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For Immediate Release

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ORIX JREIT Announces Disposal of Round-Cross Shinsaibashi

TOKYO, September 16, 2008 — ORIX JREIT Inc. (“OJR”) announced today that it has decided to sell Round-Cross Shinsaibashi, one of the properties in its portfolio. Details are below.

1. Disposal summary

Property name	Round-Cross Shinsaibashi
Property to be disposed	Real estate property
Disposal price	¥14,500 million (Excludes adjustments, such as property tax, fixed asset tax, and city planning tax, as well as consumption tax)
Book value	¥14,228 million (As of February 29, 2008)
Difference between disposal price and book value	¥271 million
Contract date	September 19, 2008
Scheduled delivery date	September 25, 2008
Buyer	Shinsaibashi Realty, LLC
Delivery method	Upon execution of the trust agreement relating to the real estate beneficial interest, OJR will transfer beneficial interest.

* Figures are rounded down to the nearest million yen.

2. Rationale for Disposal

OJR has owned Round-Cross Shinsaibashi (“the property”) since March 2005 and has been soundly operating the property. However, the property has grown increasingly obsolescent. Since both the property’s current competitiveness as an office building in the Shinsaibashi area and its future growth potential through improving asset value are limited, ORIX Asset Management Corporation (“OAM”), which manages OJR’s assets, has been considering the options of either continued ownership following improvements, etc., or disposal of the property.

After thorough consideration, OJR has determined that the disposal option is in the interests of shareholders, taking a comprehensive view of such factors as the property’s scope for internal growth, the effect on the asset composition of the portfolio overall, and the effect on dividends.

3. Summary of property to be disposed

Asset type	Real estate property	
Address	2-3, Nishi-Shinsaibashi 2-chome, Chuo-ku, Osaka-city, Osaka	
Acquisition price	¥13,600 million	
Appraisal value	¥13,700 million (appraised by Morii Appraisal & Investment Consulting Inc. as of September 8, 2008)	
Use	Commercial district	
Land	Site area	2,304.74 m ²
	Type of ownership	Fee simple ownership (100%)
Building	Use	Offices, shops, parking (register)
	Date of construction	April, 1986 (register)
	Total floor area	23,483.28 m ² (register)
	Structure	Steel-frame, steel-frame reinforced concrete, reinforced-concrete with flat roof 14 floors with 2 underground floors
	Type of ownership	Fee simple ownership (100%)
Number of tenants	17 (As of September 16, 2008)	
Total leased space	14,538.93 m ² (As of September 16, 2008)	
Total rentable space	16,470.94 m ² (As of September 16, 2008)	
Occupancy rate	88.3% (As of September 16, 2008)	

4. Profile of brokers

As of September 11, 2008

Company Name	The Sumitomo Trust and Banking Company, Limited
Address	5-33, Kitahama 4-chome, Chuo-ku, Osaka
Representative	Hitoshi Tsunekage, President & CEO
Relationship	Asset custodian and general affairs trustee of OJR

Company Name	Sumishin Realty Co., Ltd.
Address	3-1, Yaesu 2-chome, Chuo-ku, Tokyo
Representative	Junpei Norimatsu, President & CEO
Relationship	None

*Two companies have brokered the deal collectively.

*Commissions paid to the brokers have not been disclosed in accordance with the wishes of the brokers.

5. Profile of buyer

As of September 8, 2008

Company Name	Shinsaibashi Realty, LLC
Address	C/O Tokyo Kyodo Kaikei Office, 1-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Representative	Masato Kaida, Business Executor, limited liability intermediate company Ark Harbor 12
Shareholders' equity	¥ 1 million
Major shareholder	- *
Operations	Lease, sale, purchase, maintenance, and management of real estate and real estate beneficial interest, etc.
Relationship	ORIX Real Estate Investment Advisors Corporation ("related party") is the asset management company of Shinsaibashi Realty, LLC.

*OJR does not have the buyer's approval to disclose the name of the major shareholder.

6. Settlement method

Lump sum settlement on settlement date

7. Transfer schedule

September 16, 2008: Decision made to dispose the property

September 19, 2008 (tentative): Execution of sale and purchase contract for the property

September 25, 2008 (tentative): Execution of the trust agreement relating to the beneficial interest, transfer beneficial interest

8. Future outlook

The effect of this disposal and the acquisition of the ORIX Nagoya Nishiki Building on the earnings forecasts for the period ending February 2009 (September 1, 2008 – February 28, 2009) will be insignificant, and accordingly there are no changes to the earnings forecasts for that period. Please refer to the news release “ORIX JREIT Announces Acquisition of ORIX Nagoya Nishiki Building” dated today for the summary of the acquisition.

Reference:

Portfolio summary after the disposal of property and acquisition of ORIX Nagoya Nishiki Building

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.

Portfolio summary after disposal of property and acquisition of ORIX Nagoya Nishiki Building

	Property	Acquisition		Percentage of Total Acquisition Cost	
		Date	Price(¥ million)		
Offices	3 central Tokyo wards	Aoyama Suncrest Building	December 1. 2001	3,356	1.3
		Round-Cross Ichi-bancho	December 1. 2001	3,900	1.5
		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	0.7
		Round-Cross Minami Azabu	December 21. 2001	1,394	0.5
		Round-Cross Akasaka	January 10. 2002	2,624	1.0
		Round-Cross Mita	January 10. 2002	1,748	0.7
		Shiba Daimon Building	January 10. 2002	2,195	0.8
		Round-Cross Tsukiji	January 10. 2002	3,378	1.3
		ORIX Jimbo-cho Building	September 29. 2003	4,177	1.6
		ORIX Shiba 2-chome Building	September 29. 2003	7,500	2.9
		Aoyama 246 Building	March 3. 2004	5,200	2.0
		ORIX Akasaka 2-chome Building	June 26. 2006	21,860	8.4
			December 4. 2006		
		Nihonbashi Honcho 1-chome Building	March 28. 2007	10,500	4.0
		ORIX Suidobashi Building	March 28. 2008	3,000	1.1
		ORIX Shinagawa Building	June 27. 2008	15,200	5.8
	Subtotal		90,702	34.7	
	Remaining Tokyo wards	Carrot Tower	December 1. 2001	5,479	2.1
		Toyo MK Building	December 1. 2001	5,270	2.0
		Round-Cross Moto Yoyogi	December 1. 2001	5,091	1.9
		Round-Cross Nishi Shinjuku	December 1. 2001	2,650	1.0
		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	0.6
		ORIX Ikebukuro Building	April 18. 2003	9,577	3.7
		ORIX Shinjuku Building	September 29. 2003	8,300	3.2
		Round-Cross Shinjuku	April 28. 2006	8,020	3.1
		Seafort Square Center Building	September 30. 2005	18,000	6.9
			April 28. 2006		
		Round-Cross Kamata	March 1. 2006	5,640	2.2
		Round-Cross Shinjuku 5-chome	April 26. 2007	4,500	1.7
KN Jiyugaoka Plaza		May 30. 2007	3,110	1.2	
ST WORLD Building	March 28. 2008	3,500	1.3		
Subtotal		85,490	32.7		
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	1.6	
Subtotal		6,330	2.4		
Other areas	Nagoya Itochu Building	September 29. 2003	4,500	1.7	
	ORIX Koraibashi Building	April 27. 2005	5,560	2.1	
	ORE Nagoya Fushimi Building	May 30. 2005	10,040	3.8	
	Lunar Sendai	June 28. 2007	8,500	3.3	
	* ORIX Nagoya Nishiki Building	September 29. 2008	12,500	4.8	
Subtotal		41,100	15.7		
Offices Total		223,622	85.6		
Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28. 2006	4,000	1.5
		Toda Park Logistics Center	March 28. 2008	9,600	3.7
		Subtotal		13,600	5.2
Logistics Facilities Total		13,600	5.2		
Retail Facilities	3 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31. 2003	2,548	1.0
		Subtotal		2,548	1.0
	Remaining Tokyo wards	CUBE Daikanyama	March 31. 2004	2,435	0.9
		Subtotal		2,435	0.9
Retail Facilities Total		4,983	1.9		
Hotels	Other parts of the greater Tokyo area	Cross Gate	January 10. 2002	15,040	5.8
		Subtotal		15,040	5.8
		Hotels Total		15,040	5.8
Others	3 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1. 2001	1,219	0.5
		Subtotal		1,219	0.5
	Remaining Tokyo wards	Grand Maison Hakusan	December 1. 2001	455	0.2
		Sonet Kami Ikebukuro	December 1. 2001	2,377	0.9
		Subtotal		2,832	1.1
Others Total		4,051	1.6		
Grand Total		261,296	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.