

ORIX CORP
Form 6-K
November 12, 2015
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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

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

THE SECURITIES EXCHANGE Act of 1934

For the month of November 2015.

Commission File Number: 001-14856

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 if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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Table of Document(s) Submitted

1. This is an English translation of ORIX Corporation's quarterly financial report (*shihanki houkokusho*) as filed with the Kanto Financial Bureau in Japan on November 12, 2015, which includes unaudited consolidated financial information prepared in accordance with generally accepted accounting principles in the United States for the three and six months ended September 30, 2014 and 2015.

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SIGNATURES

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

ORIX Corporation

Date: November 12, 2015

By /s/ Kazuo Kojima
Kazuo Kojima
Director
Deputy President and Chief Financial Officer
ORIX Corporation

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CONSOLIDATED FINANCIAL INFORMATION

Notes to Translation

1. The following is an English translation of ORIX Corporation's quarterly financial report (*shihanki houkokusho*) as filed with the Kanto Financial Bureau in Japan on November 12, 2015, which includes unaudited consolidated financial information prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) for the three and six months ended September 30, 2014 and 2015.
2. Significant differences between U.S. GAAP and generally accepted accounting principles in Japan (Japanese GAAP) are stated in Note 1 Overview of Accounting Principles Utilized of the notes to Consolidated Financial Statements.
In preparing its consolidated financial information, ORIX Corporation (the Company) and its subsidiaries have complied with U.S. GAAP.

This document may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on the Company's 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 most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission.

This document contains non-GAAP financial measures, including adjusted long-term debt, adjusted total assets and adjusted ORIX Corporation shareholders' equity, as well as other measures and ratios calculated on the basis thereof. These non-GAAP financial measures should not be considered in isolation or as a substitute for the most directly comparable financial measures included in our consolidated financial statements presented in accordance with U.S. GAAP. Reconciliations of these non-GAAP financial measures to the most directly comparable U.S. GAAP measures are included in this document.

The Company believes that it will be considered a passive foreign investment company for U.S. 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.

Table of Contents**1. Information on the Company and its Subsidiaries****(1) Consolidated Financial Highlights**

	Millions of yen (except for per share amounts and ratios)		
	Six months ended	Six months ended	Fiscal year ended
	September 30, 2014	September 30, 2015	March 31, 2015
	September 30, 2014	September 30, 2015	March 31, 2015
Total revenues	¥ 955,635	¥ 1,170,194	¥ 2,174,283
Income before income taxes and discontinued operations	201,133	250,745	344,017
Net income attributable to ORIX Corporation shareholders	141,299	161,298	234,948
Comprehensive Income attributable to ORIX Corporation shareholders	149,928	141,697	265,187
ORIX Corporation shareholders' equity	2,036,333	2,249,232	2,152,198
Total assets	11,209,476	11,080,559	11,443,628
Earnings per share for net income attributable to ORIX Corporation shareholders			
Basic (yen)	107.88	123.23	179.47
Diluted (yen)	107.72	123.11	179.21
ORIX Corporation shareholders' equity ratio (%)	18.2	20.3	18.8
Cash flows from operating activities	99,406	218,586	257,611
Cash flows from investing activities	(105,954)	(68,205)	(467,801)
Cash flows from financing activities	17,390	(26,861)	213,432
Cash and cash equivalents at end of period	832,285	949,121	827,518

	Millions of yen (except for per share amounts)	
	Three	
	months ended	Three months ended
	September 30, 2014	September 30, 2015
Total revenues	¥ 530,300	¥ 564,070
Net income attributable to ORIX Corporation shareholders	75,353	79,788
Earnings per share for net income attributable to ORIX Corporation shareholders		
Basic (yen)	57.53	60.95

- Notes: 1. Certain line items presented in the condensed consolidated statements of income have been reclassified starting from the three months ended December 31, 2014.
2. Prior-year amounts have been adjusted retrospectively to eliminate a lag period that previously existed between DAIKYO INCORPORATED (hereinafter, "DAIKYO") and the Company in fiscal 2015.
3. Consumption tax is excluded from the stated amount of total revenues.

(2) Overview of Activities

During the six months ended September 30, 2015, no significant changes were made in the Company and its subsidiaries' operations. Additionally, there were no changes of principal subsidiaries and affiliates.

2. Risk Factors

Investing in the Company's securities involves risks. You should carefully consider the information described herein as well as the risks described under "Risk Factors" in our Form 20-F for the fiscal year ended March 31, 2015 and the other information in that annual report, including, but not limited to, the Company's consolidated financial statements and related notes and Item 11. Quantitative and Qualitative Disclosures about Market Risk. The Company's business activities, financial condition and results of operations and the trading prices of the

Company's securities could be adversely affected by any of those factors or other factors.

3. Material Contracts

Not applicable.

Table of Contents**4. Analysis of Financial Results and Condition**

The following discussion provides management's explanation of factors and events that have significantly affected the Company's financial condition and results of operations. Also included is management's assessment of factors and trends that could have a material effect on the Company's financial condition and results of operations in the future. However, please be advised that financial conditions and results of operations in the future may also be affected by factors other than those discussed herein. These factors and trends regarding the future were assessed as of the issue date of this quarterly financial report (*shihanki houkokusho*).

(1) Qualitative Information Regarding Consolidated Financial Results**Economic Environment**

Concerns over declines of economic activities in emerging and developing countries and improved short-term economic outlook among developed countries create uneven economic landscapes. Japanese economy continues to show gradual recovery although there are some indicators of weak performance.

Financial Highlights**Financial Results for the Six Months Ended September 30, 2015**

Total revenues	¥1,170,194 million (Up 22% year on year)
Total expenses	¥987,714 million (Up 20% year on year)
Income before income taxes and discontinued operations	¥250,745 million (Up 25% year on year)
Net income attributable to ORIX Corporation Shareholders	¥161,298 million (Up 14% year on year)
Earnings per share for net income attributable to ORIX Corporation Shareholders	
(Basic)	¥123.23 (Up 14% year on year)
(Diluted)	¥123.11 (Up 14% year on year)
ROE (Annualized) *1	14.7% (14.3% during the same period in the previous fiscal year)
ROA (Annualized) *2	2.86% (2.79% during the same period in the previous fiscal year)

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

*2 ROA is the ratio of Net Income Attributable to ORIX Corporation Shareholders for the period to average Total Assets.

Total revenues for the six months ended September 30, 2015 increased 22% to ¥1,170,194 million compared to ¥955,635 million during the same period of the previous fiscal year. Sales of goods and real estate increased primarily due to revenue generated by subsidiaries acquired during the previous fiscal year. In addition, services income increased due to, among other things, revenue generated by the asset management business of Robeco Groep N.V. (hereinafter, "Robeco"), as well as expansion of environment and energy-related business and other fee-related businesses. Meanwhile, with the deterioration of market environment since the latter half of August 2015, life insurance premiums and related investment income decreased due to a significant decrease in investment income from variable annuity and variable life insurance contracts held by Hartford Life Insurance K.K. (hereinafter, "HLIKK"), which was merged into ORIX Life Insurance Corporation on July 1, 2015.

Total expenses increased 20% to ¥987,714 million compared to ¥820,666 million during the same period of the previous fiscal year. Services expense and costs of goods and real estate sold each increased in line with the aforementioned revenue increases. Selling, general and administrative expenses also increased due in part to an increase in the number of consolidated subsidiaries. On the other hand, life insurance costs decreased due to reversal of liability reserve in line with the aforementioned decrease in investment income from variable annuity and variable life insurance contracts.

Gains on sales of subsidiaries and affiliates and liquidation losses, net increased compared to the same period of the previous fiscal year due primarily to the recognition of a gain on sale of partial shares of Houlihan Lokey, Inc. (hereinafter, "HL"), in connection with its initial public offering in the United States, which became an equity method affiliate.

As a result of the foregoing, income before income taxes and discontinued operations for the six months ended September 30, 2015 increased 25% to ¥250,745 million compared to ¥201,133 million during the same period of the previous fiscal year, and net income attributable to ORIX Corporation shareholders increased 14% to ¥161,298 million compared to ¥141,299 million during the same period of the previous fiscal year.

Table of Contents**Segment Information**

Total revenues and profits by segment for the six months ended September 30, 2014 and 2015 are as follows:

	Millions of yen							
	Six months ended September 30, 2014		Six months ended September 30, 2015		Change (revenues)		Change (profits)	
	Segment Revenues	Segment Profits	Segment Revenues	Segment Profits	Amount	Percent (%)	Amount	Percent (%)
Corporate Financial Services	¥ 40,822	¥ 12,646	¥ 52,712	¥ 21,564	¥ 11,890	29	¥ 8,918	71
Maintenance Leasing	131,671	21,509	135,924	23,117	4,253	3	1,608	7
Real Estate	94,381	15,751	109,047	33,717	14,666	16	17,966	114
Investment and Operation	257,668	14,503	493,525	36,450	235,857	92	21,947	151
Retail	182,050	77,045	102,401	32,062	(79,649)	(44)	(44,983)	(58)
Overseas Business	253,254	61,533	277,843	97,881	24,589	10	36,348	59
Total	959,846	202,987	1,171,452	244,791	211,606	22	41,804	21
Difference between Segment Total and Consolidated Amounts	(4,211)	(1,854)	(1,258)	5,954	2,953		7,808	
Total Consolidated Amounts	¥ 955,635	¥ 201,133	¥ 1,170,194	¥ 250,745	¥ 214,559	22	¥ 49,612	25

Total assets by segment as of March 31, 2015 and September 30, 2015 are as follows:

	Millions of yen					
	March 31, 2015		September 30, 2015		Change	
	Segment Assets	Composition ratio (%)	Segment Assets	Composition ratio (%)	Amount	Percent (%)
Corporate Financial Services	¥ 1,132,468	9.9	¥ 1,068,522	9.6	¥ (63,946)	(6)
Maintenance Leasing	662,851	5.8	699,346	6.3	36,495	6
Real Estate	835,386	7.3	753,892	6.8	(81,494)	(10)
Investment and Operation	660,014	5.8	598,957	5.4	(61,057)	(9)
Retail	3,700,635	32.3	3,473,196	31.3	(227,439)	(6)
Overseas Business	2,178,895	19.0	2,172,123	19.7	(6,772)	(0)
Total	9,170,249	80.1	8,766,036	79.1	(404,213)	(4)
Difference between Segment Total and Consolidated Amounts	2,273,379	19.9	2,314,523	20.9	41,144	2
Total Consolidated Amounts	¥ 11,443,628	100.0	¥ 11,080,559	100.0	¥ (363,069)	(3)

Total segment profits for the six months ended September 30, 2015 increased 21% to ¥244,791 million compared to ¥202,987 million during the same period of the previous fiscal year. While profits from Retail segment decreased compared to the same period of the previous fiscal year, Overseas Business, Investment and Operation, Real Estate, and Corporate Financial Services segments contributed the most to the increase in total segment profits, and Maintenance Leasing segment continued to display strong performance.

In addition, during the three months ended March 31, 2015, the closing date of the accounting period of DAIKYO, which is included in Investment and Operation segment, has been changed in order to eliminate a lag period that previously existed between DAIKYO and the Company. Based on this change, the financial statements for the same period of the previous fiscal year have been adjusted retrospectively.

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Segment information for the six months ended September 30, 2015 is as follows:

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

The Japanese economy continues to show steady improvement due to an increase in capital investment in line with improved corporate earnings and a steady growth led by consumer spending despite some indicators of weak performance. Competition in the lending business continues to intensify as financial institutions increase their lending in response to increased demand for corporate funding.

Segment revenues increased 29% to ¥52,712 million compared to ¥40,822 million during the same period of the previous fiscal year due to increases in sales of goods and services income resulting primarily from revenue generated by Yayoi Co., Ltd. (hereinafter, Yayoi), which we acquired on December 22, 2014, and robust fee business generated from domestic small and medium-sized enterprise customers. In addition, recognition of gains on sales of investment securities increased, offsetting a decrease in finance revenues in line with the decreased average investment in direct financing leases and installment loan balances.

While segment expenses increased compared to the same period of the previous fiscal year due primarily to an increase in selling, general and administrative expenses following the consolidation of Yayoi, segment profits increased 71% to ¥21,564 million compared to ¥12,646 million during the same period of the previous fiscal year.

Segment assets decreased 6% to ¥1,068,522 million compared to the end of the previous fiscal year due primarily to decreases in investment in direct financing leases, installment loans, and investment in securities.

	Six months ended		Change	
	Six months ended September 30, 2014	Six months ended September 30, 2015	Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 18,109	¥ 16,845	¥ (1,264)	(7)
Operating leases	12,167	12,357	190	2
Services income	9,213	17,400	8,187	89
Gains on investment securities and dividends, and other	1,333	6,110	4,777	358
Total Segment Revenues	40,822	52,712	11,890	29
Segment Expenses:				
Interest expense	4,311	3,685	(626)	(15)
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	513	(847)	(1,360)	
Other than the above	23,548	28,677	5,129	22
Total Segment Expenses	28,372	31,515	3,143	11
Segment Operating Income	12,450	21,197	8,747	70
Equity in Net income (Loss) of Affiliates, and others	196	367	171	87
Segment Profits	¥ 12,646	¥ 21,564	¥ 8,918	71
(Millions of yen, except percentage data)				
	As of		Change	
	March 31, 2015	September 30, 2015	Amount	Percent (%)
Investment in direct financing leases	¥ 461,704	¥ 423,892	¥ (37,812)	(8)
Installment loans	461,277	435,182	(26,095)	(6)
Investment in operating leases	30,329	33,279	2,950	10

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Investment in securities	45,415	39,385	(6,030)	(13)
Property under facility operations	5,930	9,324	3,394	57
Inventories	55	46	(9)	(16)
Advances for investment in operating leases	202	56	(146)	(72)
Investment in affiliates	20,875	21,849	974	5
Advances for property under facility operations	772	589	(183)	(24)
Goodwill and other intangible assets acquired in business combinations	105,909	104,920	(989)	(1)
Total Segment Assets	¥ 1,132,468	¥ 1,068,522	¥ (63,946)	(6)

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

In line with an increase in capital investment resulted from improved corporate earnings, revenue has been growing by providing high value added services targeting demands in capital investment and cost reduction. Japanese automobile leasing industry has been experiencing the same level of the number of new auto leases as the same period of the previous fiscal year.

Segment revenues increased 3% to ¥135,924 million from ¥131,671 million during the same period of the previous fiscal year due primarily to increases in operating leases revenues and finance revenues resulting from the steady expansion of assets in the auto-business and in services income derived from value-added services such as maintenance.

While segment expenses increased due primarily to increases in the costs of operating leases, service expenses, and selling, general, and administrative expenses, which were in line with revenue growth, segment profits increased 7% to ¥23,117 million compared to ¥21,509 million during the same period of the previous fiscal year.

Segment assets increased 6% to ¥699,346 million compared to the end of the previous fiscal year due primarily to a steady increase in leasing asset mainly in the auto-business.

	Six months ended September 30, 2014	Six months ended September 30, 2015	Change	
			Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 5,144	¥ 6,253	¥ 1,109	22
Operating leases	93,937	94,426	489	1
Services income	30,645	33,184	2,539	8
Sales of goods and real estate, and other	1,945	2,061	116	6
Total Segment Revenues	131,671	135,924	4,253	3
Segment Expenses:				
Interest expense	1,908	1,750	(158)	(8)
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	54	(89)	(143)	
Other than the above	108,169	111,172	3,003	3
Total Segment Expenses	110,131	112,833	2,702	2
Segment Operating Income	21,540	23,091	1,551	7
Equity in Net income (Loss) of Affiliates, and others	(31)	26	57	
Segment Profits	¥ 21,509	¥ 23,117	¥ 1,608	7
	As of March 31, 2015	As of September 30, 2015	Change	
			Amount	Percent (%)
(Millions of yen, except percentage data)				
Investment in direct financing leases	¥ 184,907	¥ 213,833	¥ 28,926	16
Investment in operating leases	473,035	480,472	7,437	2
Investment in securities	1,130	1,112	(18)	(2)

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Property under facility operations	576	622	46	8
Inventories	463	533	70	15
Advances for investment in operating leases	241	233	(8)	(3)
Investment in affiliates	2,074	2,116	42	2
Goodwill and other intangible assets acquired in business combinations	425	425		
Total Segment Assets	¥ 662,851	¥ 699,346	¥ 36,495	6

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

Office rents and vacancy rate in the Japanese office building market continue to show signs of improvement led by Tokyo. J-REIT and foreign investors remain active in property acquisitions, and we are seeing rising sales prices and increasing sales of large-scale real estate. Furthermore, due to increasing numbers of tourists from abroad, we are also seeing increases in the occupancy rate and average daily rate of hotels and Japanese inns.

Segment revenues increased 16% to ¥109,047 million compared to ¥94,381 million during the same period of the previous fiscal year due primarily to an increase in gains on sales of real estate under operating leases, which are included in operating leases revenues. An increase in services income from the facility operation business also contributed to segment revenues.

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

As a result of the foregoing, segment profits increased 114% to ¥33,717 million compared to ¥15,751 million during the same period of the previous fiscal year.

Segment assets decreased 10% to ¥753,892 million compared to the end of the previous fiscal year due primarily to a decrease in investment in operating leases, which resulted from sales of rental properties, and a decrease in installment loans and investment in securities.

	Six months ended September 30, 2014	Six months ended September 30, 2015	Change	
			Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 2,249	¥ 5,491	¥ 3,242	144
Operating leases	34,405	36,736	2,331	7
Services income	52,571	57,482	4,911	9
Sales of goods and real estate, and other	5,156	9,338	4,182	81
Total Segment Revenues	94,381	109,047	14,666	16
Segment Expenses:				
Interest expense	3,826	2,603	(1,223)	(32)
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	5,701	817	(4,884)	(86)
Other than the above	72,687	73,157	470	1
Total Segment Expenses	82,214	76,577	(5,637)	(7)
Segment Operating Income	12,167	32,470	20,303	167
Equity in Net income (Loss) of Affiliates, and others	3,584	1,247	(2,337)	(65)
Segment Profits	¥ 15,751	¥ 33,717	¥ 17,966	114

	As of March 31, 2015	As of September 30, 2015	Change	
			Amount	Percent (%)
(Millions of yen, except percentage data)				

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Investment in direct financing leases	¥ 22,277	¥ 18,978	¥ (3,299)	(15)
Installment loans	22,811	12,378	(10,433)	(46)
Investment in operating leases	423,825	378,881	(44,944)	(11)
Investment in securities	21,718	9,517	(12,201)	(56)
Property under facility operations	172,207	180,764	8,557	5
Inventories	12,484	4,594	(7,890)	(63)
Advances for investment in operating leases	44,666	36,949	(7,717)	(17)
Investment in affiliates	91,275	92,326	1,051	1
Advances for property under facility operations	12,055	7,527	(4,528)	(38)
Goodwill and other intangible assets acquired in business combinations	12,068	11,978	(90)	(1)
Total Segment Assets	¥ 835,386	¥ 753,892	¥ (81,494)	(10)

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

In the Japanese environment and energy-related business, even though the government is reassessing the renewable energy purchase program, the significance of renewable energy in the mid-to-long term is on the rise with investment targets expanding beyond solar power generation projects to include wind and geothermal power generation projects. In addition, the capital markets environment has continued to support domestic initial public offerings.

Segment revenues increased 92% to ¥493,525 million compared to ¥257,668 million during the same period of the previous fiscal year due primarily to significant increases in sales of goods and real estate contributed by subsidiaries acquired during the previous fiscal year, an increase in number of condominiums sold by DAIKYO and an increase in amount of services income from environment and energy-related business.

Segment expenses also increased compared to the same period of the previous fiscal year due to an increase in expenses in connection with acquired subsidiaries, including DAIKYO, and the environment and energy-related business, each of which increased in line with segment revenues expansion.

In addition, due to the recognition of gains on sales of shares of subsidiaries, segment profits increased 151% to ¥36,450 million compared to ¥14,503 million during the same period of the previous fiscal year.

Segment assets decreased 9% to ¥598,957 million compared to the end of the previous fiscal year primarily due to decreases in investment in securities and goodwill and other intangible assets.

	Six months ended		Change	
	September 30, 2014	September 30, 2015	Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 8,302	¥ 6,507	¥ (1,795)	(22)
Gains on investment securities and dividends	4,596	9,705	5,109	111
Sales of goods and real estate	119,055	338,282	219,227	184
Services income	121,394	134,056	12,662	10
Operating leases, and other	4,321	4,975	654	15
Total Segment Revenues	257,668	493,525	235,857	92
Segment Expenses:				
Interest expense	1,732	1,792	60	3
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	840	(644)	(1,484)	
Other than the above	243,073	464,672	221,599	91
Total Segment Expenses	245,645	465,820	220,175	90
Segment Operating Income	12,023	27,705	15,682	130
Equity in Net income (Loss) of Affiliates, and others	2,480	8,745	6,265	253
Segment Profits	¥ 14,503	¥ 36,450	¥ 21,947	151

	As of March 31,	As of September 30,	Change Amount
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	2015	2015		Percent (%)
	(Millions of yen, except percentage data)			
Investment in direct financing leases	¥ 15,092	¥ 16,133	¥ 1,041	7
Installment loans	93,196	86,546	(6,650)	(7)
Investment in operating leases	23,388	23,224	(164)	(1)
Investment in securities	112,896	80,123	(32,773)	(29)
Property under facility operations	90,895	82,882	(8,013)	(9)
Inventories	116,549	107,289	(9,260)	(8)
Advances for investment in operating leases	16	649	633	
Investment in affiliates	51,108	54,613	3,505	7
Advances for property under facility operations	30,861	45,528	14,667	48
Goodwill and other intangible assets acquired in business combinations	126,013	101,970	(24,043)	(19)
Total Segment Assets	¥ 660,014	¥ 598,957	¥ (61,057)	(9)

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

Although the life insurance business is being affected by macroeconomic factors such as domestic population decline, we are seeing increasing numbers of companies developing new products in response to the rising demand for medical insurance. In the consumer finance sector, banks are increasing their assets to further secure new revenue streams and the competition in the lending business continues to intensify.

Segment revenues decreased 44% to ¥102,401 million compared to ¥182,050 million during the same period of the previous fiscal year due to recognition of a gain on sale of shares of Monex Group Inc. in the three months ended June 30, 2014 and a significant decrease in investment income from variable annuity and variable life insurance contracts held by HLIKK as a result of deterioration in market environment since the latter half of August 2015.

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

In addition, due primarily to the recognition of a bargain purchase gain resulted from the acquisition of HLIKK during the same period of the previous fiscal year, segment profits decreased 58% to ¥32,062 million compared to ¥77,045 million during the same period of the previous fiscal year.

Segment assets decreased 6% to ¥3,473,196 million compared to the end of the previous fiscal year due to a large decrease in investment in securities held by HLIKK, offsetting an increase in installment loans in line with an increase in assets in the banking business.

	Six months ended		Change	
	September 30, 2014	September 30, 2015	Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 26,002	¥ 27,172	¥ 1,170	4
Life insurance premiums and related investment income	138,020	71,171	(66,849)	(48)
Services income and other	18,028	4,058	(13,970)	(77)
Total Segment Revenues	182,050	102,401	(79,649)	(44)
Segment Expenses:				
Interest expense	2,915	2,369	(546)	(19)
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	1,339	3,508	2,169	162
Other than the above	137,130	65,257	(71,873)	(52)
Total Segment Expenses	141,384	71,134	(70,250)	(50)
Segment Operating Income	40,666	31,267	(9,399)	(23)
Equity in Net income (Loss) of Affiliates, and others	36,379	795	(35,584)	(98)
Segment Profits	¥ 77,045	¥ 32,062	¥ (44,983)	(58)

	As of		Change	
	March 31, 2015	September 30, 2015	Amount	Percent (%)
(Millions of yen, except percentage data)				
Investment in direct financing leases	¥ 2,740	¥ 1,869	¥ (871)	(32)
Installment loans	1,376,710	1,425,107	48,397	4

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Investment in operating leases	50,587	49,680	(907)	(2)
Investment in securities	2,246,912	1,974,387	(272,525)	(12)
Investment in affiliates	3,785	3,069	(716)	(19)
Goodwill and other intangible assets acquired in business combinations	19,901	19,084	(817)	(4)
Total Segment Assets	¥ 3,700,635	¥ 3,473,196	¥ (227,439)	(6)

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

Concerns over declines of economic activities in emerging and developing countries and improved short-term economic outlook among developed countries create uneven economic landscapes.

Segment revenues increased 10% to ¥277,843 million compared to ¥253,254 million during the same period of the previous fiscal year due primarily to increases in finance revenues in the Americas, gains on sales of investment securities and operating leases revenues in Asia, and asset management revenue of Robeco despite a decrease resulted from deconsolidation of HL.

Segment expenses increased compared to the same period of the previous fiscal year due primarily to increases in the costs of operating leases and selling, general and administrative expense of Robeco, each of which increased in line with revenues growth.

In addition, segment profits increased 59% to ¥97,881 million compared to ¥61,533 million in the same period of the previous fiscal year due primarily to the recognition of a gain on sale of partial shares of HL in connection with its initial public offering in the United States.

Segment assets were flat at ¥2,172,123 million compared to the end of the previous fiscal year due to an increase in investment in operating leases by aircraft-related operations, offsetting a decrease in installment loans in the Americas and impact of fluctuations in foreign exchange rates.

	Six months ended		Change	
	September 30, 2014	September 30, 2015	Amount	Percent (%)
(Millions of yen, except percentage data)				
Segment Revenues:				
Finance revenues	¥ 29,210	¥ 36,212	¥ 7,002	24
Gains on investment securities and dividends	9,792	15,670	5,878	60
Operating leases	38,766	43,994	5,228	13
Services income	141,730	137,987	(3,743)	(3)
Sales of goods and real estate, and other	33,756	43,980	10,224	30
Total Segment Revenues	253,254	277,843	24,589	10
Segment Expenses:				
Interest expense	14,771	15,718	947	6
Provision for doubtful receivables and probable loan losses and write-downs of long-lived assets and securities	2,477	4,866	2,389	96
Other than the above	190,812	206,882	16,070	8
Total Segment Expenses	208,060	227,466	19,406	9
Segment Operating Income	45,194	50,377	5,183	11
Equity in Net income (Loss) of Affiliates, and others	16,339	47,504	31,165	191
Segment Profits	¥ 61,533	¥ 97,881	¥ 36,348	59
(Millions of yen, except percentage data)				
	As of March 31, 2015	As of September 30, 2015	Change	
			Amount	Percent (%)
Investment in direct financing leases	¥ 386,567	¥ 349,393	¥ (37,174)	(10)

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Installment loans	344,108	308,041	(36,067)	(10)
Investment in operating leases	278,665	342,076	63,411	23
Investment in securities	404,322	390,251	(14,071)	(3)
Property under facility operations	26,867	25,719	(1,148)	(4)
Inventories	35,925	37,273	1,348	4
Advances for investment in operating leases	4,434	6,140	1,706	38
Investment in affiliates	209,027	294,221	85,194	41
Goodwill and other intangible assets acquired in business combinations	488,980	419,009	(69,971)	(14)
Total Segment Assets	¥ 2,178,895	¥ 2,172,123	¥ (6,772)	(0)

Table of Contents**(2) Financial Condition**

	As of	As of	Change	
	March 31, 2015	September 30, 2015	Amount	Percent (%)
(Millions of yen except per share, ratios and percentages)				
Total assets	¥ 11,443,628	¥ 11,080,559	¥ (363,069)	(3)
(Segment assets)	9,170,249	8,766,036	(404,213)	(4)
Total liabilities	9,058,656	8,641,780	(416,876)	(5)
(Short- and long-term debt)	4,417,730	4,371,247	(46,483)	(1)
(Deposits)	1,287,380	1,332,687	45,307	4
ORIX Corporation shareholders' equity	2,152,198	2,249,232	97,034	5
ORIX Corporation shareholders' equity per share (yen)*1	1,644.60	1,717.95	73.35	4
ORIX Corporation shareholders' equity ratio*2	18.8%	20.3%		
Adjusted ORIX Corporation shareholders' equity ratio*3	19.3%	21.0%		
D/E ratio (Debt-to-equity ratio) (Short-and long-term debt (excluding deposits) / ORIX Corporation shareholders' equity)	2.1x	1.9x		
Adjusted D/E ratio*3	1.9x	1.8x		

*1 ORIX Corporation shareholders' equity per share is calculated using total ORIX Corporation shareholders' equity.

*2 ORIX Corporation shareholders' equity ratio is the ratio as of the period end of ORIX Corporation shareholders' equity to total assets.

*3 Adjusted ORIX Corporation shareholders' equity ratio and Adjusted D/E ratio are non-GAAP financial measures presented on an adjusted basis which excludes the effect of consolidating certain variable interest entities (VIEs) on our assets or liabilities and reverses the cumulative effect on our retained earnings of such consolidation, which resulted from applying the accounting standards for the consolidation of VIEs under ASU 2009-16 and ASU 2009-17, effective April 1, 2010. For a discussion of these and other non-GAAP financial measures, including a quantitative reconciliation to the most directly comparable GAAP financial measures, please see 5. Non-GAAP Financial Measures.

Total assets decreased 3% to ¥11,080,559 million compared to ¥11,443,628 million at the end of the previous fiscal year. Investment in operating leases increased due primarily to purchases of aircraft in Overseas Business segment. Meanwhile, investment in securities decreased due primarily to surrender of variable annuity and variable life insurance contracts held by HLIKK and a decrease in investment income from these contracts as a result of deterioration in the market environment. Segment assets decreased 4% to ¥8,766,036 million compared to the end of the previous fiscal year.

We manage our balance of interest-bearing liabilities at an appropriate level taking into account the condition of assets and our liquidity on-hand as well as the domestic and overseas financial environments. As a result, long- and short-term debt decreased and deposits increased compared to the end of the previous fiscal year. In addition, policy liabilities and policy account balances decreased due to the surrender of variable annuity and variable life insurance contracts held by HLIKK and a reversal of liability reserve in line with the decrease in investment income as mentioned above.

Shareholders' equity increased 5% to ¥2,249,232 million compared to the end of the previous fiscal year primarily due to an increase in retained earnings.

Table of Contents**(3) Liquidity and Capital Resources**

We require capital resources for working capital and investment and lending in our businesses. We accordingly prioritize funding stability, maintaining adequate liquidity, and reducing capital costs. We formulate and execute on funding policies that are resilient to sudden deterioration in financial markets, and then conduct funding activities in accordance with actual transitions in our assets and changes in financial markets. In preparing our management plan, we project funding activities to maintain a balanced capital structure in light of projected cash flows, asset liquidity and our own liquidity situation. In implementation, we adjust our funding plan based on changes in the external funding environment and our funding needs in light of our business activities, and endeavor to maintain flexibility in our funding activities.

We have endeavored to diversify our funding sources, promote longer liability maturities, stagger interest and principal repayment dates, and otherwise maintain sufficient liquidity and reinforce our funding stability.

Our funding was comprised of borrowings from financial institutions, direct fund procurement from capital markets, and deposits. ORIX Group's total funding including that from short- and long-term debt and deposits on a consolidated basis was ¥5,703,934 million as of September 30, 2015.

Borrowings were procured from a diverse range of financial institutions including major banks, regional banks, foreign banks and life and casualty insurance companies. The number of financial institutions from which we procured borrowings exceeded 200 as of September 30, 2015. Procurement from the capital markets was composed of bonds, medium-term notes, commercial paper, payables under securitized leases, loan receivables and other assets (including asset backed securities). ORIX Group accepts deposits for funding purposes, with the majority of deposits attributable to ORIX Bank Corporation.

In an effort to promote longer liability maturities and diversify our funding sources, during the six months ended September 30, 2015, we issued ¥35,000 million of five-year domestic straight bonds to individual investors in Japan, and also US\$300 million, Thai baht 2,000 million and Korean won 90,000 million of straight bonds outside Japan. We intend to continue to strengthen our financial condition, while maintaining an appropriate funding mix.

Short-term and long-term debt and deposits

(a) Short-term debt

	Millions of yen	
	March 31, 2015	September 30, 2015
Borrowings from financial institutions	¥ 195,164	¥ 240,476
Commercial paper	89,621	70,074
Total short-term debt	¥ 284,785	¥ 310,550

Short-term debt as of September 30, 2015 was ¥310,550 million, which accounted for 7% of the total amount of short and long-term debt (excluding deposits) as compared to 6% as of March 31, 2015.

While the amount of short-term debt as of September 30, 2015 was ¥310,550 million, the sum of cash and cash equivalents and the unused amount of committed credit facilities as of September 30, 2015 was ¥1,345,611 million.

(b) Long-term debt

	Millions of yen	
	March 31, 2015	September 30, 2015
Borrowings from financial institutions	¥ 2,687,434	¥ 2,634,856
Bonds	1,118,766	1,026,688
Medium-term notes	35,110	61,830

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Payables under securitized lease, loan receivables and other assets	291,635	337,323
Total long-term debt	¥ 4,132,945	¥ 4,060,697

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The balance of long-term debt as of September 30, 2015 was ¥4,060,697 million, which accounted for 93% of the total amount of short and long-term debt (excluding deposits) as compared to 94% as of March 31, 2015. On an adjusted basis, our ratio of long-term debt to total debt (excluding deposits) was 92% as of September 30, 2015 as compared to 93% as of March 31, 2015. This ratio is a non-GAAP financial measure presented on an adjusted basis that excludes payables under securitized leases, loan receivables and other assets. For a discussion of this and other non-GAAP financial measures including reconciliations to the most directly comparable financial measures presented in accordance with GAAP, see 5. Non-GAAP Financial Measures.

(c) Deposits

	Millions of yen	
	March 31, 2015	September 30, 2015
Deposits	¥ 1,287,380	¥ 1,332,687

Apart from the short-term and long-term debt noted above, ORIX Bank Corporation and ORIX Asia Limited accept deposits. These deposit-taking subsidiaries are regulated institutions, and loans from these subsidiaries to ORIX Group entities are subject to maximum regulatory limits.

(4) Summary of Cash Flows

Cash and cash equivalents as of September 30, 2015 increased by ¥121,603 million to ¥949,121 million compared to March 31, 2015.

Cash flows provided by operating activities were ¥218,586 million in the six months ended September 30, 2015, up from ¥99,406 million during the same period of the previous fiscal year, primarily resulting from an increase in net income, and a decrease in trading securities, but partially offset by a net decrease in policy liabilities and policy account balances of HLIKK compared to the same period of the previous fiscal year.

Cash flows used in investing activities were ¥68,205 million in the six months ended September 30, 2015, down from ¥105,954 million during the same period of the previous fiscal year. This change was primarily due to an increase in proceeds from sales of available-for-sale securities and an increase in principal payments received under direct financing leases, but partially offset by an increase in purchases of lease equipment compared to the same period of the previous fiscal year.

Cash flows used in financing activities were ¥26,861 million in the six months ended September 30, 2015 compared to the inflow of ¥17,390 million during the same period of the previous fiscal year. This change was primarily due to a net decrease in debt with maturities of three months or less compared to a net increase during the same period of the previous fiscal year and an increase in repayment of debt with maturities longer than three months, but partially offset by an increase proceeds from debt with maturities longer than three months.

(5) Challenges to be addressed

There were no significant changes for the six months ended September 30, 2015.

(6) Research and Development Activity

There were no significant changes in research and development activity for the six months ended September 30, 2015.

(7) Major facilities

There were no significant changes in major facilities for the six months ended September 30, 2015.

Table of Contents**5. Non-GAAP Financial Measures**

Section 4 Analysis of Financial Results and Condition contains certain financial measures presented on a basis not in accordance with U.S. GAAP (commonly referred to as non-GAAP financial measures), including adjusted long-term debt, adjusted ORIX Corporation shareholders equity and adjusted total assets, as well as other measures or ratios calculated based on those measures, presented on an adjusted basis, which excludes payables under securitized leases, loan receivables and other assets and reverses the cumulative effect on retained earnings of applying the accounting standards for the consolidation of VIEs under ASU 2009-16 and ASU 2009-17, effective April 1, 2010.

Our management believes these non-GAAP financial measures provide investors with additional meaningful comparisons between our financial condition as of September 30, 2015, as compared to prior periods. Effective April 1, 2010, we adopted ASU 2009-16 and ASU 2009-17, which changed the circumstances under which we are required to consolidate certain VIEs. Our adoption of these accounting standards caused a significant increase in our consolidated assets and liabilities and a decrease in our retained earnings without affecting the net cash flow and economic effects of our investments in such consolidated VIEs. Accordingly, our management believes that providing certain financial measures that exclude the impact of consolidating certain VIEs on our assets and liabilities as a supplement to financial information calculated in accordance with U.S. GAAP enhances understanding of the overall picture of our current financial position and enables investors to evaluate our historical financial and business trends without the large balance sheet fluctuation caused by our adoption of these accounting standards.

We provide these non-GAAP financial measures as supplemental information to our consolidated financial statements prepared in accordance with U.S. GAAP, and they should not be considered in isolation or as substitutes for the most directly comparable U.S. GAAP measures.

The tables set forth below provide reconciliations of these non-GAAP financial measures to the most directly comparable financial measures presented in accordance with U.S. GAAP as reflected in our consolidated financial statements for the periods provided.

		2015	
		As of March 31, (Millions of yen, except percentage data)	As of September 30,
Total assets	(a)	¥ 11,443,628	¥ 11,080,559
Deduct: Payables under securitized leases, loan receivables and other assets*		291,635	337,323
Adjusted total assets	(b)	11,151,993	10,743,236
Short-term debt	(c)	284,785	310,550
Long-term debt	(d)	4,132,945	4,060,697
Deduct: Payables under securitized leases, loan receivables and other assets*		291,635	337,323
Adjusted long-term debt	(e)	3,841,310	3,723,374
Long- and short-term debt (excluding deposits)	(f)=(c)+(d)	4,417,730	4,371,247
Adjusted short- and long-term debt (excluding deposits)	(g)=(c)+(e)	4,126,095	4,033,924
ORIX Corporation shareholders equity	(h)	2,152,198	2,249,232
Deduct: The cumulative effect on retained earnings of applying the accounting standards for the consolidation of VIEs under ASU 2009-16 and ASU 2009-17, effective April 1, 2010		(3,060)	(2,802)
Adjusted ORIX Corporation shareholders equity	(i)	2,155,258	2,252,034
ORIX Corporation shareholders equity ratio	(h)/(a)	18.8%	20.3%
Adjusted ORIX Corporation shareholders equity ratio	(i)/(b)	19.3%	21.0%
D/E ratio	(f)/(h)	2.1x	1.9x
Adjusted D/E ratio	(g)/(i)	1.9x	1.8x
Long-term debt ratio	(d)/(f)	94%	93%
Adjusted long-term debt ratio	(e)/(g)	93%	92%

* These deductions represent amounts recorded as liabilities and included in long-term debt on the consolidated balance sheets.

Table of Contents**6. Company Stock Information**

(The following disclosure is provided for ORIX Corporation on a stand-alone basis and has been prepared based on Japanese GAAP.)

(1) Issued Shares, Common Stock and Additional Paid-in Capital

The number of issued shares, the amount of common stock and additional paid-in capital for the three months ended September 30, 2015 is as follows:

In thousands		Millions of yen			
Increase, net	September 30, 2015	Increase, net	September 30, 2015	Increase, net	September 30, 2015
2	1,324,049	¥ 2	¥220,458	¥ 2	¥247,637

(2) List of Major Shareholders

The following is a list of major shareholders based on our share registry as of September 30, 2015:

Name	Number of shares held (in thousands)	Percentage of total shares issued
Address Japan Trustee Services Bank, Ltd. (Trust Account)	94,387	7.12%
1-8-11, Harumi, Chuo-ku, Tokyo		
The Master Trust Bank of Japan, Ltd. (Trust Account)	73,667	5.56
2-11-3, Hamamatsu-cho, Minato-ku, Tokyo		
JP MORGAN CHASE BANK 380055	73,094	5.52
270 PARK AVENUE, NEW YORK, NY 10017, UNITED STATES OF AMERICA		
THE CHASE MANHATTAN BANK 385036	37,097	2.80
360 N. CRESCENT DRIVE BEVERLY HILLS, CA 90210 U.S.A.		
Japan Trustee Services Bank, Ltd. (Trust Account 9)	36,125	2.72
1-8-11, Harumi, Chuo-ku, Tokyo		
THE BANK OF NEW YORK MELLON SA/NV 10	30,583	2.30
RUE MONTOYERSTRAAT 46, 1000 BRUSSELS, BELGIUM		
STATE STREET BANK AND TRUST COMPANY	30,162	2.27
ONE LINCOLN STREET, BOSTON MA USA 02111		
STATE STREET BANK AND TRUST COMPANY 505225	22,760	1.71
P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A.		
CITIBANK, N.A.-NY, AS DEPOSITARY BANK FOR DEPOSITARY SHARE HOLDERS	22,350	1.68
388 GREENWICH STREET NEW YORK, NY 10013 USA		
STATE STREET BANK WEST CLIENT TREATY 505234	19,816	1.49
1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.		

Notes:

- (a) The number of shares held in relation to a trust business may not be all inclusive and therefore is reported with reference to the names listed as shareholders.

7. Directors and Executive Officers

Between the filing date of Form 20-F for the fiscal year ended March 31, 2015 and September 30, 2015, there were no changes of directors and executive officers.

Table of Contents**8. Financial Information****(1) Condensed Consolidated Balance Sheets (Unaudited)**

	Millions of yen	
	March 31, 2015	September 30, 2015
Assets		
Cash and Cash Equivalents	¥ 827,518	¥ 949,121
Restricted Cash	85,561	86,506
Investment in Direct Financing Leases	1,216,454	1,174,772
Installment Loans	2,478,054	2,491,670
(The amounts of ¥15,361 million as of March 31, 2015 and ¥15,794 million as of September 30, 2015 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	(72,326)	(66,810)
Investment in Operating Leases	1,296,220	1,322,202
Investment in Securities	2,846,257	2,443,733
(The amounts of ¥16,891 million as of March 31, 2015 and ¥20,623 million as of September 30, 2015 are measured at fair value by electing the fair value option under ASC 825.)		
Property under Facility Operations	278,100	281,170
Investment in Affiliates	378,087	468,208
Trade Notes, Accounts and Other Receivable	348,404	262,017
Inventories	165,540	149,825
Office Facilities	131,556	131,622
Other Assets	1,464,203	1,386,523
(The amounts of ¥36,038 million as of March 31, 2015 and ¥42,825 million as of September 30, 2015 are measured at fair value by electing the fair value option under ASC 825.)		
Total Assets	¥ 11,443,628	¥ 11,080,559

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

	Millions of yen	
	March 31, 2015	September 30, 2015
Cash and Cash Equivalents	¥ 5,242	¥ 4,807
Investment in Direct Financing Leases (Net of Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses)	153,951	161,112
Installment Loans (Net of Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses)	171,163	221,627
Investment in Operating Leases	252,234	232,680
Property under Facility Operations	39,153	49,832
Investment in Affiliates	11,905	12,429
Other	93,983	97,309
	¥ 727,631	¥ 779,796

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	Millions of yen	
	March 31, 2015	September 30, 2015
Liabilities and Equity		
Liabilities:		
Short-Term Debt	¥ 284,785	¥ 310,550
Deposits	1,287,380	1,332,687
Trade Notes, Accounts and Other Payable	335,936	267,946
Policy Liabilities and Policy Account Balances	2,073,650	1,789,642
(The amounts of ¥1,254,483 million as of March 31, 2015 and ¥934,909 million as of September 30, 2015 are measured at fair value by electing the fair value option under ASC 825.)		
Current and Deferred Income Taxes	345,514	364,198
Long-Term Debt	4,132,945	4,060,697
Other Liabilities	598,446	516,060
Total Liabilities	9,058,656	8,641,780
Redeemable Noncontrolling Interests	66,901	18,512
Commitments and Contingent Liabilities		
Equity:		
Common Stock	220,056	220,458
Additional Paid-in Capital	255,595	255,615
Retained Earnings	1,672,585	1,788,470
Accumulated Other Comprehensive Income	30,373	10,772
Treasury Stock, at Cost	(26,411)	(26,083)
ORIX Corporation Shareholders' Equity	2,152,198	2,249,232
Noncontrolling Interests	165,873	171,035
Total Equity	2,318,071	2,420,267
Total Liabilities and Equity	¥ 11,443,628	¥ 11,080,559

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

	Millions of yen	
	March 31, 2015	September 30, 2015
Trade Notes, Accounts and Other Payable	¥ 2,100	¥ 1,992
Long-Term Debt	454,216	501,899
Other	7,792	7,833
	¥ 464,108	¥ 511,724

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

	Millions of yen	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Revenues:		
Finance revenues	¥ 91,183	¥ 101,244
Gains on investment securities and dividends	31,322	31,317
Operating leases	181,894	191,330
Life insurance premiums and related investment income	137,939	70,492
Sales of goods and real estate	158,176	395,426
Services income	355,121	380,385
Total revenues	955,635	1,170,194
Expenses:		
Interest expense	36,725	35,858
Costs of operating leases	117,771	122,440
Life insurance costs	108,597	31,800
Costs of goods and real estate sold	141,402	351,461
Services expense	206,479	217,880
Other (income) and expense, net	2,007	4,555
Selling, general and administrative expenses	197,074	216,344
Provision for doubtful receivables and probable loan losses	1,975	2,948
Write-downs of long-lived assets	6,882	946
Write-downs of securities	1,754	3,482
Total expenses	820,666	987,714
Operating Income	134,969	182,480
Equity in Net Income of Affiliates	10,225	11,856
Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses, Net	19,857	56,409
Bargain Purchase Gain	36,082	0
Income before Income Taxes and Discontinued Operations	201,133	250,745
Provision for Income Taxes	55,014	82,636
Income from Continuing Operations	146,119	168,109
Discontinued Operations:		
Income from discontinued operations, net	463	0
Provision for income taxes	(166)	0
Discontinued operations, net of applicable tax effect	297	0
Net Income	146,416	168,109
Net Income Attributable to the Noncontrolling Interests	3,089	5,546
Net Income Attributable to the Redeemable Noncontrolling Interests	2,028	1,265
Net Income Attributable to ORIX Corporation Shareholders	¥ 141,299	¥ 161,298

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- Note
1. Certain line items presented in the condensed consolidated statements of income have been reclassified starting from the three months ended December 31, 2014. For further information, see Note 2 Significant Accounting and Reporting Policies (ai) Reclassifications.
 2. Prior-year amounts have been adjusted for the retrospective elimination of a lag period that previously existed between DAIKYO and ORIX in fiscal 2015. For further information, see Note 1 Significant Accounting and Reporting Policies (ah) Elimination of a lag period.
 3. Pursuant to ASC 205-20 (Presentation of Financial Statements Discontinued Operations), the results of operations which meet the criteria for discontinued operations are reported as a separate component of income, and those related amounts that had been previously reported are reclassified.

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	Millions of yen	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Income attributable to ORIX Corporation shareholders:		
Income from continuing operations	¥ 141,002	¥ 161,298
Discontinued operations	297	0
Net income attributable to ORIX Corporation shareholders	¥ 141,299	¥ 161,298
		Yen
	Six months ended September 30, 2014	Six months ended September 30, 2015
Amounts per Share of Common Stock for Income attributable to ORIX Corporation shareholders:		
Basic:		
Income from continuing operations	¥ 107.65	¥ 123.23
Discontinued operations	0.23	0
Net income attributable to ORIX Corporation shareholders	¥ 107.88	¥ 123.23
Diluted:		
Income from continuing operations	¥ 107.49	¥ 123.11
Discontinued operations	0.23	0
Net income attributable to ORIX Corporation shareholders	¥ 107.72	¥ 123.11

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	Millions of yen	
	Three months ended September 30, 2014	Three months ended September 30, 2015
Revenues:		
Finance revenues	¥ 45,073	¥ 51,617
Gains on investment securities and dividends	7,400	8,384
Operating leases		