



NEWS RELEASE

Feb 18, 2010

R&I Assigns A+: Orix JREIT Inc. Shelf Reg. SB No.1

Rating and Investment Information, Inc. (R&I) has announced the following.

ISSUER: Orix JREIT Inc. (Sec. Code: 8954)
Preliminary Rating for the Shelf Registration (Bonds)
Unsec. Str. Bonds No.1
New Issue (issued under the Shelf Registration)
R&I RATING: A+ (Assigned)

RATIONALE:

Orix JREIT Inc. (OJR) is a real estate investment trust (J-REIT) listed on the TSE in June 2002. OJR is a diversified fund, investing mainly in office buildings. It also invests in logistics facilities and properties for other uses. The main sponsor is Orix Corp.

OJR invests primarily in office buildings in the Tokyo metropolitan area. As a result of aggressive acquisition of properties developed by its sponsors, the average building age has decreased, and the quality of the portfolio has improved. The profitability of its properties is on a decline due to the deterioration of the rental market conditions, but since many of them have strong demand from tenants, its cash flow level seems solid. The debt ratio management policy is conservative, and the financing base is relatively stable.

The primary rating methodologies applied to this rating are provided at "R&I J-REIT Rating Methodology" and "Basic Methodologies for R&I's Credit Rating". The methodologies are available at the web site listed below, together with other rating methodologies that are taken into consideration when assigning the rating.

<http://www.r-i.co.jp/eng/rating/st/methodology.html>

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R&I RATINGS:

ISSUER: Orix JREIT Inc. (Sec. Code: 8954)
ISSUE: Preliminary Rating for the Shelf Registration (Bonds)
Issue Amount: Yen 200,000 million (Shelf Amount)
Issue Period: Two years from Feb 17, 2010
R&I RATING: A+ (Assigned)

The following rating has been assigned to bonds to be issued under the shelf registration rated above:

LONG-TERM ISSUE RATING:	Issue Date	Redemption	Issue Amount (mn)
Unsec. Str. Bonds No.1	Feb 25, 2010	Feb 25, 2013	Yen 12,000
R&I RATING:	A+ (Assigned)		

Notes/Financial covenants:

negative pledge clause, which covers other unsecured domestic bonds the firm issued or may issue in the future, except those with a change of security status clause.

ISSUER RATING: A+
RATING OUTLOOK: Stable

In principle, an Issuer Rating is R&I's opinion on an issuer's overall capacity to repay its financial obligations as agreed and is assigned to all issuers. The rating of individual obligations includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than the Issuer Rating.

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Credit ratings are statements of R&I's opinions regarding an issuer's general capacity to fulfill its financial obligations and the certainty of the fulfillment of its individual obligations as promised (creditworthiness) and are not statements of fact. Further, R&I does not state its opinions about any risks other than credit risk, give advice regarding investment decisions or financial matters, or endorse the merits of any investment. R&I does not undertake any independent verification of the accuracy or other aspects of the related information when issuing a credit rating and makes no related representations or warranties. R&I is not liable in any way for any damage arising in relation to credit ratings (including amendment or withdrawal thereof). As a general rule, R&I issues a credit rating for a fee paid by the issuer. For details, please refer to <http://www.r-i.co.jp/eng/about.html>.

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