other, net		133	17			150	-	150
Balance at March 31, 2016	220,469	257,629	1,864,241	(6,222)	(25,686)	2,310,431	162,388	2,472,819

Note: Changes in the redeemable noncontrolling interests are not included in the table.

NON-CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2016
ORIX Corporation

	Millions of yen
ASSETS	
Current assets	**2,378,902**
Cash and deposits	222,411
Accounts receivable - trade	14,548
Accounts receivable - installment sales	110,573
Lease receivables	138,270
Lease investment assets	216,319
Installment loans	1,588,061
Securities	11,809
Inventories	2,281
Prepaid expenses	6,181
Deferred tax assets	11,869
Others	100,293
Allowance for doubtful receivables	(43,717)
Fixed assets	**1,827,541**
Property, plant and equipment	**270,333**
Assets for lease	**248,464**
Assets for lease	206,462
Advances for purchases of assets for lease	42,002
Office Facilities	**21,869**
Buildings	2,136
Structures	152
Machinery and equipment	16,382
Tools, furniture and fixtures	897
Land	1,031
Leased assets	22
Construction in progress	1,246
Intangible fixed assets	**288**
Software	116
Trademark rights	1
Telephone subscription rights	170
Investments and other assets	**1,556,918**
Investment securities	120,911
Shares of subsidiaries and affiliates	1,159,985
Bonds of subsidiaries and affiliates	11,032
Other securities in subsidiaries and affiliates	213,486
Capital investments	374
Long-term loans to employees	95
Claims in bankruptcy and other	5,787
Prepaid pension cost	32,268
Deferred tax assets	432
Others	17,182
Allowance for doubtful receivables	(4,637)
Total Assets	**4,206,444**

	Millions of yen
LIABILITIES AND NET ASSETS	
Current liabilities	**897,989**
Notes payable - trade	46
Accounts payable - trade	31,744
Short-term debt	106,885
Current portion of long-term debt	267,340
Commercial papers	113,000
Current portion of bonds	247,089
Lease obligations	891
Accrued expenses	12,679
Deposits received	26,079
Unearned revenue	10,240
Deferred profit on installment sales	7,460
Provision for loss on guarantees	6,146
Others	68,384
Non-current liabilities	**2,283,904**
Bonds	648,283
Long-term debt	1,528,325
Lease obligations	4,737
Allowance for directors' retirement benefits	2,318
Asset retirement obligations	1,052
Others	99,187
Total Liabilities	**3,181,894**
Net Assets	
Shareholders' equity	**1,035,764**
Common stock	**220,469**
Capital surplus	**247,648**
Capital reserves	247,648
Retained earnings	**593,332**
Other retained earnings	593,332
Reserve for special depreciation	7,605
Retained earnings unappropriated	585,726
Treasury stock	**(25,685)**
Valuation and translation adjustments	**(14,035)**
Unrealized gains on securities	**21,817**
Deferred gains or losses on hedges	**(35,852)**
Subscription rights to shares	**2,820**
Total Net Assets	**1,024,549**
Total Liabilities and Net Assets	**4,206,444**

NON-CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2016

	Millions of yen
Net Sales	**661,247**
Cost of Sales	**351,366**
Gross Profit	**309,880**
Selling, General and Administrative Expenses	**68,284**
Operating Income	**241,596**
Non-operating Income	**37,084**
Gains on investments in securities	30,889
Dividend income	2,986
Interest on securities	387
Miscellaneous income	2,821
Non-Operating Expenses	**11,059**
Expenses on investments in securities	3,380
Interest expense	2,340
Interest on bonds	3,896
Miscellaneous expenses	1,442
Ordinary Income	**267,621**
Extraordinary Income	**19,800**
Gain on sales of investment securities	17,119
Others	2,681
Extraordinary Losses	**6,141**
Impairment loss	3,618
Write-downs of investment in debt securities of subsidiaries and affiliates	1,164
Write-downs of shares of subsidiaries and affiliates	1,128
Others	230
Income Before Income taxes	**281,280**
Income Taxes - Current	**8,343**
Income Taxes - Deferred	**2,589**
Net Income	**270,347**

(English Translation of the Audit Committee's Report Originally Issued in the Japanese Language)

Audit Committee's Report

The Audit Committee has conducted an audit concerning the execution of duties by Directors and Executive Officers for the 53rd fiscal year from April 1, 2015 to March 31, 2016, and hereby reports the auditing methods and the results as follows.

1. Auditing methods and their contents

The Audit Committee observed and examined the resolutions of the Board of Directors regarding the organization of the system stipulated in (b) and (e), Item 1, Paragraph 1 of Article 416 of the Companies Act and the system based on said resolutions (internal control system), we have received periodic reports about the status of the construction and operation of the system from Directors, Executive Officers, and employees, etc., and we have requested explanations from them as necessary and expressed our views on these matters. The Audit Committee has audited in the following manner.

(1) Pursuant to the audit policy, assigned duties and other rules that the Audit Committee decided, and in cooperation with the company's internal audit unit, we have attended the important meetings; received reports on the execution of duties of Directors, Executive Officers and others from them and inquired about them, inspected important documents of management's decision making and others; and investigated the status of the business operations and assets at the head office and other main places of business. Meanwhile, we communicated and exchanged information with Directors, Corporate Auditors, etc. of subsidiaries, and received reports from subsidiaries on their operations whenever necessary.

(2) We also observed and verified that the accounting auditor implemented appropriate audits while maintaining independence, received reports from the accounting auditor on the execution of their duties, and sought explanations whenever necessary. Furthermore, we received notice from the accounting auditor that "The system for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Ordinance on Accounting of Companies) is organized in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council; October 28, 2005), etc., and sought explanations whenever necessary.

Based on the above methods, we examined Business Report and the supporting schedules, Financial Statements (Non-Consolidated Balance Sheets, Non-Consolidated Statements of Income, Non-Consolidated Statements of Changes in Equity, and Notes to Non-Consolidated Financial Statements under Japanese GAAP) and the supporting schedules and Consolidated Financial Statements (Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Changes in Equity, and Notes to Consolidated Financial Statements under US GAAP) for the fiscal year under review.

2. Audit results

(1) Results of audit of business report, etc.

i. We regard that the business report and the supporting schedules fairly present the state of the Company in accordance with the laws and regulations and the Articles of Incorporation.

ii. As for the performance of duties by Directors or Executive Officers, we find no significant evidence of wrongful act or violation of laws and regulations, nor the Articles of Incorporation.

iii. We regard the content of the resolution by the Board of Directors regarding internal control system was appropriate, and, furthermore, all actions of Directors and Executive Officers with respect to executing internal control system were carried out appropriately.

(2) Results of the audit of financial statements and the supporting schedules

We regard that the auditing methods and results by KPMG AZSA LLC are appropriate.

(3) Results of the audit of consolidated financial statements

We regard that the auditing methods and results by KPMG AZSA LLC are appropriate.

May 23, 2016

The Audit Committee, ORIX Corporation
Member of the Audit Committee: Eiko Tsujiyama (Seal)
Member of the Audit Committee: Nobuaki Usui (Seal)
Member of the Audit Committee: Ryuji Yasuda (Seal)
Member of the Audit Committee: Heizo Takenaka (Seal)

Note: The four members of Audit Committee are all Outside Directors provided for in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.