

ORIX CORP
Form 6-K
April 27, 2004

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 April, 2004.

ORIX Corporation

(Translation of Registrant's Name into English)

3-22-8 Shiba, Minato-Ku, Tokyo, JAPAN
(Address of Principal Executive Offices)

(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 Documents Filed

| | Page |
|--|-------------|
| 1. <u>ORIX's Annual Consolidated Financial Results (April 1, 2003 - March 31, 2004) filed with the Tokyo Stock Exchange on Monday, April 26, 2004.</u> | <u>2</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: April 26, 2004

By /s/ Masaru Hattori

Masaru Hattori
Corporate Senior Vice President
Head of the Accounting Department
ORIX Corporation

Table of Contents

**Consolidated Financial
Results April 1, 2003 March 31, 2004**

April 26, 2004

In preparing its consolidated financial information, ORIX Corporation and its subsidiaries have complied with accounting principles generally accepted in the United States of America, except as modified to account for stock splits in accordance with the usual practice in Japan.

U.S. Dollar amounts have been calculated at Yen 105.69 to \$1.00, the approximate exchange rate prevailing at March 31, 2004.

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 expects that it will be a passive foreign investment company under the U.S. Internal Revenue Code. A U.S. holder of the shares of the Company is therefore subject to special rules of taxation in respect of certain dividend, gain or other income on such shares. 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:

Corporate Communications

ORIX Corporation

3-22-8 Shiba, Minato-ku, Tokyo 105-8683

JAPAN

Tel: (03) 5419-5102

Fax: (03) 5419-5901

E-mail: leslie_hoy@orix.co.jp

Table of Contents

Material Contained in this Report

The Company's Financial information for the fiscal year from April 1, 2003 to March 31, 2004, filed with the Tokyo Stock Exchange and also made public by way of a press release.

Table of Contents

Consolidated Financial Results from April 1, 2003 to March 31, 2004
(U.S. GAAP Financial Information for ORIX Corporation and its Subsidiaries)

Corporate Name: ORIX Corporation

Listed Exchanges: Tokyo Stock Exchange (Securities No. 8591)
Osaka Securities Exchange
Nagoya Stock Exchange
New York Stock Exchange (Trading Symbol: IX)

Head Office: Tokyo JAPAN

Tel:(03)5419-5102

(URL http://www.orix.co.jp/grp/ir_e/ir_index.htm)

Date Approved by Board of Directors: April 26, 2004

1. Performance Highlights for the Years Ended March 31, 2004 and 2003**(1) Performance Highlights Operating Results (Unaudited)**

| | Total | Year-on-Year | Operating | Year-on-Year | Income | (millions of |
|----------------|-----------------|---------------------|------------------|---------------------|----------------|---------------------|
| | Revenues | Change | Income | Change | before | JPY)*1 |
| | | | | | Income | Year-on-Year |
| | | | | | Taxes*2 | Change |
| March 31, 2004 | 720,773 | 5.7% | 84,775 | 129.3% | 102,157 | 126.1% |
| March 31, 2003 | 681,820 | 3.7% | 36,974 | (49.1%) | 45,179 | (37.5%) |

| | Net | Year-on-Year | Basic | Diluted | Return | Return | Operating |
|-------------------|---------------|---------------------|------------------|------------------|---------------|---------------|------------------|
| | Income | Change | Earnings | Earnings | on | on | Margin |
| | | | Per Share | Per Share | Equity | Assets | *4 |
| | | | | | | *3 | |
| March 31, 2004 | 54,020 | 78.6% | 645.52 | 607.52 | 10.1% | 1.8% | 14.2% |
| March 31, 2003 | 30,243 | (24.9%) | 361.44 | 340.95 | 6.0% | 0.7% | 6.6% |

- Equity in Net Income of Affiliates was a net gain of JPY 17,924 million for the year ended March 31, 2004 and a net gain of JPY 6,203 million for the year ended March 31, 2003.
- The average number of shares was 83,685,449 for the year ended March 31, 2004 and 83,672,434 for the year ended March 31, 2003.

3. Changes in Accounting Principles Yes (new accounting adoption) No

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

* **Note 2:** Income before Income Taxes as used throughout the report represents Income before Discontinued Operations, Extraordinary Gain, Cumulative Effect of a Change in Accounting Principle and Income Taxes.

* **Note 3:** This figure has been calculated using Income Before Income Taxes in accordance with Tokyo Stock Exchange disclosure practice. The figure on following pages is calculated using Net Income.

* **Note 4:** In this context, Operating Margin is calculated by dividing Income Before Income Taxes by Total Revenues.

(2) Performance Highlights Financial Position (Unaudited)

| | Total | Shareholders | Shareholders' | Shareholders' |
|-------------------|---------------|---------------------|----------------------|----------------------|
| | Assets | Equity | Equity | Equity Per |
| | Assets | Equity | Ratio | Share |
| March 31, 2004 | 5,624,957 | 564,047 | 10.0% | 6,739.64 |
| March 31, 2003 | 5,931,067 | 505,458 | 8.5% | 6,039.43 |

1. The number of outstanding shares was 83,691,007 as of March 31, 2004 and 83,693,009 as of March 31, 2003.

(3) Performance Highlights Cash Flows (Unaudited)

| | Cash Flows | Cash Flows | Cash Flows | Cash and |
|----------------|-------------------|-------------------|-------------------|--------------------|
| | From | From | From | Cash |
| | Operating | Investing | Financing | Equivalents |
| | Activities | Activities | Activities | At End of |
| | Activities | Activities | Activities | Period |
| March 31, 2004 | 152,812 | 123,978 | (328,284) | 152,235 |
| March 31, 2003 | 210,150 | 182,950 | (542,040) | 204,677 |

(4) Number of Consolidated Subsidiaries and Affiliates

| | | |
|-------------------------------|-----|--|
| Consolidated Subsidiaries | 200 | |
| Non-consolidated Subsidiaries | 0 | |
| Affiliates | 74 | (Of which 74 are accounted for by the equity method) |

(5) Changes in Accounting Treatment

Additions to and deletions from consolidated subsidiaries and affiliates

Additions: Consolidated Subsidiaries 9, Affiliates 4

Deletions: Consolidated Subsidiaries 7, Affiliates 2

2. Forecasts for the Year Ending March 31, 2005 (Unaudited)

| Fiscal Year | Total Revenues | Income before Income Taxes | Net Income |
|--------------------|-----------------------|-----------------------------------|-------------------|
| March 31, 2005 | 760,000 | 109,000 | 60,000 |

Note: Basic Earnings Per Share is forecasted to be JPY 716.92.

Table of Contents

Group Position

The ORIX Group consists of ORIX Corporation, 200 subsidiaries and 74 affiliates, and is developing various operations.

The main contents of each operation and the positioning of ORIX Corporation and its subsidiaries are given below.

The following classification is the same as that used in the classification of information by segment.

Operations in Japan

(1) Corporate finance

This business centers on direct financing leases and installment loans, other than real estate loans, to corporate customers as well as the sale of a variety of financial products and other fee business.

[Main related companies]

ORIX Corporation, ORIX Alpha Corporation, ORIX Auto Leasing Corporation, IFCO Inc., Nittetsu Lease Co., Ltd.

(2) Equipment operating leases

This business principally comprises the rental of precision measuring equipment and personal computers to corporate customers as well as automobile rental operations.

[Main related companies]

ORIX Rentec Corporation, ORIX Rent-A-Car Corporation

(3) Real estate-related finance

This business encompasses real estate loans to corporate customers and housing loans to individuals. ORIX is also expanding its business involving loan servicing, commercial mortgage-backed securities (CMBS), and REITs.

[Main related companies]

ORIX Corporation, ORIX Trust and Banking Corporation, ORIX Asset Management & Loan Services Corporation

(4) Real estate

This business consists principally of condominium development and office rental activities as well as the operation of such facilities as hotels, employee dormitories, and training facilities.

[Main related companies]

ORIX Corporation, ORIX Estate Corporation, ORIX Real Estate Corporation

(5) Life insurance

This segment consists of direct and agency life insurance sales and related activities conducted by ORIX Life Insurance.

[Main related companies]

ORIX Life Insurance Corporation

(6) Other

The other segment encompasses securities transactions, venture capital operations, consumer card loan operations, and new businesses.

[Main related companies]

ORIX Corporation, ORIX Credit Corporation, ORIX Capital Corporation, ORIX Securities Corporation, ORIX Baseball Club Co., Ltd.,

ORIX COMMODITIES Corporation, ORIX Investment Corporation

Overseas Operations

(1) The Americas

Principal businesses in the Americas segment are direct financing leases, corporate lending, securities investment, commercial mortgage-backed securities (CMBS) related business, and real estate development.

[Main related companies]

ORIX USA Corporation, ORIX Real Estate Equities, Inc., ORIX Financial Services, Inc., ORIX Capital Markets, LLC, Stockton Holdings Limited

(2) Asia and Oceania

Principal businesses in Asia and Oceania involve direct financing leases, operating leases for precision measuring equipment and transportation equipment, corporate lending, and securities investment.

[Main related companies]

ORIX Investment and Management Private Limited, ORIX Asia Limited, ORIX Australia Corporation Limited,

ORIX Taiwan Corporation, PT. ORIX Indonesia Finance, ORIX Leasing Malaysia Berhad, ORIX Leasing Pakistan Limited,

ORIX Leasing Singapore Limited, INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED

(3) Europe

Principal businesses in Europe center on aircraft operating leases, corporate loans, and securities investments.

[Main related companies]

Table of Contents

Table of Contents

Summary of Consolidated Financial Results

Management Policies

Objectives

ORIX has continued to provide value-added financial products and services to meet its customers' needs. As the services that customers demand have diversified, we have increased the number and quality of the financial solutions that we provide. As a result, ORIX's financial services have expanded from leasing, rentals and lending to include life insurance, real estate finance and development, and investment banking activities. As new business opportunities arise in the future, we plan to build on our accumulated knowledge and experience to continue to provide creative and innovative value-added financial solutions.

ORIX aims to achieve the optimum growth in long-term shareholder value and contribute to society by taking the lead in discovering customers' needs in order to provide new value-added financial services. This is the basis of ORIX's management philosophy and we will further strive to focus on areas that fully utilize the specialization of the entire ORIX Group in order to meet our customers' needs.

ORIX has placed primary importance on profitability by carefully selecting businesses and concentrating its resources to achieve maximum growth in shareholder value. However, in the Japanese financial market, it is quite difficult to achieve a level of risk-adjusted return that is comparable to global standards. In light of this, ORIX is striving to increase the efficiency of its asset-based business and is concentrating more of its resources on investment banking activities with the goal of improving profitability.

Dividend Policy

We believe we should use retained earnings mainly to invest in new growth opportunities as we strive to achieve returns for shareholders by increasing our corporate value over the long run.

Unit Shares

ORIX's basic policy is to periodically review the number of common shares that make up one trading unit in order to promote broad participation by investors. With regards to the number of shares that make one unit, ORIX will consider demands from the market and weigh the costs and benefits associated with any changes to the present trading unit.

Corporate Governance

ORIX has strengthened its corporate governance structure in order to more objectively ensure that business activities are being carried out to maximize shareholder value. For example, ORIX established an Advisory Board in 1997 made up of experienced individuals from outside the Company, introduced a Corporate Executive Officer system in 1998, and welcomed independent directors to the Board and set up the Executive Nomination and Compensation Committee in 1999. In order to take further steps to strengthen its corporate governance structure, ORIX received approval from shareholders at the 40th Annual General Meeting of Shareholders in 2003 to adopt a Company with Committees' board model, which became possible on April 1, 2003 as a result of revisions to the Japanese Commercial Code. In addition, ORIX believes that compliance is a foundation of strong corporate governance and continues to strengthen its compliance based on the spirit of EC21, which is our guide to continue to be an Excellent Company in the 21st Century. We are actively promoting our Corporate Action Principles and Employee Action Principles as part of compliance.

Table of Contents**Financial Results****1. Fiscal Year Ended March 31, 2004****Economic Environment**

Although the world economy was unstable in the first part of the fiscal year ended March 31, 2004, from the middle of this fiscal year, we began to see signs of a global economic recovery. In the United States, tax breaks and loose monetary policy helped boost consumer consumption and spending on housing, while capital expenditures also increased helping to spur the economy. In Europe, external demand supported modest recovery, while Asia experienced strong economic growth thanks to exports against the backdrop of continued economic growth in China and recovery in demand in information technology-related industries. In Japan, strong export growth combined with the effects of corporate restructuring helped to raise corporate profits, and we also saw some signs of an improvement in consumer spending. An increase in stock prices and signs of an end to falling property prices in some areas of Tokyo were indications that Japan's long period of economic stagnation may be coming to an end.

Financial Highlights

| | |
|--------------------------------------|---|
| Income before Income Taxes* | 102,157 million yen (Up 126% year on year) |
| Net Income | 54,020 million yen (Up 79% year on year) |
| Earnings Per Share (Basic) | 645.52 yen (Up 79% year on year) |
| Earnings Per Share (Diluted) | 607.52 yen (Up 78% year on year) |
| Shareholders Equity Per Share | 6,739.64 yen (Up 12% year on year) |
| ROE | 10.1% (March 31, 2003: 6.0%) |
| ROA | 0.93% (March 31, 2003: 0.49%) |

* Income before income taxes refers to income before discontinued operations, extraordinary gain, cumulative effect of a change in accounting principle and income taxes.

Revenues: 720,773 million yen (Up 6% year on year)

Revenues from direct financing leases and interest on loans and investment securities fell compared to the previous year as a result of a lower balance of assets as we maintained strict credit evaluations and continued to focus on the profitability of each transaction. Life insurance premiums and related investment income were also down due to the continued shift to insurance-only life insurance products. On the other hand, revenues from operating leases increased due to improvements in our precision measuring equipment rental and automobile rental businesses, while gains on sales of real estate under operating leases also increased. In addition, residential condominium sales increased due to the increase in the number of condominiums sold to buyers. Brokerage commissions in brokerage commissions and net gains on investment securities also increased as a result of improvements in the stock markets in Japan and net gains on the sale of investment securities rose due to improved stock and bond markets in Japan and the United States. We also saw growth in other operating revenues due to increases in contributions from building maintenance operations and from the revenues from companies in which we have invested as part of our corporate rehabilitation business. As a result, revenues increased 6% to 720,773 million yen compared with the previous fiscal year.

Expenses: 635,998 million yen (Down 1% year on year)

In addition to a decline of 38,337 million yen in write-downs of long-lived assets, interest expense

-4-

Table of Contents

declined due mainly to lower levels of operating assets and the resulting lower levels of debt in Japan and overseas. In addition, life insurance costs fell in line with the decline in revenues, while provision for doubtful receivables and probable loan losses and write-downs of securities declined. Depreciation operating leases increased as a result of an increase in investment in operating leases, and costs of residential condominium sales and other operating expenses rose in line with the increase in revenues. Selling, general and administrative expenses rose due mainly to the increase in the number of consolidated companies. These factors contributed to a decrease in overall expenses of 1% year on year to 635,998 million yen.

Net Income: 54,020 million yen (Up 79% year on year)

Operating income was 84,775 million yen, an increase of 129% over the previous fiscal year. Equity in net income of affiliates increased 189% to 17,924 million yen due in large part to the contribution from Korea Life Insurance Co., Ltd., which included the recognition of certain deferred tax assets (refer to page 7, 5. Additional Information). As a result, income before income taxes rose 126% to 102,157 million yen and net income increased 79% to 54,020 million yen compared with the previous fiscal year.

Operating Assets: 4,849,194 million yen (Down 6% year on year)

As a result of the careful selection of new assets, the sale of some assets and the appreciation of the Japanese yen against the U.S. dollar, operating assets declined 6% to 4,849,194 million yen compared with March 31, 2003.

Segment Information (Profits refer to income before income taxes)**Operations in Japan**

Corporate Finance: The automobile leasing operations continued to perform well during the fiscal year, however, profits were down to 43,787 million yen compared to 44,158 million yen in the previous fiscal year as a result of fewer gains from securitization.

Equipment Operating Leases: Segment profits increased to 9,342 million yen compared to 4,402 million yen in the previous fiscal year due to improved profitability of the precision measuring and other equipment rental operations.

Real Estate-Related Finance: The segment saw a continued strong contribution from consumer housing loans and corporate loans, including non-recourse loans, while the loan servicing operations also made contributions. However, 3,174 million yen of gains from the listing and sale of shares in a J-REIT were recorded in the previous fiscal year and profits decreased to 18,102 million yen compared to 19,572 million yen in the previous fiscal year.

Real Estate: Revenues from condominium development and building maintenance continued to grow. In addition, gains from the sale of office buildings under operating leases contributed to earnings. In the fiscal year ended March 31, 2003, we also recorded 50,682 million yen in write-downs of certain real estate assets. As a result, profits in the fiscal year ended March 31, 2004 were 6,244 million yen compared to a loss of 39,441 million yen in the previous fiscal year.

Life Insurance: Life insurance premiums and related investment income were lower as a result of the continued shift to insurance-only life insurance products, but life insurance costs for policy reserves and related expenses also declined, resulting in an increase in profits to 5,382 million yen from 4,791 million yen in the previous fiscal year.

Other: The consumer card loan operations continued to contribute to earnings. The securities brokerage business also benefited from improvements in the Japanese stock markets, while both venture capital

Table of Contents

operations and equity method affiliates contributed to earnings. As a result, profits rose to 10,079 million yen compared to 8,452 million yen in the previous fiscal year.

Overseas Operations

The Americas: Segment profits improved to 7,601 million yen compared to 1,332 million yen in the previous fiscal year due largely to fewer write-downs of securities and lower provision for doubtful receivables and probable loan losses.

Asia and Oceania: Contributions from automobile leasing and corporate lending of a number of companies in the region, in addition to an increase in equity in net income of affiliates from Korea Life Insurance Co., Ltd. (refer to page 7, 5. Additional Information), resulted in a rise in segment profits to 17,848 million yen compared to 9,765 million yen in the same period of the previous fiscal year.

Europe: A segment loss of 1,252 million yen was recorded compared to a loss of 736 million yen in the previous fiscal year due largely to the recording of losses on certain equity method investments.

2. Summary of Cash Flows (Fiscal Year Ended March 31, 2004)

Cash and cash equivalents decreased by 26% or 52,442 million yen, to 152,235 million yen compared to March 31, 2003 due primarily to the repayment of debt.

Cash flows from operating activities declined by 57,338 million yen to 152,812 million yen in this fiscal year compared to 210,150 million yen in the previous fiscal year. The major items resulting in this decline were write-downs of long-lived assets, which added 50,682 million yen to cash flows in the previous fiscal year compared to 12,345 million yen in this fiscal year, and a decrease in policy liabilities which reduced cash flows by 15,771 million yen in this fiscal year compared to an increase of 5,889 million yen in the previous fiscal year.

Cash flows from investing activities decreased by 58,972 million yen to 123,978 million yen compared to 182,950 million yen in the previous fiscal year. While cash outflows for the purchase of lease equipment, installment loans made to customers, and the purchase of available for sale securities all declined as a result of lower business volumes, inflows also declined due primarily to a decrease of net proceeds from securitization of lease and loan receivables, and a reduction in proceeds from sales of available-for-sale securities.

542,040 million yen was used in cash flows from financing activities in the previous fiscal year, while 328,284 million yen was used in the current fiscal year due to the lower level of operating assets and the ensuing repayment of debt.

3. Summary of Fourth Quarter (Three Months Ended March 31, 2004)

In the fourth quarter of the fiscal year ended March 31, 2004, revenues increased by 18,807 million yen compared with the fourth quarter of the previous fiscal year to 203,969 million yen. Revenues from direct financing leases and interest on loans and investment securities were lower due to the cautious selection of new assets and the resulting lower level of assets. On the other hand, brokerage commissions and net gains on investment securities increased due to improvement in stock and bond markets in Japan and overseas, residential condominium sales increased due to more condominiums sold to buyers, and other operating revenues rose as a result of growth in building maintenance operations and revenues from companies in which we have invested as part of our corporate rehabilitation business. On the other hand, expenses declined by 16,277 million yen. Costs of residential condominium sales and other operating expenses rose in line with increases in revenues, and selling, general and administrative expenses rose due to the increase in the number of consolidated companies. However, write-downs of long-lived assets declined by

27,874 million yen and write-downs of securities declined by 5,156 million

Table of Contents

yen. There were also declines in interest expense and provisions for doubtful receivables and probable loan losses. As a result, operating profits in the fourth quarter of the fiscal year ended March 31, 2004 were up 35,084 million yen to 17,181 million yen, income before income taxes was up 35,839 million yen to 20,465 million yen and net income was up 13,097 million yen to 8,128 million yen.

4. Outlook and Forecasts for the Fiscal Year Ending March 31, 2005

For the fiscal year ending March 31, 2005, we forecast revenues of 760,000 million yen (up 5% compared with the fiscal year ended March 31, 2004), income before income taxes of 109,000 million yen (up 7%), and net income of 60,000 million yen (up 11%).

5. Additional Information

Equity in net income of affiliates for the fiscal year ended March 31, 2004 included 10,047 million yen from Korea Life Insurance Co., Ltd., or KLI. This amount included ORIX's proportionate interest in the ordinary operating results of KLI and our proportionate interest in the recognition of deferred tax assets of 5,380 million yen attributable to a change in tax rules in Korea.

The change in Korean tax rules in May 2003 will enable KLI to apply certain historical losses to reduce future taxable income. As a result of this change, KLI recorded a tax benefit in earnings and a corresponding deferred tax asset in the first quarter of our fiscal year ended March 31, 2004. ORIX recorded a proportionate interest in income reported by KLI in the second quarter of our fiscal year ended March 31, 2004 in accordance with the Company's policy of recording its equity in the income of KLI on a one-quarter lag basis.

ORIX has plans to sell a portion of its interest in KLI in the future. However, no definitive agreements of sale have been arranged at the time of this announcement. The corresponding increase in the carrying value of ORIX's ownership interest as a result of the recording of the above recognition of deferred tax assets in KLI is not necessarily reflective of an increase in the fair value of our equity interest in the event of a sale to a third party. Therefore, we believe that there is a possibility that we will be unable to sell our portion of KLI at or above the carrying value of our investment at the time of sale. In such an event, we will record a loss on the sale in the period in which a definitive agreement of sale is arranged.

Table of Contents

Consolidated Financial Highlights
(For the Years Ended March 31, 2004 and 2003)
(Unaudited)

(millions of JPY, except for per share data)

| | Year ended March 31, 2004 | Year -on- year Change | Year ended March 31, 2003 | Year -on- year Change |
|--|---------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Operating Assets | | | | |
| Investment in Direct Financing Leases | 1,453,575 | 92% | 1,572,308 | 95% |
| Installment Loans | 2,234,940 | 98% | 2,288,039 | 101% |
| Investment in Operating Leases | 536,702 | 101% | 529,044 | 111% |
| Investment in Securities | 551,928 | 81% | 677,435 | 79% |
| Other Operating Assets | 72,049 | 94% | 76,343 | 31% |
| Total | 4,849,194 | 94% | 5,143,169 | 93% |
| Operating Results | | | | |
| Total Revenues | 720,773 | 106% | 681,820 | 104% |
| Income before Discontinued Operations, Extraordinary Gain, Cumulative Effect of a change in Accounting Principle and | | | | |
| Income Taxes | 102,157 | 226% | 45,179 | 62% |
| Net Income | 54,020 | 179% | 30,243 | 75% |
| Earnings Per Share | | | | |
| Net Income | | | | |

Table of Contents

Condensed Consolidated Statements of Income
 (For the Years Ended March 31, 2004 and 2003)
 (Unaudited)

| | (millions of JPY, millions of US\$) | | | | |
|--|-------------------------------------|-------------------|-------------------|-------------------|-------|
| | Year -on- year | | | | |
| | Change | Year ended | Change | Year-on-year | |
| | (%) | March 31, 2004 | (%) | U.S. dollars | |
| | | | Year ended | March 31, 2004 | |
| | | | March 31, 2003 | (%) | |
| Total Revenues: | | 720,773 | | 681,820 | 6,820 |
| Direct Financing Leases | 91 | 112,372 | 101 | 122,928 | 1,063 |
| Operating Leases | 106 | 130,488 | 103 | 122,526 | 1,235 |
| Gains on Sales of Real Estate under Operating Leases | 280 | 9,116 | 475 | 3,257 | 86 |
| Interest on Loans and Investment Securities | 89 | 116,744 | 108 | 131,590 | 1,105 |
| Brokerage Commissions and Net Gains on Investment Securities | 240 | 26,025 | 59 | 10,857 | 246 |
| Life Insurance Premiums and Related Investment Income | 97 | 134,212 | 91 | 138,511 | 1,270 |
| Residential Condominium Sales | 138 | 98,034 | 123 | 71,165 | 928 |
| Interest Income on Deposits | 168 | 884 | 38 | 526 | 8 |
| Other Operating Revenues | 115 | 92,898 | 126 | 80,460 | 879 |
| Total Expenses: | | 635,998 | | 644,846 | 6,018 |
| Interest Expense | 84 | 60,597 | 80 | 71,846 | 573 |
| Depreciation Operating Leases | 105 | 83,919 | 104 | 79,993 | 794 |
| Life Insurance Costs | 95 | 119,653 | 90 | 125,684 | 1,132 |
| Costs of Residential Condominium Sales | 146 | 88,679 | 123 | 60,769 | 839 |
| Other Operating Expenses | 127 | 52,561 | 140 | 41,359 | 497 |
| Selling, General and Administrative Expenses | 112 | 161,835 | 114 | 144,271 | 1,532 |
| Provision for Doubtful Receivables and Probable Loan Losses | 91 | 49,592 | 107 | 54,706 | 469 |
| Write-downs of Long-Lived Assets | 24 | 12,345 | 1866 | 50,682 | 117 |
| Write-downs of Securities | 37 | 5,240 | 73 | 14,325 | 50 |
| Foreign Currency Transaction Loss, Net | 130 | 1,577 | | 1,211 | 15 |
| Operating Income | | 84,775 | | 36,974 | 802 |

| | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Equity in Net Income of Affiliates | 17,924 | 289 | 6,203 | | 170 |
| Gain (Loss) on Sales of Affiliates | (542) | | 2,002 | 1,682 | (5) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Income before Discontinued Operations, Extraordinary Gain, Cumulative Effect of a Change in Accounting Principle and Income Taxes | <u>102,157</u> | <u>226</u> | <u>45,179</u> | <u>62</u> | <u>967</u> |
| Provision for Income Taxes | <u>51,538</u> | <u>248</u> | <u>20,746</u> | <u>64</u> | <u>488</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Income before Discontinued Operations, Extraordinary Gain and Cumulative Effect of a Change in Accounting Principle | <u>50,619</u> | <u>207</u> | <u>24,433</u> | <u>62</u> | <u>479</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Discontinued Operations | | | | | |
| Income from Discontinued Operations, Net (including gains on sales of JPY3,747 million in fiscal 2004) | 4,713 | | 1,109 | | 45 |
| Provision for Income Taxes | (1,921) | | (450) | | (19) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Discontinued Operations, Net of Applicable Tax Effect | <u>2,792</u> | <u>424</u> | <u>659</u> | <u>153</u> | <u>26</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Extraordinary Gain, Net of Applicable Tax Effect | 609 | 19 | 3,214 | | 6 |
| Cumulative Effect of a Change in Accounting Principle, Net of Applicable Tax Effect | | | 1,937 | 1,456 | |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net Income | <u>54,020</u> | <u>179</u> | <u>30,243</u> | <u>75</u> | <u>511</u> |

Note: 1. The Company recognized an Extraordinary Gain, Net of Applicable Tax Effect in the years ended March 31, 2004 and 2003 due to the excess of the proportionate fair value of the net assets over the purchase price of the affiliate paid by the Company (Negative Goodwill).

- On April 1, 2002, as a result of the adoption of FASB Statement No. 141 (Business Combinations), the Company and its subsidiaries recorded a transition gain arising from the write-off of Negative Goodwill of JPY1,937 million as of March 31, 2002 as the Cumulative Effect of a Change in Accounting Principle, Net of Applicable Tax Effect.
- Gains on Sales of Real Estate under Operating Leases was reclassified as a separate account from this fiscal year. In addition, Gains on Sales of Real Estate under Operating Leases that had been included in Operating

Leases in the previous fiscal year has been reclassified to conform to this year.

4. Net income from sales of real estate under operating leases that is considered to be discontinued operation was reclassified as Discontinued Operations. Accordingly, certain amounts in the previous fiscal year have been reclassified to conform to the presentation in this fiscal year.

-9-

Table of Contents**Condensed Consolidated Statements of Income**(For the Three Months Ended March 31, 2004 and 2003)
(Unaudited)

| | (millions of JPY, millions of US\$) | | | |
|--|---|-----------------------------|---|-----------------------------------|
| | Three Months ended March 31, 2004 | Year-on-Year Change % | Three Months ended March 31, 2003 | U.S. dollars March 31, 2003 |
| Total Revenues: | 203,969 | 110 | 185,162 | 1,930 |
| Direct Financing Leases | 28,004 | 95 | 29,569 | 265 |
| Operating Leases | 34,809 | 105 | 33,176 | 329 |
| Gains on Sales of Real Estate under Operating Leases | 101 | 5 | 2,092 | 1 |
| Interest on Loans and Investment Securities | 29,307 | 81 | 36,154 | 277 |
| Brokerage Commissions and Net Gains on Investment Securities | 11,861 | 753 | 1,575 | 112 |
| Life Insurance Premiums and Related Investment Income | 40,579 | 106 | 38,358 | 384 |
| Residential Condominium Sales | 29,170 | 150 | 19,441 | 276 |
| Interest Income on Deposits | 361 | 311 | 116 | 3 |
| Other Operating Revenues | 29,777 | 121 | 24,681 | 283 |
| Total Expenses: | 186,788 | 92 | 203,065 | 1,767 |
| Interest Expense | 13,997 | 79 | 17,671 | 132 |
| Depreciation Operating Leases | 21,871 | 100 | 21,806 | 207 |
| Life Insurance Costs | 36,518 | 106 | 34,468 | 346 |
| Costs of Residential Condominium Sales | 26,543 | 152 | 17,461 | 251 |
| Other Operating Expenses | 18,033 | 138 | 13,096 | 171 |
| Selling, General and Administrative Expenses | 44,814 | 114 | 39,172 | 423 |
| Provision for Doubtful Receivables and Probable Loan Losses | 14,910 | 86 | 17,318 | 141 |
| Write-downs of Long-Lived Assets | 8,143 | 23 | 36,017 | 77 |
| Write-downs of Securities | 1,253 | 20 | 6,409 | 12 |
| Foreign Currency Transaction (Gain) Loss, Net | 706 | | (353) | 7 |

Table of Contents

Condensed Consolidated Balance Sheets
 (As of March 31, 2004 and 2003)
 (Unaudited)

| | (millions of JPY, millions of US\$) | | |
|--|-------------------------------------|-------------------|--------------------------------------|
| | March 31, 2004 | March 31, 2003 | U.S. dollars March 31, 2004 |
| Assets | | | |
| Cash and Cash Equivalents | 152,235 | 204,677 | 1,440 |
| Restricted Cash | 35,621 | 18,671 | 337 |
| Time Deposits | 677 | 1,184 | 6 |
| Investment in Direct Financing Leases | 1,453,575 | 1,572,308 | 13,753 |
| Installment Loans | 2,234,940 | 2,288,039 | 21,146 |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses | (128,020) | (133,146) | (1,211) |
| Investment in Operating Leases | 536,702 | 529,044 | 5,078 |
| Investment in Securities | 551,928 | 677,435 | 5,222 |
| Other Operating Assets | 72,049 | 76,343 | 682 |
| Investment in Affiliates | 157,196 | 144,974 | 1,487 |
| Other Receivables | 142,711 | 146,650 | 1,350 |
| Inventories | 121,441 | 100,893 | 1,149 |
| Prepaid Expenses | 44,139 | 41,494 | 418 |
| Office Facilities | 71,196 | 77,043 | 674 |
| Other Assets | 178,567 | 185,458 | 1,690 |
| Total | 5,624,957 | 5,931,067 | 53,221 |
| Liabilities and Shareholders Equity | | | |
| Short-Term Debt | 903,916 | 1,120,434 | 8,553 |
| Deposits | 292,545 | 262,467 | 2,768 |
| Trade Notes, Accounts Payable and Other Liabilities | 279,852 | 265,264 | 2,647 |
| Accrued Expenses | 96,668 | 82,012 | 914 |
| Policy Liabilities | 592,782 | 608,553 | 5,609 |
| Current and Deferred Income Taxes | 153,937 | 150,900 | 1,456 |
| Deposits from Lessees | 78,491 | 79,366 | 743 |
| Long-Term Debt | 2,662,719 | 2,856,613 | 25,194 |
| Total Liabilities | 5,060,910 | 5,425,609 | 47,884 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | |
|--------------------------------------|-------------------|-------------------|-------------------|
| Common Stock | 52,068 | 52,067 | 493 |
| Additional Paid-in Capital | 70,015 | 70,002 | 662 |
| Retained Earnings: | | | |
| Legal Reserve | 2,220 | 2,220 | 21 |
| Retained Earnings | 481,091 | 429,163 | 4,552 |
| Accumulated Other Comprehensive Loss | (33,141) | (39,747) | (313) |
| Treasury Stock, at cost | (8,206) | (8,247) | (78) |
| | <u> </u> | <u> </u> | <u> </u> |
| Shareholders Equity | <u>564,047</u> | <u>505,458</u> | <u>5,337</u> |
| | | | |
| Total | <u>5,624,957</u> | <u>5,931,067</u> | <u>53,221</u> |

| | <u>March 31,</u> <u>2004</u> | <u>March 31,</u> <u>2003</u> | <u>U.S.</u> <u>dollars</u> <u>March 31,</u> <u>2004</u> |
|--|---------------------------------|---------------------------------|--|
| Note 1: Accumulated Other Comprehensive Loss | | | |
| Net unrealized gains on investment in securities | 25,048 | 1,917 | 237 |
| Minimum pension liability adjustments | (7,967) | (4,182) | (75) |
| Foreign currency translation adjustments | (45,629) | (29,919) | (432) |
| Net unrealized losses on derivative instruments | (4,593) | (7,563) | (43) |

- 2: Certain inventories included in Advances and Other Operating Assets were reclassified to a separate account Inventories from this fiscal year. In addition, the remaining amount in Advances after the reclassification to Inventories has been included in Other Assets.

Table of Contents

Condensed Consolidated Statements of Shareholders Equity
 (For the Years Ended March 31, 2004 and 2003)
 (Unaudited)

| | (millions of JPY, millions of US\$) | | |
|--|-------------------------------------|---------------------------------|--------------------------------------|
| | Year ended March 31, 2004 | Year ended March 31, 2003 | U.S. dollars March 31, 2004 |
| Common Stock: | | | |
| Beginning balance | 52,067 | 51,854 | 493 |
| Issuance during the year | 1 | 213 | 0 |
| | 52,068 | 52,067 | 493 |
| Additional Paid-in Capital: | | | |
| Beginning balance | 70,002 | 69,823 | 662 |
| Issuance during the year and other, net | 13 | 179 | 0 |
| | 70,015 | 70,002 | 662 |
| Legal Reserve: | | | |
| Beginning balance | 2,220 | 2,220 | 21 |
| | 2,220 | 2,220 | 21 |
| Retained Earnings: | | | |
| Beginning balance | 429,163 | 400,175 | 4,061 |
| Cash dividends | (2,092) | (1,255) | (20) |
| Net income | 54,020 | 30,243 | 511 |
| | 481,091 | 429,163 | 4,552 |
| Accumulated Other Comprehensive Loss: | | | |
| Beginning balance | (39,747) | (13,440) | (376) |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Net unrealized gains on investment in securities | 23,131 | (12,839) | 219 | |
| Minimum pension liability adjustments | (3,785) | 2,652 | (36) | |
| Foreign currency translation adjustments | (15,710) | (15,119) | (148) | |
| Net unrealized losses on derivative instruments | 2,970 | (1,001) | 28 | |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Ending balance | <u>(33,141)</u> | <u>(39,747)</u> | <u>(313)</u> | <u> </u> |
| Treasury Stock: | | | | |
| Beginning balance | (8,247) | (8,124) | | (78) |
| Increase (decrease), net | 41 | (123) | 0 | |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Ending balance | <u>(8,206)</u> | <u>(8,247)</u> | <u>(78)</u> | <u> </u> |
| Total Shareholders Equity: | | | | |
| Beginning balance | 505,458 | 502,508 | 4,783 | |
| Increase, net | 58,589 | 2,950 | 554 | |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Ending balance | <u>564,047</u> | <u>505,458</u> | <u>5,337</u> | <u> </u> |
| Summary of Comprehensive Income: | | | | |
| Net income | 54,020 | 30,243 | 511 | |
| Other comprehensive income (loss) | 6,606 | (26,307) | 63 | |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Comprehensive income | <u>60,626</u> | <u>3,936</u> | <u>574</u> | <u> </u> |

Table of Contents

Condensed Consolidated Statements of Cash Flows
(For the Years Ended March 31, 2004 and 2003)
(Unaudited)

(millions of JPY, millions of US\$)

-13-

Table of Contents

Segment Information
(For the Years Ended March 31, 2004 and 2003)
(Unaudited)

(millions of JPY)

| | Year ended March 31, 2004 | | | Year ended March 31, 2003 | | |
|---|---------------------------|---|---------------------|---------------------------|---|---------------------|
| | Revenues | Income (Loss) before Income Taxes (1) | Operating Assets | Revenues | Income (Loss) before Income Taxes (1) | Operating Assets |
| Operations in Japan | | | | | | |
| Corporate Finance | 128,355 | 43,787 | 1,806,686 | 125,560 | 44,158 | 1,893,422 |
| Equipment Operating Leases | 74,370 | 9,342 | 147,231 | 67,655 | 4,402 | 144,397 |
| Real Estate -Related Finance | 54,792 | 18,102 | 909,019 | 51,589 | 19,572 | 931,513 |
| Real Estate | 143,451 | 6,244 | 309,558 | 104,454 | (39,441) | 303,838 |
| Life Insurance | 133,391 | 5,382 | 582,473 | 138,511 | 4,791 | 579,805 |
| Other | 73,986 | 10,079 | 412,505 | 61,238 | 8,452 | 387,978 |
| | | | | | | |
| Sub-Total | 608,345 | 92,936 | 4,167,472 | 549,007 | 41,934 | 4,240,953 |
| Overseas Operations | | | | | | |
| The Americas | 47,294 | 7,601 | 472,595 | 57,909 | 1,332 | 618,148 |
| Asia and Oceania | 53,694 | 17,848 | 413,041 | 55,425 | 9,765 | 437,874 |
| Europe | 10,708 | (1,252) | 56,634 | 13,311 | (736) | 75,207 |
| | | | | | | |
| Sub-Total | 111,696 | 24,197 | 942,270 | 126,645 | 10,361 | 1,131,229 |
| | | | | | | |
| Segment Total | 720,041 | 117,133 | 5,109,742 | 675,652 | 52,295 | 5,372,182 |
| Difference between Segment totals and Consolidated Amounts | 732 | (14,976) | (260,548) | 6,168 | (7,116) | (229,013) |
| Consolidated Amounts | 720,773 | 102,157 | 4,849,194 | 681,820 | 45,179 | 5,143,169 |

| | (millions of US\$) | | |
|---|-----------------------------|--|---------------------|
| | U.S. dollars March 31, 2004 | | |
| | Revenues | Income (Loss) before Income Taxes (1) | Operating Assets |
| Operations in Japan | | | |
| Corporate Finance | 1,214 | 414 | 17,094 |
| Equipment Operating Leases | 704 | 88 | 1,393 |
| Real Estate-Related Finance | 518 | 171 | 8,601 |
| Real Estate | 1,357 | 59 | 2,929 |
| Life Insurance | 1,262 | 51 | 5,511 |
| Other | 701 | 96 | 3,903 |
| Sub-Total | 5,756 | 879 | 39,431 |
| Overseas Operations | | | |
| The Americas | 447 | 72 | 4,472 |
| Asia and Oceania | 509 | 169 | 3,908 |
| Europe | 101 | (12) | 535 |
| Sub-Total | 1,057 | 229 | 8,915 |
| Segment Total | 6,813 | 1,108 | 48,346 |
| Difference between Segment totals and Consolidated Amounts | 7 | (141) | (2,465) |
| Consolidated Amounts | 6,820 | 967 | 45,881 |

***Note 1:** Income (Loss) before Income Taxes represents Income before Discontinued Operations, Extraordinary Gain, Cumulative Effect of a Change in Accounting Principle and Income Taxes.

Note 2: Results of discontinued operation are not eliminated from Revenues and Income (Loss) before Income Taxes of each segment, but are eliminated in Difference between Segment totals and Consolidated Amounts in the segment information.

Note 3: Quarterly comparison of segment information is presented in the accompanying Key Quarterly Financial Data located on page 24.

-14-

Table of Contents

Basis of presentation and significant accounting policies

In preparing the accompanying consolidated financial statements, ORIX Corporation (the Company) and its subsidiaries have followed accounting principles generally accepted in the United States of America, except as modified to account for stock splits in accordance with the usual practice in Japan.

Some areas of potential significant differences between U.S. and Japanese accounting policies and practices are as follows: Accounting for direct financing leases, accounting for the impairment of long-lived assets and long-lived assets to be disposed of, the use of the straight-line method of depreciation for operating lease equipment, deferral of life insurance policy acquisition costs and the calculation of policy liabilities, accounting for derivative instruments and hedging activities, accounting for goodwill and intangible assets resulting from business combinations, accounting for pension plans, and a reflection of the income tax effect on such adjustments. Segment information is prepared in accordance with FASB Statement No. 131. The basis of presentation and significant accounting policies are as follows.

1. Consolidated subsidiaries

The accompanying consolidated financial statements include the accounts of the Company, 115 domestic subsidiaries and 85 overseas subsidiaries (total of 200 subsidiaries). The accounts of certain variable interest entities are also included pursuant to FASB Interpretation No. 46 (Consolidation of Variable Interest Entities).

Major subsidiaries are ORIX Auto Leasing Corporation, ORIX USA Corporation and others.

2. Affiliates accounted for by the equity method

Investment in 49 domestic affiliates and 25 overseas affiliates (total of 74 affiliates) are accounted for by using the equity method. Major affiliates are The Fuji Fire and Marine Insurance Company Limited, Stockton Holdings Limited, Korea Life Insurance Co., Ltd., and others.

3. The date of subsidiaries fiscal closing

Certain subsidiaries have a year-end that differs from that of the Company. However, these subsidiaries close their books and make necessary adjustments for consolidation purposes as of the Company's fiscal year end. For certain subsidiaries whose fiscal periods end at a date that is less than three months from our consolidated fiscal periods, we use the most recent fiscal period end of those subsidiaries in our consolidated financial results.

4. Accounting policies

(1) Use of estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Recognition of revenues

Direct financing leases The excess of aggregate lease rentals plus the estimated unguaranteed

Table of Contents

residual value over the cost of the leased equipment constitutes the unearned lease income to be taken into income over the lease term using the interest method. Certain direct lease origination costs are being deferred and amortized over the lease term as a yield adjustment.

Operating leases Revenues from operating leases are recognized on a straight-line basis over the contract terms. Operating lease assets are recorded at cost and are depreciated over their estimated useful lives mainly on a straight-line basis.

Insurance premium and expenses Premium income from life insurance policies are recognized as earned premiums when due. Life insurance benefits are recorded as expenses when they are incurred. Policy liabilities for future policy benefits are established by the net level premium method, based on actuarial estimates of the amount of future policyholder benefits. Certain costs associated with writing insurance are deferred and amortized over the respective policy periods in proportion to anticipated premium revenue.

(3) Investment in securities

Trading securities are reported at fair value with unrealized gains and losses included in income. Available-for-sale securities are reported at fair value, and unrealized gains or losses are recorded through accumulated other comprehensive income (loss), net of applicable income taxes. However, the Company and its subsidiaries recognize losses related to securities for which the market price has been significantly below the acquisition cost and not considered temporary in nature. Held-to-maturity securities are recorded at amortized cost.

(4) Inventories

Inventories include advance and/or progress payments for development of residential condominiums for sale and completed residential condominiums. Inventories are stated at the lower of cost or market.

(5) Impairment of long-lived assets

Long-lived assets and certain identifiable intangibles to be held and used by the Company and its subsidiaries are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. When the sum of undiscounted future cash flows expected to be generated by the assets is less than the carrying amount of the assets, impairment losses are recognized based on the fair value of the assets.

(6) Allowance for doubtful receivables on direct financing leases and probable loan losses

The allowance for doubtful receivables on direct financing leases and probable loan losses is maintained at a level which, in the judgment of management, is adequate to provide for probable losses on lease and loan portfolios that can be reasonably anticipated.

(7) Prepaid benefit cost (Accrued benefit liability)

The Company and its subsidiaries follow FASB Statement No. 87 (Employer s Accounting for Pensions).

(8) Foreign currencies translation

The Company and its subsidiaries maintain their accounting records in their functional currency. Transactions in foreign currencies are recorded in the entity s functional currency based on the prevailing exchange rates on the transaction date.

The financial statements of overseas subsidiaries and affiliates are translated into Japanese yen by applying the exchange rates in effect at the end of each fiscal year to all assets and liabilities.

Table of Contents

Income and expenses are translated at the average rates of exchange prevailing during the fiscal year.

(9) Hedge accounting

The Company and its subsidiaries follow FASB Statement No. 133 (Accounting for Derivative Instruments and Hedging Activities), as amended by FASB Statement No. 138 (Accounting for Certain Derivative Instruments and Certain Hedging Activities an amendment of FASB Statement No. 133). All derivatives are recorded on the balance sheet at fair value.

(10) Goodwill and intangible assets resulting from business combinations

Goodwill and intangible assets that have indefinite useful lives are not amortized. Impairment tests are required on an annual basis and between annual tests when events or circumstances indicate impairment.

(11) Income taxes

Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in income in the period that includes the enactment date. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

5. Cash and cash equivalents in the accompanying consolidated statements of cash flows

Cash and cash equivalents include cash on hand, deposits placed with banks and short-term highly liquid investments with original maturities of three months or less.

Revenues from overseas customers

Revenues from overseas customers are as follows.

March 31, 2004

| | Millions of JPY | | | |
|----------------------------------|-------------------------|-----------------------------|---------------|--------------|
| | The Americas | Asia and Oceania | Europe | Total |
| Revenues from overseas customers | 44,930 | 55,947 | 12,171 | 113,048 |
| Total consolidated revenues | | | | 720,773 |

| | | | | |
|--|-------------|-------------|-------------|--------------|
| Ratio of revenues from overseas customers to total consolidated revenues | <u>6.2%</u> | <u>7.8%</u> | <u>1.7%</u> | <u>15.7%</u> |
|--|-------------|-------------|-------------|--------------|

March 31,2003

March 31 ,2003

Millions of JPY

| | The Americas | Asia and Oceania | Europe | Total |
|--|---------------------|-------------------------|-------------------|----------------|
| Revenues from overseas customers | <u>58,130</u> | <u>57,467</u> | <u>14,748</u> | <u>130,345</u> |
| Total consolidated revenues | <u> </u> | <u> </u> | <u> </u> | <u>681,820</u> |
| Ratio of revenues from overseas customers to total consolidated revenues | <u>8.5%</u> | <u>8.4%</u> | <u>2.2%</u> | <u>19.1%</u> |

Table of Contents

March 31,2004

| | Millions of U.S. dollars | | | |
|---|---------------------------------|---------------------------------|-------------------|--------------|
| | The Americas | Asia and Oceania | Europe | Total |
| Revenues from overseas customers | <u>425</u> | <u>529</u> | <u>116</u> | <u>1,070</u> |
| Total consolidated revenues | <u> </u> | <u> </u> | <u> </u> | <u>6,820</u> |
| Ratio of revenues from overseas customers to total consolidated revenues | <u>6.2%</u> | <u>7.8%</u> | <u>1.7%</u> | <u>15.7%</u> |

Table of Contents**Investment in Securities**

Investment in securities at March 31, 2004 and 2003 consists of the following:

| | Millions of JPY | | Millions of U.S. dollars |
|-------------------------------|-------------------|-------------------|-----------------------------|
| | March 31, 2004 | March 31, 2003 | March 31, 2004 |
| Trading securities | 26,354 | 12,154 | 249 |
| Available-for-sale securities | 386,797 | 537,888 | 3,660 |
| Held-to-maturity securities | | 10,638 | |
| Other securities | 138,777 | 116,755 | 1,313 |
| | <u>551,928</u> | <u>677,435</u> | <u>5,222</u> |

For fiscal 2004 and 2003, net unrealized holding gains and losses on trading securities are gains of JPY1,977 million (US\$19 million) and losses of JPY1,610 million, respectively. During fiscal 2004 and 2003, the Company and its subsidiaries sold available-for-sale securities for aggregate proceeds of JPY164,860 million (US\$ 1,560 million) and JPY264,021 million, respectively, resulting in gross realized gains of JPY10,910 million (US\$103 million) and JPY9,822 million, respectively, and gross realized losses of JPY2,182 million (US\$21 million) and JPY2,234 million, respectively. The cost of the securities sold was based on the average cost of each such security held at the time of the sale. Other securities consist mainly of non-marketable equity securities, preferred capital shares carried at cost and investment funds accounted for under the equity method.

The amortized cost basis amounts, gross unrealized holding gains, gross unrealized holding losses and fair values of available-for-sale and held-to-maturity securities in each major security type at March 31, 2004 and 2003 are as follows:

March 31, 2004

| | Millions of JPY | | | Fair Value |
|---|-------------------|------------------------------|-------------------------------|------------|
| | Amortized cost | Gross unrealized gains | Gross unrealized losses | |
| Available-for-sale: Japanese and foreign government bond securities | 14,520 | 87 | (146) | 14,461 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | |
|--|----------------|---------------|----------------|----------------|
| Japanese prefectural and foreign municipal bond securities | 16,761 | 20 | (115) | 16,666 |
| Corporate debt securities | 174,398 | 2,524 | (2,977) | 173,945 |
| Mortgage-backed and other asset-backed securities | 124,398 | 5,169 | (3,387) | 126,180 |
| Equity securities | 17,562 | 39,030 | (1,047) | 55,545 |
| | <u>347,639</u> | <u>46,830</u> | <u>(7,672)</u> | <u>386,797</u> |

Table of Contents

March 31, 2003

| | Millions of JPY | | | |
|--|-------------------|------------------------------|-------------------------------|----------------|
| | Amortized cost | Gross unrealized gains | Gross unrealized losses | Fair Value |
| Available-for-sale: | | | | |
| Japanese and foreign government bond securities | 41,466 | 173 | (100) | 41,539 |
| Japanese prefectural and foreign municipal bond securities | 13,826 | 91 | (51) | 13,866 |
| Corporate debt securities | 309,551 | 2,281 | (4,633) | 307,199 |
| Mortgage-backed and other asset-backed securities | 133,812 | 5,344 | (3,355) | 135,801 |
| Funds in trust | 4,606 | | (942) | 3,664 |
| Equity securities | 25,476 | 12,956 | (2,613) | 35,819 |
| | <u>528,737</u> | <u>20,845</u> | <u>(11,694)</u> | <u>537,888</u> |
| Held-to-maturity: | | | | |
| Asset-backed securities | 10,638 | 397 | (5) | 11,030 |
| | <u>10,638</u> | <u>397</u> | <u>(5)</u> | <u>11,030</u> |

March 31, 2004

| | Millions of JPY | | | |
|--|-------------------|------------------------------|-------------------------------|---------------|
| | Amortized cost | Gross unrealized gains | Gross unrealized losses | Fair Value |
| Available-for-sale: | | | | |
| Japanese and foreign government bond securities | 137 | 1 | (1) | 137 |
| Japanese prefectural and foreign municipal bond securities | 159 | 0 | (1) | 158 |
| Corporate debt securities | 1,650 | 24 | (28) | 1,646 |
| Mortgage-backed and other asset-backed securities | 1,177 | 49 | (32) | 1,194 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | |
|-------------------|--------------|------------|-------------|--------------|
| Equity securities | <u>166</u> | <u>369</u> | <u>(10)</u> | <u>525</u> |
| | <u>3,289</u> | <u>443</u> | <u>(72)</u> | <u>3,660</u> |

Table of Contents

The following is a summary of the contractual maturities of debt securities classified as available-for-sale securities held at March 31, 2004:

| | Millions of JPY | | Millions of U.S. dollars | |
|-----------------------------|------------------------|-------------------|---------------------------------|-------------------|
| | Amortized cost | Fair value | Amortized cost | Fair value |
| Due within one year | 63,028 | 63,307 | 596 | 599 |
| Due after one to five years | 148,252 | 147,490 | 1,403 | 1,395 |
| Due after five to ten years | 72,915 | 72,771 | 690 | 689 |
| Due after ten years | 45,882 | 47,684 | 434 | 452 |
| | 330,077 | 331,252 | 3,123 | 3,135 |

Securities not due at a single maturity date, such as mortgage-backed securities, are included in the above table based on their final maturities.

Certain borrowers may have the right to call or prepay obligations. This right may cause actual maturities to differ from the contractual maturities summarized above.

Table of Contents**Key Quarterly Financial Data (Unaudited)**

(millions of JPY)

| Balance Sheet Data | Fiscal 2003 | | | | Fiscal 2004 | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Q1 (02/4-6) | Q2 (02/7-9) | Q3 (02/10-12) | Q4 (03/1-3) | Q1 (03/4-6) | Q2 (03/7-9) | Q3 (03/10-12) | Q4 (04/1-3) |
| Investment in Direct Financing Leases | 1,646,932 | 1,669,623 | 1,634,494 | 1,572,308 | 1,582,153 | 1,542,172 | 1,545,853 | 1,453,575 |
| Japan | 1,283,552 | 1,305,846 | 1,278,175 | 1,237,141 | 1,242,600 | 1,237,347 | 1,255,453 | 1,183,187 |
| Overseas | 363,380 | 363,777 | 356,319 | 335,167 | 339,553 | 304,825 | 290,400 | 270,388 |
| Installment Loans | 2,327,354 | 2,326,189 | 2,374,664 | 2,288,039 | 2,302,005 | 2,224,486 | 2,224,670 | 2,234,940 |
| Japan | 1,898,108 | 1,932,184 | 1,986,182 | 1,954,640 | 1,969,694 | 1,922,105 | 1,943,624 | 1,984,416 |
| Overseas | 429,246 | 394,005 | 388,482 | 333,399 | 332,311 | 302,381 | 281,046 | 250,524 |
| Investment in Operating Leases | 451,012 | 460,103 | 454,468 | 529,044 | 523,413 | 487,613 | 496,570 | 536,702 |
| Japan | 327,391 | 339,403 | 340,997 | 369,489 | 358,596 | 333,527 | 346,064 | 388,452 |
| Overseas | 123,621 | 120,700 | 113,471 | 159,555 | 164,817 | 154,086 | 150,506 | 148,250 |
| Investment in Securities | 759,406 | 717,500 | 695,319 | 677,435 | 697,926 | 589,918 | 544,021 | 551,928 |
| Japan | 565,409 | 520,005 | 505,995 | 497,829 | 528,184 | 440,598 | 394,784 | 399,463 |
| Overseas | 193,997 | 197,495 | 189,324 | 179,606 | 169,742 | 149,320 | 149,237 | 152,465 |
| Other Operating Assets | 133,954 | 120,151 | 125,641 | 76,343 | 75,065 | 72,502 | 70,556 | 72,049 |
| Japan | 123,107 | 109,398 | 115,632 | 66,713 | 65,803 | 64,300 | 63,008 | 64,993 |
| Overseas | 10,847 | 10,753 | 10,009 | 9,630 | 9,262 | 8,202 | 7,548 | 7,056 |
| Total Operating Assets | 5,318,658 | 5,293,566 | 5,284,586 | 5,143,169 | 5,180,562 | 4,916,691 | 4,881,670 | 4,849,194 |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses | (150,264) | (136,961) | (136,833) | (133,146) | (134,740) | (130,015) | (130,851) | (128,020) |
| Allowance/Investment in Direct Financing Leases and Installment Loans | 3.8% | 3.4% | 3.4% | 3.4% | 3.5% | 3.5% | 3.5% | 3.5% |
| Total Assets | 6,091,100 | 6,050,290 | 6,025,781 | 5,931,067 | 5,923,307 | 5,684,598 | 5,672,032 | 5,624,957 |
| Short-Term Debt, Long-Term Debt and Deposits | 4,489,605 | 4,425,331 | 4,393,599 | 4,239,514 | 4,232,175 | 3,977,021 | 3,941,826 | 3,859,180 |
| Policy Liabilities | 600,144 | 601,815 | 598,832 | 608,553 | 604,830 | 607,591 | 600,281 | 592,782 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | | | | | |
|--|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|----------------------|--------------------|
| Total Liabilities | <u>5,592,427</u> | <u>5,550,564</u> | <u>5,519,176</u> | <u>5,425,609</u> | <u>5,396,760</u> | <u>5,143,520</u> | <u>5,120,264</u> | <u>5,060,910</u> |
| Shareholders Equity | <u>498,673</u> | <u>499,726</u> | <u>506,605</u> | <u>505,458</u> | <u>526,547</u> | <u>541,078</u> | <u>551,768</u> | <u>564,047</u> |
| Total Liabilities & Shareholders Equity | <u>6,091,100</u> | <u>6,050,290</u> | <u>6,025,781</u> | <u>5,931,067</u> | <u>5,923,307</u> | <u>5,684,598</u> | <u>5,672,032</u> | <u>5,624,957</u> |
| New Business Volumes | Q1 (02/4-6) | Q2 (02/7-9) | Q3 (02/10-12) | Q4 (03/1-3) | Q1 (03/4-6) | Q2 (03/7-9) | Q3 (03/10-12) | Q4 (04/1-3) |
| Direct Financing Leases: | | | | | | | | |
| New receivables added | 237,779 | 325,817 | 213,620 | 223,680 | 212,175 | 186,370 | 215,975 | 187,267 |
| Japan | 172,957 | 274,881 | 149,193 | 161,755 | 158,176 | 139,969 | 172,006 | 148,301 |
| Overseas | 64,822 | 50,936 | 64,427 | 61,925 | 53,999 | 46,401 | 43,969 | 38,966 |
| Direct Financing Leases: | | | | | | | | |
| New equipment | | | | | | | | |
| Acquisitions | 210,819 | 297,122 | 187,555 | 200,352 | 188,194 | 166,734 | 192,336 | 165,976 |
| Japan | 151,062 | 251,883 | 128,093 | 144,525 | 138,479 | 121,963 | 151,787 | 129,688 |
| Overseas | 59,757 | 45,239 | 59,462 | 55,827 | 49,715 | 44,771 | 40,549 | 36,288 |
| Installment Loans: New | | | | | | | | |
| Loans added | 341,138 | 334,070 | 295,622 | 297,340 | 270,959 | 258,464 | 293,556 | 301,297 |
| Japan | 273,867 | 300,963 | 261,815 | 264,242 | 225,042 | 223,315 | 247,284 | 262,005 |
| Overseas | 67,271 | 33,107 | 33,807 | 33,098 | 45,917 | 35,149 | 46,272 | 39,292 |
| Operating Leases: New | | | | | | | | |
| Equipment acquisitions | 20,870 | 40,656 | 27,513 | 84,528 | 40,810 | 33,722 | 44,102 | 71,103 |
| Japan | 14,128 | 33,517 | 20,667 | 74,688 | 29,880 | 20,354 | 38,392 | 55,714 |
| Overseas | 6,742 | 7,139 | 6,846 | 9,840 | 10,930 | 13,368 | 5,710 | 15,389 |
| Investment in Securities: | | | | | | | | |
| New securities added | 48,907 | 46,321 | 25,894 | 110,172 | 57,370 | 12,107 | 19,980 | 32,609 |
| Japan | 38,346 | 44,804 | 23,520 | 107,807 | 53,835 | 11,020 | 6,051 | 30,006 |
| Overseas | 10,561 | 1,517 | 2,374 | 2,365 | 3,535 | 1,087 | 13,929 | 2,603 |
| Other Operating | | | | | | | | |
| Transaction: New assets | | | | | | | | |
| Added | 20,768 | 29,791 | 28,197 | 37,980 | 28,655 | 48,363 | 28,416 | 80,831 |
| Japan | 15,475 | 29,403 | 23,504 | 30,948 | 28,655 | 48,301 | 28,416 | 80,831 |
| Overseas | 5,293 | 388 | 4,693 | 7,032 | | 62 | | |

-22-

Table of Contents

(millions of JPY)

| Income Statement Data | Fiscal 2003 | | | | Fiscal 2004 | | | |
|--|----------------|----------------|------------------|----------------|----------------|----------------|------------------|----------------|
| | Q1 (02/4-6) | Q2 (02/7-9) | Q3 (02/10-12) | Q4 (03/1-3) | Q1 (03/4-6) | Q2 (03/7-9) | Q3 (03/10-12) | Q4 (04/1-3) |
| Revenues | | | | | | | | |
| 1) Direct Financing Leases | 30,742 | 32,737 | 29,880 | 29,569 | 28,516 | 28,349 | 27,503 | 28,004 |
| Japan | 21,987 | 24,854 | 22,503 | 22,099 | 21,906 | 21,865 | 21,462 | 21,695 |
| Overseas | 8,755 | 7,883 | 7,377 | 7,470 | 6,610 | 6,484 | 6,041 | 6,309 |
| 2) Operating Leases | 29,223 | 29,463 | 30,664 | 33,176 | 30,747 | 30,858 | 34,074 | 34,809 |
| Japan | 20,724 | 20,862 | 21,349 | 22,730 | 21,789 | 20,885 | 24,847 | 25,468 |
| Overseas | 8,499 | 8,601 | 9,315 | 10,446 | 8,958 | 9,973 | 9,227 | 9,341 |
| 3) Gains (Losses) on Sales of Real Estate under | | | | | | | | |
| Operating Leases | 996 | 622 | (453) | 2,092 | 5,549 | 2,345 | 1,121 | 101 |
| Japan | 996 | 622 | (399) | (638) | 5,464 | 2,317 | 981 | 109 |
| Overseas | | | (54) | 2,730 | 85 | 28 | 140 | (8) |
| 4) Interest on Loans and Investment Securities | 30,757 | 33,284 | 31,395 | 36,154 | 28,314 | 31,263 | 27,860 | 29,307 |
| Interest on loans | 26,203 | 29,323 | 27,634 | 32,450 | 25,729 | 29,001 | 25,820 | 26,940 |
| Japan | 19,795 | 22,089 | 21,506 | 25,678 | 21,082 | 23,958 | 21,706 | 22,549 |
| Overseas | 6,408 | 7,234 | 6,128 | 6,772 | 4,647 | 5,043 | 4,114 | 4,391 |
| Interest on investment securities | 4,554 | 3,961 | 3,761 | 3,704 | 2,585 | 2,262 | 2,040 | 2,367 |
| Japan | 319 | 162 | 180 | 205 | 173 | 295 | 165 | 252 |
| Overseas | 4,235 | 3,799 | 3,581 | 3,499 | 2,412 | 1,967 | 1,875 | 2,115 |
| 5) Brokerage Commissions and Net Gains on | | | | | | | | |
| Investment Securities | 5,127 | 2,800 | 1,355 | 1,575 | 3,246 | 4,323 | 6,595 | 11,861 |
| Brokerage commissions | 774 | 569 | 536 | 521 | 691 | 1,167 | 1,006 | 1,103 |
| Net gains on investment securities | 4,353 | 2,231 | 819 | 1,054 | 2,555 | 3,156 | 5,589 | 10,758 |
| 6) Life Insurance Premiums and Related Investment | | | | | | | | |
| Income | 32,946 | 38,886 | 28,321 | 38,358 | 30,590 | 34,563 | 28,480 | 40,579 |
| Life insurance premiums | 28,745 | 34,503 | 25,184 | 34,531 | 27,524 | 31,114 | 24,231 | 36,589 |
| Related investment income | 4,201 | 4,383 | 3,137 | 3,827 | 3,066 | 3,449 | 4,249 | 3,990 |
| 7) Residential | | | | | | | | |
| Condominium Sales | 11,666 | 18,076 | 21,982 | 19,441 | 23,176 | 19,359 | 26,329 | 29,170 |
| Japan | 11,666 | 18,076 | 21,982 | 19,441 | 23,176 | 19,359 | 26,329 | 29,170 |
| Overseas | | | | | | | | |
| 8) Interest Income on Deposits | 177 | 135 | 98 | 116 | 161 | 102 | 260 | 361 |
| 9) Other Operating Revenues | 19,008 | 17,308 | 19,463 | 24,681 | 19,036 | 22,632 | 21,453 | 29,777 |
| Japan | 17,015 | 14,867 | 16,243 | 22,420 | 16,952 | 19,698 | 18,811 | 27,581 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Overseas | 1,993 | 2,441 | 3,220 | 2,261 | 2,084 | 2,934 | 2,642 | 2,196 |
| Total Revenues | 160,642 | 173,311 | 162,705 | 185,162 | 169,335 | 173,794 | 173,675 | 203,969 |
| Expenses | | | | | | | | |
| 1) Interest Expense | 18,947 | 17,703 | 17,525 | 17,671 | 16,206 | 15,549 | 14,845 | 13,997 |
| 2) Depreciation Operating Leases | 19,308 | 19,291 | 19,588 | 21,806 | 20,505 | 20,674 | 20,869 | 21,871 |
| 3) Life Insurance Costs | 29,649 | 34,775 | 26,792 | 34,468 | 29,326 | 28,917 | 24,892 | 36,518 |
| 4) Costs of Residential Condominium Sales | 9,985 | 15,727 | 17,596 | 17,461 | 20,372 | 17,301 | 24,463 | 26,543 |
| 5) Other Operating Expenses | 8,379 | 9,770 | 10,114 | 13,096 | 10,217 | 11,529 | 12,782 | 18,033 |
| 6) Selling, General and Administrative Expenses | 34,163 | 35,666 | 35,270 | 39,172 | 37,489 | 39,981 | 39,551 | 44,814 |
| 7) Provision for Doubtful Receivables and Probable Loan Losses | 12,803 | 12,164 | 12,421 | 17,318 | 11,968 | 11,875 | 10,839 | 14,910 |
| 8) Write-downs of Long-Lived Assets | | 14,665 | | 36,017 | | 4,202 | | 8,143 |
| 9) Write-downs of Securities | 2,166 | 3,576 | 2,174 | 6,409 | 1,506 | 551 | 1,930 | 1,253 |
| 10) Foreign Currency Transaction (Gain) Loss, Net | 710 | 338 | 516 | (353) | 548 | (74) | 397 | 706 |
| Total Expenses | 136,110 | 163,675 | 141,996 | 203,065 | 148,137 | 150,505 | 150,568 | 186,788 |
| Operating Income (Loss) | 24,532 | 9,636 | 20,709 | (17,903) | 21,198 | 23,289 | 23,107 | 17,181 |
| Equity in Net Income of Affiliates | 1,623 | 1,736 | 2,315 | 529 | 3,384 | 8,539 | 2,707 | 3,294 |
| Gain (Loss) on Sales of Affiliates | | 2 | | 2,000 | | (396) | (136) | (10) |
| Income (Loss) before Discontinued Operations, Extraordinary Gain, Cumulative Effect of a Change in Accounting Principle and Income Taxes | 26,155 | 11,374 | 23,024 | (15,374) | 24,582 | 31,432 | 25,678 | 20,465 |
| Provision (Benefit) for Income Taxes | 11,305 | 5,676 | 10,740 | (6,975) | 11,276 | 14,889 | 11,901 | 13,472 |
| Income (Loss) before Discontinued Operations, Extraordinary Gain and Cumulative Effect of a Change in Accounting | 14,850 | 5,698 | 12,284 | (8,399) | 13,306 | 16,543 | 13,777 | 6,993 |

| | | | | | | | | |
|--|---------------|--------------|---------------|----------------|---------------|---------------|---------------|--------------|
| Principle Discontinued Operations, Net of Applicable Tax Effect | 98 | 180 | 165 | 216 | 792 | 535 | 696 | 769 |
| Extraordinary Gain, Net of Applicable Tax Effect | | | | 3,214 | | 243 | | 366 |
| Cumulative Effect of a Change in Accounting Principle, Net of Applicable Tax Effect | 1,937 | | | | | | | |
| Net Income (Loss) | 16,885 | 5,878 | 12,449 | (4,969) | 14,098 | 17,321 | 14,473 | 8,128 |

| Financial Ratios, Per Share Data, and Employees | Q3 | | | | Q3 | | | |
|---|-------------|-------------|------------|-------------|-------------|-------------|------------|----------|
| | Q1 (02/4-6) | Q2 (02/7-9) | (02/10-12) | Q4 (03/1-3) | Q1 (03/4-6) | Q2 (03/7-9) | (03/10-12) | Q4 |
| Return on Equity (ROE)* | 13.5% | 4.7% | 9.9% | (3.9%) | 10.9% | 13.0% | 10.6% | |
| Return on Assets (ROA)* | 1.09% | 0.39% | 0.82% | (0.33%) | 0.95% | 1.19% | 1.02% | |
| Debt to Equity Ratio | 8.2% | 8.3% | 8.4% | 8.5% | 8.9% | 9.5% | 9.7% | |
| Equity Ratio (times) | 9.0 | 8.9 | 8.7 | 8.4 | 8.0 | 7.4 | 7.1 | |
| Debt to Equity Per Share (yen) | 5,961.30 | 5,973.44 | 6,053.07 | 6,039.43 | 6,291.50 | 6,465.22 | 6,594.86 | 6,000.00 |
| EPS (yen) | 201.85 | 70.27 | 148.76 | (59.38) | 168.45 | 206.96 | 172.94 | |
| EPS (yen) | 189.95 | 66.32 | 140.18 | (59.38) | 158.71 | 194.94 | 162.72 | |
| Number of Employees | 11,820 | 11,859 | 11,977 | 11,833 | 11,621 | 11,723 | 12,698 | |

*annualized

Table of Contents

(millions of JPY)

| Segment Information | | Fiscal 2003 | | | | Fiscal 2004 | | | | |
|-------------------------------|-----------------------------|-------------|-------------|------------|-------------|-------------|-------------|------------|-------------|-------------|
| | | Q1 (02/4-6) | Q2 (02/7-9) | Q3 | | Q1 (03/4-6) | Q2 (03/7-9) | Q3 | | Q4 (04/1-3) |
| | | | | (02/10-12) | Q4 (03/1-3) | | | (03/10-12) | Q4 (04/1-3) | |
| Operations in Japan | Corporate Finance | 31,465 | 33,079 | 31,147 | 29,869 | 30,993 | 33,269 | 31,086 | 33,079 | |
| | Equipment Operating Leases | 16,233 | 16,734 | 16,899 | 17,789 | 16,980 | 17,717 | 18,647 | 21,000 | |
| | Real Estate-Related Finance | 13,995 | 11,708 | 11,252 | 14,634 | 10,937 | 13,011 | 14,723 | 16,146 | |
| | Real Estate | 18,983 | 26,331 | 30,305 | 28,835 | 37,239 | 29,921 | 35,429 | 40,800 | |
| | Life Insurance | 32,946 | 38,886 | 28,321 | 38,358 | 30,590 | 33,973 | 27,978 | 40,800 | |
| | Other | 12,773 | 14,386 | 15,000 | 19,079 | 16,231 | 16,398 | 18,614 | 22,700 | |
| | Sub-Total | 126,395 | 141,124 | 132,924 | 148,564 | 142,970 | 144,289 | 146,477 | 174,600 | |
| Overseas Operations | The Americas | 14,739 | 12,536 | 13,012 | 17,622 | 11,313 | 11,916 | 10,336 | 13,700 | |
| | Asia and Oceania | 13,741 | 13,838 | 13,802 | 14,044 | 12,857 | 13,814 | 12,831 | 14,100 | |
| | Europe | 3,091 | 2,742 | 3,760 | 3,718 | 2,606 | 2,721 | 3,133 | 2,200 | |
| | Sub-Total | 31,571 | 29,116 | 30,574 | 35,384 | 26,776 | 28,451 | 26,300 | 30,100 | |
| Total Segment Revenues | | 157,966 | 170,240 | 163,498 | 183,948 | 169,746 | 172,740 | 172,777 | 204,700 | |
| Operations in Japan | Corporate Finance | 10,411 | 14,089 | 11,562 | 8,096 | 9,345 | 12,574 | 11,592 | 10,200 | |
| | Equipment Operating Leases | 1,271 | 1,708 | 1,593 | (170) | 1,520 | 1,936 | 2,072 | 3,800 | |
| | Real Estate-Related Finance | 6,106 | 3,804 | 2,754 | 6,908 | 3,018 | 6,101 | 4,412 | 4,500 | |
| | Real Estate | 2,735 | (11,542) | 4,341 | (34,975) | 8,160 | (1,831) | 1,722 | (1,800) | |
| | Life Insurance | 1,282 | 1,694 | (27) | 1,842 | (392) | 2,899 | 1,834 | 1,000 | |
| | Other | 2,554 | 4,372 | 3,229 | (1,703) | 1,177 | 1,651 | 2,253 | 4,900 | |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | | | | | | |
|------------------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|
| | Sub-Total | 24,359 | 14,125 | 23,452 | (20,002) | 22,828 | 23,330 | 23,885 | 22,8 |
| Overseas Operations | The Americas | 1,229 | (2,256) | 437 | 1,922 | 2,131 | 1,781 | 2,123 | 1,5 |
| | Asia and | | | | | | | | |
| | Oceania | 1,673 | 2,641 | 1,545 | 3,906 | 4,204 | 9,735 | 2,446 | 1,4 |
| | Europe | (545) | (65) | (112) | (14) | (258) | (1,641) | 454 | 1 |
| | Sub-Total | 2,357 | 320 | 1,870 | 5,814 | 6,077 | 9,875 | 5,023 | 3,2 |
| Global Segment | | | | | | | | | |
| Profits (Income | | | | | | | | | |
| Loss) before Income | | | | | | | | | |
| Taxes | | 26,716 | 14,445 | 25,322 | (14,188) | 28,905 | 33,205 | 28,908 | 26,1 |
| Operations in Japan | Corporate | | | | | | | | |
| | Finance | 2,008,152 | 1,981,237 | 1,963,548 | 1,893,422 | 1,910,425 | 1,845,251 | 1,878,794 | 1,806,6 |
| | Equipment | | | | | | | | |
| | Operating | | | | | | | | |
| | Leases | 141,905 | 142,964 | 145,234 | 144,397 | 142,189 | 140,987 | 141,932 | 147,2 |
| | Real | | | | | | | | |
| | Estate-Related | | | | | | | | |
| | Finance | 906,193 | 908,115 | 908,821 | 931,513 | 932,999 | 879,964 | 901,501 | 909,0 |
| | Real Estate | 293,189 | 289,919 | 307,599 | 303,838 | 295,663 | 275,967 | 283,227 | 309,5 |
| | Life Insurance | 497,593 | 570,983 | 578,744 | 579,805 | 592,987 | 570,013 | 533,708 | 582,4 |
| Other | 389,605 | 372,273 | 398,435 | 387,978 | 395,184 | 406,076 | 412,459 | 412,5 | |
| | Sub-Total | 4,236,637 | 4,265,491 | 4,302,381 | 4,240,953 | 4,269,447 | 4,118,258 | 4,151,621 | 4,167,4 |
| Overseas Operations | The Americas | 695,351 | 713,300 | 691,100 | 618,148 | 604,167 | 541,036 | 517,134 | 472,5 |
| | Asia and | | | | | | | | |
| | Oceania | 467,456 | 431,966 | 454,123 | 437,874 | 461,345 | 434,584 | 419,775 | 413,0 |
| | Europe | 98,200 | 86,024 | 78,376 | 75,207 | 70,657 | 64,524 | 57,298 | 56,6 |
| | Sub-Total | 1,261,007 | 1,231,290 | 1,223,599 | 1,131,229 | 1,136,169 | 1,040,144 | 994,207 | 942,2 |
| Global Segment Assets | | 5,497,644 | 5,496,781 | 5,525,980 | 5,372,182 | 5,405,616 | 5,158,402 | 5,145,828 | 5,109,7 |