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**For Immediate Release**

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**ORIX JREIT Announces Sale of ORIX Jimbo-cho Building**

TOKYO, March 3, 2010 — ORIX JREIT Inc. (“OJR”) announced today that it has decided to sell the ORIX Jimbo-cho Building, one of the properties in its portfolio. Details are below.

**1. Sale summary**

Property name	ORIX Jimbo-cho Building
Asset to be sold	Property
Sale price	¥4,150 million (Excludes adjustments, such as property tax and city planning tax, as well as consumption tax)
Book value	¥4,010 million (As of August 31, 2009)
Difference between sale price and book value	¥ 139 million
Contract date	March 3, 2010
Scheduled delivery date	March 10, 2010
Buyer	DA Office Investment Corporation
Delivery method	Upon conclusion of the trust agreement relating to the beneficial interest, OJR will transfer the real estate trust beneficial interest

\* Figures are rounded down to the nearest million yen.

**2. Rationale for Sale**

OJR was listed on the stock exchange as a diversified J-REIT in 2002, and the company has built up a portfolio that centers on office buildings and the greater Tokyo area from the perspective of achieving stable distribution of profit over the medium to long term. Based on this portfolio, OJR has so far achieved internal growth against the backdrop of a solid office rental market by working to improve occupancy rates and raising rents. Nevertheless, OJR is anticipating a decline in revenue and income in the company’s financial results for the 16th period (the year ended February 2010) with the impact of the deterioration in the office rental market brought about by the global financial crisis. Although the signs of recovery are visible in the Japanese economy, the improvement in corporate earnings and employment conditions still remains slow, so we believe that a recovery in the office rental market will also take some time.

In this business environment, OJR will maintain the same policy as in the past, targeting at least 80% of its investment at office buildings and the greater Tokyo area. At the same time, the company has decided that, in order to increase the stability and profitability of its portfolio and to maintain and improve profit distribution, it is essential to (1) invest in carefully selected assets (retail facilities, sites, etc.) with outstanding stability in cash flow and profitability as well as (2) strive to strengthen stability

and profitability by asset reshuffling with regard to OJR's core portfolio of office buildings in the greater Tokyo area.

Based on the business environment outlined above and our basic philosophy on building the portfolio, OJR has decided on the sale of one office building in question.. Furthermore, OJR has decided to acquire the two retail facilities and the site (land with fixed-term business-use leasehold interest) as of today. For details, see "ORIX JREIT Announces Acquisition of Three Properties: aune Kohoku, aune Makuhari and Kobe Momoyamadai Shopping Center (site)" dated today.

Considering the current operating situation of the property in question and anticipated fluctuation of the property value as well as considering the overall portfolio composition and influence on the profit distribution, OJR plans to sell the property as well as intends to strengthen stability and profitability with regard to OJR's portfolio focusing on office buildings in the greater Tokyo area by making use of the capital gain. Meanwhile, OJR plans to record the gain to internal reserves as an allowance by means of the advanced accounting method based on the "Exceptional Handling of Taxation in the event of In-Advance Acquisition of Land, etc., in 2009 and 2010 for Future Use" with the aim of strengthening the company's financial base.

OJR is considering additional acquisition and sale of asset during March 2010 with the aim of further increasing the stability and profitability of its portfolio. The company will make separate announcements with regard to the additional acquisition and sale of asset under consideration as the details are decided.

Looking to the future, OJR will strive to strengthen its portfolio so that it can respond flexibly and promptly to changes in the business environment to secure stable profit distribution in the medium to long term through an external growth strategy that takes full advantage of the company's strengths as a diversified J-REIT.

### **3. Summary of property to be sold**

Asset type		Real estate property
Address		4-63, Kanda jinbocho 2-chome, Chiyoda-ku, Tokyo
Acquisition price		¥4,177 million
Appraisal value		¥4,170 million (appraised by Chuo Real Estate Appraisal Co., Ltd. as of February 28, 2010)
Use		Commercial district
Land	Site area	598.04 m <sup>2</sup>
	Type of ownership	Fee simple ownership
Building	Use	Office, Parking (register)
	Date of construction	March 1997 (register)
	Total floor area	4,247.18 m <sup>2</sup> (register)
	Structure	Steel-framed with flat roof, 8 floors with 1 underground floor
	Type of ownership	Fee simple ownership
Number of tenants		2 (As of March 3, 2010)
Gross rental income		¥166 million (From March 1, 2009 to August 31, 2009)
Security deposits		¥234 million (As of August 31, 2009)
Total leased space		3,166.84 m <sup>2</sup> (As of March 3, 2010)
Total rentable space		3,166.84 m <sup>2</sup> (As of March 3, 2010)
Occupancy rate		100% (As of March 3, 2010)

### **4. Profile of broker**

None.

### **5. Profile of buyer**

As of February 19, 2010

Company Name	DA Office Investment Corporation
Address	6-2-1, Ginza, Chuo-ku, Tokyo
Representative	Yoshiki Nishigaki
Operations	Investment management of assets in specific assets as set out in Article 2, Paragraph 1 of the Investment Trust and Investment Corporation Law

Shareholders' equity	¥198,780 million (As of November 30, 2009)
Date of establishment	July 11, 2005
Net assets	¥201,491 million (As of November 30, 2009)
Total assets	¥286,901 million (As of November 30, 2009)
Relationships with OJR or its asset management company	
Capital relationships	There is no capital relationship that requires reporting between OJR or ORIX Asset Management Corporation ("OAM") and the company in question.
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 or OAM. In addition, the related parties of the company in question are not those for OJR or OAM.

## **6. Settlement method**

Lump sum settlement on settlement date

## **7. Transfer schedule**

March 3, 2010 : Decision to sell, execution of the real estate trust beneficial interest sale and purchase agreement  
 March 10, 2010 (tentative): Execution of the trust agreement relating to beneficial interest, sale of the real estate trust beneficial interest

## **8. Future outlook**

In addition to the sale of the property in question, OJR has also decided to acquire the two retail facilities and the site (land with fixed-term business-use leasehold interest) as of today (See "ORIX JREIT Announces Acquisition of Three Properties: aune Kohoku, aune Makuhari and Kobe Momoyamadai Shopping Center (site)" dated today for details.). OJR plans to record the gain on the sale of the office building in question to internal reserves as an allowance by means of the advanced accounting method based on the "Exceptional Handling of Taxation in the event of In-Advance Acquisition of Land, etc., in 2009 and 2010 for Future Use" with the aim of strengthening the company's financial base. As a result, the sale and acquisitions in question will have little impact on business performance in the period ending in August 2010 (from March 1, 2010 to August 31, 2010), and there are no changes to earning forecast for the period in question. If, for any reason, the gain on the sale in question is not recorded to internal reserves, OJR will make an announcement immediately.

Furthermore, as stated in 2. "Rationale for Sale", OJR is considering additional acquisition and sale of asset during March 2010 on top of the acquisitions and sale that it has announced today, with the aim of further increasing the stability and profitability of its portfolio. The company will make separate announcements with regard to the additional acquisition and sale of asset under consideration as the details are decided.

Reference:

Portfolio summary after sale of the ORIX Jimbo-cho Building and acquisition of three properties

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.

Portfolio summary after sale of the ORIX Jimbo-cho Building and acquisition of three properties

	Property	Acquisition		Percentage of Total Acquisition Cost	
		Date	Price(¥ million)		
Offices	3 central Tokyo wards	Aoyama Suncrest Building	December 1. 2001	3,356	1.2
		Round-Cross Ichi-bancho	December 1. 2001	3,900	1.4
		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	0.6
		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	0.8
		Round-Cross Tsukiji	January 10. 2002	3,378	1.2
		ORIX Shiba 2-chome Building	September 29. 2003	7,500	2.6
		Aoyama 246 Building	March 3. 2004	5,200	1.8
		ORIX Akasaka 2-chome Building	June 26. 2006	21,860	7.7
			December 4. 2006		
		Nihonbashi Honcho 1-chome Building	March 28. 2007	10,500	3.7
		ORIX Suidobashi Building	March 28. 2008	3,000	1.1
		ORIX Shinagawa Building	June 27. 2008	15,200	5.3
		<b>Subtotal</b>		<b>86,525</b>	<b>30.4</b>
		Remaining Tokyo wards	Carrot Tower	December 1. 2001	5,479
	Toyo MK Building		December 1. 2001	5,270	1.9
	Round-Cross Moto Yoyogi		December 1. 2001	5,091	1.8
	Round-Cross Nishi Shinjuku		December 1. 2001	2,650	0.9
	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	0.5
	ORIX Ikebukuro Building		April 18. 2003	9,577	3.4
	ORIX Shinjuku Building		September 29. 2003	8,300	2.9
	Round-Cross Shinjuku		April 28. 2006	8,020	2.8
	Seafort Square Center Building		September 30. 2005	18,000	6.3
			April 28. 2006		
	Round-Cross Kamata		March 1. 2006	5,640	2.0
	Round-Cross Shinjuku 5-chome		April 26. 2007	4,500	1.6
	KN Jiyugaoka Plaza		May 30. 2007	3,110	1.1
	ST WORLD Building		March 28. 2008	3,500	1.2
	ORIX Real Estate Nishi Shinjuku Building		March 27. 2009	13,600	4.8
	<b>Subtotal</b>			<b>99,090</b>	<b>34.9</b>
	Other parts of the greater Tokyo area		Neo City Mitaka	December 1. 2001	2,200
		Round-Cross Kawasaki	April 27. 2004	4,130	1.5
		Omiya Miyacho Building	March 27. 2009	4,400	1.5
		<b>Subtotal</b>		<b>10,730</b>	<b>3.8</b>
	Other areas	Nagoya Itochu Building	September 29. 2003	4,500	1.6
		ORIX Koraibashi Building	April 27. 2005	5,560	2.0
		Lunar Sendai	June 28. 2007	8,500	3.0
		ORIX Nagoya Nishiki Building	September 29. 2008	12,500	4.4
		<b>Subtotal</b>		<b>31,060</b>	<b>10.9</b>
	<b>Offices Total</b>		<b>227,405</b>	<b>80.0</b>	
	Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28. 2006	4,000
Toda Park Logistics Center			March 28. 2008	9,600	3.4
Ichikawa Logistics Center			September 29. 2008	8,300	2.9
<b>Subtotal</b>			<b>21,900</b>	<b>7.7</b>	
<b>Logistics Facilities Total</b>		<b>21,900</b>	<b>7.7</b>		
Retail Facilities	3 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31. 2003	2,548	0.9
		<b>Subtotal</b>		<b>2,548</b>	<b>0.9</b>
	Remaining Tokyo wards	CUBE Daikanyama	March 31. 2004	2,435	0.9
		<b>Subtotal</b>		<b>2,435</b>	<b>0.9</b>
	Other parts of the greater Tokyo area *	aune Kohoku	March 10. 2010 (sheduled)	4,000	1.4
		aune Makuhari	March 10. 2010 (sheduled)	3,600	1.3
	<b>Subtotal</b>		<b>7,600</b>	<b>2.7</b>	
Other areas *	Kobe Momoyamadai Shopping Center (Site)	March 5. 2010 (sheduled)	3,260	1.1	
<b>Subtotal</b>		<b>3,260</b>	<b>1.1</b>		
<b>Retail Facilities Total</b>		<b>15,843</b>	<b>5.6</b>		
Hotels	Other parts of the greater Tokyo area	Cross Gate	January 10. 2002	15,040	5.3
		<b>Subtotal</b>		<b>15,040</b>	<b>5.3</b>
	<b>Hotels Total</b>		<b>15,040</b>	<b>5.3</b>	
Others	3 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1. 2001	1,219	0.4
		<b>Subtotal</b>		<b>1,219</b>	<b>0.4</b>
	Remaining Tokyo wards	Grand Maison Hakusan	December 1. 2001	455	0.2
		Sonet Kami Ikebukuro	December 1. 2001	2,377	0.8
	<b>Subtotal</b>		<b>2,832</b>	<b>1.0</b>	
<b>Others Total</b>		<b>4,051</b>	<b>1.4</b>		
<b>Grand Total</b>	<b>51 propeties</b>		<b>284,239</b>	<b>100.0</b>	

\* 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