

**Guarantee for Ringgit Bond Issue of Japanese Subsidiary in Malaysia
--JBIC Continues to Promote Asian Bond Market Initiative--**

1. Japan Bank for International Cooperation (JBIC; Governor: Koji Tanami) provided a guarantee today for the ringgit-denominated bond issued by ORIX Leasing Malaysia Berhad (OLM; Head Office: Kuala Lumpur), a Malaysian corporation, in which ORIX Corporation has an equity stake.
2. The corporate bond amounting to 200 million ringgit (approximately 6.9 billion yen) issued by OLM are guaranteed by ORIX Corporation, the parent company of OLM, with a secondary guarantee provided by JBIC and the Labuan Branch of the Bank of Tokyo-Mitsubishi UFJ, Ltd. The proceeds from the bond issuance will be utilized for OLM's leasing and other business for Japanese products. This is the second bond issue by OLM in the Malaysian capital market with JBIC's guarantee facility, following the first issue in January 2006. (See Appendix for its schematic illustration.)
3. With its leasing business expanding in parallel with the recent robust growth of the Malaysian economy, OLM vigorously addresses the ringgit-denominated bond issuance to diversify its funding instruments. In Asian countries, however, as bond markets are still at the developing stage, Japanese companies often find difficulties in efficient bond financing, resulting in limited funding instruments. Even in Malaysia where the bond market is relatively developed among these countries, credit enhancement provided by an official finance institution such as JBIC can be effective for bond issuance. JBIC is thus supporting bond issue by Japanese affiliates in the local markets with the use of its guarantee facility to diversify their funding instruments as well as help develop local bond markets.
4. JBIC continues to be active in promoting the Asian Bond Market Initiative (ABMI).[1] ABMI was proposed by the Government of Japan in December 2002 and various efforts to develop bond markets have been underway under this initiative within the framework of ASEAN+3 (Japan, China and Korea).[2] This guarantee, following the first in January 2006, is an effort under the ABMI to help developing Malaysia's bond market and contribute to developing a favorable environment for Japanese companies' overseas business.

[1] The Asian Bond Market Initiative was launched as a measure to prevent the recurrence of the Asian currency crisis by channeling funds in the Asian region, which is characterized by a high saving rate, to investments within the region. Currently, discussions are underway among the governments of ASEAN+3 (Japan, China and Korea) countries on ways to develop and invigorate bond markets in Asian countries.

[2] JBIC's financing activities under the ABMI are as follows:

June 2004: Provision of a guarantee for baht-denominated bond issued by a Japanese affiliate in Thailand.

December 2004: Provision of a guarantee for Korean collateral bond obligations.

September 2005: Issuance of baht-denominated bond in the Thai market for funding the provision of a two-step loan in baht for Japanese banks.

January 2006: Provision of a guarantee for ringgit-denominated bond issued by OLM.

March 2006: Provision of a guarantee for rupiah-denominated bond issued by a Japanese affiliate in Indonesia.

March 2007: Provision of a guarantee for rupiah-denominated bond issued by a Japanese affiliate in Indonesia.

For further information

Mr. Nishizaki or Ms. Hara

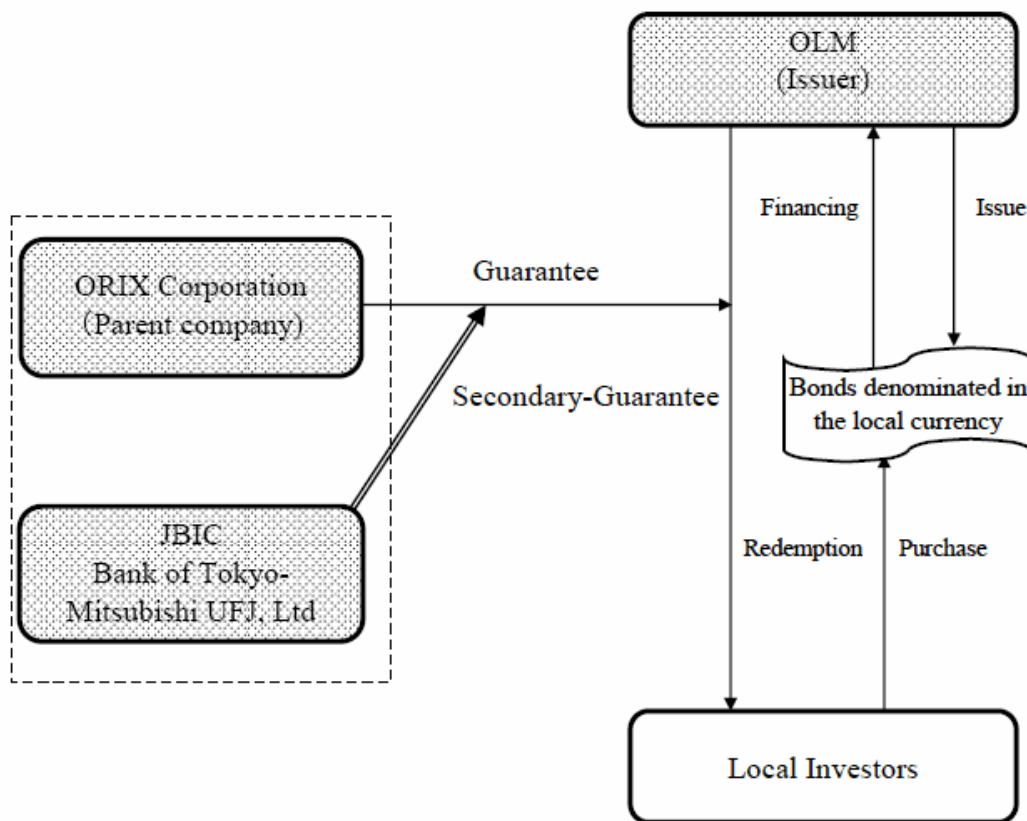
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*The Joint Lead Arrangers for the bonds issuance are Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad and CIMB Investment Bank Berhad.