

**[Provisional Translation Only]**

This English translation of the original Japanese document is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

**For Immediate Release**

REIT Issuer:

ORIX JREIT Inc. (TSE: 8954)

Yoshio Ono

Executive Director

Investment Trust Management Company:

ORIX Asset Management Corporation

Mitsuo Sato

Representative Director and President

Inquiries:

Hisao Namiki

Director and Executive Officer

TEL: +81 3 3435 3285

**ORIX JREIT Announces Acquisition of Three Properties:**

**aune Kohoku, aune Makuhari and Kobe Momoyamadai Shopping Center (site)**

TOKYO, March 3, 2010—ORIX JREIT Inc. (“OJR”) announced that it would acquire aune Kohoku, aune Makuhari, and the Kobe Momoyamadai Shopping Center (site). The details of the acquisitions are outlined below.

**1.Acquisition Summary**

1 ) aune Kohoku

Asset to be acquired	Real estate trust beneficial interest *Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest and acquire fee simple ownership.
Acquisition price	¥4,000,000,000 (excluding national and local consumption taxes)
Scheduled acquisition date	March 10, 2010
Current owner and seller	Joint Ark X01, LLC
Anticipated funding method	Issuance of investment corporate bonds
Payment terms	100% on transfer

2 ) aune Makuhari

Asset to be acquired	Real estate trust beneficial interest *Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest and acquire fee simple ownership.
Acquisition price	¥3,600,000,000 (excluding national and local consumption taxes)
Scheduled acquisition date	March 10, 2010
Current owner and seller	Joint Ark X01, LLC
Anticipated funding method	Issuance of investment corporate bonds
Payment terms	100% on transfer

3 ) Kobe Momoyamadai Shopping Center (site)

Asset to be acquired	Real estate trust beneficial interest
Acquisition price	¥3,260,000,000 (excluding national and local consumption taxes)
Scheduled acquisition date	March 5, 2010
Current owner and seller	O. M. One Co., Ltd.
Anticipated funding method	Issuance of investment corporate bonds
Payment terms	100% on transfer

## **2. Purpose of the Acquisition**

OJR was listed on the stock exchange as a diversified J-REIT in 2002, and the company has built up a portfolio that centers on office buildings and the greater Tokyo area from the perspective of achieving stable distribution of profit over the medium to long term. Based on this portfolio, OJR has so far achieved internal growth against the backdrop of a solid office rental market by working to improve occupancy rates and raising rents. Nevertheless, OJR is anticipating a decline in revenue and income in the company's financial results for the 16th period (the year ended February 2010) with the impact of the deterioration in the office rental market brought about by the global financial crisis. Although the signs of recovery are visible in the Japanese economy, the improvement in corporate earnings and employment conditions still remains slow, so we believe that a recovery in the office rental market will also take some time.

In this business environment, OJR will maintain the same policy as in the past, targeting at least 80% of its investment at office buildings and the greater Tokyo area. At the same time, the company has decided that, in order to increase the stability and profitability of its portfolio and to maintain and improve profit distribution, it is essential to (1) invest in carefully selected assets (retail facilities, sites, etc.,) with outstanding stability in cash flow and profitability as well as (2) strive to strengthen stability and profitability by asset reshuffling with regard to OJR's core portfolio of office buildings in the greater Tokyo area.

Based on the business environment outlined above and our basic philosophy on building the portfolio, OJR has decided to acquire the two retail facilities and the site (land with fixed-term business-use leasehold interest) in question. Furthermore, OJR has decided on the sale of one office building as of today. For details, see "ORIX JREIT Announces Sale of ORIX Jimbo-cho Building" dated today.

The three properties in question are expected to yield stable revenue and income over the medium to long term thanks to their outstanding locations, good quality tenants and medium to long-term lease agreements. At the same time, we believe that the properties will also contribute to an improvement in the level of profit distribution because profitability is relatively high in comparison with office buildings that meet OJR's investment criteria.

OJR is considering additional acquisition and sale of asset during March 2010 with the aim of further increasing the stability and profitability of its portfolio. The company will make separate announcements with regard to the additional acquisition and sale of asset under consideration as the details are decided.

Looking to the future, OJR will strive to strengthen its portfolio so that it can respond flexibly and promptly to changes in the business environment to secure stable profit distribution in the medium to long term through an external growth strategy that takes full advantage of the company's strengths as a diversified J-REIT.

### 1 ) aune Kohoku

#### Location

The property in question is located in Kohoku New Town, Japan's pre-eminent large-scale new town. As a residential area for those working in Tokyo and Yokohama, the area's population is still rising, meaning that development is anticipated to continue in the future. The property has an excellent location for a retail facility, being a one minute walk from Center-Minami Station. The station is the terminal for the Yokohama Municipal Subway Blue and Green Lines, the area's primary transportation system, and it is the closest retail facility to the station. In addition to this, it has a high profile as it faces the station square.

Although there is an outbound population flow as a result of commuting and other reasons, there is also a considerable inbound population because the local government offices are located nearby as well as large-scale retail facilities of goods retailers. The area is expected to attract customers steadily during the week as well as at the weekends.

Thus, the property is in an excellent environment and location for a retail facility, and we can expect steady rental demand from retail tenants, including restaurants and the service industry, in the future.

#### Buildings, facilities, and tenants

The property in question is a retail facility opened in April 2008, having two underground floors and seven floors above ground. Based on the concept of a community contact style retail facility, there are currently 11 retail tenants, including restaurants and banks on lower floors, while the underground floors and upper floors are used as offices. Long-term lease agreements of 10 and 15 years have been concluded with the retail tenants, and we believe that this can secure stable cash flow into the future.

## 2 ) aune Makuhari

### Location

The property in question is located in Makuhari New City, with continuing development of a multi function city encompassing “business, residence, study and entertainment” that includes business and research buildings, office buildings, retail facilities, hotels, housing and schools. The property has an excellent location for a retail facility because of its close proximity to a station, being a one minute walk from KeihimMakuhari Station and facing the station square.

Moreover, as well as an increasing number of local residents, workers at the office buildings congregated around KeihimMakuhari Station visit on weekdays, and people using the leisure facilities that include the Makuhari Messe, factory outlet malls, and Chiba Marine Stadium visit at weekends. Therefore, the area is expected to attract customers both during the week and at weekends, and we can expect stable rental demand from retail tenants, including restaurants and the service industry, in the future.

### Buildings, facilities, and tenants

The property in question is a six-floor retail facility, which opened in March 2008. It is a distinctive property featuring a unique design with an exterior that calls to mind a ship. It has a wave-shaped roof and red-and-blue crossways design based on the theme of the sea that is associated with Makuhari New City.

Based on the concept of a daily use communication spot, there are currently 22 retail tenants, including cafes, restaurants, beauty salons, and mobile phone stores. Long-term lease agreements of mainly 10 and 15 years have been concluded with tenants, and we believe that this can secure stable cash flow into the future.

## 3 ) Kobe Momoyamadai Shopping Center (site)

This is OJR’s first acquisition of a site (land with fixed-term business-use leasehold interest). Because OJR does not own the building, there is no burden of depreciation expenses for the building, and most of the revenue from the leasing business can be used to fund profit distribution in contrast to when a site is acquired together with a building. (Some deprecation expenses for structures do arise with regard to the site in question.) OJR decided to acquire the property in question on its positive evaluation of the aspects below.

### Location

The property in question, is located in a new town with a large number of independent houses in the north of Tarumi Ward, which accounts for approximately 15% (approximately 220,000 people) of Kobe’s population. The Suma-Tamon route, the road facing the property, connects to the main trunk roads, including the Kobe-Kakogawa-Himeji route, the Kobe-Akashi route and the Nagasaka-Tarumi route that are extensively used as the area’s infrastructure, so it is expected to attract customers from a wide area.

### Trading Area

The population in the trading area of the property is approximately 16,000 within a one-kilometer radius, approximately 160,000 within a 3-km radius, and approximately 390,000 within a 5-km radius, making it a trading area with great depth.

### Tenants

The shopping center tenants are mainly composed of goods retailers that help in the daily lives of local residents. Twenty year agreements establishing fixed-term business-use leasehold interest have been concluded with high credibility tenants that include major DIY center chain Cainz, Inc., major consumer electronics retail chain Yamada Denki Co., Ltd., and drug stores and supermarkets, which have developed chains primarily in the Kansai region, and we believe that this can secure stable cash flow into the future.

### 3. Summary of Property for Acquisitions

#### 1) aune Kohoku

Specified asset category	Real estate trust beneficial interest*
Trustee	Mizuho Trust & Bank Co., Ltd.*
Term of trust agreement	August 29, 2008 – August 28, 2018*
Address	3-25, Chigasaki Chuo, Tsuzuki-ku, Yokohama-city, Kanagawa
Registered usage	Retail, Car park
Registered area	Land: 1,267.47m <sup>2</sup> Building: 8,207.99 m <sup>2</sup> (total floor area)
Registered construction	Steel-framed, steel-reinforced concrete with flat roof, 7 floors with 2 underground floor
Registered completion date	March 17, 2008
Type of ownership	Fee simple Ownership
Previous owner	Joint Ark X01, LLC
Acquisition price	¥4,000,000,000 (excluding national and local consumption taxes)
Appraised value	¥4,000,000,000
Appraisal date	February 16, 2010
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Scheduled acquisition date	March 10, 2010
Public transit access	About 1 minutes' walk from Center-Minami Station on Yokohama Municipal Subway
Usage restrictions	Commercial district, Type 7 height district, Fire zone, Kohoku New Town Town Center-Minami Area District Plan, etc.
Architects	ICHIKEN Co., Ltd.
Structural engineers	ICHIKEN Co., Ltd.
General contractors	ICHIKEN Co., Ltd.
Building inspection agency	Japan Building Equipment and Elevator Center Foundation
Main facilities and specifications	[Leased area (Standard floor area)] Approx. 760m <sup>2</sup> (roughly 230 tsubo) [Ceiling height] 2,600 mm, 2,700 mm, 3,000 mm, 6,000 mm [Elevator] 3 (1 for 15 passengers, 2 for 11 passengers) [Escalator] 2 [Parking] 44 car parking spaces (parking elevator for 38 cars, 6 ground spaces) [Others] Individually controlled air conditioning, Automated security system in operation, Security guards on duty during night
Earthquake resistance	PML 14% (Based on SHIMIZU CORPORATION report) PML shows the estimated cost of recovering the building in the event of an earthquake. The figure is based on the probability of an earthquake that may occur every 475 years, and shows the percentage of the construction costs to the replacement value. This seismic risk analysis was done by Shimizu Corporation.
Collateral	None
Special notes	None
No. of tenants	12 (excluding car parking spaces, etc., as of March 3, 2010)
Gross rental income	¥ 374 million For unavoidable reasons, including the contractual relationship with tenants, this is the income for the initial fiscal year based on the DCF method shown in the Appraisal Report.
Security deposits	¥ 245 million (excluding car parking spaces, etc., as of March 3, 2010)
Total rent space	5,561.53 m <sup>2</sup> (as of March 3, 2010)
Total rentable space	5,704.84 m <sup>2</sup> (as of March 3, 2010)
Occupancy rate	97.5% (as of March 3, 2010)

\* Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest on the same date, acquiring fee simple ownership.

## 2 ) aune Makuhari

Specified asset category	Real estate trust beneficial interest*
Trustee	Mizuho Trust & Bank Co., Ltd.*
Term of trust agreement	August 29, 2008 – August 28, 2018*
Address	14, Hibino 1-chome, Mihama-ku, Chiba-city, Chiba
Registered usage	Retail, Car park
Registered area	Land: 2,029.06m <sup>2</sup> Building: 7,852.95 m <sup>2</sup> (total floor area)
Registered construction	Reinforced concrete, steel-framed with flat roof, 6 floors with 1 underground floor
Registered completion date	February 29, 2008
Type of ownership	Fee simple Ownership
Previous owner	Joint Ark X01, LLC
Acquisition price	¥3,600,000,000 (excluding national and local consumption taxes)
Appraised value	¥3,600,000,000
Appraisal date	February 17, 2010
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Scheduled acquisition date	March 10, 2010
Public transit access	About 1 minutes' walk from Kaihimmakuhari Station on JR Keiyo Line
Usage restrictions	Commercial district, Fire zone, Makuhari New City Central District Plan, etc.
Architects	SHIMIZU CORPORATION
Structural engineers	SHIMIZU CORPORATION
General contractors	SHIMIZU CORPORATION
Building inspection agency	JAPAN ERI CO., LTD.
Main facilities and specifications	[Leased area (Standard floor area)] Approx. 995 m <sup>2</sup> (roughly 301 tsubo) [Ceiling height] 3,000 mm, 3,900 mm, 3,950 mm [Elevator] 4 (3 for 15 passengers, 1 for 13 passengers) [Parking] 33 car parking spaces (parking elevator for 30 cars, 3 ground spaces) [Others] Individually controlled air conditioning, Automated security system in operation, Security guards on duty during night
Earthquake resistance	PML 13% (Based on SHIMIZU CORPORATION report) PML shows the estimated cost of recovering the building in the event of an earthquake. The figure is based on the probability of an earthquake that may occur every 475 years, and shows the percentage of the construction costs to the replacement value. This seismic risk analysis was done by Shimizu Corporation.
Collateral	None
Special notes	None
No. of tenants	22 (excluding car parking spaces, etc., as of March 3, 2010)
Gross rental income	¥ 427 million For unavoidable reasons, including the contractual relationship with tenants, this is the income for the initial fiscal year based on the DCF method shown in the Appraisal Report.
Security deposits	¥ 234 million (excluding car parking spaces, etc., as of March 3, 2010)
Total rent space	5,749.05 m <sup>2</sup> (as of March 3, 2010)
Total rentable space	5,749.05 m <sup>2</sup> (as of March 3, 2010)
Occupancy rate	100.0% (as of March 3, 2010)

\* Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest on the same date, acquiring fee simple ownership.

3 ) Kobe Momoyamadai Shopping Center (site)

Specified asset category	Real estate trust beneficial interest
Trustee	Mizuho Trust & Bank Co., Ltd.
Term of trust agreement	March 2, 2005 – March 2, 2015* <sup>1</sup>
Address	5-18, Momoyamadai 7-chome, Tarumi-ku, Kobe-city, Hyogo, Other
Registered usage	
Registered area	Land: 59,940.76m <sup>2</sup>
Registered construction	
Registered completion date	
Type of ownership	Fee simple Ownership
Previous owner	O. M. One Co., Ltd.
Acquisition price	¥3,260,000,000 (excluding national and local consumption taxes)
Appraised value	¥3,270,000,000
Appraisal date	February 15, 2010
Appraiser	JAPAN REAL ESTATE INSTITUTE
Scheduled acquisition date	March 5, 2010
Public transit access	About 4 km from Myodani Station on Kobe Municipal Subway Seishin-yamate Line, About 5.3 km from Tarumi Station on JR Sanyo Main Line
Usage restrictions	Type 2 residential district, Type 5 height district, Momoyamadai North Area District Plan* <sup>2</sup> , etc.
Architects	
Structural engineers	
General contractors	
Building inspection agency	
Main facilities and specifications	
Earthquake resistance	
Collateral	None
Special notes	None
No. of tenants	5 (excluding car parking spaces, etc., as of March 3, 2010)
Gross rental income	¥ 313 million For unavoidable reasons, including the contractual relationship with tenants, this is the income for the initial fiscal year based on the DCF method shown in the Appraisal Report.
Security deposits	¥ 271 million (excluding car parking spaces, etc., as of March 3, 2010)
Total rent space	42,123.17 m <sup>2</sup> (as of March 3, 2010)
Total rentable space	42,123.17 m <sup>2</sup> (as of March 3, 2010)
Occupancy rate	100.0% (as of March 3, 2010)

\*1: As of March 5, 2010, the termination date of the agreements in question is scheduled to change to March 4, 2020.

\*2: As well as taking advantage of its location alongside a trunk road to give proper encouragement to commercial functions, the plan aims for harmony with the surrounding low-rise residential area to create a thriving yet comfortable urban district.

#### 4. Profile of Owner / Seller

##### 1 ) aune Kohoku and aune Makuhari

\*As of February 10, 2010

Company Name	Joint Ark X01, LLC
Address	c/o Tokyo Kyodo Accounting Office, 1-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo
Representative	Representative Partner : Ark Harbor · X01 Foundation Representative : Masato Kaida
Operations	Acquisition, holding, and sale of real estate and/or real estate trust beneficiary rights, etc.
Shareholders' Equity	¥ 1 million
Date of establishment	June 9, 2008
Relationships with OJR or its asset management company	
Capital relationships	There is no capital relationship that requires reporting between OJR and the company in question. ORIX Real Estate Investment Advisors Corporation, which is a "related party" stipulated in Japan's Law Concerning Investment Trusts and Investment Corporations (hereinafter, "the Investment Trust Law"), has an anonymous association investment in the company in question. ORIX Real Estate Investment Advisors Corporation is a subsidiary of ORIX Corporation, which is the parent company of ORIX Asset Management Corporation (hereinafter, "OAM")
Personal relationships	There is no personal relationship that requires reporting between OJR or OAM and the company in question.
Business relationships	There is no business relationship that requires reporting between OJR or OAM and the company in question.
Applicability to related parties	The company in question is not a "related party" for OJR. ORIX Real Estate Investment Advisors Corporation (a "related party" for OAM stipulated in the Investment Trust Law) is contracted to provide asset management for the company in question. Joint Ark X01, LLC should be treated as a "related party" stipulated in the "Affiliated Company Transaction Regulations," which are in-house regulations of OAM.

##### 2 ) Kobe Momoyamadai Shopping Center (site)

\*As of February 12, 2010

Company Name	O. M .One Co., Ltd.
Address	c/o Tokyo Kyodo Accounting Office, 2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo
Representative	Director: Ryutaro Uchiyama
Operations	Acquisition, holding, and sale of real estate and/or real estate trust beneficiary rights, etc
Shareholders' Equity	¥ 3 million
Date of establishment	January 25, 2005
Relationships with OJR or its asset management company	
Capital relationships	There is no capital relationship that requires reporting between OJR and the company in question. ORIX Corporation, which is a "related party" stipulated in the Investment Trust Law, has an anonymous association investment partly in the company in question. ORIX Corporation is the parent company of OAM.
Personal relationships	There is no personal relationship that requires reporting between OJR or OAM and the company in question.
Business relationships	There is no business relationship that requires reporting between OJR or OAM and the company in question.
Applicability to related parties	The company in question is not a "related party" for OJR. ORIX Real Estate Investment Advisors Corporation (a "related party" for OAM stipulated in the Investment Trust Law) is contracted to provide asset management for the company in question. The company in question should be treated as a "related party" stipulated in the "Affiliated Company Transaction Regulations", which are in-house regulations of OAM.

## **5. Information regarding Ownership**

### 1 ) aune Kohoku and aune Makuhari

	Previous Owner	Owner Before Previous Owner
Company Name	Joint Ark X01, LLC	Not a party having special relationship of interest
Special relationships involved	Refer to Section 4. "Profile of Owner/Seller" above	
Background to and reason for acquisition	For sale	
Acquisition date	August 29, 2008	
Acquisition price	Omitted, as previous owner held real estate trust beneficial interest for over a year	

### 2 ) Kobe Momoyamadai Shopping Center (site)

	Previous Owner
Company Name	O. M. One Co., Ltd.
Special relationships involved	Refer to Section 4. "Profile of Owner/Seller" above
Background to and reason for acquisition	New development
Acquisition date	
Acquisition price	

## **6. Intermediary ( same for three properties )**

None

## **7. Payment ( same for three properties )**

Funding method: Issuance of investment corporation bonds

Payment terms: 100% on transfer

## **8. Related-Party Transactions (Acquisition)**

OJR will acquire aune Kohoku and aune Makuhari from Joint Ark X01, LLC, and Kobe Momoyamadai Shopping Center (site) from O. M. One Co., Ltd. In accordance with the Affiliated Company Transaction Regulations, which are in-house regulations of the asset management company, the transactions in question have been approved by OJR's board of directors after being examined by the Risk Management and Compliance Committee and the board of directors at the asset management company. See 4. "Profile of Owner/Seller" for the summary of the related parties.

## **9. Schedule ( same for three properties )**

### 1 ) aune Kohoku and aune Makuhari

March 3, 2010: Decision made to acquire the properties

March 3, 2010 (scheduled): Execution of sale and purchase contract for the properties

March 10, 2010 (scheduled): Transfer of the properties

### 2 ) Kobe Momoyamadai Shopping Center (site)

March 3, 2010: Decision made to acquire the property

March 3, 2010 (scheduled): Execution of sale and purchase contract for the property

March 5, 2010 (scheduled): Transfer of the property

## **10. Future Outlook**

In addition to these acquisitions, OJR has also decided on the sale of one office building as of today (See “ORIX JREIT Announces Sale of ORIX Jimbo-cho Building” dated today for details.) OJR plans to record the gain on the sale of the office building in question to internal reserves as an allowance by means of the advanced accounting method based on the “Exceptional Handling of Taxation in the event of In-Advance Acquisition of Land, etc., in 2009 and 2010 for Future Use” with the aim of strengthening the company’s financial base. As a result, the acquisitions and sale in question will have little impact on business performance in the period ending in August 2010 (from March 1, 2010 to August 31, 2010), and there are no changes to earning forecast for the period in question. If, for any reason, the gain on the sale in question is not recorded to internal reserves, OJR will make an announcement immediately.

Furthermore, as stated in 2. “Purpose of the Acquisition”, OJR is considering additional acquisition and sale of asset during March 2010 on top of the acquisitions and sale that it has announced today, with the aim of further increasing the stability and profitability of its portfolio. The company will make separate announcements with regard to the additional acquisition and sale of asset under consideration as the details are decided.

### Addendums

- I. Property photo and map
- II. Appraisal summary
- III. Portfolio summary after acquisition of three properties and sale of the ORIX Jinbo-cho Building

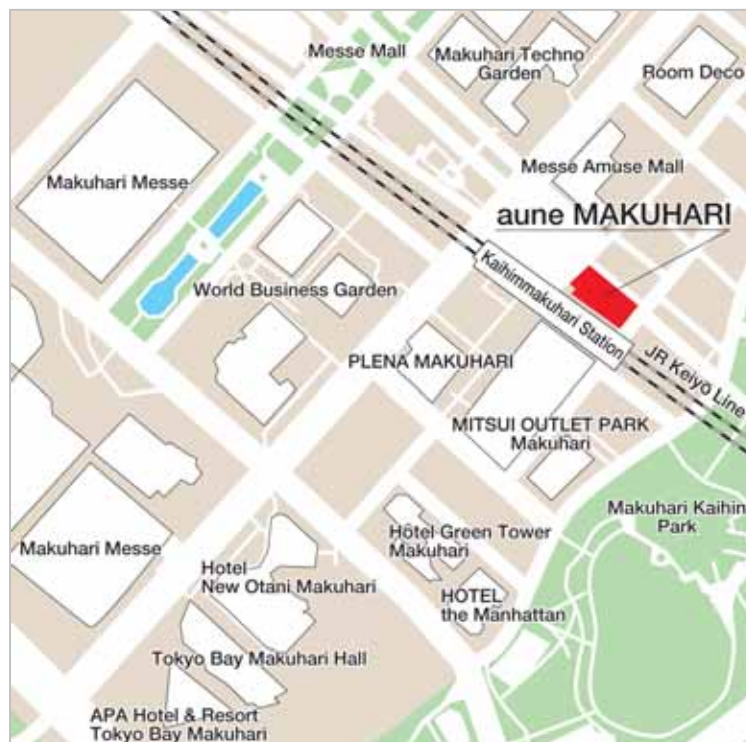
The original Japanese version of this material is being distributed today to the Kabuto Club, the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

I. Property photo and map

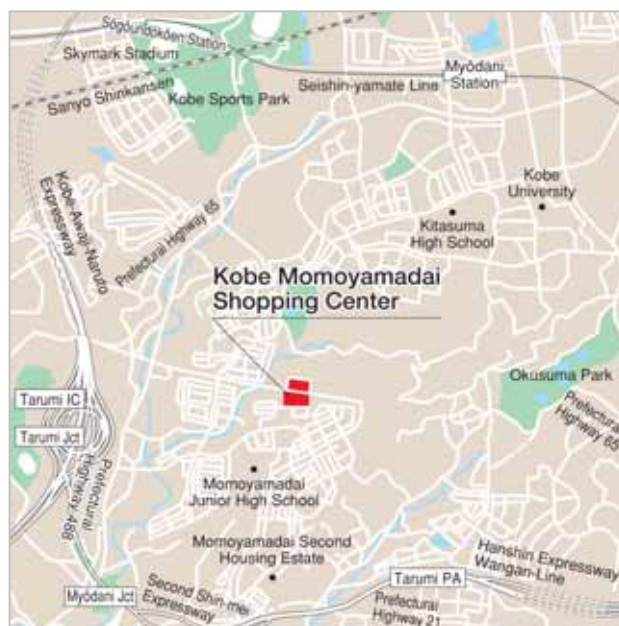
1) aune Kohoku



2) aune Makuhari



3) Kobe Momoyamadai Shopping Center (Site)



## II. Appraisal summary

### 1) aune Kohoku

#### Appraisal

- 1) Appraised Value           ¥ 4,000,000,000-
- 2) Appraisal Date           February 16, 2010
- 3) Appraiser                 DAIWA REAL ESTATE APPRAISAL CO., LTD.

#### Valuations by method

- 1) Cost Method.....       ¥ 3,070,000,000-
- 2) Income Method
  - i. DCF value .....       ¥ 4,000,000,000-
  - Discount Rate.....       5.6%
  - Terminal Capitalization Rate .....       6.0%
  - ii. DC Value.....       ¥ 4,000,000,000-
  - Capitalization Rate.....       5.8%

#### Income projection

The following projection is quoted from the income projection using the direct capitalization method in the Appraisal Report, and does not represent any projections by OJR or OAM.

(In millions of yen)

(1) Gross revenue (a-b)	358
a. Effective gross revenue	378
b. Vacancy loss	20
(2) Total costs (c+d+e+f)	125
c. Management /maintenance fee (management fee, utility expenses, PM fees, etc.)	100
d. Taxes	21
e. Casualty insurance premium	0
f. Other costs	2
(3) Net revenue (1-2)	232
(4) Lump sum revenue	4
(5) Capital expenditure	5
(6) Net income (3+4-5)	232

#### Long Term Projected Repairs

According to the Engineering Report by NIPPON KANZAI Co., Ltd. maintenance cost over the next 12 years will be ¥ 26,370 thousand.

### 2) aune Makuhari

#### Appraisal

- 1) Appraised Value           ¥ 3,600,000,000-
- 2) Appraisal Date           February 17, 2010
- 3) Appraiser                 DAIWA REAL ESTATE APPRAISAL CO., LTD.

#### Valuations by method

- 1) Cost Method.....       ¥ 2,920,000,000-
- 2) Income Method
  - i. DCF value .....       ¥ 3,600,000,000-
  - Discount Rate.....       5.8%
  - Terminal Capitalization Rate .....       6.2%
  - ii. DC Value.....       ¥ 3,600,000,000-
  - Capitalization Rate.....       6.0%

### Income projection

The following projection is quoted from the income projection using the direct capitalization method in the Appraisal Report, and does not represent any projections by OJR or OAM.

(In millions of yen)	
(1) Gross revenue (a-b)	406
a. Effective gross revenue	429
b. Vacancy loss	23
(2) Total costs (c+d+e+f)	189
c. Management /maintenance fee (management fee, utility expenses, PM fees, etc.)	161
d. Taxes	18
e. Casualty insurance premium	0
f. Other costs	8
(3) Net revenue (1-2)	216
(4) Lump sum revenue	4
(5) Capital expenditure	4
(6) Net income (3+4-5)	215

### Long Term Projected Repairs

According to the Engineering Report by NIPPON KANZAI Co., Ltd. maintenance cost over the next 12 years will be ¥ 42,880 thousand.

### 3 ) Kobe Momoyamadai Shopping Center (site)

#### Appraisal

- 1) Appraised Value           ¥ 3,270,000,000-
- 2) Appraisal Date           February 15, 2010
- 3) Appraiser                 Japan Real Estate Institute

#### Valuations by method

- 1) Value by proportional method.....   ¥ 2,720,000,000-
- 2) Income Method  
    DCF Value .....                   ¥ 3,270,000,000-  
    Discount Rate.....               8.0%  
    (Reference) Vacant land value.....   ¥ 3,360,000,000-

### III. Portfolio summary after acquisition of three properties and sale of the ORIX Jimbo-cho Building

	Property	Acquisition		Percentage of Total Acquisition Cost		
		Date	Price( ¥ million)			
Offices	3 central Tokyo wards	Aoyama Suncrest Building	December 1. 2001	3,356	1.2	
		Round-Cross Ichi-bancho	December 1. 2001	3,900	1.4	
		Beside Shirogane	December 21. 2001	1,300	0.5	
		Round-Cross Akasaka Mitsuke	December 21. 2001	1,650	0.6	
		Nihonbashi East Building	December 21. 2001	1,720	0.6	
		Round-Cross Minami Azabu	December 21. 2001	1,394	0.5	
		Round-Cross Akasaka	January 10. 2002	2,624	0.9	
		Round-Cross Mita	January 10. 2002	1,748	0.6	
		Shiba Daimon Building	January 10. 2002	2,195	0.8	
		Round-Cross Tsukiji	January 10. 2002	3,378	1.2	
		ORIX Shiba 2-chome Building	September 29. 2003	7,500	2.6	
		Aoyama 246 Building	March 3. 2004	5,200	1.8	
		ORIX Akasaka 2-chome Building	June 26. 2006 December 4. 2006	21,860	7.7	
		Nihonbashi Honcho 1-chome Building	March 28. 2007	10,500	3.7	
		ORIX Suidobashi Building	March 28. 2008	3,000	1.1	
	ORIX Shinagawa Building	June 27. 2008	15,200	5.3		
	<b>Subtotal</b>		<b>86,525</b>	<b>30.4</b>		
	Remaining Tokyo wards	Carrot Tower	December 1. 2001	5,479	1.9	
		Toyo MK Building	December 1. 2001	5,270	1.9	
		Round-Cross Moto Yoyogi	December 1. 2001	5,091	1.8	
		Round-Cross Nishi Shinjuku	December 1. 2001	2,650	0.9	
		Beside Kiba	December 21. 2001	2,450	0.9	
		DT Gaien	December 21. 2001	2,430	0.9	
		Yoyogi Forest Building	December 21. 2001	1,473	0.5	
		ORIX Ikebukuro Building	April 18. 2003	9,577	3.4	
		ORIX Shinjuku Building	September 29. 2003	8,300	2.9	
		Round-Cross Shinjuku	April 28. 2006	8,020	2.8	
		Seafort Square Center Building	September 30. 2005 April 28. 2006	18,000	6.3	
		Round-Cross Kamata	March 1. 2006	5,640	2.0	
		Round-Cross Shinjuku 5-chome	April 26. 2007	4,500	1.6	
		KN Jiyugaoka Plaza	May 30. 2007	3,110	1.1	
		ST WORLD Building	March 28. 2008	3,500	1.2	
		ORIX Real Estate Nishi Shinjuku Building	March 27. 2009	13,600	4.8	
		<b>Subtotal</b>		<b>99,090</b>	<b>34.9</b>	
	Other parts of the greater Tokyo area	Neo City Mitaka	December 1. 2001	2,200	0.8	
		Round-Cross Kawasaki	April 27. 2004	4,130	1.5	
		Omiya Miyacho Building	March 27. 2009	4,400	1.5	
		<b>Subtotal</b>		<b>10,730</b>	<b>3.8</b>	
	Other areas	Nagoya Itochu Building	September 29. 2003	4,500	1.6	
		ORIX Koraibashi Building	April 27. 2005	5,560	2.0	
		Lunar Sendai	June 28. 2007	8,500	3.0	
		ORIX Nagoya Nishiki Building	September 29. 2008	12,500	4.4	
		<b>Subtotal</b>		<b>31,060</b>	<b>10.9</b>	
	<b>Offices Total</b>		<b>227,405</b>	<b>80.0</b>		
	Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28. 2006	4,000	1.4
			Toda Park Logistics Center	March 28. 2008	9,600	3.4
			Ichikawa Logistics Center	September 29. 2008	8,300	2.9
<b>Subtotal</b>			<b>21,900</b>	<b>7.7</b>		
<b>Logistics Facilities Total</b>		<b>21,900</b>	<b>7.7</b>			
Retail Facilities	3 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31. 2003	2,548	0.9	
		<b>Subtotal</b>		<b>2,548</b>	<b>0.9</b>	
	Remaining Tokyo wards	CUBE Daikanyama	March 31. 2004	2,435	0.9	
		<b>Subtotal</b>		<b>2,435</b>	<b>0.9</b>	
	Other parts of the greater Tokyo area *	<b>aune Kohoku</b>	<b>March 10. 2010 (sheduled)</b>	<b>4,000</b>	<b>1.4</b>	
		<b>aune Makuhari</b>	<b>March 10. 2010 (sheduled)</b>	<b>3,600</b>	<b>1.3</b>	
	<b>Subtotal</b>		<b>7,600</b>	<b>2.7</b>		
Other areas *	<b>Kobe Momoyamada Shopping Center (Site)</b>	<b>March 5. 2010 (sheduled)</b>	<b>3,260</b>	<b>1.1</b>		
<b>Subtotal</b>		<b>3,260</b>	<b>1.1</b>			
<b>Retail Facilities Total</b>		<b>15,843</b>	<b>5.6</b>			
Hotels	Other parts of the greater Tokyo area	Cross Gate	January 10. 2002	15,040	5.3	
		<b>Subtotal</b>		<b>15,040</b>	<b>5.3</b>	
	<b>Hotels Total</b>		<b>15,040</b>	<b>5.3</b>		
Others	3 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1. 2001	1,219	0.4	
		<b>Subtotal</b>		<b>1,219</b>	<b>0.4</b>	
	Remaining Tokyo wards	Grand Maison Hakusan	December 1. 2001	455	0.2	
		Sonet Kami Ikebukuro	December 1. 2001	2,377	0.8	
	<b>Subtotal</b>		<b>2,832</b>	<b>1.0</b>		
<b>Others Total</b>		<b>4,051</b>	<b>1.4</b>			
<b>Grand Total</b>	<b>51 properties</b>		<b>284,239</b>	<b>100.0</b>		

\* Newly acquired building

Notes

1. "Acquisition price" above refers to sale price (fractions rounded down) specified in the sale and purchase contract. Consumption taxes are not included in the price.
2. "Percentage of total acquisition cost" refers to the acquisition price of each property under management as a proportion of total acquisition price.
3. Fractions are rounded to two decimal places for the "Percentage of total acquisition cost". Totals for the "Percentage of total acquisition cost" may not tally as a result of rounding.