

<For Immediate Release>

March 12, 2004

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ORIX JREIT Inc. announces acquisition of CUBE Daikanyama

Tokyo, Japan, March 12, 2004 – ORIX JREIT Inc. (“OJR”) announced today that it decided to purchase the CUBE Daikanyama (Property) from Sakura Properties YK.

1.Acquisition Summary

Interest to be acquired	Real estate trust beneficial interest
Property name	CUBE Daikanyama
Acquisition value	¥ 2,435,000,000- (excluding consumption tax)
Expected acquisition date	March 31, 2004
Current owner / Seller	Sakura Properties YK
Anticipated funding method	Cash on hand and/or loan proceeds

2.Purpose of the acquisition

OJR has decided to acquire Property to further enhance its portfolio quality in Tokyo Metropolitan area. OJR particularly appreciated Property’s strong points including following ones.

- Property is located in Daikanyama area that attracts a great deal of attention as one of Tokyo’s prime concentrations for modern stylish fashion retailers, restaurants and interior/ imported goods shops.
- Daikanyama is also one of the major fashion marketing research areas where variety of retailers have their shops to make market survey and trial marketing.
- There are several major retailers representing Daikanayama area around Property, whose location is attractive enough to have additional retailers in the area.
- Property was completed in January, 2003 and still very young.
- Property’s stable cash flow is secured by six years fixed leasing contracts with all of existing tenants until January 31, 2009.

3.Property Summary

3-1. Outline

Building Name	CUBE Daikanyama
Address	19-4 ~ 7 Sarugaku-cho, Shibuya-ku, Tokyo
Usage	Retail

Space	Land 896.85 m ² Building 899.82 m ² (Total floor area)
Structure	A-E Building: Steel frame alloy plating steel roof, 2 stories above ground. F Building: Steel frame alloy plating steel roof, 1 story above ground.
Completion	January, 2003
Type of Ownership	Ownership
Appraisal Value	¥ 2,364,000,000- (appraised as of February 1, 2004) By Chuo Real Estate Appraisal Co., Ltd.
Anticipated Acquisition Date	March 31, 2004

3-2. Tenant Information

Number of Tenants	3
Total Leased Space	899.82 m ²
Total Rentable Space	899.82 m ²
Occupancy Rate	100.0%
Leasing Contract	All of three existing tenants have six years fixed leasing contracts with Seller expiring January 31, 2009.

4. Current owner / Seller

Name	Sakura Properties YK
Address	1-12-32 Akasaka, Minato-ku, Tokyo
Representative	Masako Sunada
Paid-in capital	¥ 3,000,000-
Operations	Acquisition, holding and sale of real estate trust beneficial interest. Acquisition, sale, leasing and management of real estate. Any other supplementary operations.
Relationship to OJR	None

5. Schedule

March 12, 2004	Execution of sale and purchase contract
March 31, 2004	Delivery of Property

OJR will cancel the trust contract on Property upon its acquisition of the trust beneficial interest and will obtain ownership of Property simultaneously.

Addendum

- 6-1. Property Photo
- 6-2. Appraisal Summary
- 6-3. Portfolio Summary

* OJR is a real estate investment corporation (commonly referred to as a J-REIT) listed on the Tokyo Stock Exchange JREIT Section (TSE:8954) whose objective is to provide stable income returns to investors over the mid- to long-term through investing in diversified types of quality real estate, mostly in Greater Tokyo Metropolitan area. ORIX Asset Management, a wholly owned subsidiary of ORIX Corp. (TSE: 8591), provides the asset management services for OJR.

6-1. Property Photo



6-2.Appraisal Summary

(1) Appraisal
Appraisal Value ¥ 2,364,000,000-
Appraisal Date February 1, 2004
Appraiser Chuo Real Estate Appraisal Co., Ltd.

(2) Valuations by Method

i.	Cost Method.....	¥ 1,507,000,000-
ii.	Direct Capitalization Method	¥ 2,465,000,000-
	Capitalization Rate.....	5.4%
iii.	Discounted Cash Flow Method.....	¥ 2,364,000,000-
	Discount Rate.....	5.0%
	Terminal Capitalization Rate.....	5.9%

(3) Income Projection (Unit¥ thousand)

Rental Revenue	142,632
Other Revenue	0
Vacancy Loss	0
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Gross Revenue	142,632
Management Fee	2,140
Maintenance Cost	1,907
Utilities	0
Taxes	6,567
Insurance Premium	116
Long term repair Cost	0
Leasing Fee	0
Others	0
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Total Cost	10,730
Net Operating Income	131,902

(Note)

Above projection is quoted from the first year income projection used in Discount Cash Flow Method of the appraisal. Therefore, it doesn't represent any of OJR's projection.

6-3.Portfolio Summary

	Property	Acquisition		Percentage of Total Acquisition Cost		
		Date	Price(¥ million)			
Office	Tokyo Central 3 Wards	Akasaka Kyowa	2001/12/1	2,087	1.40%	
		Aoyama Suncrest	2001/12/1	3,356	2.25%	
		Ascend Kanda	2001/12/1	670	0.45%	
		Nikko Ichi-bancho	2001/12/1	3,900	2.61%	
		VX Kayabacho	2001/12/1	880	0.59%	
		DaVinci Shiroganedai	2001/12/21	1,300	0.87%	
		DaVinci Higashi Nihonbashi	2001/12/21	1,720	1.15%	
		DaVinci Akasaka Mitsuke	2001/12/21	1,650	1.11%	
		DaVinci Shiba 2	2001/12/21	707	0.47%	
		DaVinci Aoyama	2001/12/21	4,529	3.04%	
		Landic Minami Azabu	2002/1/10	1,394	0.93%	
		Landic Akasaka	2002/1/10	11,580	7.76%	
		Landic Akasaka 2	2002/1/10	2,624	1.76%	
		Landic Akasaka 3	2002/1/10	697	0.47%	
		Landic Mita 2	2002/1/10	1,748	1.17%	
		Shiba Daimon	2002/1/10	2,195	1.47%	
		Landic Nagai	2001/12/21	3,378	2.26%	
		ORIX Jimbo-cho Building	2003/9/29	7,500	5.03%	
		ORIX Shiba 2-chome Building	2003/9/29	4,177	2.80%	
		Aoyama 246 Building	2004/3/3	5,200	3.49%	
		Subtotal		61,292	41.09%	
		Other Tokyo Wards	Carrot Tower	2001/12/1	5,479	3.67%
			Center Machiya	2001/12/1	610	0.41%
			Toyo MK	2001/12/1	5,270	3.53%
			Nikko Moto Yoyogi	2001/12/1	5,091	3.41%
			Nikko Kagurazaka	2001/12/1	1,600	1.07%
			Round-Cross Nishi Shinjyuku	2001/12/1	2,650	1.78%
			DaVinci Gotanda	2001/12/21	587	0.39%
			DT Gaien	2001/12/21	2,430	1.63%
			DaVinci Kiba	2001/12/21	2,450	1.64%
			DaVinci Waseda	2001/12/21	1,628	1.09%
			DaVinci Yoyogi	2001/12/21	1,473	0.99%
			Landic Gotanda	2002/1/10	2,113	1.42%
			Sunny Building	2002/9/30	5,300	3.55%
			ORIX Ikebukuro Building	2003/4/18	9,577	6.42%
			ORIX Shinjuku Building	2003/9/29	8,300	5.56%
		Subtotal		54,558	36.58%	
	Greater Tokyo	Neo City Mitaka	2001/12/1	2,200	1.48%	
		Subtotal		2,200	1.48%	
	Other Cities	OX Basho no Tsuji	2001/12/1	882	0.59%	
		OX Otsu	2001/12/1	181	0.12%	
		Nagoya Itochu Building	2003/9/29	4,500	3.02%	
		Subtotal		5,563	3.73%	
	Total		123,614	82.88%		
Residential	Tokyo Central 3 Wards	Park Axis Nishi Azabu Stage	2001/12/1	1,219	0.82%	
		Subtotal		1,219	0.82%	
	Other Tokyo Wards	Grand Maison Hakusan	2001/12/1	455	0.31%	
Sonet Kami Ikebukuro		2001/12/1	2,377	1.59%		
	Subtotal		2,832	1.90%		
	Total		4,051	2.72%		
Others	Tokyo Central 3 Wards	Nihon Jisho Minami Aoyama Building	2003/10/31	2,548	1.71%	
		Subtotal		2,548	1.71%	
	Other Tokyo Wards	OX Kameido	2001/12/1	438	0.29%	
		CUBE Daikanyama	2004/3/31	2,435	1.63%	
		Subtotal		2,873	1.93%	
	Greater Tokyo	Cross Gate	2002/1/10	15,040	10.08%	
		Subtotal		15,040	10.08%	
	Other Cities	OX Mito	2001/12/1	498	0.33%	
OX Gifu		2001/12/1	528	0.35%		
	Subtotal		1,026	0.69%		
	Total		21,487	14.41%		
	Grand Total		149,152	100.00%		

Newly acquire building