

ORIX CORP  
Form 6-K  
October 30, 2014  
Table of Contents

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

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

THE SECURITIES EXCHANGE Act of 1934

For the month of October 2014

## ORIX Corporation

(Translation of Registrant's Name into English)

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

(Address of Principal Executive Offices)

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

Form 20-F  Form 40-F

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

Yes  No

**Table of Contents**

**Table of Documents Filed**

|   | <b>Page</b> |
|---|-------------|
| 1. <u>ORIX's Second Quarter Consolidated Financial Results (April 1, 2014 – September 30, 2014) filed with the Tokyo Stock Exchange on Thursday October 30, 2014.</u> |             |

**Table of Contents**

**SIGNATURES**

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

**ORIX Corporation**

Date: October 30, 2014

By /s/ Haruyuki Urata  
Haruyuki Urata  
Director  
Deputy President & CFO  
ORIX Corporation

**Table of Contents**

**Consolidated Financial Results**

**April 1, 2014 – September 30, 2014**

October 30, 2014

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

*These documents may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under "Risk Factors" in the Company's annual report on Form 20-F filed with the United States Securities and Exchange Commission.*

*The Company believes that it will be considered a "passive foreign investment company" for United States Federal income tax purposes in the year to which these consolidated financial results relate and for the foreseeable future by reason of the composition of its assets and the nature of its income. A U.S. holder of the shares or ADSs of the Company is therefore subject to special rules generally intended to eliminate any benefits from the deferral of U.S. Federal income tax that a holder could derive from investing in a foreign corporation that does not distribute all of its earnings on a current basis. Investors should consult their tax advisors with respect to such rules, which are summarized in the Company's annual report.*

**For further information please contact:**

**Investor Relations**

**ORIX Corporation**

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

**JAPAN**

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

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**Table of Contents****Consolidated Financial Results from April 1, 2014 to September 30, 2014**

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

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

**1. Performance Highlights as of and for the Six Months Ended September 30, 2014****(1) Performance Highlights - Operating Results (Unaudited)**

(millions of yen)\*1

|                    | Total Revenues | Year-on-Year Change | Operating Income | Year-on-Year Change | Income before Income Taxes*2 | Year-on-Year Change | Net Income Attributable to ORIX Corporation Shareholders | Year-on-Year Change |
|--------------------|----------------|---------------------|------------------|---------------------|------------------------------|---------------------|--|---------------------|
| September 30, 2014 | 945,175        | 55.2%               | 136,175          | 27.3%               | 203,004                      | 66.2%               | 142,106  | 76.7%               |
| September 30, 2013 | 609,103        | 20.5%               | 106,987          | 39.2%               | 122,131                      | 40.1%               | 80,408   | 34.4%               |

Comprehensive Income Attributable to ORIX Corporation Shareholders was ¥150,777 million for the six months ended September 30, 2014 (year-on-year change was a 76.2% increase) and ¥85,568 million for the six months ended September 30, 2013 (year-on-year change was a 90.3% increase).

|                    | Basic Earnings Per Share | Diluted Earnings Per Share |
|--------------------|--------------------------|----------------------------|
| September 30, 2014 | 108.50                   | 108.34                     |
| September 30, 2013 | 64.67                    | 61.86                      |

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

**\*Note 2:** Income before Income Taxes as used throughout the report represents Income before Income Taxes and Discontinued Operations.

**(2) Performance Highlights - Financial Position (Unaudited)**

|                    | Total Assets | Total Equity | Shareholders Equity | Shareholders Equity Ratio |
|--------------------|--------------|--------------|---------------------|---------------------------|
| September 30, 2014 | 11,215,063   | 2,225,025    | 2,036,578           | 18.2%                     |
| March 31, 2014     | 9,069,392    | 2,095,178    | 1,918,740           | 21.2%                     |

**\*Note 3:** Shareholders Equity refers to Total ORIX Corporation Shareholders Equity.

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

**2. Dividends (Unaudited)**

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|                |                     |
|----------------|---------------------|
|                | Dividends Per Share |
| March 31, 2014 | 23.00               |

**\*Note 4:** Dividend amount for the fiscal year ending March 31, 2015 has not yet been determined.

**3. Targets for the Year Ending March 31, 2015 (Unaudited)**

| Fiscal Year    | Total Revenues | Year-on-Year Change | Net Income Attributable to ORIX Corporation Shareholders | Year-on-Year Change | Basic Earnings Per Share |
|----------------|----------------|---------------------|--|---------------------|--------------------------|
| March 31, 2015 | 1,800,000      | 34.2%               | 210,000  | 12.4%               | 160.34                   |

**\*Note 5:** Operating Income and Income before Income Taxes and Discontinued Operations are not disclosed as it is difficult to forecast Discontinued operations, net of applicable tax effect.

**4. Other Information**

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

Addition - (Hartford Life Insurance K.K.) Exclusion - None (  )

**\*Note 6:** For details, please see (1) Changes in Significant Consolidated Subsidiaries in Section 2 Others on page 8.

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

**(3) Changes in Accounting Principles, Procedures and Disclosures**

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

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

**\*Note 7:** For details, please see (3) Changes in Accounting Principles, Procedures and Disclosures in Section 2 Others on page 8.

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

1. The number of issued shares, including treasury stock, was 1,323,639,628 as of September 30, 2014, and 1,322,777,628 as of March 31, 2014.

2. The number of treasury stock shares was 15,487,877 as of September 30, 2014, and 13,333,334 as of March 31, 2014.

3. The average number of outstanding shares was 1,309,723,795 for the six months ended September 30, 2014, and 1,243,360,021 for the six months ended September 30, 2013.

**Table of Contents****1. Summary of Consolidated Financial Results****(1) Analysis of Financial Highlights****Financial Results for the Six-Month Period Ended September 30, 2014**

|  |                   | Six-month period<br>ended September 30,<br>2013 | Six-month period<br>ended September 30,<br>2014 | Change  | Year on<br>Year<br>Change |
|--|-------------------|---|---|---------|---------------------------|
| Total Revenues   | (millions of yen) | 609,103   | 945,175   | 336,072 | 55%                       |
| Total Expenses   | (millions of yen) | 502,116   | 809,000   | 306,884 | 61%                       |
| Income Before Income Taxes and Discontinued Operations   | (millions of yen) | 122,131   | 203,004   | 80,873  | 66%                       |
| Net Income Attributable to ORIX Corporation Shareholders | (millions of yen) | 80,408  | 142,106   | 61,698  | 77%                       |
| Earnings Per Share (Basic)                               | (yen)             | 64.67   | 108.50  | 43.83   | 68%                       |
| (Diluted)  | (yen)             | 61.86   | 108.34  | 46.48   | 75%                       |
| ROE (Annualized)   | (%)               | 9.5   | 14.4  | 4.9     |                           |
| ROA (Annualized)   | (%)               | 1.91  | 2.80  | 0.89    |                           |

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

**Economic Environment**

Since the beginning of this year, the global economy had been on a recovery path led by the U.S. economy. However, views are now divided on the world's future economic prospects, and the stock market is becoming more sensitive towards the results of major economic indicators.

In the United States, the job market and consumer spending are on an improving trend, while debates surrounding the timing of the interest rate hike are gaining momentum. On the other hand, we are seeing some uncertainties in the future of the European economy, and the market is paying particular attention to the future course of monetary easing policy by the European Central Bank.

In Asia, the emerging markets in the region are experiencing different levels of growth. China's economic growth is steadily declining towards a more sustainable level while other Asian countries are maintaining certain level of growth despite experiencing some effects from the global economy.

The Japanese economy continues to grow modestly with solid employment conditions, despite signs of weakness in some of the economic indicators due to the consumption tax hike that went into effect in April 2014.

**Overview of Business Performance (April 1, 2014 to September 30, 2014)**

Total revenues for the six-month period ended September 30, 2014 (hereinafter, the second consolidated period) increased 55% to ¥945,175 million compared to ¥609,103 million during the same period of the previous fiscal year. Compared to the same period of the previous fiscal year, life insurance premiums and related investment income increased as a result of the recognition of investment income from underlying investments related to variable annuity and variable life insurance contracts in accordance with the consolidation of Hartford Life Insurance K.K. (hereinafter, HLIKK) acquired on July 1, 2014. In addition, revenues from asset management and servicing increased due to the consolidation of Robeco Groep N.V. (hereinafter, Robeco) which became a consolidated subsidiary on July 1, 2013. Sales of goods increased primarily due to contribution from subsidiaries acquired as a part of our private equity investments. Furthermore, other operating revenues and real estate sales increased due to contributions from DAIKYO INCORPORATED (hereinafter, DAIKYO) which became a consolidated subsidiary on February 27, 2014, contributions from subsidiaries acquired as a part of our private equity investments, and growth in our environment and energy-related business. In addition, brokerage commissions and net gains on investment securities increased due to the sale of shares of Monex Group Inc. On the other hand, interest on loans and investment securities decreased compared to the same period of the previous fiscal year due to decreases in the average balance of installment loans and gains from sales of loans.



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Total expenses increased 61% to ¥809,000 million compared to ¥502,116 million during the same period of the previous fiscal year. As with the abovementioned revenue increase, life insurance costs, costs of real estate sales, expenses from asset management and servicing, costs of goods sold, and other operating expenses primarily increased. Selling, general and administrative expenses also increased due to an increase in consolidation of acquired companies and strong fee business in the United States. Meanwhile, interest expense decreased compared to the same period of the previous fiscal year due to a decrease in the average balance of borrowings.

- 2 -

**Table of Contents**

Gains on sales of subsidiaries and affiliates and liquidation losses, net increased compared to the same period of the previous fiscal year primarily due to the recognition of gain on sale of partial shares of STX Energy Co., Ltd. (presently GS E&R Corp., hereinafter, STX Energy ). In addition, the acquisition of HLIKK resulted in a bargain purchase gain of ¥36,761 million due to an excess of fair value of the net assets acquired over the fair value of the consideration transferred.

As a result of the foregoing, income before income taxes and discontinued operations for the second consolidated period increased 66% to ¥203,004 million compared to ¥122,131 million during the same period of the previous fiscal year, and net income attributable to ORIX Corporation shareholders increased 77% to ¥142,106 million compared to ¥80,408 million during the same period of the previous fiscal year.

**Segment Information**

Segment profits increased 63% to ¥204,485 million compared to ¥125,526 million during the same period of the previous fiscal year. The Retail, Overseas Business, and Real Estate segments made significant profit contributions and the Corporate Financial Services and Maintenance Leasing segments also displayed strong performance, while profits from the Investment and Operation segment decreased compared to the same period of the previous fiscal year.

Segment information for the second consolidated period is as follows:

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

|                 |                   | Six-month period ended<br>September 30,<br>2013 | Six-month period ended<br>September 30, 2014 | Change | Year on Year<br>Change |
|-----------------|-------------------|---|--|--------|------------------------|
| Segment Profits | (millions of yen) | 11,446  | 12,646                                       | 1,200  | 10%                    |

  

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change  | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|---------|------------------------|
| Segment Assets | (millions of yen) | 992,078              | 983,575                  | (8,503) | (1%)                   |

In Japan, we are seeing steady growth in capital expenditures and continued improvement in corporate revenues, despite a temporary negative impact on consumer spending and housing investment arising from the consumption tax hike that went into effect in April 2014. We are also seeing an increase in lending by financial institutions to small and medium enterprises ( SMEs ) in addition to large corporations, while the competition in the lending business continues to intensify.

Installment loan revenues decreased in line with a decrease in the average balance of installment loans. On the other hand, direct financing lease revenues remained robust due to an increase in the average balance of direct financing leases. Segment profits increased compared to the same period of the previous fiscal year due to robust fee business including solar panel and life insurance sales to domestic SMEs.

Segment assets decreased compared to the end of the previous fiscal year due to a decrease in installment loans despite an increase in investment in securities.

**Maintenance Leasing Segment:** Automobile leasing and rentals, car sharing and precision measuring equipment and IT-related equipment rentals and leasing

|                 |                   | Six-month period ended<br>September 30,<br>2013 | Six-month period ended<br>September 30, 2014 | Change | Year on Year<br>Change |
|-----------------|-------------------|---|--|--------|------------------------|
| Segment Profits | (millions of yen) | 20,513  | 21,509                                       | 996    | 5%                     |

  

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|--------|------------------------|
| Segment Assets | (millions of yen) | 622,009              | 656,143                  | 34,134 | 5%                     |

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The Japanese automobile leasing industry has been experiencing steady recovery in the number of new auto leases in line with Japan's steady economic recovery, despite some temporary negative impact from the consumption tax hike that went into effect in April 2014. Furthermore, in the retail market, we are seeing new developments such as online retailers' entry into the used car sales business.

- 3 -

**Table of Contents**

Operating lease revenues and direct financing lease revenues increased in line with the steady expansion of assets in the automobile business, and costs of operating leases and selling, general and administrative expenses increased in line with an increase in revenues. Segment profits increased compared to the same period of the previous fiscal year as a result of an increase in profits driven by the asset growth despite a decrease in gains on sales of used cars.

Segment assets increased compared to the end of the previous fiscal year due to steady increases in investment in operating leases and investment in direct financing leases mainly in the automobile business.

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

|                 |                   | Six-month period ended<br>September 30,<br>2013 | Six-month period ended<br>September 30,<br>2014 | Change | Year on Year<br>Change |
|-----------------|-------------------|---|---|--------|------------------------|
| Segment Profits | (millions of yen) | 8,769   | 15,750  | 6,981  | 80%                    |

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change   | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|----------|------------------------|
| Segment Assets | (millions of yen) | 962,404              | 885,334                  | (77,070) | (8%)                   |

Office rents and vacancy rates in the Japanese office building market are continuing to show signs of improvement. In the J-REIT market, property acquisitions are increasing, and we are also seeing sales of large-scale real estates and rising sales prices due to increased competition among buyers. In addition, REITs are expanding their investment targets, as can be seen with the planned listing of the healthcare REIT that mainly invests in senior housing such as private nursing homes.

Rental and interest revenues decreased due to a decrease in asset balance and real estate sales decreased in connection with a decrease in the number of condominium units delivered mainly by ORIX Real Estate. On the other hand, gains on sales of real estate under operating leases increased. In addition, segment profits increased compared to the same period of the previous fiscal year due to decreases in losses from inventory valuation, which are included in costs of real estate sales, and write-downs of long-lived assets.

Segment assets decreased compared to the end of the previous fiscal year mainly as a result of sales of rental properties.

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

|                 |                   | Six-month period ended<br>September 30,<br>2013 | Six-month period ended<br>September 30,<br>2014 | Change  | Year on Year<br>Change |
|-----------------|-------------------|---|---|---------|------------------------|
| Segment Profits | (millions of yen) | 22,215  | 15,323  | (6,892) | (31%)                  |

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|--------|------------------------|
| Segment Assets | (millions of yen) | 565,740              | 606,045                  | 40,305 | 7%                     |

In the Japanese environment and energy-related industry, even though the renewable energy purchase program is being reassessed, the significance of renewable energy is on the rise with investment targets expanding beyond solar power generation projects to include wind and geothermal power generation projects. In the capital markets, the fiscal year ended March 31, 2014 marked the fourth consecutive year of increase in the number of initial public offerings. Such favorable environment is continuing into this fiscal year with listing of major companies taking place in both Japan and overseas.

Segment profits decreased compared to the same period of the previous fiscal year due to a decrease in installment loan revenues in the loan servicing business and profit from DAIKYO despite solid profit contributions from the investees in the principal investment business and the environment and energy-related business.



**Table of Contents**

Segment assets increased compared to the end of the previous fiscal year due to an increase in assets in the environment and energy-related business, offsetting a decrease in installment loans in the loan servicing business.

**Retail Segment:** Life insurance, banking and the card loan business

|                 |                   | Six-month period<br>ended<br>September 30, 2013 | Six-month period<br>ended<br>September 30, 2014 | Change | Year on Year<br>Change |
|-----------------|-------------------|---|---|--------|------------------------|
| Segment Profits | (millions of yen) | 28,379  | 77,724  | 49,345 | 174%                   |

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change    | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|-----------|------------------------|
| Segment Assets | (millions of yen) | 2,166,986            | 3,907,031                | 1,740,045 | 80%                    |

Although the life insurance business is being affected by macroeconomic factors such as domestic population decline, we are seeing increasing number of companies developing new products in response to the rising demand for medical insurance. In the consumer finance sector, loan demand is increasing due to the improved consumer confidence resulting from Japan's economic recovery and consumer finance providers are enhancing their sales activities accordingly.

Segment profits increased significantly compared to the same period of the previous fiscal year due to the recognition of gain on sale of shares of Monex Group Inc. and a bargain purchase gain of ¥36,761 million resulting from the acquisition of HLIKK on July 1, 2014, in addition to an increase in installment loan revenues in the banking business and an increase in insurance premium income as a result of an increase in the number of policies in force in the life insurance business.

Segment assets increased significantly compared to the end of the previous fiscal year as a result of an increase in investment in securities due to the consolidation of HLIKK which was acquired on July 1, 2014 in addition to an increase in assets in the banking business.

**Overseas Business Segment:** Leasing, lending, investment in bonds, investment banking, asset management and ship- and aircraft-related operations

|                 |                   | Six-month period<br>ended<br>September 30, 2013 | Six-month period<br>ended<br>September 30, 2014 | Change | Year on Year<br>Change |
|-----------------|-------------------|---|---|--------|------------------------|
| Segment Profits | (millions of yen) | 34,204  | 61,533  | 27,329 | 80%                    |

|                |                   | As of March 31, 2014 | As of September 30, 2014 | Change  | Year on Year<br>Change |
|----------------|-------------------|----------------------|--------------------------|---------|------------------------|
| Segment Assets | (millions of yen) | 1,972,138            | 2,090,120                | 117,982 | 6%                     |

In the United States, the job market and consumer spending are on an improving trend, while debates surrounding the timing of the interest rate hike are gaining momentum. On the other hand, we are seeing some uncertainties in the future of the European economy, and the market is paying particular attention to the future course of monetary easing policy by the European Central Bank. In Asia, the emerging markets in the region are experiencing different levels of growth. China's economic growth is steadily declining towards a more sustainable level while other countries are maintaining certain level of growth despite experiencing some effects from the global economy.

Fee revenues in the United States increased in addition to an increase in asset management revenues as a result of the acquisition of Robeco on July 1, 2013. Furthermore, we recognized a gain on sale of partial shares of STX Energy, which was deconsolidated by the sale. Segment profits increased significantly compared to the same period of the previous fiscal year despite an increase in selling, general, and administrative expenses due to an increase in revenues.

Segment assets increased compared to the end of the previous fiscal year due to increases in installment loans and investment in securities in the United States despite a decrease in other operating assets due to the sale of partial shares of STX Energy, which as a result of the sale became an equity method affiliate from a consolidated subsidiary.



**Table of Contents****(2) Qualitative Information Regarding Consolidated Financial Condition****Financial Condition**

|                                |                   | As of<br>March 31,<br>2014 | As of<br>September 30,<br>2014 | Change    | Year on<br>Year<br>Change |
|--------------------------------|-------------------|----------------------------|--------------------------------|-----------|---------------------------|
| Total Assets                   | (millions of yen) | 9,069,392                  | 11,215,063                     | 2,145,671 | 24%                       |
| (Segment Assets)               |                   | 7,281,355                  | 9,128,248                      | 1,846,893 | 25%                       |
| Total Liabilities              | (millions of yen) | 6,921,037                  | 8,931,551                      | 2,010,514 | 29%                       |
| (Long- and Short-term Debt)    |                   | 4,168,465                  | 4,200,244                      | 31,779    | 1%                        |
| (Deposits)                     |                   | 1,206,413                  | 1,218,164                      | 11,751    | 1%                        |
| Shareholders' Equity           | (millions of yen) | 1,918,740                  | 2,036,578                      | 117,838   | 6%                        |
| Shareholders' Equity Per Share | (yen)             | 1,465.31                   | 1,556.84                       | 91.53     | 6%                        |

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

Total assets increased 24% to ¥11,215,063 million compared to ¥9,069,392 million at the end of the previous fiscal year. Investment in securities and other assets increased in conjunction with the consolidation of HLIKK. In addition, installment loans increased primarily due to the purchase of loans in the United States. Meanwhile, investment in operating leases decreased due to the sales of rental properties and aircraft and other operating assets decreased as a result of STX Energy, changing from a consolidated subsidiary to an equity-method affiliate. Segment assets increased 25% compared to the end of the previous fiscal year to ¥9,128,248 million.

The balance of interest bearing liabilities is managed at an appropriate level taking into account the projection or condition of assets and liquidity on-hand as well as the domestic and overseas financial environment. As a result, short- and long-term debt and deposits increased compared to the end of the previous fiscal year. In addition, policy liabilities and policy account balances for the variable annuity and variable life insurance contracts increased in connection with the consolidation of HLIKK.

Shareholders' equity increased 6% to ¥2,036,578 million compared to the end of the previous fiscal year primarily due to an increase in retained earnings.

The effects of the consolidation of HLIKK are as follows:

HLIKK primarily sold variable annuity and variable life insurance products. Variable annuity and variable life insurance products are insurance products in which insurance premiums paid by policyholders are invested using policyholders' accounts and the amount of insurance benefits is determined based on the investment performance. The investment assets managed on behalf of policyholders primarily consist of equity securities that are categorized as trading securities, and the investment assets of ¥1,448,821 million are included in investment in securities in the condensed consolidated balance sheets as of September 30, 2014. During the six-month period ended September 30, 2014, the aggregated amount of net gains from sales of the investment assets and net valuation gains on the investment assets was ¥58,463 million and such amount is included in life insurance premiums and related investment income in the condensed consolidated statements of income. In addition, a portion of the minimum guarantee risk related to variable annuity and variable life insurance contracts are reinsured with a third party, and the amount of reinsurance recoverables due from the reinsurance contracts is included in other assets. We have elected the fair value option for the reinsurance contracts and changes in fair value of the reinsurance contracts are recorded in life insurance costs in the condensed consolidated statements of income. Furthermore, we entered into derivative contracts in order to economically hedge part of the minimum guarantee risk, and the related gains and losses on derivative contracts are included in life insurance premiums and related investment income in the condensed consolidated statements of income. We have also elected the fair value option for the variable annuity and variable life insurance contracts and the fair value of those contracts is recorded in policy liabilities and policy account balances in the condensed consolidated balance sheets, and changes in the fair value are recorded in life insurance costs in the condensed consolidated statements of income. The fair value of variable annuity and variable life insurance contracts is linked to the fair value of the underlying investments. Although variable annuity and variable life insurance contracts are exposed to the minimum guarantee risk, such risk is appropriately managed by entering into reinsurance and derivative contracts.





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**Table of Contents**

**(3) Qualitative Information Regarding Targets for Consolidated Financial Results**

**Financial Highlights for the Fiscal Year Ending March 31, 2015**

Based on the operating environment described above and management policies described below, ORIX Corporation targets total revenues of ¥1,800,000 million (up 34.2 % year on year) and net income attributable to ORIX Corporation shareholders of ¥210,000 million (up 12.4 % year on year) for the fiscal year ending March 31, 2015.

In addition to stable profits from our existing business operations, we believe that there are new growth opportunities in all of our segments and we aim to grow profits by pursuing these opportunities in the fiscal year ending March 31, 2015.

The Corporate Financial Services segment aims to further expand its customer base and increase small-sized quality assets by strengthening cooperation with the Group companies. At the same time, the segment aims to accelerate the Finance + Services strategy through the expansion of fee revenues by providing products and services that meet customer needs, including environment and energy-related demands. Furthermore, a progress in government's growth strategy will open up opportunities in new areas, and in such circumstance, the segment will aim to actively embrace those opportunities.

The Maintenance Leasing segment aims to increase new business volume and expand high value-added services in the automobile business, and capture demand in growth areas and expand peripheral services in the rental business. The segment expects stable profits from its existing businesses, and at the same time, aims to further expand its market share and develop new markets in both automobile and rental businesses.

The Real Estate segment aims to enhance its stable revenue base by promoting its facilities operation and asset management businesses while continuing to turnover assets by taking advantage of the favorable business environment.

The Investment and Operation segment aims to grow profits through the expansion of its environment and energy business, promotion of principal investments both in Japan and overseas, and pursuit of revenue opportunities by capitalizing on its loan servicing expertise. In particular, with the renewable energy field, the segment is considering advancement into new business fields including geothermal and wind power generation in addition to continuing its focus on sales of solar panels and mega solar business.

The Retail segment aims to increase card loan balances via the consolidated management of ORIX Bank and ORIX Credit. The segment aims to expand the scale of the life insurance business by enhancing the agency network and increasing sales of first sector products in addition to the third sector products.

The Overseas Business segment aims to grow profits through enhancement of its fee business in the United States and expansion of its leasing asset balance and further business diversification in Asia. In addition, the segment seeks to strengthen global business base and raise the level of service related revenues of the Group by expanding Robeco's AUM.

Although forward-looking statements in this document such as forecasts are attributable to current information available to ORIX Corporation and are based on assumptions deemed rational by ORIX Corporation, actual financial results may differ materially due to various factors. Therefore, readers are urged not to place undue reliance on these figures and predictions.

Various factors that could cause these figures and predictions to differ materially include, but are not limited to, those described under Risk Factors in the March 31, 2014 Form 20-F submitted to the U.S. Securities and Exchange Commission.

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**Table of Contents**

**2. Others**

**(1) Changes in Significant Consolidated Subsidiaries**

On July 1, 2014, ORIX Life Insurance Corporation (hereinafter, "ORIX Life Insurance"), a wholly owned subsidiary of the Company, completed the acquisition of the entire issued shares of Hartford Life Insurance K.K. (Head office: Minato-ku, Tokyo, Japan, Business description: Life insurance business and reinsurance business, etc.), from The Hartford Life, Inc. (Head office: Simsbury, Connecticut, U.S.A.), a wholly owned second-tier subsidiary of The Hartford Financial Services Group, Inc. in order to enhance ORIX Life Insurance's capital strength and improve the soundness of its operations with the aim of accelerating its future growth. As a result, HLIKK has become a consolidated subsidiary of the Company.

**(2) Adoption of Simplified Accounting Method**

There is no corresponding item.

**(3) Changes in Accounting Principles, Procedures and Disclosures**

In April 2014, Accounting Standards Update 2014-08 ("Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity" ASC 205 ("Presentation of Financial Statements")) and ASC 360 ("Property, Plant, and Equipment") was issued. This Update requires an entity to report a disposal or a classification as held for sale of a component of an entity or a group of components of an entity in discontinued operations if it represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The Company and its subsidiaries early adopted this Update on April 1, 2014.

In accordance with this Update, the Company and its subsidiaries report a disposal of a component or a group of components of the Company and its subsidiaries in discontinued operations if the disposal represents a strategic shift which has (or will have) a major effect on the company and its subsidiaries' operations and financial results when the component or group of components is disposed by sale or classified as held for sale on or after April 1, 2014. The adoption did not have a material effect on the Company and its subsidiaries' results of operations or financial position.

This Update does not apply to a disposal or a classification as held for sale of a component or a group of components of the Company and its subsidiaries which have previously been reported in the financial statements. Accordingly, during the six months ended September 30, 2014, the Company and its subsidiaries continue to report gains on sales and the results of operations of subsidiaries, business units, and certain rental properties, which was classified as held for sale at March 31, 2014, as income from discontinued operations in the accompanying consolidated statements of income in accordance with ASC 205-20 prior to the early adoption of the amendments.

**Table of Contents****3. Financial Information****(1) Condensed Consolidated Balance Sheets**

(As of March 31, 2014 and September 30, 2014)

(Unaudited)

|   | March 31,<br>2014 | (millions of yen)<br>September 30,<br>2014 |
|---|-------------------|--|
| <b>Assets</b>   |                   |  |
| Cash and Cash Equivalents   | 827,299           | 814,923                                    |
| Restricted Cash   | 86,690            | 97,985                                     |
| Time Deposits   | 7,510             | 25,280                                     |
| Investment in Direct Financing Leases   | 1,094,073         | 1,145,763                                  |
| Installment Loans   | 2,315,555         | 2,379,717                                  |
| (The amounts of ¥12,631 million as of March 31, 2014 and ¥ 7,616 million as of September 30, 2014 are measured at fair value by electing the fair value option under ASC 825.)  |                   |  |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses  | (84,796)          | (77,793)                                   |
| Investment in Operating Leases  | 1,375,686         | 1,342,156                                  |
| Investment in Securities  | 1,214,576         | 2,985,798                                  |
| (The amounts of ¥11,433 million as of March 31, 2014 and ¥ 17,627 million as of September 30, 2014 are measured at fair value by electing the fair value option under ASC 825.) |                   |  |
| Other Operating Assets  | 312,774           | 272,567                                    |
| Investment in Affiliates  | 314,300           | 346,590                                    |
| Other Receivables   | 239,958           | 298,950                                    |
| Inventories   | 136,105           | 137,472                                    |
| Prepaid Expenses  | 61,909            | 70,707                                     |
| Office Facilities   | 126,397           | 126,495                                    |
| Other Assets  | 1,041,356         | 1,248,453                                  |
| (The amount of ¥55,500 million as of September 30, 2014 is measured at fair value by electing the fair value option under ASC 825.)   |                   |  |
| <b>Total Assets</b>   | <b>9,069,392</b>  | <b>11,215,063</b>                          |
| <b>Liabilities and Equity</b>   |                   |  |
| Short-Term Debt   | 309,591           | 350,297                                    |
| Deposits  | 1,206,413         | 1,218,164                                  |
| Trade Notes, Accounts Payable and Other Liabilities   | 443,333           | 443,825                                    |
| Accrued Expenses  | 190,414           | 192,118                                    |
| Policy Liabilities and Policy Account Balances  | 454,436           | 2,408,656                                  |
| (The amount of ¥1,575,331 million as of September 30, 2014 is measured at fair value by electing the fair value option under ASC 825.)  |                   |  |
| Current and Deferred Income Taxes   | 299,509           | 304,475                                    |
| Security Deposits   | 158,467           | 164,069                                    |
| Long-Term Debt  | 3,858,874         | 3,849,947                                  |
| <b>Total Liabilities</b>  | <b>6,921,037</b>  | <b>8,931,551</b>                           |
| <b>Redeemable Noncontrolling Interests</b>  | <b>53,177</b>     | <b>58,487</b>                              |

**Commitments and Contingent Liabilities**

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|   |                  |                   |
|---|------------------|-------------------|
| Common Stock                                      | 219,546          | 220,051           |
| Additional Paid-in Capital                        | 255,449          | 255,827           |
| Retained Earnings                                 | 1,467,602        | 1,579,309         |
| Accumulated Other Comprehensive Income            | 2                | 8,673             |
| Treasury Stock, at Cost                           | (23,859)         | (27,282)          |
| <b>Total ORIX Corporation Shareholders Equity</b> | <b>1,918,740</b> | <b>2,036,578</b>  |
| <b>Noncontrolling Interests</b>                   | <b>176,438</b>   | <b>188,447</b>    |
| <b>Total Equity</b>                               | <b>2,095,178</b> | <b>2,225,025</b>  |
| <b>Total Liabilities and Equity</b>               | <b>9,069,392</b> | <b>11,215,063</b> |

|  | March 31,<br>2014 | September 30,<br>2014 |
|--|-------------------|-----------------------|
| Accumulated Other Comprehensive Income (Loss)    |                   |                       |
| Net unrealized gains on investment in securities | 38,651            | 35,299                |
| Defined benefit pension plans                    | (6,228)           | (6,127)               |
| Foreign currency translation adjustments         | (31,987)          | (20,045)              |
| Net unrealized losses on derivative instruments  | (434)             | (454)                 |
|  | 2                 | 8,673                 |

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

(For the Six Months Ended September 30, 2013 and 2014)

(Unaudited)

|   | Six Months<br>ended September 30,<br>2013 | (millions of yen)<br>Six Months<br>ended September 30,<br>2014 |
|---|---|--|
| <b>Total Revenues:</b>  | 609,103                                   | 945,175  |
| Direct financing leases   | 28,387                                    | 29,825   |
| Operating leases  | 162,234                                   | 171,886  |
| Interest on loans and investment securities                               | 69,752                                    | 59,755   |
| Brokerage commissions and net gains on investment securities              | 15,318                                    | 31,320   |
| Life insurance premiums and related investment income                     | 75,796                                    | 137,939  |
| Real estate sales   | 10,976                                    | 43,914   |
| Gains (losses) on sales of real estate under operating leases             | (924)                                     | 9,017  |
| Revenues from asset management and servicing                              | 43,517                                    | 91,954   |
| Sales of goods  | 34,398                                    | 119,682  |
| Other operating revenues  | 169,649                                   | 249,883  |
| <b>Total Expenses:</b>  | 502,116                                   | 809,000  |
| Interest expense  | 42,277                                    | 36,727   |
| Costs of operating leases   | 106,497                                   | 117,183  |
| Life insurance costs  | 51,326                                    | 108,597  |
| Costs of real estate sales  | 15,860                                    | 45,390   |
| Expenses from asset management and servicing                              | 11,837                                    | 25,056   |
| Costs of goods sold   | 28,032                                    | 102,257  |
| Other operating expenses  | 88,768                                    | 167,098  |
| Selling, general and administrative expenses                              | 137,933                                   | 194,698  |
| Provision for doubtful receivables and probable loan losses               | 5,229                                     | 1,977  |
| Write-downs of long-lived assets  | 11,915                                    | 6,783  |
| Write-downs of securities   | 2,003                                     | 1,754  |
| Foreign currency transaction loss, net                                    | 439                                       | 1,480  |
| <b>Operating Income</b>   | 106,987                                   | 136,175  |
| Equity in Net Income of Affiliates  | 10,527                                    | 10,211   |
| Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses, Net | 4,617                                     | 19,857   |
| Bargain Purchase Gain   | 0   | 36,761   |
| <b>Income before Income Taxes and Discontinued Operations</b>             | 122,131                                   | 203,004  |
| Provision for Income Taxes  | 44,213                                    | 55,673   |
| <b>Income from Continuing Operations</b>                                  | 77,918                                    | 147,331  |
| Discontinued Operations:  |   |  |
| Income from discontinued operations, net                                  | 9,995                                     | 463  |
| Provision for income taxes  | (3,868)                                   | (166)  |

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|   |        |         |
|---|--------|---------|
| Discontinued operations, net of applicable tax effect                     | 6,127  | 297     |
| <b>Net Income</b>   | 84,045 | 147,628 |
| <b>Net Income Attributable to the Noncontrolling Interests</b>            | 2,217  | 3,494   |
| <b>Net Income Attributable to the Redeemable Noncontrolling Interests</b> | 1,420  | 2,028   |
| <b>Net Income Attributable to ORIX Corporation Shareholders</b>           | 80,408 | 142,106 |

- Note: 1:** Pursuant to FASB Accounting Standards Codification 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:** Pursuant to Accounting Standards Update 2014-08 ( Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity ASC 205 ( Presentation of Financial Statements ) and ASC 360 ( Property, Plant, and Equipment )) which was early adopted on April 1, 2014, the results of operations for the six months ended September 30, 2014 have reflected the adoption of this Update. This Update does not apply to a component or a group of components, which was disposed or classified as held for sale before the adoption date. Therefore in accordance with previous ASC205-20, the results of these operation of subsidiaries and businesses, which were classified as held for sale as of March 31, 2014 are reported as discontinued operations for the six months ended September 30, 2014.
- 3:** Revenues and Expenses from sales of goods have been separately presented from the three-month period ended September 30, 2014 as, Sales of goods and Costs of goods sold, respectively. The amounts in the previous period have been retrospectively reclassified to conform to current period presentation.

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

(For the Six Months Ended September 30, 2013 and 2014)

(Unaudited)

|   | (millions of yen)                            |   |
|---|--|---|
|   | Six<br>Months<br>ended September 30,<br>2013 | Six Months<br>ended September 30,<br>2014 |
| <b>Net Income:</b>  | 84,045                                       | 147,628                                   |
| Other comprehensive income (loss), net of tax:                                      |  |   |
| Net change of unrealized gains (losses) on investment in securities                 | 6,422  | (2,786)                                   |
| Net change of defined benefit pension plans   | (342)  | 233                                       |
| Net change of foreign currency translation adjustments                              | 2,478  | 15,307                                    |
| Net change of unrealized gains (losses) on derivative instruments                   | 1,033  | (62)                                      |
| Total other comprehensive income  | 9,591  | 12,692                                    |
| <b>Comprehensive Income</b>   | 93,636                                       | 160,320                                   |
| <b>Comprehensive Income Attributable to the Noncontrolling Interests</b>            | 5,008  | 4,091                                     |
| <b>Comprehensive Income Attributable to the Redeemable Noncontrolling Interests</b> | 3,060  | 5,452                                     |
| <b>Comprehensive Income Attributable to ORIX Corporation Shareholders</b>           | 85,568                                       | 150,777                                   |



**Table of Contents****(4) Assumptions for Going Concern**

There is no corresponding item.

**(5) Segment Information (Unaudited)****1. Segment Information by Sector**

|   | (millions of yen)                      |                    |  |                    |                   |                       |
|---|--|--------------------|--|--------------------|-------------------|-----------------------|
|   | Six Months ended<br>September 30, 2013 |                    | Six Months ended<br>September 30, 2014 |                    | March 31,<br>2014 | September 30,<br>2014 |
|   | Segment<br>Revenues                    | Segment<br>Profits | Segment<br>Revenues                    | Segment<br>Profits | Segment<br>Assets | Segment Assets        |
| Corporate Financial Services                              | 37,273                                 | 11,446             | 37,444                                 | 12,646             | 992,078           | 983,575               |
| Maintenance Leasing                                       | 125,236                                | 20,513             | 131,729                                | 21,509             | 622,009           | 656,143               |
| Real Estate   | 99,300                                 | 8,769              | 92,204                                 | 15,750             | 962,404           | 885,334               |
| Investment and Operation                                  | 78,683                                 | 22,215             | 241,251                                | 15,323             | 565,740           | 606,045               |
| Retail  | 103,474                                | 28,379             | 181,924                                | 77,724             | 2,166,986         | 3,907,031             |
| Overseas Business   | 151,364                                | 34,204             | 251,733                                | 61,533             | 1,972,138         | 2,090,120             |
| <b>Segment Total</b>                                      | <b>595,330</b>                         | <b>125,526</b>     | <b>936,285</b>                         | <b>204,485</b>     | <b>7,281,355</b>  | <b>9,128,248</b>      |
| Difference between Segment Total and Consolidated Amounts | 13,773                                 | (3,395)            | 8,890                                  | (1,481)            | 1,788,037         | 2,086,815             |
| <b>Consolidated Amounts</b>                               | <b>609,103</b>                         | <b>122,131</b>     | <b>945,175</b>                         | <b>203,004</b>     | <b>9,069,392</b>  | <b>11,215,063</b>     |

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

**Note 2:** For certain VIEs used for securitization which are consolidated in accordance with ASC 810-10 ( Consolidations ), for which the VIE s assets can be used only to settle related obligations of those VIEs and the creditors (or beneficial interest holders) do not have recourse to other assets of the Company or its subsidiaries, segment assets are measured based on the amount of the Company and its subsidiaries net investments in the VIEs, which is different from the amount of total assets of the VIEs, and accordingly, segment revenues are also measured at a net amount representing the revenues earned on the net investments in the VIEs. Certain gains or losses related to assets and liabilities of consolidated VIEs, which are not ultimately attributable to the Company and its subsidiaries, are excluded from segment profits.

**2. Geographic Information**

|                            | (millions of yen)                   |            |         |  |                         |
|----------------------------|-------------------------------------|------------|---------|--|-------------------------|
|                            | Six Months Ended September 30, 2013 |            |         |  | Consolidated<br>Amounts |
|                            | Japan                               | Americas*2 | Other*3 | Difference between<br>Geographic Total and<br>Consolidated Amounts |                         |
| Total Revenues             | 450,301                             | 76,983     | 98,507  | (16,688)   | 609,103                 |
| Income before Income Taxes | 81,440                              | 30,396     | 20,290  | (9,995)  | 122,131                 |

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Six Months Ended September 30, 2014

|                            | Japan   | Americas*2 | Other*3 | Difference between<br>Geographic Total and<br>Consolidated Amounts | Consolidated<br>Amounts |
|----------------------------|---------|------------|---------|--|-------------------------|
| Total Revenues             | 688,495 | 90,873     | 168,021 | (2,214)  | 945,175                 |
| Income before Income Taxes | 138,637 | 16,703     | 48,127  | (463)  | 203,004                 |

**Note 1:** Results of discontinued operations before applicable tax effect are included in each amount attributed to each geographic area.

\***Note 2:** Mainly United States

\***Note 3:** Mainly Asia, Europe, Australasia and Middle East

**Note 4:** Robeco, one of the Company's subsidiaries domiciled in the Netherlands, conducts principally an asset management business. Due to the integrated nature of such business with its customer base spread across the world, Other locations include the total revenues and the income before income taxes of Robeco, respectively, for the six months ended September 30, 2013 and the six months ended September 30, 2014. The revenues of Robeco aggregated on a legal entity basis were ¥18,189 million in Americas and ¥16,556 million in Other for the six months ended September 30, 2013, and ¥45,805 million in Americas and ¥38,840 million in Other for the six months ended September 30, 2014.

### (6) Significant Changes in Shareholders' Equity

There is no corresponding item.

### (7) Subsequent Events

There is no corresponding item.