

Investments as a growth driver of transport and logistics industry

Russian Day in Seoul on October 20, 2008

ORIX Corporation

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Project Development and Investment Group

ORIX Corporation

➤ **An integrated financial services group**

headquartered in Tokyo

➤ **Business Area:** leasing, private equity, real estate development, life insurance, corporate finance and investment banking

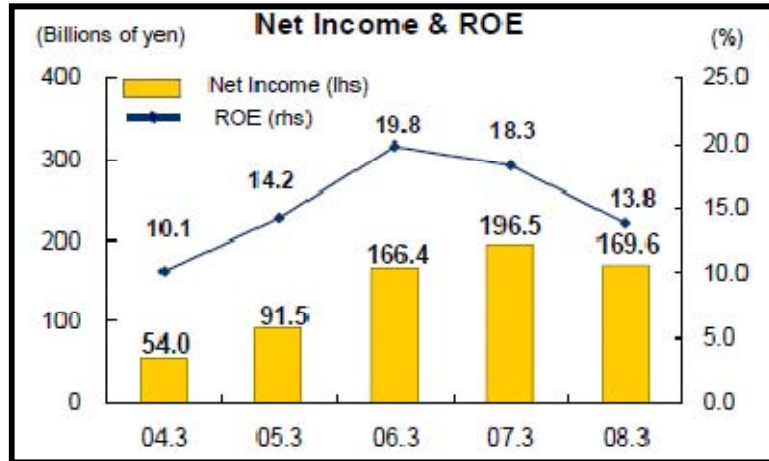
➤ **Overseas Operations:** 25 countries outside Japan

As of 31 March 2008

Established		April 17, 1964
Shareholders' Equity consolidated basis	--	JPY 1,268 billion (US\$ 12.7 billion)
Total Assets consolidated basis	---	JPY 8,995 billion (US\$ 89.8 billion)
Number of employees		■ Group Total 18,702
Group Network		■ Japan -- 1181 locations ■ Overseas -- 289 locations (25 countries)
Stock Exchange Listings		■ Japan : Tokyo Stock Exchange and Osaka Securities Exchange (8591) ■ USA : New York Stock Exchange (symbol : IX)
Long-Term Credit Ratings		■ Standard & Poor's A- ■ Moody's A3

Source: Consolidated Financial Results from April 2007 to March 2008

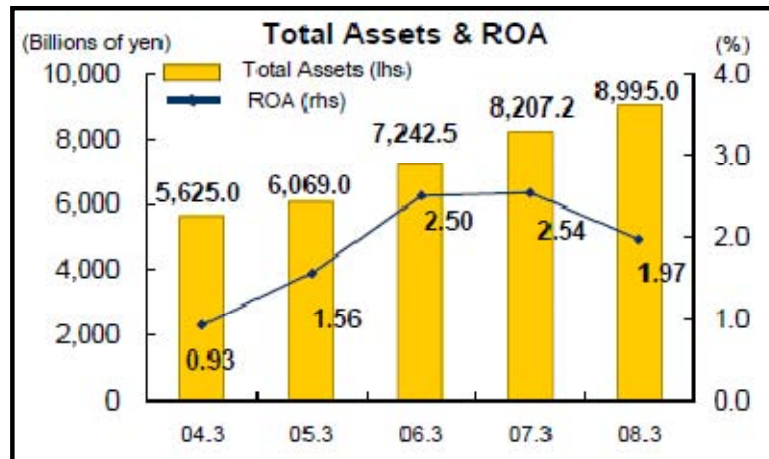
Financial Highlights – Through March 2008



➤ **Total Revenues of JPY1,154.1 billion (US\$11.5 billion), 2.6% increase from FY2007**

➤ **Net Income of JPY169.6 billion (US\$1.7 billion), 13.7% decrease from FY2007**

➤ **ROE 13.8% and ROA 1.97%**



➤ **Forecasted FY 2009 Net Profit of JPY175 billion**

Investment Strategy ①

■ Basic Strategy

To invest in **equity or equity-related securities** in one of the following two investment approaches:

➤ **A Substantial Minority** (or Majority on a Selective Basis) **Position**

- Proactively participate in the management of the projects, investing alongside a strategic partner

➤ **A Minority Position**

- Opportunistically take minority positions, including investments in pre-IPO companies, securing satisfactory minority protections

Commentary remarks reflecting a recent market situation: Overly aggressive investment stances of strategic and financial investors and lending institutions were eminent in Asia and other regions for the past several years. This phenomena has drastically changed. Given this current market situation, we find various opportunities to invest to or finance companies/projects with good growth/development capabilities/potentials. As a matter of course, effective deal origination and selection capabilities are the key.

Investment Strategy ②

- **Targeted Market**

Projects/companies, both operating and greenfield

- **Target Sectors**

- **Infrastructure** (Transportation, Power, Water)

- **Industrial** (Oil&Gas, Alternative Energy, Mining, Petrochemical)

- **Corporate Finance**

- **Real Estate**

- **Countries**

- **Vietnam, India, Indonesia, Thailand, People's Republic of China (PRC), and other Asian Countries**

Investment Strategy ③

- Investment Amount

- **US\$20 to 50+ million** per transaction

- Exit Strategy

- Exits primarily via **trade sale** with an **IPO** as a back-up strategy (considering the development stage of the markets and size of the projects)

Strong Interest in Investing in Russian Transportation Sector

■ **Dynamic Integration of Russia into Global Logistics Network**

- Production base establishment of global companies in Russia
- Satisfaction of domestic demand in Russia
- Further growth of export business by Russian companies

■ **“East to West” Transportation Route**

- ORIX’s current focus onto “East to West” transportation route
- Proximity of project locations
- Availability of sea port service all through the year
- More transportation expected between Asia (Korea, China, Japan) and Russia
- Investment opportunities into container terminal development, logistics center, railway transportation system, etc

Contacts

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Appendix: Recent Transactions

Industrial/Real Estate Private Equity Track Record

- **YK Steel** – Shares acquired and exit was successfully achieved in January 2008
- **Korea Life Insurance** – Shares acquired and exit was successfully achieved in September 2007
- **A manufacturer of heavy machinery products for shipbuilding** – Invested and target IPO
- **Enoshima Aquarium** – Japan's first BOO/BOT aquarium
- **Steam Generation Project (Thailand)** – Waste alkali incineration project for a petrochemical facility. COD of plant achieved.
- **Steel Products Manufacturing Project (India)** – Invested in February, 2008
- **Condominium Complex Development Project (Singapore)** – Executed in October, 2006

«PROJECTS IN PIPELINE»

- **Bio-Diesel Manufacturing Project (Thailand)**
- **Bio-Power Generation Projects (Malaysia/Thailand/Indonesia)**
- **Logistic Center Development (Vietnam)**
- **Industrial Park Development (Vietnam)**
- **Oil Field Development (a developed country)**