

ORIX CORP
Form 6-K
February 09, 2007
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 February, 2007.

ORIX Corporation

(Translation of Registrant's Name into English)

Mita NN Bldg., 4-1-23 Shiba, Minato-Ku,

Tokyo, 108-0014, 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 Contents

Table of Documents Filed

| | Page |
|--|-------------|
| 1. <u>ORIX's Third Quarter Consolidated Financial Results (April 1, 2006 – December 31, 2006) filed with the Tokyo Stock Exchange on Thursday, February 8, 2007.</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: February 8, 2007

By /s/ Shunsuke Takeda
Shunsuke Takeda
Director
Vice Chairman and CFO
ORIX Corporation

Table of Contents

Consolidated Financial Results

April 1, 2006 December 31, 2006

February 8, 2007

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 119.11 to \$1.00, the approximate exchange rate prevailing at December 31, 2006.

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

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

For further information please contact:

Corporate Communications

ORIX Corporation

Mita NN Bldg., 4-1-23 Shiba, Minato-ku, Tokyo 108-0014

JAPAN

Tel: +81-3-5419-5102 Fax: +81-3-5419-5901

E-mail: raymond_spencer@orix.co.jp

Table of Contents**Consolidated Financial Results from April 1, 2006 to December 31, 2006**

(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

Head Office: New York Stock Exchange (Trading Symbol : IX)
Tokyo JAPAN

Tel: +81-3-5419-5102

(URL http://www.orix.co.jp/grp/ir_e/ir_index.htm)**1. Performance Highlights for the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006****(1) Performance Highlights - Operating Results (Unaudited)**

(millions of JPY)*1

| | Total Revenues | Year-on-Year Change | Operating Income | Year-on-Year Change | Income before Income Taxes*2 | Year-on-Year Change |
|-------------------|----------------|---------------------|------------------|---------------------|------------------------------|---------------------|
| December 31, 2006 | 851,751 | 27.7% | 223,597 | 33.3% | 246,727 | 28.9% |
| December 31, 2005 | 666,848 | 5.5% | 167,791 | 83.6% | 191,466 | 69.8% |
| March 31, 2006 | 930,397 | | 214,975 | | 249,787 | |

| | Net Income | Year-on-Year Change | Basic Earnings Per Share | Diluted Earnings Per Share |
|-------------------|------------|---------------------|--------------------------|----------------------------|
| December 31, 2006 | 150,981 | 19.7% | 1,675.43 | 1,614.50 |
| December 31, 2005 | 126,097 | 86.2% | 1,434.39 | 1,359.01 |
| March 31, 2006 | 166,388 | | 1,883.89 | 1,790.30 |

1. Equity in Net Income of Affiliates was a net gain of JPY 21,967 million for the nine months ended December 31, 2006, a net gain of JPY 20,716 million for the nine months ended December 31, 2005 and a net gain of JPY 32,080 million for the year ended March 31, 2006.

2. The average number of shares was 90,114,837 for the nine months ended December 31, 2006, 87,909,798 for the nine months ended December 31, 2005 and 88,321,649 for the year ended March 31, 2006.

3. Adoption of simplified accounting method Yes () No ()

4. Changes in Accounting Principles Yes () No () (except for adoptions of new accounting principles)

Edgar Filing: ORIX CORP - Form 6-K

5. Changes in Numbers of Consolidated Subsidiaries and Affiliates Yes (x) No ()

Additions: Consolidated Subsidiaries 9, Affiliates 2

Deletions: Consolidated Subsidiaries 5, Affiliates 4

***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 Income Taxes, Minority Interests in Earnings of Subsidiaries, Discontinued Operations and Extraordinary Gain.

(2) Performance Highlights - Financial Position (Unaudited)

| | Total Assets | Shareholders Equity | Shareholders Equity Ratio | Shareholders Equity Per Share |
|-------------------|--------------|------------------------|------------------------------|----------------------------------|
| December 31, 2006 | 7,802,545 | 1,137,752 | 14.6% | 12,588.14 |
| December 31, 2005 | 6,686,456 | 898,828 | 13.4% | 10,099.03 |
| March 31, 2006 | 7,242,455 | 953,646 | 13.2% | 10,608.97 |

1. The number of outstanding shares was 90,382,877 as of December 31, 2006, 89,001,424 as of December 31, 2005 and 89,890,579 as of March 31, 2006.

(3) Performance Highlights - Cash Flows (Unaudited)

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents at End of Period |
|-------------------|---|---|---|---|
| December 31, 2006 | 163,714 | (561,663) | 278,251 | 126,782 |
| December 31, 2005 | 140,718 | (466,715) | 315,286 | 135,931 |
| March 31, 2006 | 136,003 | (799,357) | 762,528 | 245,856 |

2. Forecasts for the Year Ending March 31, 2007 (Unaudited)

| Fiscal Year | Total Revenues | Income before Income Taxes | Net Income |
|----------------|-------------------|-------------------------------|---------------|
| March 31, 2007 | 1,123,000 | 319,000 | 195,000 |

1. Basic Earnings Per Share is forecasted to be JPY 2,157.49.

Table of Contents**Summary of Consolidated Financial Results****1. Nine Months Ended December 31, 2006****Financial Highlights**

| | |
|---------------------------------------|--|
| Income before Income Taxes* | 246,727 million yen (Up 29% year on year) |
| Net Income | 150,981 million yen (Up 20% year on year) |
| Earnings Per Share (Basic) | 1,675.43 yen (Up 17% year on year) |
| Earnings Per Share (Diluted) | 1,614.50 yen (Up 19% year on year) |
| Shareholders' Equity Per Share | 12,588.14 yen (Up 19% on March 31, 2006) |
| ROE (Annualized) | 19.3% (December 31, 2005: 20.7%) |
| ROA (Annualized) | 2.68% (December 31, 2005: 2.64%) |

* Income before income taxes refers to income before income taxes, minority interests in earnings of subsidiaries, discontinued operations and extraordinary gain.

Revenues: 851,751 million yen (Up 28% year on year)

Revenues increased 28% to 851,751 million yen in the first nine months of this fiscal year compared with the

same period of the previous fiscal year. Although direct financing leases and life insurance premiums and related investment income decreased year on year, revenues from operating leases, interest on loans and investment securities, brokerage commissions and net gains on investment securities, real estate sales, gains on sales of real estate under operating leases, and other operating revenues were up compared to the same period of the previous fiscal year.

Revenues from direct financing leases decreased 2% to 68,626 million yen compared to the same period of the previous fiscal year. In Japan, revenues from direct financing leases were down 10% to 47,295 million yen compared to 52,451 million yen in the same period of the previous fiscal year due to the lower level of operating assets and a decrease in revenues from securitization. Overseas, revenues were up 19% to 21,331 million yen compared to 17,931 million yen in the same period of the previous fiscal year due to the expansion of leasing operations in the Asia, Oceania and Europe segment.

Revenues from operating leases increased 18% to 189,502 million yen compared to the same period of the previous fiscal year. In Japan, there was an expansion of automobile and real estate operating leases, that resulted in a 18% increase in revenues to 143,902 million yen compared to 122,095 million yen in the same period of the previous fiscal year. Overseas, revenues were up 19% to 45,600 million yen compared to 38,207 million yen in the same period of the previous fiscal year due to the expansion of automobile operating leases in the Asia, Oceania and Europe segment.

Revenues from interest on loans and investment securities increased 25% to 146,262 million yen compared to the same period of the previous fiscal year. In Japan, interest on loans and investment securities increased 17% to 110,688 million yen compared to 94,665 million yen in the same period of the previous fiscal year due primarily to an expansion of interest earning assets including non-recourse loans and loans to corporate customers. Overseas, revenues were up 61% to 35,574 million yen compared to 22,086 million yen in the same period of the previous fiscal year due to an expansion of revenues associated with loans to corporate customers as well as contributions from interest on investment securities in The Americas segment, in addition to the expansion of our loan servicing operations in the Asia, Oceania and Europe segment.

Table of Contents

Revenues from brokerage commissions and net gains on investment securities more than doubled to 57,830 million yen compared to the same period of the previous fiscal year. Brokerage commissions decreased year on year. Net gains on investment securities more than doubled year on year due to the strong performance of our venture capital operations in Japan, in addition to the gains on the sale of a portion of our shares in Aozora Bank, Ltd. (herein referred to as Aozora Bank) in connection with its listing on the Tokyo Stock Exchange, as well as contributions overseas from revenues of securities investments in The Americas segment.

Life insurance premiums and related investment income were down 4% year on year to 94,198 million yen, due to decrease in life insurance premiums and life insurance related investment income year on year.

Real estate sales increased 48% year on year to 79,245 million yen due to an increase in the number of condominiums sold to buyers from 1,415 units in the first nine months of the previous fiscal year to 2,045 units in the first nine months of this fiscal year.

Gains on sales of real estate under operating leases (refer to (Note 1) below) increased 85% year on year to 17,468 million yen due to an increase in sales of office buildings and other real estate under operating leases.

Other operating revenues increased 53% year on year to 198,620 million yen. In Japan, revenues were up 22% to 155,290 million yen compared to 126,940 million yen in the same period of the previous fiscal year due to the increases in revenues associated with our real estate management operations, including training facilities and golf courses, and the automobile maintenance service operations, as well as the contribution from the beginning of the first quarter of this fiscal year of companies, which we invested in the previous fiscal year, in addition to contributions of servicing fees from our loan servicing operations. Overseas, revenues increased almost 14 times to 43,330 million yen compared to 3,206 million yen in the same period of the previous fiscal year due to the contribution from the beginning of the first quarter of this fiscal year of Houlihan Lokey Howard & Zukin (herein referred to as Houlihan Lokey) that entered the ORIX Group in the fourth quarter of the previous fiscal year and is included in The Americas segment.

Note 1: Subsidiaries, business units, and certain rental properties sold or to be disposed of by sale without significant continuing involvements are reported under discontinued operations and the related amounts that had been previously reported have been reclassified retroactively.

Expenses: 628,154 million yen (Up 26% year on year)

Expenses increased 26% to 628,154 million yen compared with the same period of the previous fiscal year. Although life insurance costs and provision for doubtful receivables and probable loan losses were down year on year, interest expense, costs of operating leases, costs of real estate sales, other operating expenses, selling, general and administrative expenses, write-downs of long-lived assets, and write-downs of securities increased year on year.

Interest expense was up 37% year on year to 58,801 million yen. Interest expense increased 25% year on year in Japan and increased 56% year on year overseas, due to the higher average debt levels and higher interest rates.

Costs of operating leases were up 20% year on year to 120,882 million yen accompanying the increase in the average balance of investment in operating leases.

Life insurance costs decreased year on year to 81,711 million yen.

Costs of real estate sales were up 41% year on year to 64,989 million yen along with the increase in real estate sales.

Table of Contents

Other operating expenses were up 24% year on year to 104,175 million yen accompanying the increase in other operating revenues.

Selling, general and administrative expenses were up 43% year on year to 182,729 million yen due to an increase in personnel and related expenses associated with Houlihan Lokey, which entered the ORIX Group in the fourth quarter of the previous fiscal year, as well as an increase in the number of employees in the Corporate Financial Services and Automobile Operations segments as a result of an effort to expand our sales platform in Japan.

Despite an increase in operating assets, provision for doubtful receivables and probable loan losses was down 21% year on year to 9,387 million yen due to a lower occurrence of new non-performing assets and some reversals of the provision for doubtful receivables and probable loan losses.

Write-downs of long-lived assets increased year on year to 1,318 million yen.

Write-downs of securities were up 4% year on year to 4,047 million yen.

Net Income: 150,981 million yen (Up 20% year on year)

Operating income was up 33% year on year to 223,597 million yen, due to the reasons noted above.

Equity in net income of affiliates was up 6% to 21,967 million yen compared to the same period of the previous fiscal year due to an increase in profits from equity method affiliates in Japan, despite a decrease in profits from equity method affiliates overseas.

Gains on sales of subsidiaries and affiliates and liquidation loss were down 61% year on year to 1,163 million yen.

As a result, income before income taxes, minority interests in earnings of subsidiaries, discontinued operations and extraordinary gain increased 29% year on year to 246,727 million yen.

Minority interests in earnings of subsidiaries, net almost tripled year on year to 3,315 million yen as a result of the minority interests in earnings from the beginning of the first quarter of this fiscal year of Houlihan Lokey that entered the ORIX Group in the fourth quarter of the previous fiscal year.

Income from continuing operations increased 27% year on year to 141,978 million yen.

Discontinued operations (refer to (Note 1) on page 2), net of applicable tax effect decreased 41% year on year to 8,430 million yen.

As a result, net income increased 20% year on year to 150,981 million yen.

Operating Assets: 6,416,509 million yen (Up 10% on March 31, 2006)

Operating assets were up 10% on March 31, 2006 to 6,416,509 million yen. While investment in direct financing leases was down on March 31, 2006, installment loans, investment in operating leases, investment in securities, and other operating assets were up.

Table of Contents

Segment Information

Segment profits (refer to (Note 2) below) declined for the Rental Operations, Life Insurance, and The Americas segments; and increased for the Corporate Financial Services, Automobile Operations, Real Estate-Related Finance, Real Estate, Other, and Asia, Oceania and Europe segments compared to the same period of the previous fiscal year.

Note 2: Since the Company evaluates the performance of its segments based on profits before income taxes, tax expenses are not included in segment profits. In addition, results of discontinued operations are included in Segment Revenues and Segment Profits of each segment, if any. Such amounts are eliminated in Difference between Segment totals and Consolidated Amounts.

Operations in Japan

Corporate Financial Services Segment

Segment revenues were up 17% year on year to 89,071 million yen due mainly to the expansion of loans to corporate customers.

Although selling, general and administrative expenses increased as a result of upfront costs associated with an increase in the number of employees as a result of an effort to expand our sales and marketing base, segment profits increased 9% to 41,857 million yen compared to 38,445 million yen in the same period of the previous fiscal year due to an increase in segment revenues and the lower provision for doubtful receivables and probable loan losses.

Segment assets increased 11% on March 31, 2006 to 1,794,665 million yen due to an increase in loans to corporate customers.

Automobile Operations Segment

Segment revenues increased 14% year on year to 109,140 million yen due to the increase in revenues from operating leases and maintenance services in the automobile leasing operations.

Although selling, general and administrative expenses increased as a result of an increase in the number of employees in an effort to develop our customer base focusing on expanding our automobile-related business to individuals, segment profits increased 6% to 19,741 million yen in line with the increase in segment revenues compared to 18,590 million yen in the same period of the previous fiscal year.

Although there was an expansion of the automobile leasing operations that also include operating leases, segment assets were flat on March 31, 2006 at 512,987 million yen due to asset securitization.

Rental Operations Segment

Segment revenues were flat year on year at 49,446 million yen.

Segment profits decreased 4% to 6,328 million yen compared to 6,612 million yen due to the recognition of losses on the sale of investment securities.

Segment assets were down on March 31, 2006 to 120,826 million yen due to a decrease in investment in direct financing leases despite an increase in investment in operating leases.

Table of Contents

Real Estate-Related Finance Segment

Segment revenues increased 13% year on year to 57,988 million yen due to an expansion of revenues associated with corporate loans, including non-recourse loans, and contributions from the loan servicing operations and gains on sales of real estate under operating leases.

Segment profits increased 15% to 30,685 million yen compared to 26,770 million yen in the same period of the previous fiscal year due to the increase in segment revenues and a lower provision for doubtful receivables and probable loan losses.

Segment assets increased 14% on March 31, 2006 to 1,398,997 million yen due mainly to an increase in corporate loans, including non-recourse loans.

Real Estate Segment

Segment revenues increased 33% year on year to 194,949 million yen as more condominiums were sold to buyers in the first nine months of this fiscal year compared to the same period of the previous fiscal year, and due to the increase in revenues associated with the real estate management operations, including office rental activities, in addition to contributions from the gains on sales of real estate under operating leases.

Segment profits increased 61% to 41,958 million yen compared to 26,011 million yen in the same period of the previous fiscal year due to contributions from gains on sales of real estate under operating leases and due to the increase in segment revenues, including condominium sales.

Segment assets increased 20% on March 31, 2006 to 816,148 million yen due mainly to the expansion of operating assets, including investment in operating leases.

Life Insurance Segment

Segment revenues were down 4% year on year to 93,621 million yen as a result of lower revenues from life insurance premiums and related investment income compared to the same period of the previous fiscal year.

Segment profits decreased 30% year on year to 7,222 million yen compared to 10,324 million yen in the same period of the previous fiscal year due to lower segment revenues.

Segment assets increased 4% on March 31, 2006 to 512,622 million yen.

Other Segment

Segment revenues increased 49% year on year to 117,400 million yen due to an increase in gains on investment securities at the venture capital operations in addition to the gains on the sale of a portion of our shares in Aozora Bank in connection with its listing on the Tokyo Stock Exchange.

Segment profits increased 97% to 59,584 million yen compared to 30,268 million yen in the same period of the previous fiscal year. While gains on sales of subsidiaries and affiliates decreased year on year, the higher segment revenues and contributions from equity in net income of affiliates led to the higher segment profits.

Segment assets increased 14% on March 31, 2006 to 762,038 million yen.

Table of Contents

Overseas Operations

The Americas Segment

Although the previous fiscal year benefited from the gain on the sale of the primary and master servicing business as well as gains on sales of real estate under operating leases, segment revenues increased 84% year on year to 85,830 million yen due to the contribution from the beginning of the first quarter of this fiscal year of Houlihan Lokey and the increase in revenues associated with corporate loans and securities investments.

Segment profits decreased 13% to 23,905 million yen compared to 27,591 million yen in the same period of the previous fiscal year. Although Houlihan Lokey contributed to profits from the beginning of the first quarter of this fiscal year, there were no contributions in the first nine months of this fiscal year such as the gain on the sale of operations that were recorded in the same period of the previous fiscal year, in addition to a decrease in equity in net income of affiliates.

Segment assets increased 12% on March 31, 2006 to 494,359 million yen due mainly to an increase in corporate loans.

Asia, Oceania and Europe Segment

Segment revenues were up 13% year on year to 76,523 million yen due to the expansion of the leasing operations that include operating leases such as automobile leasing, as well as the loan servicing operations, in addition to gains on the sale of operations in the Oceania region.

Segment profits increased 8% to 29,230 million yen compared to 27,100 million yen in the same period of the previous fiscal year due to an increase in segment revenues as described above and the increase in equity in net income of affiliates, despite a decrease in gains on sales of subsidiaries and affiliates.

Segment assets were up 9% on March 31, 2006 to 615,064 million yen due mainly to an increase in operating leases and investment in affiliates.

2. Summary of Cash Flows (Nine Months Ended December 31, 2006)

Cash and cash equivalents decreased by 119,074 million yen to 126,782 million yen compared to March 31, 2006.

Cash flows from operating activities provided 163,714 million yen in the first nine months of this fiscal year, compared to 140,718 million yen in the same period of the previous fiscal year. Principally, there were inflows associated with an increase in net income and decrease in restricted cash, while there was an outflow from increase in inventories, which is associated with the residential condominium development operations.

Cash flows from investing activities used 561,663 million yen in the first nine months of this fiscal year, compared to 466,715 million yen in the same period of the previous fiscal year, due mainly to the increase in outflows associated with the increase in installment loans made to customers as a result of the expansion of loans to corporate customers, including non-recourse loans.

Cash flows from financing activities provided 278,251 million yen in the first nine months of this fiscal year, compared to 315,286 million yen in the same period of the previous fiscal year, due to the increase in debt accompanying the increase in operating assets.

Table of Contents

3. Summary of Third Quarter (Three Months Ended December 31, 2006)

In the third quarter revenues increased 74,155 million yen year on year.

Revenues from direct financing leases were down compared to the third quarter of the previous fiscal year due to the reduced contribution from gains on securitization and the decrease in the average balance of operating assets. Revenues from operating leases were up in line with the increase in operating assets. Revenues from interest on loans and investment securities were up compared to the same period of the previous fiscal year due to the increase in operating assets and contribution from interest on investment securities. Brokerage commissions and net gains on investment securities were up compared to the same period of the previous fiscal year due to the increase in net gains on investment securities as we recorded gains on the sale of a portion of our shares in Aozora Bank in connection with its listing on the Tokyo Stock Exchange, despite the decrease in brokerage commissions. Although life insurance premiums decreased, life insurance related investment income was up compared to the same period of the previous fiscal year for life insurance premiums and related investment income. Real estate sales decreased year on year due to the decrease in the number of condominiums sold to buyers in the third quarter of this fiscal year compared to the same period of the previous fiscal year. Gains on sales of real estate under operating leases were up year on year. Other operating revenues were up year on year due to the increase in revenues associated with our real estate management operations, including training facilities and golf courses, and revenue from the automobile maintenance service operations, as well as the contribution from Houlihan Lokey that entered the ORIX Group in the fourth quarter of the previous fiscal year.

Expenses were up 37,963 million yen compared to the third quarter of the previous fiscal year.

Interest expense was up year on year due to higher average debt levels and higher interest rates. Costs of operating leases were up year on year in line with the increase in operating assets. Life insurance costs were down compared with the same period of the previous fiscal year. Costs of real estate sales decreased in line with the lower real estate sales. Other operating expenses increased in line with the increased other operating revenues. Selling, general and administrative expenses were up year on year as a result of an increase in expenses associated with Houlihan Lokey, in addition to upfront costs associated with an increase in the number of employees as a result of an effort to expand our sales platform primarily in Japan. The provision for doubtful receivables and probable loan losses and write-downs of securities were up compared to the third quarter of the previous fiscal year.

This resulted in an increase in operating income by 36,192 million yen to 89,142 million yen compared with the third quarter of the previous fiscal year.

Equity in net income of affiliates was up year on year and gains on sales of subsidiaries and affiliates and liquidation loss decreased. Income before income taxes, minority interests in earnings of subsidiaries, discontinued operations and extraordinary gain increased by 36,881 million yen compared to the third quarter of the previous fiscal year to 96,099 million yen.

Minority interests in earnings of subsidiaries of 1,589 million yen were recorded and as a result, income from continuing operations increased by 20,464 million yen to 54,865 million yen.

Discontinued operations, net of applicable tax effect added 4,790 million yen and net income in the third quarter of this fiscal year rose by 17,512 million yen to 59,655 million yen compared with a net income of 42,143 million yen in the third quarter of the previous fiscal year.

Table of Contents**Consolidated Financial Highlights**

(For the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006)

(Unaudited)

(millions of JPY, except for per share data)

| | December 31, 2006 | Relationship to March 31, 2006 | Year -on- year Change | December 31, 2005 | Year -on- year Change | March 31, 2006 | Year -on- year Change |
|--|----------------------|---|--------------------------------|----------------------|--------------------------------|-------------------|--------------------------------|
| Operating Assets | | | | | | | |
| Investment in Direct Financing Leases | 1,343,413 | 93% | 90% | 1,495,765 | 101% | 1,437,491 | 99% |
| Installment Loans | 3,341,163 | 114% | 122% | 2,727,640 | 117% | 2,926,036 | 123% |
| Investment in Operating Leases | 816,050 | 113% | 131% | 621,492 | 108% | 720,096 | 116% |
| Investment in Securities | 773,546 | 113% | 115% | 669,748 | 111% | 682,798 | 116% |
| Other Operating Assets | 142,337 | 155% | 147% | 96,699 | 118% | 91,856 | 111% |
| Total | 6,416,509 | 110% | 114% | 5,611,344 | 111% | 5,858,277 | 114% |
| Operating Results | | | | | | | |
| Total Revenues | 851,751 | | 128% | 666,848 | 106% | 930,397 | 102% |
| Income before Income Taxes, Minority Interests in Earnings of Subsidiaries, Discontinued Operations and Extraordinary Gain | 246,727 | | 129% | 191,466 | 170% | 249,787 | 163% |
| Net Income | 150,981 | | 120% | 126,097 | 186% | 166,388 | 182% |
| Earnings Per Share | | | | | | | |
| Net Income | | | | | | | |
| Basic | 1,675.43 | | 117% | 1,434.39 | 177% | 1,883.89 | 173% |
| Diluted | 1,614.50 | | 119% | 1,359.01 | 183% | 1,790.30 | 179% |
| Shareholders' Equity Per Share | 12,588.14 | 119% | 125% | 10,099.03 | 132% | 10,608.97 | 127% |
| Financial Position | | | | | | | |
| Shareholders' Equity | 1,137,752 | 119% | 127% | 898,828 | 140% | 953,646 | 131% |
| Number of Outstanding Shares ('000) | 90,383 | 101% | 102% | 89,001 | 106% | 89,891 | 103% |
| Long-and Short-Term Debt and | | | | | | | |
| Deposits | 5,231,652 | 106% | 116% | 4,518,350 | 111% | 4,925,753 | 119% |
| Total Assets | 7,802,545 | 108% | 117% | 6,686,456 | 114% | 7,242,455 | 119% |
| Shareholders' Equity Ratio | 14.6% | | | 13.4% | | 13.2% | |
| Return on Equity (annualized) | 19.3% | | | 20.7% | | 19.8% | |
| Return on Assets (annualized) | 2.68% | | | 2.64% | | 2.50% | |
| New Business Volumes | | | | | | | |
| Direct Financing Leases | | | | | | | |
| New Receivables Added | 551,204 | | 82% | 670,853 | 111% | 888,912 | 103% |
| New Equipment Acquisitions | 491,499 | | 82% | 601,120 | 112% | 800,802 | 104% |
| Installment Loans | 1,575,705 | | 126% | 1,254,454 | 114% | 1,834,192 | 119% |
| Operating Leases | 252,842 | | 137% | 184,571 | 104% | 317,645 | 128% |
| Investment in Securities | 170,293 | | 104% | 163,190 | 98% | 235,932 | 96% |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | | | |
|------------------------------|---------|------|--------|-----|---------|------|
| Other Operating Transactions | 147,295 | 168% | 87,740 | 87% | 132,017 | 102% |
|------------------------------|---------|------|--------|-----|---------|------|

- 8 -

Table of Contents**Condensed Consolidated Statements of Income**

(For the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006)

(Unaudited)

(millions of JPY, millions of US\$)

| | Year | | Year | | Year | | U.S. dollars |
|--|--------------|--------|--------------|--------|-----------|--------|--------------|
| | Nine Months | -on- | Nine Months | -on- | Year | -on- | Nine Months |
| | ended | year | ended | year | ended | year | ended |
| | December 31, | Change | December 31, | Change | March 31, | Change | December 31, |
| | 2006 | (%) | 2005 | (%) | 2006 | (%) | 2006 |
| Total Revenues : | 851,751 | 128 | 666,848 | 106 | 930,397 | 102 | 7,151 |
| Direct Financing Leases | 68,626 | 98 | 70,382 | 112 | 96,136 | 111 | 576 |
| Operating Leases | 189,502 | 118 | 160,302 | 112 | 210,430 | 109 | 1,591 |
| Interest on Loans and Investment Securities | 146,262 | 125 | 116,751 | 120 | 159,727 | 120 | 1,228 |
| Brokerage Commissions and Net Gains on Investment Securities | 57,830 | 205 | 28,200 | 137 | 48,826 | 144 | 486 |
| Life Insurance Premiums and Related Investment Income | 94,198 | 96 | 98,175 | 101 | 138,118 | 101 | 791 |
| Real Estate Sales | 79,245 | 148 | 53,459 | 78 | 74,943 | 61 | 665 |
| Gains on Sales of Real Estate under Operating Leases | 17,468 | 185 | 9,433 | 869 | 8,970 | 577 | 147 |
| Other Operating Revenues | 198,620 | 153 | 130,146 | 91 | 193,247 | 95 | 1,667 |
| Total Expenses : | 628,154 | 126 | 499,057 | 92 | 715,422 | 91 | 5,274 |
| Interest Expense | 58,801 | 137 | 43,024 | 112 | 59,179 | 114 | 494 |
| Costs of Operating Leases | 120,882 | 120 | 100,444 | 110 | 134,465 | 109 | 1,015 |
| Life Insurance Costs | 81,711 | 98 | 82,976 | 95 | 117,622 | 96 | 686 |
| Costs of Real Estate Sales | 64,989 | 141 | 46,013 | 74 | 65,904 | 58 | 546 |
| Other Operating Expenses | 104,175 | 124 | 83,957 | 84 | 123,460 | 85 | 874 |
| Selling, General and Administrative Expenses | 182,729 | 143 | 127,489 | 105 | 185,950 | 111 | 1,534 |
| Provision for Doubtful Receivables and Probable Loan Losses | 9,387 | 79 | 11,816 | 44 | 16,178 | 41 | 79 |
| Write-downs of Long-Lived Assets | 1,318 | 253 | 521 | 6 | 8,336 | 71 | 11 |
| Write-downs of Securities | 4,047 | 104 | 3,878 | 97 | 4,540 | 92 | 34 |
| Foreign Currency Transaction Loss (Gain), Net | 115 | | (1,061) | | (212) | | 1 |
| Operating Income | 223,597 | 133 | 167,791 | 184 | 214,975 | 165 | 1,877 |
| Equity in Net Income of Affiliates | 21,967 | 106 | 20,716 | 116 | 32,080 | 160 | 184 |
| Gains on Sales of Subsidiaries and Affiliates and Liquidation Losses | 1,163 | 39 | 2,959 | 83 | 2,732 | 82 | 10 |
| Income before Income Taxes, Minority Interests in Earnings of Subsidiaries, Discontinued Operations and | 246,727 | 129 | 191,466 | 170 | 249,787 | 163 | 2,071 |

Extraordinary Gain

| | | | | | | | |
|---|---------|-----|---------|-----|----------|-----|-------|
| Provision for Income Taxes | 101,434 | 129 | 78,416 | 158 | 96,796 | 143 | 851 |
| Income before Minority Interests in Earnings of Subsidiaries, Discontinued Operations and Extraordinary Gain | 145,293 | 129 | 113,050 | 179 | 152,991 | 178 | 1,220 |
| Minority Interests in Earnings of Subsidiaries, Net | 3,315 | 262 | 1,266 | 104 | 3,223 | 131 | 28 |
| Income from Continuing Operations | 141,978 | 127 | 111,784 | 181 | 149,768 | 179 | 1,192 |
| Discontinued Operations: | | | | | | | |
| Income from Discontinued Operations, Net | 14,001 | | 23,523 | | 27,335 | | 118 |
| Provision for Income Taxes | (5,571) | | (9,210) | | (10,715) | | (47) |
| Discontinued Operations, Net of Applicable Tax Effect | 8,430 | 59 | 14,313 | 245 | 16,620 | 211 | 71 |
| Extraordinary Gain, Net of Applicable Tax Effect | 573 | | | | | | 5 |
| Net Income | 150,981 | 120 | 126,097 | 186 | 166,388 | 182 | 1,268 |

Note: Pursuant to FASB Statement No. 144 (Accounting for the Impairment or Disposal of Long-Lived Assets), 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.

Table of Contents**Condensed Consolidated Statements of Income**

(For the Three Months Ended December 31, 2006 and 2005)

(Unaudited)

(millions of JPY, millions of US\$)

| | Year Three Months ended December 31, 2006 | Year -on- year Change (%) | Year Three Months ended December 31, 2005 | Year -on- year Change (%) | U.S. dollars Three Months ended December 31, 2006 |
|---|---|---------------------------------------|---|---------------------------------------|---|
| Total Revenues : | 299,019 | 133 | 224,864 | 104 | 2,510 |
| Direct Financing Leases | 21,847 | 92 | 23,814 | 114 | 183 |
| Operating Leases | 65,129 | 120 | 54,127 | 113 | 547 |
| Interest on Loans and Investment Securities | 51,460 | 126 | 40,692 | 126 | 432 |
| Brokerage Commissions and Net Gains on Investment Securities | 39,296 | 505 | 7,784 | 104 | 330 |
| Life Insurance Premiums and Related Investment Income | 30,431 | 102 | 29,705 | 97 | 255 |
| Real Estate Sales | 11,350 | 51 | 22,083 | 84 | 95 |
| Gains (Losses) on Sales of Real Estate under Operating Leases | 5,288 | | (12) | | 44 |
| Other Operating Revenues | 74,218 | 159 | 46,671 | 93 | 624 |
| Total Expenses : | 209,877 | 122 | 171,914 | 95 | 1,762 |
| Interest Expense | 21,235 | 142 | 14,954 | 121 | 178 |
| Costs of Operating Leases | 43,757 | 127 | 34,342 | 113 | 367 |
| Life Insurance Costs | 24,275 | 98 | 24,737 | 91 | 204 |
| Costs of Real Estate Sales | 9,983 | 55 | 18,248 | 81 | 84 |
| Other Operating Expenses | 39,354 | 132 | 29,906 | 83 | 330 |
| Selling, General and Administrative Expenses | 63,657 | 145 | 43,977 | 110 | 535 |
| Provision for Doubtful Receivables and Probable Loan Losses | 5,830 | 116 | 5,042 | 49 | 49 |
| Write-downs of Long-Lived Assets | | | | | |
| Write-downs of Securities | 1,905 | 157 | 1,210 | 98 | 16 |
| Foreign Currency Transaction Loss (Gain), Net | (119) | | (502) | | (1) |
| Operating Income | 89,142 | 168 | 52,950 | 151 | 748 |
| Equity in Net Income of Affiliates | 6,950 | 136 | 5,109 | 64 | 59 |
| Gains on Sales of Subsidiaries and Affiliates and Liquidation Loss | 7 | 1 | 1,159 | 156 | 0 |
| Income before Income Taxes, Minority Interests in Earnings of Subsidiaries, Discontinued Operations and Extraordinary Gain | 96,099 | 162 | 59,218 | 135 | 807 |
| Provision for Income Taxes | 39,645 | 162 | 24,504 | 124 | 333 |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | | |
|---|---------|-----|---------|-----|------|
| Income before Minority Interests in Earnings of Subsidiaries, Discontinued Operations and Extraordinary Gain | 56,454 | 163 | 34,714 | 144 | 474 |
| Minority Interests in Earnings of Subsidiaries, Net | 1,589 | 508 | 313 | 82 | 13 |
| Income from Continuing Operations | 54,865 | 159 | 34,401 | 145 | 461 |
| Discontinued Operations: | | | | | |
| Income from Discontinued Operations, Net | 7,806 | | 12,524 | | 66 |
| Provision for Income Taxes | (3,016) | | (4,782) | | (26) |
| Discontinued Operations, Net of Applicable Tax Effect | 4,790 | 62 | 7,742 | 561 | 40 |
| Extraordinary Gain, Net of Applicable Tax Effect | | | | | |
| Net Income | 59,655 | 142 | 42,143 | 168 | 501 |

- 10 -

Table of Contents**Condensed Consolidated Balance Sheets**

(As of December 31, 2006 and March 31, 2006)

(Unaudited)

(millions of JPY, millions of US\$)

| | U.S. dollars | | |
|--|------------------|------------------|---------------|
| | December 31, | March 31, | December 31, |
| | 2006 | 2006 | 2006 |
| Assets | | | |
| Cash and Cash Equivalents | 126,782 | 245,856 | 1,064 |
| Restricted Cash | 127,383 | 172,805 | 1,070 |
| Time Deposits | 946 | 5,601 | 8 |
| Investment in Direct Financing Leases | 1,343,413 | 1,437,491 | 11,279 |
| Installment Loans | 3,341,163 | 2,926,036 | 28,051 |
| Allowance for Doubtful Receivables on Direct Financing Leases and Probable Loan Losses | (91,835) | (97,002) | (771) |
| Investment in Operating Leases | 816,050 | 720,096 | 6,851 |
| Investment in Securities | 773,546 | 682,798 | 6,494 |
| Other Operating Assets | 142,337 | 91,856 | 1,195 |
| Investment in Affiliates | 359,849 | 316,773 | 3,021 |
| Other Receivables | 193,909 | 165,657 | 1,628 |
| Inventories | 175,483 | 140,549 | 1,473 |
| Prepaid Expenses | 46,542 | 40,676 | 391 |
| Office Facilities | 90,245 | 91,797 | 758 |
| Other Assets | 356,732 | 301,466 | 2,995 |
| Total Assets | 7,802,545 | 7,242,455 | 65,507 |
| Liabilities and Shareholders Equity | | | |
| Short-Term Debt | 1,112,673 | 1,336,414 | 9,342 |
| Deposits | 390,681 | 353,284 | 3,280 |
| Trade Notes, Accounts Payable and Other Liabilities | 353,538 | 334,008 | 2,968 |
| Accrued Expenses | 88,272 | 89,043 | 741 |
| Policy Liabilities | 488,130 | 503,708 | 4,098 |
| Current and Deferred Income Taxes | 302,943 | 250,997 | 2,543 |
| Security Deposits | 162,970 | 150,836 | 1,368 |
| Long-Term Debt | 3,728,298 | 3,236,055 | 31,301 |
| Total Liabilities | 6,627,505 | 6,254,345 | 55,641 |
| Minority Interests | 37,288 | 34,464 | 313 |
| Common Stock | 90,992 | 88,458 | 764 |
| Additional Paid-in Capital | 112,292 | 106,729 | 943 |
| Retained Earnings: | | | |
| Legal Reserve | 2,220 | 2,220 | 19 |
| Retained Earnings | 876,275 | 733,386 | 7,357 |
| Accumulated Other Comprehensive Income | 59,584 | 27,603 | 500 |
| Treasury Stock, at Cost | (3,611) | (4,750) | (30) |

Edgar Filing: ORIX CORP - Form 6-K

| | | | |
|--|-----------|-----------|--------|
| Total Shareholders Equity | 1,137,752 | 953,646 | 9,553 |
| Total Liabilities and Shareholders Equity | 7,802,545 | 7,242,455 | 65,507 |

| | U.S. dollars | | |
|---|--------------|-----------|--------------|
| | December 31, | March 31, | December 31, |
| | 2006 | 2006 | 2006 |
| Note: Accumulated Other Comprehensive Income | | | |
| Net unrealized gains on investment in securities | 80,101 | 50,856 | 672 |
| Minimum pension liability adjustments | (621) | (632) | (5) |
| Foreign currency translation adjustments | (22,053) | (26,132) | (185) |
| Net unrealized gains on derivative instruments | 2,157 | 3,511 | 18 |

- 11 -

Table of Contents**Condensed Consolidated Statements of Shareholders Equity**

(For the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006)

(Unaudited)

(millions of JPY, millions of US\$)

| | Nine Months ended December 31, 2006 | Nine Months ended December 31, 2005 | Year ended March 31, 2006 | U.S. dollars Nine Months ended December 31, 2006 |
|--|--|--|------------------------------------|--|
| Common Stock: | | | | |
| Beginning balance | 88,458 | 73,100 | 73,100 | 742 |
| Exercise of warrants and stock acquisition rights | 1,504 | 2,296 | 2,829 | 13 |
| Conversion of convertible bond | 1,030 | 7,164 | 12,529 | 9 |
| Ending balance | 90,992 | 82,560 | 88,458 | 764 |
| Additional Paid-in Capital: | | | | |
| Beginning balance | 106,729 | 91,045 | 91,045 | 896 |
| Exercise of warrants, stock acquisition rights and stock options | 1,502 | 2,298 | 2,831 | 13 |
| Stock-based compensation | 2,681 | | | 22 |
| Conversion of convertible bond | 945 | 7,162 | 12,528 | 8 |
| Other, net | 435 | 242 | 325 | 4 |
| Ending balance | 112,292 | 100,747 | 106,729 | 943 |
| Legal Reserve: | | | | |
| Beginning balance | 2,220 | 2,220 | 2,220 | 19 |
| Ending balance | 2,220 | 2,220 | 2,220 | 19 |
| Retained Earnings: | | | | |
| Beginning balance | 733,386 | 570,494 | 570,494 | 6,157 |
| Cash dividends | (8,092) | (3,496) | (3,496) | (68) |
| Net income | 150,981 | 126,097 | 166,388 | 1,268 |
| Ending balance | 876,275 | 693,095 | 733,386 | 7,357 |
| Accumulated Other Comprehensive Income (Loss): | | | | |
| Beginning balance | 27,603 | (1,873) | (1,873) | 232 |
| Net change of unrealized gains on investment in securities | 29,245 | 11,337 | 10,706 | 245 |
| Net change of minimum pension liability adjustments | 11 | (31) | 458 | 0 |
| Net change of foreign currency translation adjustments | 4,079 | 14,275 | 13,478 | 34 |
| Net change of unrealized gains on derivative instruments | (1,354) | 2,141 | 4,834 | (11) |
| Ending balance | 59,584 | 25,849 | 27,603 | 500 |

Edgar Filing: ORIX CORP - Form 6-K

Treasury Stock:

| | | | | |
|---------------------------|---------|---------|---------|------|
| Beginning balance | (4,750) | (7,653) | (7,653) | (40) |
| Exercise of stock options | 1,142 | 2,144 | 3,025 | 10 |
| Other, net | (3) | (134) | (122) | (0) |
| Ending balance | (3,611) | (5,643) | (4,750) | (30) |

Total Shareholders Equity:

| | | | | |
|-------------------|-----------|---------|---------|-------|
| Beginning balance | 953,646 | 727,333 | 727,333 | 8,006 |
| Increase, net | 184,106 | 171,495 | 226,313 | 1,547 |
| Ending balance | 1,137,752 | 898,828 | 953,646 | 9,553 |

Summary of Comprehensive Income:

| | | | | |
|----------------------------|---------|---------|---------|-------|
| Net income | 150,981 | 126,097 | 166,388 | 1,268 |
| Other comprehensive income | 31,981 | 27,722 | 29,476 | 268 |
| Comprehensive income | 182,962 | 153,819 | 195,864 | 1,536 |

- 12 -

Table of Contents**Condensed Consolidated Statements of Cash Flows**

(For the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006)

(Unaudited)

(millions of JPY, millions of US\$)

| | | | | U.S. dollars |
|--|--------------|--------------|-------------|--------------|
| | Nine Months | Nine Months | Year | Nine Months |
| | ended | ended | ended | ended |
| | December 31, | December 31, | March 31, | December 31, |
| | 2006 | 2005 | 2006 | 2006 |
| Cash Flows from Operating Activities: | | | | |
| Net income | 150,981 | 126,097 | 166,388 | 1,268 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 111,670 | 95,608 | 135,028 | 938 |
| Provision for doubtful receivables and probable loan losses | 9,387 | 11,816 | 16,178 | 79 |
| Decrease in policy liabilities | (15,578) | (45,164) | (47,172) | (131) |
| Gains from securitization transactions | (3,643) | (6,356) | (7,139) | (31) |
| Equity in net income of affiliates | (21,967) | (20,716) | (32,080) | (184) |
| Gains on sales of subsidiaries and affiliates and liquidation losses | (1,163) | (2,959) | (2,732) | (10) |
| Extraordinary gain | (573) | | | (5) |
| Minority interests in earnings of subsidiaries, net | 3,315 | 1,266 | 3,223 | 28 |
| Gains on sales of available-for-sale securities | (41,609) | (8,641) | (10,401) | (349) |
| Gains on sales of real estate under operating leases | (17,468) | (9,433) | (8,970) | (147) |
| Gains on sales of operating lease assets other than real estate | (10,061) | (5,833) | (7,184) | (84) |
| Write-downs of long-lived assets | 1,318 | 521 | 8,336 | 11 |
| Write-downs of securities | 4,047 | 3,878 | 4,540 | 34 |
| Decrease (increase) in restricted cash | 45,491 | (38,225) | (119,202) | 382 |
| Decrease (increase) in trading securities | 11,776 | (10,333) | (9,091) | 99 |
| Increase in inventories | (46,530) | (25,618) | (56,596) | (391) |
| Increase in prepaid expenses | (5,478) | (4,374) | (2,316) | (46) |
| Increase (decrease) in accrued expenses | (4,226) | (18,824) | 2,755 | (36) |
| Increase in security deposits | 10,198 | 38,904 | 48,597 | 86 |
| Other, net | (16,173) | 59,104 | 53,841 | (137) |
| Net cash provided by operating activities | 163,714 | 140,718 | 136,003 | 1,374 |
| Cash Flows from Investing Activities: | | | | |
| Purchases of lease equipment | (776,535) | (794,722) | (1,136,538) | (6,519) |
| Principal payments received under direct financing leases | 473,473 | 483,285 | 670,781 | 3,975 |
| Net proceeds from securitization of lease receivables, loan receivables and securities | 139,812 | 151,116 | 194,806 | 1,174 |
| Installment loans made to customers | (1,575,556) | (1,252,768) | (1,834,192) | (13,228) |
| Principal collected on installment loans | 1,125,270 | 846,481 | 1,200,337 | 9,447 |
| Proceeds from sales of operating lease assets | 122,364 | 114,826 | 130,992 | 1,027 |
| Investment in affiliates, net | (1,902) | (2,243) | 10,754 | (16) |
| Purchases of available-for-sale securities | (117,237) | (137,612) | (201,123) | (984) |

Edgar Filing: ORIX CORP - Form 6-K

| | | | | |
|---|-------------|-------------|-------------|----------|
| Proceeds from sales of available-for-sale securities | 73,197 | 103,750 | 166,251 | 615 |
| Maturities of available-for-sale securities | 24,942 | 23,008 | 38,706 | 209 |
| Purchases of other securities | (52,770) | (25,412) | (34,634) | (443) |
| Proceeds from sales of other securities | 60,597 | 16,981 | 23,142 | 509 |
| Purchases of other operating assets | (33,575) | (21,397) | (25,630) | (282) |
| Acquisitions of subsidiaries, net of cash acquired | (18,235) | (2,005) | (38,837) | (153) |
| Sales of subsidiaries, net of cash disposed | 3,019 | 2,383 | 2,664 | 25 |
| Other, net | (8,527) | 27,614 | 33,164 | (71) |
| Net cash used in investing activities | (561,663) | (466,715) | (799,357) | (4,715) |
| Cash Flows from Financing Activities: | | | | |
| Net increase (decrease) in debt with maturities of three months or less | (177,807) | 110,729 | 326,285 | (1,493) |
| Proceeds from debt with maturities longer than three months | 1,738,128 | 1,470,020 | 2,102,054 | 14,593 |
| Repayment of debt with maturities longer than three months | (1,321,091) | (1,300,583) | (1,697,828) | (11,091) |
| Net increase in deposits due to customers | 37,366 | 31,770 | 16,628 | 314 |
| Issuance of common stock | 3,006 | 4,829 | 5,975 | 25 |
| Dividends paid | (8,092) | (3,496) | (3,496) | (68) |
| Net increase in call money | 5,600 | | 10,000 | 47 |
| Other, net | 1,141 | 2,017 | 2,910 | 9 |
| Net cash provided by financing activities | 278,251 | 315,286 | 762,528 | 2,336 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 624 | 1,262 | 1,302 | 5 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (119,074) | (9,449) | 100,476 | (1,000) |
| Cash and Cash Equivalents at Beginning of Period | 245,856 | 145,380 | 145,380 | 2,064 |
| Cash and Cash Equivalents at End of Period | 126,782 | 135,931 | 245,856 | 1,064 |

Table of Contents**Segment Information**

(For the Nine Months Ended December 31, 2006 and 2005, and the Year Ended March 31, 2006)

(Unaudited)

(millions of JPY)

| | Nine months ended | | | Nine months ended | | | Year ended | | |
|---|-------------------|-----------------|------------------|-------------------|-----------------|------------------|------------------|-----------------|------------------|
| | December 31, 2006 | | | December 31, 2005 | | | March 31, 2006 | | |
| | Segment Revenues | Segment Profits | Segment Assets | Segment Revenues | Segment Profits | Segment Assets | Segment Revenues | Segment Profits | Segment Assets |
| Operations in Japan | | | | | | | | | |
| Corporate Financial Services | 89,071 | 41,857 | 1,794,665 | 76,380 | 38,445 | 1,639,685 | 97,683 | 48,661 | 1,616,574 |
| Automobile Operations | 109,140 | 19,741 | 512,987 | 95,422 | 18,590 | 504,276 | 130,775 | 26,661 | 509,149 |
| Rental Operations | 49,446 | 6,328 | 120,826 | 49,178 | 6,612 | 120,962 | 67,066 | 9,911 | 123,532 |
| Real Estate-Related Finance | 57,988 | 30,685 | 1,398,997 | 51,333 | 26,770 | 1,027,610 | 69,472 | 33,384 | 1,223,063 |
| Real Estate | 194,949 | 41,958 | 816,148 | 146,845 | 26,011 | 556,675 | 198,780 | 28,650 | 682,166 |
| Life Insurance | 93,621 | 7,222 | 512,622 | 97,650 | 10,324 | 523,272 | 137,468 | 13,212 | 491,857 |
| Other | 117,400 | 59,584 | 762,038 | 78,539 | 30,268 | 654,042 | 111,854 | 41,657 | 668,689 |
| Sub-Total | 711,615 | 207,375 | 5,918,283 | 595,347 | 157,020 | 5,026,522 | 813,098 | 202,136 | 5,315,030 |
| Overseas Operations | | | | | | | | | |
| The Americas | 85,830 | 23,905 | 494,359 | 46,625 | 27,591 | 431,659 | 70,223 | 34,701 | 441,285 |
| Asia, Oceania and Europe | 76,523 | 29,230 | 615,064 | 67,476 | 27,100 | 559,701 | 88,914 | 31,956 | 562,654 |
| Sub-Total | 162,353 | 53,135 | 1,109,423 | 114,101 | 54,691 | 991,360 | 159,137 | 66,657 | 1,003,939 |
| Segment Total | 873,968 | 260,510 | 7,027,706 | 709,448 | 211,711 | 6,017,882 | 972,235 | 268,793 | 6,318,969 |
| Difference between Segment totals and Consolidated Amounts | | | | | | | | | |
| | (22,217) | (13,783) | 774,839 | (42,600) | (20,245) | 668,574 | (41,838) | (19,006) | 923,486 |
| Consolidated Amounts | 851,751 | 246,727 | 7,802,545 | 666,848 | 191,466 | 6,686,456 | 930,397 | 249,787 | 7,242,455 |

(millions of US\$)

U.S. dollars

| | December 31, 2006 | | |
|------------------------------|-------------------|-----------------|----------------|
| | Segment Revenues | Segment Profits | Segment Assets |
| Operations in Japan | | | |
| Corporate Financial Services | 748 | 351 | 15,067 |
| Automobile Operations | 916 | 166 | 4,307 |
| Rental Operations | 415 | 53 | 1,014 |
| Real Estate-Related Finance | 487 | 258 | 11,746 |
| Real Estate | 1,637 | 352 | 6,852 |
| Life Insurance | 786 | 61 | 4,304 |
| Other | 985 | 500 | 6,398 |
| Sub-Total | 5,974 | 1,741 | 49,688 |
| Overseas Operations | | | |

Edgar Filing: ORIX CORP - Form 6-K

| | | | |
|---|--------------|--------------|---------------|
| The Americas | 721 | 201 | 4,150 |
| Asia, Oceania and Europe | 642 | 245 | 5,164 |
| Sub-Total | 1,363 | 446 | 9,314 |
| Segment Total | 7,337 | 2,187 | 59,002 |
| Difference between Segment totals and Consolidated Amounts | (186) | (116) | 6,505 |
| Consolidated Amounts | 7,151 | 2,071 | 65,507 |

Note: Since the Company evaluates the performance of its segments based on profits before income taxes, tax expenses are not included in segment profits. In addition, results of discontinued operations are included in Segment Revenues and Segment Profits of each segment, if any. Such amounts are eliminated in Difference between Segment totals and Consolidated Amounts.