

ORIX CORP
Form F-3ASR
July 02, 2009
Table of Contents

As filed with the Securities and Exchange Commission on July 2, 2009

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM F-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ORIX KABUSHIKI KAISHA

(Exact Name of Registrant as Specified in Its Charter)

ORIX CORPORATION

(Translation of registrant's name into English)

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(State or Other Jurisdiction of
Incorporation or Organization)

(I.R.S. Employer
Identification Number)

Mita NN Building
4-1-23 Shiba, Minato-ku
Tokyo 108-0014, Japan
+81-3-5419-5112

(Address and telephone number of registrant's principal executive offices)

ORIX USA Corporation
Elizabeth Palmer Daane
1717 Main St., Suite 900
Dallas, Texas 75201
+1-214-237-2000

(Name, address and telephone number of agent for service)

Please send copies of all communications to:

Theodore A. Paradise
Davis Polk & Wardwell LLP
Izumi Garden Tower 33F
1-6-1 Roppongi, Minato-Ku
Tokyo, 106-6033
Japan
+81-3-5561-4421

Alan G. Cannon
Simpson Thacher & Bartlett LLP
Ark Mori Building
12-32 Akasaka 1-chome
Minato-ku, Tokyo, 107-6037
Japan
+81-3-5562-6200

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

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If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount To Be Registered⁽¹⁾	Proposed Maximum Offering Price Per Unit⁽²⁾	Proposed Maximum Aggregate Offering Price⁽³⁾	Amount Of Registration Fee
Common stock without par value ⁽⁴⁾	13,113,140	5,660	778,644,276	43,448

- (1) Includes shares that the underwriters have the option to purchase from us in connection with any over-allotments. The amount of shares registered also includes any shares initially offered and sold outside the United States and thereafter sold or resold in the United States. The shares are not being registered for purposes of sales outside the United States.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the U.S. Securities Act of 1933 based on the average of the high and low prices for the registrant's common stock as reported on the Tokyo Stock Exchange on June 29, 2009 after conversion into U.S. dollars based on the telegraphic transfer rate of the Bank of Tokyo-Mitsubishi UFJ, Ltd. as in effect on such date.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(a) of the U.S. Securities Act of 1933.
- (4) American Depositary Shares issuable upon deposit of the shares of common stock registered hereby have been registered under a separate registration statement on Form F-6 (Registration No. 333-9384) filed on September 11, 1998 and amended on July 2, 2009. Each American Depositary Share represents one-half of one share of common stock.

Table of Contents

The information in this prospectus is not completed and may be changed. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 2, 2009

PRELIMINARY PROSPECTUS

ORIX CORPORATION

Shares of Common Stock

in the form of Shares and American Depositary Shares

ORIX Corporation, a joint stock company incorporated with limited liability under the laws of Japan, is offering 11,402,740 shares of its common stock, in the form of shares and American Depositary Shares, or ADSs, in the United States and elsewhere outside of Japan. The offered shares are newly issued shares. Each ADS represents one-half of one share of our common stock.

Additional underwriters are offering 4,886,860 shares of common stock in Japan. These offerings are collectively referred to in this prospectus as the global offering.

Shares of our common stock are listed on the First Sections of the Tokyo Stock Exchange and the Osaka Securities Exchange in Japan. ADSs, each representing one-half of one share of common stock are listed on the New York Stock Exchange under the symbol **ORIX**. The last reported sales price for our common stock on the Tokyo Stock Exchange on July 1, 2009 was ¥5,530 per share and the last reported sales price for our ADSs on the New York Stock Exchange on June 30, 2009 was \$29.54 per ADS.

Investing in the shares of our common stock or ADSs involves risks. See **Risk Factors in Item 3 of our most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission, or the SEC.**

	Per ADS	Total⁽¹⁾	Per Share of common stock	Total⁽²⁾
Public offering price	\$	\$	¥	¥
Underwriting discounts and commissions	\$	\$	¥	¥
Proceeds, before expenses, to the issuer	\$	\$	¥	¥

(1) Assuming all shares to be sold in the international offering will be sold in the form of ADSs.

(2) Assuming none of the shares to be sold in the international offering will be sold in the form of ADSs.

We have granted the international underwriters an option to purchase up to an additional 1,710,400 shares of our common stock, in the form of shares or ADSs, solely to cover any over-allotments.

Neither the U.S. Securities and Exchange Commission, or the SEC, nor any state securities commission has approved or disapproved these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The shares are offered by the international underwriters as specified in this prospectus. Payment for the shares will be made in yen for value on or about _____, 2009 (Tokyo time), and the shares will be delivered in Tokyo on _____, 2009 (Tokyo time) through the book-entry transfer system operated by the Japan Securities Depository Center, Inc., or JASDEC, under the central clearing system in Japan. The ADSs will be delivered in book-entry form through The Depository Trust Company on or about _____, 2009 (New York time).

Joint Global Coordinators

UBS Securities Japan Ltd

Merrill Lynch Japan Securities

Morgan Stanley

Nikko Citigroup

Joint Bookrunners

UBS Investment Bank

Merrill Lynch & Co.
Prospectus dated _____, 2009

Morgan Stanley

Table of Contents

TABLE OF CONTENTS

	Page
<u>About this Prospectus</u>	1
<u>Cautionary Note Regarding Forward-Looking Statements</u>	2
<u>Summary</u>	3
<u>Selected Financial Data</u>	8
<u>Capitalization and Indebtedness</u>	10
<u>Use of Proceeds</u>	11
<u>Description of Common Stock and American Depositary Shares</u>	12
<u>Underwriting</u>	26
<u>Experts</u>	33
<u>Legal Matters</u>	34
<u>Enforcement of Civil Liabilities</u>	34
<u>Where You Can Find More Information</u>	34

Table of Contents

ABOUT THIS PROSPECTUS

It is important for you to read and consider all information contained in, or incorporated by reference into, this prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to in **Where You Can Obtain More Information** beginning on page 34 of this prospectus before purchasing any of our shares and ADSs.

You should rely only on the information contained in or incorporated by reference into this prospectus. Incorporated by reference means that we can disclose important information to you by referring you to another document filed separately with the SEC. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making, nor will we make, an offer to sell securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus, including any information incorporated by reference, is accurate as of any date other than its respective date. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

Unless the context otherwise requires, references in this prospectus to **ORIX** refers to ORIX Corporation and **we**, **us**, **our** and similar terms refer to ORIX Corporation and its subsidiaries, taken as a whole. We use the word **you** to refer to prospective investors in the shares of our common stock and ADSs.

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. Unless otherwise stated or the context otherwise requires, all amounts in such financial statements are expressed in Japanese yen.

In this prospectus, when we refer to **dollars**, **US\$** and **\$**, we mean U.S. dollars, and, when we refer to **yen** and **¥**, we mean Japanese yen. This prospectus contains a translation of some Japanese yen amounts into U.S. dollars solely for your convenience.

Certain monetary amounts, ratios and percentage data included in this prospectus have been subject to rounding adjustments for the convenience of the reader. Accordingly, figures shown as totals in certain tables may not be equal to the arithmetic sums of the figures which precede them.

Our head office is located at Mita NN Building, 4-1-23 Shiba, Minato-ku, Tokyo 108-0014, Japan and the telephone number is +81-3-5419-5112.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains statements that constitute forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, or the Exchange Act. Words such as believe, will, should, expect, intend, anticipate, estimate and similar expressions, among others, identify forward-looking statements. Forward-looking statements, which include statements contained in Summary Recent Developments in this prospectus, as well as in Item 5. Operating and Financial Review and Prospects and Item 11. Quantitative and Qualitative Disclosures About Market Risk of our annual report on Form 20-F for the fiscal year ended March 31, 2009, are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those set forth in such statements.

We have identified some of the risks inherent in forward-looking statements in Item 3 of our most recent annual report on Form 20-F, Key Information Risk Factors. Other factors could also adversely affect our results or the accuracy of forward-looking statements in this prospectus, and you should not consider the factors discussed here or in Item 3 of our most recent annual report on Form 20-F, Key Information Risk Factors, to be a complete set of all potential risks or uncertainties.

The forward-looking statements made in this prospectus speak only as of the date of this prospectus. We expressly disclaim any obligation or undertaking to release any update or revision to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

Table of Contents

SUMMARY

This summary highlights key information described in greater detail elsewhere, or incorporated by reference, in this prospectus. You should read carefully the entire prospectus and the documents incorporated by reference before making an investment decision.

Company Information

ORIX Corporation is a joint stock corporation (*kabushiki kaisha*) formed under Japanese law. ORIX was founded as a Japanese corporation in 1964 in Osaka, Japan as Orient Leasing Co., Ltd., a specialist in equipment leasing. We have grown over the succeeding decades to become one of Japan's leading financial services companies, providing a broad range of commercial and consumer finance products and services to Japanese and overseas customers.

We also have a diversified shareholder base, with 45.8% of our shares held by Japanese financial institutions as of March 31, 2009, 34.3% by overseas corporations, 14.8% by individuals and 5.1% by others.

For further information, see "Information on the Company" in Item 4 of our most recent annual report on Form 20-F.

Our head office is located at Mita NN Building, 4-1-23 Shiba, Minato-ku, Tokyo 108-0014, Japan. Our telephone number is +81-3-5419-5112. Our website is found at www.orix.co.jp. The information on our website is not incorporated by reference into this prospectus.

Recent Developments

Overview

The global financial crisis and resulting economic downturns in Japan and the other markets in which we operate adversely affected our operating results in the year ended March 31, 2009, and the operating environment continues to be very challenging in the current fiscal year. Our current management focus is on improving operational stability by adapting to the recent drastic changes in operating environment. Specific initiatives taken to date include:

Enhanced financial positioning: In the year ended March 31, 2009, we reduced total assets by ¥625.2 billion while reducing short-term debt and increasing cash and cash equivalents to improve our liquidity position. ORIX Trust & Banking increased deposits as compared to at March 31, 2008, and ORIX issued ¥150 billion in convertible bonds in December 2008. Over the last ten years, total assets generally increased from ¥5,342 billion as of March 31, 2000 to a peak of ¥8,995 billion as of March 31, 2008 before decreasing to ¥8,370 billion as of March 31, 2009. Similarly, total interest-bearing debt (short-term debt plus long-term debt plus deposits) generally increased from ¥4,010 billion as of March 31, 2000 to ¥6,263 billion as of March 31, 2008 before decreasing to ¥5,920 billion as of March 31, 2009. In light of expected continued adverse conditions, we expect to continue to reduce total assets in the current fiscal year, particularly real estate-related assets, and to adjust our financial structure in alignment with the evolving market conditions through a newly established Corporate Planning and Financial Control Headquarters consolidating the treasury, accounting, corporate planning and IR functions under our chief financial officer. Our debt-to-equity ratio, measured as total non-deposit interest-bearing debt (short-term debt plus long-term debt but excluding deposits) divided by total shareholders' equity, has decreased from a high of 9.1x as of March 31, 2000 to 4.6x as of March 31, 2008 and 4.5x as of March 31, 2009.

Enhanced risk management: We have exposure to real estate in multiple segments, in particular exposure to Japanese real estate values through loans to real estate companies in our Corporate Financial Services segment, holdings of non-recourse loans, specified bonds and purchased loans in

Table of Contents

our Investment Banking segment and properties owned in our Real Estate segment. After significant reductions in the year ended March 31, 2009, we are continuing to reduce asset levels in the current year. We are using the breadth of our expertise to manage these diverse exposures and optimize both sales and leasing strategies. We have also enhanced monitoring of our investments in our affiliates, DAIKYO Inc. and Fuji Fire and Marine Insurance Company, Limited.

Operational realignment: We are also studying ways to streamline our balance sheet and pursue profit growth through alliances with other financial institutions. An initial example is our agreement announced on May 7, 2009 for Sumitomo Mitsui Banking Corporation to take a 51% interest in ORIX Credit Corp., which specializes in card loans targeting relatively high-income individuals. We hope this tie-up will help expand ORIX Credit Corp.'s marketing channels as well as its access to funding.

In light of continued uncertainty about global economic conditions, we expect to continue to focus on the stability of our funding structure and decreased balance sheet risk in the current fiscal year. While we currently expect this to result in reductions in total assets and total revenues in the current fiscal year, in part due to our sale of a 51% interest in ORIX Credit Corp., we also expect these measures to position us well for the next growth cycle. We believe our diversified business operations are a strength and see opportunities in areas such as:

SME Markets: we provide a broad range of products to a nationwide SME customer base. We see further opportunity to cross-sell financial and advisory services to these customers.

Real Estate: within the ORIX Group we have complementary expertise in the development, management and financing of real estate. We plan to be opportunistic in sourcing new investments and fee-earning engagements.

Asian Markets: we have a long history of operating in Asia in cooperation with local partners. We believe we can utilize our existing business network to offer additional services based upon the expertise we have developed in Japan in areas such as loan servicing, principal investment and real estate operations.

Corporate reorganization application of JOINT Corporation

JOINT Corporation, a condominium developer and our affiliate, filed to begin corporate rehabilitation proceedings under Japanese law on May 29, 2009. The balance of ORIX's investment in JOINT Corporation and its affiliates as of the end of March 2009 amounted to ¥10.7 billion. As of June 25, 2009, the balance was ¥7.4 billion because a part of the investment was sold after the commencement of corporate rehabilitation proceedings, resulting in a loss of ¥2.7 billion. Depending on the progress of the rehabilitation plan, it is possible that we will recognize further loss with respect to such investment.

Table of Contents

THE OFFERING

For a more complete description of the terms of our common stock and related matters referred to in the following summary, see the Description of Common Stock and American Depositary Shares and Underwriting sections of this prospectus, and other information included in, or incorporated by reference into, this prospectus.

Shares offered in the global offering	16,289,600 shares of our common stock, which may be delivered in the form of shares or ADSs.
Global offering	The global offering consists of the following concurrent offerings:
International offering	11,402,740 shares of common stock to be offered in the United States and elsewhere outside of Japan in the form of shares and ADSs.
Japanese offering	4,886,860 shares of common stock to be offered in Japan.
	The international offering is not conditioned on the Japanese offering.
Joint global coordinators	UBS Securities Japan Ltd, Merrill Lynch Japan Securities Co., Ltd., Morgan Stanley Japan Securities Co., Ltd. and Nikko Citigroup Limited.
Over-allotment option granted	We have granted the international underwriters an option to purchase up to an additional 1,710,400 shares of our common stock, in the form of shares or ADSs, solely in connection with any over-allotments. See the section entitled Underwriting for additional details with respect to this option.
Shares that will have been issued immediately after the global offering	110,217,488 shares of common stock, including shares represented by ADSs and assuming full exercise of the over-allotment option.
American Depositary Shares	Each ADS represents one-half of one share of our common stock. The ADSs may be evidenced by American depositary receipts, or ADRs, issued under a deposit agreement for the ADSs among us, Citibank N.A., acting as depositary, and the owners and holders from time to time of ADSs.
Depository for the ADSs	Citibank, N.A.
Offering price	¥ per share of common stock or \$ per ADS.
Use of proceeds	We expect to receive net proceeds from the global offering of approximately ¥ (assuming that the over-allotment option is exercised in full), which we plan to use for general corporate purposes, including to build a more stable financial base and to invest in future growth opportunities.

Table of Contents

Dividends	<p>Annual dividends may be distributed by us in cash to holders of our common stock as of March 31 of each year in proportion to the number of shares held by such holder. We may make distributions of surplus to the holders of our common stock any number of times per fiscal year, subject to some limitations, as described in Description of Common Stock and American Depositary Shares Description of Common Stock Distributions of Surplus . Dividend payments to non-resident holders of shares or ADSs will be subject to Japanese withholding taxes. Dividends on our common stock are paid in Japanese yen. Subject to the terms of the deposit agreement, the depository for the ADSs will convert any cash dividends into U.S. dollars and distribute U.S. dollars to the holders of the ADSs.</p>
United States Taxation	<p>We expect to be a passive foreign investment company, or a PFIC, under the United States Internal Revenue Code. For more information about the income tax consequences of investing in our shares or ADSs, please see Item 10. Additional Information Taxation United States Taxation in our annual report on Form 20-F for the fiscal year ended March 31, 2009.</p>
Listing	<p>Shares of our common stock are listed on the First Sections of the Tokyo Stock Exchange and the Osaka Securities Exchange in Japan under the code 8591 . ADSs, each of which represents one-half of one share of common stock, are listed on the New York Stock Exchange under the symbol IX .</p>
Voting rights	<p>Holders of our common stock have the right to one vote for each unit, consisting of 10 shares of common stock, on all matters submitted to a vote of shareholders. Holders of ADSs have the right to instruct the depository to exercise on their behalf voting rights pertaining to the shares of common stock represented by the ADSs, subject to some restrictions.</p>
Lock-up	<p>We have agreed with the joint global coordinators to restrictions on the sale of shares of our common stock for a period beginning on the date of the international underwriting agreement and the Japanese underwriting agreement and ending on the date that is 180 days after the payment date for the global offering, subject to limited exceptions (including our issuance of shares in connection with any merger, share exchange, share transfer, demerger or other reorganization) and to extension in certain limited circumstances as described in Underwriting.</p>

Table of Contents

Payment and settlement

The underwriters expect to make payment for the shares to be sold in the global offering (including shares underlying any ADSs sold) on or about _____, 2009 (Tokyo time) and to deliver the common stock in Tokyo through the book-entry transfer system of JASDEC on or about _____, 2009 (Tokyo time). The underwriters expect to deliver ADSs in New York, New York through the facilities of The Depository Trust Company on or about _____, 2009 (New York time). Delivery of the shares and the ADSs in the international offering is expected to occur later than three days after pricing of the global offering as described in the expected timetable below. Because of the longer settlement period, purchasers who wish to trade shares or ADSs on or soon after pricing may need to specify alternative settlement arrangements to prevent a failed settlement.

Expected timetable

The expected timetable for the global offering is as follows:

Marketing of the global offering will commence on July 2, 2009.

Pricing of the global offering is expected following the close of the market in Japan on a date between July 13, 2009 and July 15, 2009.

Japanese subscription period will commence on _____, 2009 (Tokyo time) and close on _____, 2009 (Tokyo time).

Delivery of the shares of common stock in the global offering is expected on the _____ trading day after the pricing date (Tokyo time).

Delivery of the ADSs, if any, in the international offering is expected to be on the _____ trading day after the pricing date (New York time).

Risk factors

You should carefully consider all of the information contained in, or incorporated by reference into, this prospectus before investing in our common stock including the information in Item 3. Key Information Risk Factors of our most recent annual report on Form 20-F.

Table of Contents**SELECTED FINANCIAL DATA**

The following selected financial information has been derived from our consolidated financial statements as of each of the dates and for each of the periods indicated below except for Number of employees. This information should be read in conjunction with our consolidated financial statements, including the notes thereto, and the other financial data appearing elsewhere or incorporated by reference in this prospectus.

	As of and for the year ended March 31,				
	2005	2006	2007	2008	2009
	(In millions of yen)				
Income statement data:⁽¹⁾					
Total revenues	¥ 908,765	¥ 913,818	¥ 1,122,450	¥ 1,151,539	¥ 1,075,811
Total expenses	778,073	700,916	841,385	963,549	1,021,072
Operating income	130,692	212,902	281,065	187,990	54,739
Equity in net income (loss) of affiliates	19,672	32,054	31,951	48,343	(42,937)
Gains (losses) on sales of subsidiaries and affiliates and liquidation losses, net	3,347	2,732	1,962	12,222	(1,731)
Income before income taxes, minority interests in earnings of subsidiaries, discontinued operations, extraordinary gain and cumulative effect of a change in accounting principle	153,711	247,688	314,978	248,555	10,071
Income from continuing operations	83,871	148,187	184,375	146,150	10,188
Net income	91,496	166,388	196,506	169,597	21,924
Balance sheet data:					
Investment in direct financing leases ⁽²⁾	¥ 1,451,574	¥ 1,437,491	¥ 1,258,404	¥ 1,098,128	¥ 914,444
Installment loans ⁽²⁾	2,386,597	2,926,036	3,490,326	3,766,310	3,304,101
Investment in operating leases	619,005	720,096	862,049	1,019,956	1,226,624
Investment in securities	589,271	682,798	875,581	1,121,784	926,140
Other operating assets	82,651	91,856	152,106	197,295	189,560
Operating assets ⁽³⁾	5,129,098	5,858,277	6,638,466	7,203,473	6,560,869
Allowance for doubtful receivables on direct financing leases and probable loan losses	(115,250)	(97,002)	(89,508)	(102,007)	(158,544)
Other assets	1,055,105	1,481,180	1,658,229	1,893,504	1,967,411
Total assets	¥ 6,068,953	¥ 7,242,455	¥ 8,207,187	¥ 8,994,970	¥ 8,369,736
Short-term debt	¥ 947,871	¥ 1,336,414	¥ 1,174,391	¥ 1,330,147	¥ 798,167
Long-term debt	2,861,863	3,236,055	3,863,057	4,462,187	4,453,845
Deposits	336,588	353,284	446,474	470,683	667,627
Common stock	73,100	88,458	98,755	102,107	102,216
Additional paid-in capital	91,045	106,729	119,402	135,159	136,313
Shareholders' equity	727,333	953,646	1,194,234	1,267,917	1,167,530
Number of issued shares	87,966,090	90,289,655	91,518,194	92,193,067	92,217,067
Number of outstanding shares	87,388,706	89,890,579	91,233,710	90,496,863	89,400,220

Table of Contents

	2005	As of and for the year ended March 31,			2009
		2006	2007	2008	
		(In millions of yen)			
Key ratios (% , except D/E ratio)⁽⁴⁾					
Return on equity, or ROE	14.17	19.80	18.30	13.78	