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For Immediate Release

REIT Issuer:

ORIX JREIT Inc. (TSE: 8954)
Takeshi Sato
President and Executive Director

Asset Management Company:

ORIX Asset Management Corporation
Mitsuo Sato
President and CEO

Inquiries:

Hisao Namiki
Director and Executive Officer
TEL : +81 3 3435 3285

ORIX JREIT Announces Acquisition of ORIX Meguro Building

TOKYO, July 27, 2010—ORIX JREIT Inc. (“OJR”) announced that it would acquire the ORIX Meguro Building. The details of the acquisition are outlined below.

1.Acquisition Summary

| | |
|----------------------------|--|
| Asset to be acquired | Real estate trust beneficial interest* and building improvements (electronic locking control device, etc.) *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 | ¥ 6,350,000,000 (excluding national and local consumption taxes) [Composition] Real estate trust beneficial interest ¥ 6,349,792,000 Building improvements (electronic locking control device, etc.) ¥ 208,000 |
| Scheduled acquisition date | July 29, 2010 |
| Current owner and seller | A. T. S Co., Ltd. |
| Anticipated funding method | Self-financed and loan proceed (as scheduled)* *See “ORIX JREIT Announces New Dept Financing” dated July 26, 2010. |
| Payment terms | 100 % on transfer |

2. Purpose of the Acquisition

OJR is upgrading the quality of its portfolio as it works to expand the scale of its assets, by selling smaller, older properties while acquiring high quality newer, medium-sized or larger properties. As part of this external growth strategy, OJR has decided to acquire this property, using the funds obtained from the sale of two properties in June and July 2010. See “ORIX JREIT Announces Sale of Grand Maison Hakusan” dated June 9, 2010 and “ORIX JREIT Sale of Round-Cross Akasaka Mitsuke ” dated July 8, 2010 for the details.

Location

The property is located six minutes' walk from Meguro Station, where it is possible to take a number of railway and subway lines – the JR Yamanote, Tokyo Metro Namboku, Toei Subway Mita and Tokyu Meguro lines. It is also close to Meguro Dori and Yamanote Dori avenues as well as enjoying easy access to the Meguro ramp to the Metropolitan Expressway Route No.2 Meguro Line, giving the property outstanding transport convenience. In addition, it is located alongside the Meguro River, which gives it a high profile.

Building and facilities

The property in question is an office building with ten floors with 1 underground floor. The leased area (standard floor area) is approximately 681 m² or roughly 206 *tsubo*, and the building is equipped with a high level of specifications, including individually controlled air conditioning, an automated security system, raised floors for computer wiring and 77-car parking spaces.

3. Summary of Property for Acquisition

| | |
|------------------------------------|--|
| Specified asset category | Real estate trust beneficial interest* and building improvements (electronic locking control device, etc.) |
| Trustee | The Sumitomo Trust and Banking Company, Limited.* |
| Term of trust agreement | March 25, 2003 – March 30, 2012* |
| Address | 24-12, Meguro 1-chome, Meguro-ku, Tokyo |
| Registered usage | Office, Car park, Resting places |
| Registered area | Land: 3,088.58 m ² Building: 11,119.16 m ² (total floor area, excludes 3.38 m ² resting places) |
| Registered construction | Steel-framed, steel-reinforced concrete, flat roof, 10 floors with 1 underground floor Resting places annex: Steel-framed, flat roof, 1 floor |
| Registered completion date | January 17, 1996 |
| Type of ownership | Fee simple Ownership |
| Previous owner | A. T. S Co., Ltd. |
| Acquisition price | ¥6,350,000,000 (excluding national and local consumption taxes) [Composition] Real estate trust beneficial interest ¥ 6,349,792,000 Building improvements (electronic locking control device, etc.) ¥ 208,000 |
| Appraised value | ¥6,350,000,000 |
| Appraisal date | July 16, 2010 |
| Appraiser | DAIWA REAL ESTATE APPRAISAL CO., LTD. |
| Scheduled acquisition date | July 29, 2010 |
| Public transit access | About 6 minutes' walk from Meguro Station on JR, Tokyo Metro, Toei Subway and Tokyu Line |
| Usage restrictions | Secondary-industrial zone, Secondary-fire zone, Type 3 height district |
| Architects | MHS Planners, Architects & Engineers |
| Structural engineers | MHS Planners, Architects & Engineers |
| General contractors | Joint venture between Takenaka Corporation, JDC Corporation, TODA CORPORATION and Fujita Corporation |
| Building inspection agency | Government Inspection |
| Main facilities and specifications | [Leased area (Standard floor area)] Approx. 681m ² (roughly 206 <i>tsubo</i>) [Ceiling height] Standard floor area: 2,700 mm, Raised floors for computer wiring [Elevator] 4 (3 for 15 passengers, 1 for 17 passengers) [Parking] 77-car parking spaces (drive-in spaces) [Others] Individually controlled air conditioning, Automated security system in operation |
| Earthquake resistance | PML 11 % (Based on a 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 | <ul style="list-style-type: none"> • A right of way, part of easement rights, has been established with respect to part of the land of the said property (92-9 Meguro 1-chome) based on a Right of Way Agreement dated January 17, 1996 between the Meguro government and the owner before the previous owner, granting access to the land (92-8 Meguro 1-chome) owned by the Meguro government. • There is a possibility that the flowerbed belonging to the land adjoining the said property to the northwest (92-8) may cross over onto the land of the said property. • It is possible that part of the fence belonging to the land adjoining the said property to the south (no number) may cross over onto the land of the said property. |
| No. of tenants | 9 (excluding car parking spaces, as of July 27, 2010) |

| | |
|----------------------|---|
| Gross rental income | ¥ 462 million For unavoidable reasons, including the contractual relationship with tenants, this figure is revenue from operations based on the direct capitalization method as shown in the Appraisal Report. |
| Security deposits | ¥ 311 million (excluding car parking spaces, as of July 27, 2010) |
| Total rent space | 5,930.70 m ² (as of July 27, 2010) |
| Total rentable space | 6,119.61 m ² (as of July 27, 2010) |
| Occupancy rate | 96.9% (as of July 27, 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.

4. Profile of Owner / Seller

*As of July 23, 2010

| | | |
|--|--|--|
| Company Name | A. T. S Co., Ltd. | |
| Address | 2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo | |
| Representative | Director: Ryutaro Uchiyama | |
| Operations | Sale, purchase, holding, disposal and management of trust beneficial rights; sale, purchase, lease and management of real estate; and other related operations | |
| Shareholders' Equity | ¥ 3 million | |
| Date of establishment | February 26, 2003 | |
| 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 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 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. A. T. S Co., Ltd. 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

| | Previous Owner | Owner Before Previous Owner |
|--|--|---|
| Company Name | A. T. S Co., Ltd. | 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 | March 25, 2003 | |
| Acquisition price | Omitted, as previous owner held real estate trust beneficial interest for over a year. | |

6. Intermediary

None

7. Payment

Funding method: Self-financed and loan proceeds (as scheduled)*

*See “ORIX JREIT Announces New Dept Financing” dated July 26, 2010.

Payment terms: 100% on transfer

8. Related-Party Transactions

OJR will acquire the ORIX Meguro Building and Building improvements (electronic locking control device, etc.) from A. T. S 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

July 27, 2010: Decision made to acquire the property

July 28, 2010 (scheduled): Execution of sale and purchase contract for the property

July 29, 2010 (scheduled): Transfer of the property

10. Future Outlook

The acquisition of this property will only make a minor impact on the financial results for the period ending August 2010 (17th fiscal period: March 1, 2010 – August 31, 2010) and the period ending February 2011 (18th fiscal period: September 1, 2010 – February 28, 2011). Therefore, the forecast financial results for the periods ending August 2010 and February 2011 remain unchanged from those announced in the Financial Results for the period ended February 2010 (16th fiscal period: September 1, 2009 – February 28, 2010).

Addendums

- I. Property photo and map
- II. Appraisal summary
- III. Portfolio summary after acquisition of the ORIX Meguro 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



II. Appraisal summary

Appraisal

- | | |
|--------------------|--------------------------------------|
| 1) Appraised Value | ¥ 6,350,000,000- |
| 2) Appraisal Date | July 16, 2010 |
| 3) Appraiser | DAIWA REAL ESTATE APPRAISAL CO.,LTD. |

Valuations by method

- | | |
|------------------------------------|------------------|
| 1) Cost Method..... | ¥ 4,840,000,000- |
| 2) Income Method | |
| i. DCF value | ¥ 6,330,000,000- |
| Discount Rate..... | 5.0 % |
| Terminal Capitalization Rate | 5.4 % |
| ii. DC Value..... | ¥ 6,380,000,000- |
| Capitalization Rate..... | 5.2 % |

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.

| | |
|---|-----|
| (1) Gross revenue (a-b) | 462 |
| a. Effective gross revenue | 492 |
| b. Vacancy loss | 29 |
| (2) Total costs (c+d+e+f) | 116 |
| c. Management /maintenance fee (management fee, utility expenses, PM fees, etc.) | 77 |
| d. Taxes | 36 |
| e. Casualty insurance premium | 0 |
| f. Other costs | 2 |
| (3) Net revenue (1-2) | 345 |
| (4) Lump sum revenue | 6 |
| (5) Capital expenditure | 21 |
| (6) Net income (3+4-5) | 331 |

Long Term Projected Repairs

According to the Engineering Report by Earth-Appraisal Co., Ltd. maintenance cost over the next 12 years will be ¥ 375,295 thousand.

III. Portfolio summary after acquisition of the ORIX Meguro Building

| | Property | Acquisition | | Percentage of Total Acquisition Cost | | |
|------------------------------|---------------------------------------|--|----------------------|--------------------------------------|---------------|-------------|
| | | Date | Price (¥ million) | | | |
| Offices | 3 central Tokyo wards | Aoyama Suncrest Building | December 1, 2001 | 3,356 | 1.1 | |
| | | Round-Cross Ichi-bancho | December 1, 2001 | 3,900 | 1.3 | |
| | | Beside Shirogane | December 21, 2001 | 1,300 | 0.4 | |
| | | 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 | 0.7 | |
| | | Round-Cross Tsukiji | January 10, 2002 | 3,378 | 1.1 | |
| | | ORIX Shiba 2-chome Building | September 29, 2003 | 7,500 | 2.5 | |
| | | Aoyama 246 Building | March 3, 2004 | 5,200 | 1.7 | |
| | | ORIX Akasaka 2-chome Building | June 26, 2006 | 21,860 | 7.3 | |
| | | | December 4, 2006 | | | |
| | | Nihonbashi Honcho 1-chome Building | March 28, 2007 | 10,500 | 3.5 | |
| | | ORIX Suidobashi Building | March 28, 2008 | 3,000 | 1.0 | |
| | | ORIX Shinagawa Building | June 27, 2008 | 15,200 | 5.1 | |
| | | OX Tamachi Building | March 29, 2010 | 6,730 | 2.2 | |
| | | | Subtotal | | 91,605 | 30.4 |
| | Remaining Tokyo wards | Carrot Tower | December 1, 2001 | 5,479 | 1.8 | |
| | | Toyo MK Building | December 1, 2001 | 5,270 | 1.8 | |
| | | Round-Cross Moto Yoyogi | December 1, 2001 | 5,091 | 1.7 | |
| | | Round-Cross Nishi Shinjuku | December 1, 2001 | 2,650 | 0.9 | |
| | | Beside Kiba | December 21, 2001 | 2,450 | 0.8 | |
| | | DT Gaen | December 21, 2001 | 2,430 | 0.8 | |
| | | Yoyogi Forest Building | December 21, 2001 | 1,473 | 0.5 | |
| | | ORIX Ikebukuro Building | April 18, 2003 | 9,577 | 3.2 | |
| | | Round-Cross Shinjuku | April 28, 2006 | 8,020 | 2.7 | |
| | | Seafort Square Center Building | September 30, 2005 | 18,000 | 6.0 | |
| | | | April 28, 2006 | | | |
| | | Round-Cross Kamata | March 1, 2006 | 5,640 | 1.9 | |
| | | Round-Cross Shinjuku 5-chome | April 26, 2007 | 4,500 | 1.5 | |
| | | KN Jiyugaoka Plaza | May 30, 2007 | 3,110 | 1.0 | |
| | | ST WORLD Building | March 28, 2008 | 3,500 | 1.2 | |
| | | ORIX Real Estate Nishi Shinjuku Building | March 27, 2009 | 13,600 | 4.5 | |
| | | * ORIX Meguro Building | July 29, 2010 | 6,350 | 2.1 | |
| | | | Subtotal | | 97,140 | 32.3 |
| | | Other parts of the greater Tokyo area | Neo City Mitaka | December 1, 2001 | 2,200 | 0.7 |
| | | | Round-Cross Kawasaki | April 27, 2004 | 4,130 | 1.4 |
| | Omiya Miyacho Building | | March 27, 2009 | 4,400 | 1.5 | |
| | Omiya Shimocho 1-chome Building | | March 29, 2010 | 3,750 | 1.2 | |
| | | | Subtotal | | 14,480 | 4.8 |
| | Other areas | Nagoya Itochu Building | September 29, 2003 | 4,500 | 1.5 | |
| | | ORIX Koraibashi Building | April 27, 2005 | 5,560 | 1.8 | |
| Lunar Sendai | | June 28, 2007 | 8,500 | 2.8 | | |
| ORIX Nagoya Nishiki Building | | March 29, 2010 | 12,500 | 4.2 | | |
| | | Subtotal | | 31,060 | 10.3 | |
| | Offices Total | | 234,285 | 77.9 | | |
| Logistics Facilities | Other parts of the greater Tokyo area | Koshigaya Logistics Center | April 28, 2006 | 4,000 | 1.3 | |
| | | Toda Park Logistics Center | March 28, 2008 | 9,600 | 3.2 | |
| | | Ichikawa Logistics Center | September 29, 2008 | 8,300 | 2.8 | |
| | | | Subtotal | | 21,900 | 7.3 |
| | Other areas | Sakai Logistics Center North Building | March 30, 2010 | 10,200 | 3.4 | |
| | | | Subtotal | | 10,200 | 3.4 |
| | | Logistics Facilities Total | | 32,100 | 10.7 | |
| Retail Facilities | 3 central Tokyo wards | Nihon Jisho Minami Aoyama Building | October 31, 2003 | 2,548 | 0.8 | |
| | | | Subtotal | | 2,548 | 0.8 |
| | Remaining Tokyo wards | CUBE Daikanyama | March 31, 2004 | 2,435 | 0.8 | |
| | | | Subtotal | | 2,435 | 0.8 |
| | Other parts of the greater Tokyo area | aune Kohoku | March 10, 2010 | 4,000 | 1.3 | |
| | | aune Makuhari | March 10, 2010 | 3,600 | 1.2 | |
| | | | Subtotal | | 7,600 | 2.5 |
| | Other areas | Kobe Momoyamadai Shopping Center (Site) | March 5, 2010 | 3,260 | 1.1 | |
| | | Subtotal | | 3,260 | 1.1 | |
| | Retail Facilities Total | | 15,843 | 5.3 | | |
| Hotels | Other parts of the greater Tokyo area | Cross Gate | January 10, 2002 | 15,040 | 5.0 | |
| | | | Subtotal | | 15,040 | 5.0 |
| | | Hotels Total | | 15,040 | 5.0 | |
| Others | 3 central Tokyo wards | Park Axis Nishi Azabu Stage | December 1, 2001 | 1,219 | 0.4 | |
| | | | Subtotal | | 1,219 | 0.4 |
| | Remaining Tokyo wards | Sonet Kami Ikebukuro | December 1, 2001 | 2,377 | 0.8 | |
| | | | Subtotal | | 2,377 | 0.8 |
| | | Others Total | | 3,596 | 1.2 | |
| | Grand Total | 52 properties | | 300,864 | 100.0 | |

* 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.