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For Immediate Release

REIT Issuer:

ORIX JREIT Inc. (TSE: 8954)
Koichiro Muta
Executive Director

Investment Trust Management Company:

ORIX Asset Management Corporation
Mitsuo Sato
Representative Director and President

Inquiries:

Hirofumi Yatsuduka
Director, Corporate Senior Vice President
TEL : +81 3 3435 3285

ORIX JREIT Announces Acquisition of Round-Cross Shinjuku 5-chome

TOKYO, April 24, 2007 — ORIX JREIT Inc. (“OJR”) announced today that it will complete the acquisition of the Round-Cross Shinjuku 5-chome building on April 26, in accordance with its decision to do so made public earlier in a March 27, 2006 press release.

1. Acquisition Summary

Asset to be acquired: Property
Property name: Round-Cross Shinjuku 5-chome
Acquisition price: ¥4,500,000,000 (excluding national and local consumption taxes)
Scheduled acquisition date: April 26, 2007
Current owner and seller: ORIX Real Estate Corporation
Anticipated funding method: Self-financed and loan proceeds
Payment terms: Approximately 5% down on execution of contract and 95% on transfer

2. Summary of Property for Acquisition

Building name	Round-Cross Shinjuku 5-chome
Postal address	17-5 Shinjuku 5-chome, Shinjuku-ku, Tokyo
Registered usage	Office and retail
Registered area	Land: 540.38 m ² Building: 4,447.82 m ² (total floor area)
Registered construction	Steel-frame, reinforced concrete, steel reinforced concrete, flat roof, 10 floors above ground with 2 basement floors
Registered completion date	October 18, 2006
Type of ownership	Fee simple
Previous owner	ORIX Real Estate Corporation
Acquisition price	¥ 4,500,000,000 (excluding national and local consumption taxes)
Assessed price	Assessed price: ¥ 4,300,000,000 Assessment date: March 1, 2006 Assessor: Morii Appraisal & Investment Consulting Inc.
Appraised value	Appraised value: ¥ 5,030,000,000 Appraisal date: April 1, 2007 Appraiser: Morii Appraisal & Investment Consulting Inc.

Scheduled acquisition date	April 26, 2007
Public transit access	About 3 minutes' walk from Shinjuku 3-chome Station, Tokyo Metro and Toei Line About 7 minutes' walk from Higashi Shinjuku Station, Toei Line About 9 minutes' walk from JR Shinjuku Station * The building has a direct underground passageway connecting to the Shinjuku 3-chome Station on the Tokyo Metro new subway line (No. 13) scheduled to open in June 2008.
Usage restrictions	Commercial zoning (100% building-to-land ratio, 800% floor-to-area ratio)
Parking	8 mechanical spaces (including 1 space for people with disabilities), 1 loading/unloading space
Architect	Institute of New Architecture Inc.
Structural engineer	Institute of New Architecture Inc.
General contractor	SHIMIZU CORPORATION
Building inspection agency	Government inspection and JAPAN ERI Co., Ltd.
Major features and specifications	Individually controlled air conditioning, raised floors for computer wiring, 24/7 security system, other
Floor load	500 kg/ m ² (Heavy duty zones in some areas of floors 2 – 10: 1,000kg/ m ²)
Ceiling height	Basement floor 2: 2,800 mm and 3,100 mm (some areas 2,200 mm and 2,500 mm) Basement floor 1: 3,000 mm and 3,400 mm (some areas 2,500 mm and 2,800 mm) 1st floor: 2,800 mm (some areas 2,300 mm, 2,350 mm and 2,500 mm) 2nd - 10th floors: 2,600 mm (some areas 2,200 mm and 2,300 mm)
Leased area (standard floor area)	2nd - 5th floors: 291.40 m ² (88.14 <i>tsubo</i>), 6th - 9th floors: 291.02 m ² (88.03 <i>tsubo</i>)
Earthquake resistance	PML 12% (Based on SHIMIZU CORPORATION evaluation report) PML shows the estimated costs to recover buildings in the event of earthquake. The figure is based on the probability of an earthquake that may occur every 475 years, and expresses 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	4 (as of April 24, 2007)
Projected annual rental income (including common service charges)	¥266 million The projection is quoted from the first year income projection using the discount cash flow method in the Appraisal Report, and does not represent any projections by OJR or ORIX Asset Management Corporation.
Total rent space	2,012.24 m ² (as of April 24, 2007)
Total rentable space	3,089.29 m ²
Occupancy rate	65.1% (as of April 24, 2007)

4. Current Owner / Seller

*As of April 24, 2007

Company Name	ORIX Real Estate Corporation
Address	4-1, Hamamatsucho-2chome, Minato-ku, Tokyo
Representative	Hiroaki Nishina
Shareholders' Equity	¥ 200 million
Shareholder	ORIX Corporation (100%)
Operations	Development of condominiums, detached houses, and office buildings. Subleasing and management of condominiums, shops, and offices.
Relationships	Both ORIX Real Estate Corporation and ORIX Asset Management Corporation are subsidiaries of ORIX Corporation. Their relationships thus correspond to that of a Related Party stipulated in the Law Concerning Investment Trusts and Investment Corporations.

5. Information Regarding Ownership

Building name (Address)	Round-Cross Shinjuku 5-chome (17-5 Shinjuku 5-chome, Shinjuku-ku, Tokyo)
Previous ownership status	
Owner/company name	ORIX Real Estate Corporation
Special relationships involved	Wholly owned subsidiary of the parent company of the asset management company
Background to and reason for acquisition	New development (construction completed in October 2006)
Acquisition price	–
Acquisition date	–

6. Intermediary

N/A

7. Payment

Anticipated funding method: Self-financed and loan proceeds

Payment terms: Approximately 5% down on execution of contract and 95% on transfer

8. Schedule

March 27, 2006: Decision made to acquire the property

March 27, 2006: Execution of sale and purchase contract for the property

April 26, 2007: Transfer of the property

9. Future Outlook

The performance forecasts for the fiscal period ending August 2007 (March 1, 2007 – August 31, 2007), after taking into the impact of this acquisition, were published with the business results report of the fiscal period ended February 28, 2007 (September 1, 2006 – February 28, 2007).

Addendums

- I. Property photo
- II. Appraisal summary
- III. Portfolio summary after acquisition of property

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

I. Property photo



II. Appraisal Summary

- 1) Appraisal
Appraised Value ¥5,030,000,000-
Appraisal Date April 1, 2007
Appraiser Morii Appraisal & Investment Consulting Inc.

2) Valuations by method

- i. Cost Method..... ¥ 2,910,000,000-
ii. Income Method
· DCF value ¥4,980,000,000-
Discount Rate..... 4.3%
Terminal Capitalization Rate 4.8%
· DC Value ¥5,080,000,000-
Capitalization Rate..... 4.6%

3) Income projection

The following projection is quoted from the first and second year income projection using the discount cash flow method in the Appraisal Report, and does not represent any projections by OJR or ORIX Asset Management Corporation.

Unit: ¥ million

	The First Year	The Second Year
Rental Revenue	274	288
Other Revenue	20	20
Effective Gross Revenue	295	309
Vacancy Loss	(29)	(15)
Gross Revenue	266	293
Management /Maintenance Fee	43	39
Taxes	21	21
Other Costs	0	0
Total Costs	65	60
Net Operating Income (= Gross Revenue – Total Costs)	200	233
(a) Lump Sum	5	5
(b) Capital Expenditure	2	2
Net Cash Flow (= NOI + a – b)	203	236

Notes: Figures are rounded down to the nearest million yen, so there may be minor discrepancies in totals.

4) Long term projected repairs

According to the Engineering Report by NIKKEN SEKKEI Construction Management, Inc., maintenance cost over the next 12 years will be ¥38,390 thousand.

III. Portfolio Overview after Acquisition of Property

	Property	Acquisition		Percentage of Total Acquisition Cost	
		Date	Price(¥ million)		
Office	Tokyo Central 3 Wards	Aoyama Suncrest Building	December 1, 2001	3,356	1.5
		Nikko Ichi-bancho Building	December 1, 2001	3,900	1.7
		Beside Shirogane	December 21, 2001	1,300	0.6
		Round-Cross Aoyama	December 21, 2001	4,529	2.0
		Round-Cross Akasaka Mitsuke	December 21, 2001	1,650	0.7
		Nihonbashi East Building	December 21, 2001	1,720	0.8
		Round-Cross Minami Azabu	December 21, 2001	1,394	0.6
		Landic Akasaka Building 2	January 10, 2002	2,624	1.2
		Landic Mita Building 2	January 10, 2002	1,748	0.8
		Shiba Daimon Building	January 10, 2002	2,195	1.0
		Landic Nagai Building	January 10, 2002	3,378	1.5
		ORIX Jimbo-cho Building	September 29, 2003	4,177	1.9
		ORIX Shiba 2-chome Building	September 29, 2003	7,500	3.3
		Aoyama 246 Building	March 3, 2004	5,200	2.3
		ORIX Akasaka 2-chome Building	June 26, 2006	8,744	3.9
			December 4, 2006	13,116	5.9
	Nihonbashi Honcho 1-chome Building	March 28, 2007	10,500	4.7	
	Subtotal		77,031	34.4	
	Other Tokyo Wards	Carrot Tower	December 1, 2001	5,479	2.4
		Toyo MK Building	December 1, 2001	5,270	2.4
		Nikko Moto Yoyogi Building	December 1, 2001	5,091	2.3
		Round-Cross Nishi Shinjuku	December 1, 2001	2,650	1.2
		Beside Kiba	December 21, 2001	2,450	1.1
		DT Gaien	December 21, 2001	2,430	1.1
		Yoyogi Forest Building	December 21, 2001	1,473	0.7
		ORIX Ikebukuro Building	April 18, 2003	9,577	4.3
		ORIX Shinjuku Building	September 29, 2003	8,300	3.7
		Round-Cross Shinjuku	April 28, 2006	8,020	3.6
		Seafort Square Center Building	September 30, 2005	9,000	4.0
			April 28, 2006	9,000	4.0
		Round-Cross Kamata	March 1, 2006	5,640	2.5
		* Round-Cross Shinjuku 5-chome	April 26, 2007	4,500	2.0
		Subtotal		78,880	35.2
Greater Tokyo	Neo City Mitaka	December 1, 2001	2,200	1.0	
	Round-Cross Kawasaki	April 27, 2004	4,130	1.8	
	Subtotal		6,330	2.8	
Other Cities	Nagoya Itochu Building	September 29, 2003	4,500	2.0	
	Round-Cross Shinsaibashi	March 1, 2005	13,600	6.1	
	ORIX Koraibashi Building	April 27, 2005	5,560	2.5	
	ORE Nagoya Fushimi Building	May 30, 2005	10,040	4.5	
	Subtotal		33,700	15.0	
Office Total		195,941	87.5		
Retail	Tokyo Central 3 Wards	Nihon Jisho Minami Aoyama Building	October 31, 2003	2,548	1.1
		Subtotal		2,548	1.1
	Other Tokyo Wards	CUBE Daikanyama	March 31, 2004	2,435	1.1
		Subtotal		2,435	1.1
Retail Total		4,983	2.2		
Residential	Tokyo Central 3 Wards	Park Axis Nishi Azabu Stage	December 1, 2001	1,219	0.5
		Subtotal		1,219	0.5
	Other Tokyo Wards	Grand Maison Hakusan	December 1, 2001	455	0.2
		Sonet Kami Ikebukuro	December 1, 2001	2,377	1.1
		Subtotal		2,832	1.3
Residential Total		4,051	1.8		
Hotel	Greater Tokyo	Cross Gate	January 10, 2002	15,040	6.7
		Subtotal		15,040	6.7
	Hotel Total		15,040	6.7	
Others	Greater Tokyo	Koshigaya Logistics Center	April 28, 2006	4,000	1.8
		Subtotal		4,000	1.8
	Others Total		4,000	1.8	
Grand Total		224,015	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. "Acquisition price ratio" 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 "Acquisition price ratio." Totals for the "Acquisition price ratio" may not tally as a result of rounding.