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For Immediate Release

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ORIX JREIT Announces Sale of ORIX Shinjuku Building

TOKYO, March 25, 2010 — ORIX JREIT Inc. (“OJR”) announced today that it has decided to sell the ORIX Shinjuku Building, one of the properties in its portfolio. Details are below.

1. Sale summary

Property name	ORIX Shinjuku Building
Asset to be sold	Property
Sale price	¥9,000 million (Excludes adjustments, such as property tax and city planning tax, as well as consumption tax)
Book value	¥7,916 million (As of August 31, 2009)
Difference between sale price and book value	¥1,083 million
Contract date	March 25, 2010
Scheduled delivery date	March 26, 2010
Buyer	TOKYU REIT, Inc.
Delivery method	Transfer of fee simple ownership

* Figures are rounded down to the nearest million yen.

2. Rationale for Sale

OJR will maintain the same policy as in the past, targeting at least approximately 80% of its investment at office buildings and in 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 prudently selected assets with outstanding stability in cash flow and profitability (commercial facilities, sites, logistic centers, etc.), 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. See “ORIX JREIT Announces Acquisition of Three Properties : aune Kohoku, aune Makuhari and Kobe Momoyamadai Shopping Center (site)” and “ORIX JREIT Announces Sale of ORIX Jimbo-cho Building” dated March 3, 2010 for the details.

As a part of these efforts, OJR has now decided to sell ORIX Shinjuku Building, which falls into (2) above. (As of today, OJR has decided to acquire two office buildings and one logistics facility. See “ORIX JREIT Announces Acquisition of Three Properties : OX Tamachi Building, Omiya Shimocho 1-chome Building and Sakai Logistics Center North Building” for the details.) As a result, OJR has completed the assets acquisition and reshuffling that it had been considering for March. (As of today, OJR has decided to upwardly revise its earnings forecast for the period ending August 2010. See “ORIX JREIT Revises Earnings Forecast for the 17th Fiscal Period (Ending August 31, 2010) dated today for the details.)

Looking to the future, OJR will strive to build a portfolio that 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 comprehensive J-REIT.

3. Summary of property to be sold

Asset type		Real estate property
Address		3-25, Shinjuku 4-chome, Shinjuku-ku, Tokyo
Acquisition price		¥8,300 million
Appraisal value		¥10,160 million (appraised by Chuo Real Estate Appraisal Co., Ltd. as of February 28, 2010)
Use		Commercial district
Land	Site area	1,113.87 m ² (register)
	Type of ownership	Fee simple ownership
Building	Use	Office, Parking (register)
	Date of construction	May 2003 (register)
	Total floor area	8,720.09 m ² (register)
	Structure	Steel-reinforced concrete, flat roof, 10 floors
	Type of ownership	Building ownership
Number of tenants		9 (As of March 25, 2010)
Gross rental income		¥609 million (From September 1, 2008 to August 31, 2009)
Security deposits		¥535 million (As of August 31, 2009)
Total leased space		6,130.45 m ² (As of March 25, 2010)
Total rentable space		6,130.45 m ² (As of March 25, 2010)
Occupancy rate		100.0% (As of March 25, 2010)

4. Profile of broker

As of March 15, 2010

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

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

5. Profile of buyer

As of March 24, 2010

Company Name	TOKYU REIT, Inc.
Address	12-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo
Representative	Masahiro Horie
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	¥98,019 million (As of July 31, 2009)
Date of establishment	June 20, 2003
Net assets	¥100,646 million (As of July 31, 2009)
Total assets	¥217,200 million (As of July 31, 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 25, 2010 (tentative): Decision to sell, execution of the sale and purchase agreement

March 26, 2010 (tentative): Transfer of the property

8. Future outlook

For the impact of the sale of the property in question and ORIX Jimbo-cho Building (press release dated March 3, 2010), and the acquisition of the total six properties, including aune Kohoku, aune Makuhari and Kobe Momoyamadai Shopping Center (site) (press release dated March 3, 2010) and OX Tamachi Building, Omiya Shimocho 1-chome Building and Sakai Logistics Center North Building (press release dated today) as well as the present portfolio overall on business performance for the period ending August 2010 (March 1, 2010 – August 31, 2010), please see the press release “ORIX JREIT Revises Earnings Forecast for the 17th Fiscal Period (Ending August 31, 2010)” dated today.

Reference:

Portfolio summary after sale of the ORIX Shinjuku Building and acquisition of three properties

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Portfolio summary after sale of the ORIX Shinjuku 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	1.1	
		Round-Cross Ichi-bancho	December 1. 2001	3,900	1.3	
		Beside Shirogane	December 21. 2001	1,300	0.4	
		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	0.7	
		Round-Cross Tsukiji	January 10. 2002	3,378	1.1	
		ORIX Shiba 2-chome Building	September 29. 2003	7,500	2.5	
		Aoyama 246 Building	March 3. 2004	5,200	1.8	
		ORIX Akasaka 2-chome Building	June 26. 2006 December 4. 2006	21,860	7.4	
		Nihonbashi Honcho 1-chome Building	March 28. 2007	10,500	3.5	
		ORIX Suidobashi Building	March 28. 2008	3,000	1.0	
		ORIX Shinagawa Building	June 27. 2008	15,200	5.1	
		* OX Tamachi Building	March 29, 2010 (sheduled)	6,730	2.3	
	Subtotal		93,255	31.4		
	Remaining Tokyo wards	Carrot Tower	December 1. 2001	5,479	1.8	
		Toyo MK Building	December 1. 2001	5,270	1.8	
		Round-Cross Moto Yoyogi	December 1. 2001	5,091	1.7	
		Round-Cross Nishi Shinjuku	December 1. 2001	2,650	0.9	
		Beside Kiba	December 21. 2001	2,450	0.8	
		DT Gaien	December 21. 2001	2,430	0.8	
		Yoyogi Forest Building	December 21. 2001	1,473	0.5	
		ORIX Ikebukuro Building	April 18. 2003	9,577	3.2	
		Round-Cross Shinjuku	April 28. 2006	8,020	2.7	
		Seafort Square Center Building	September 30. 2005 April 28. 2006	18,000	6.1	
		Round-Cross Kamata	March 1. 2006	5,640	1.9	
		Round-Cross Shinjuku 5-chome	April 26. 2007	4,500	1.5	
		KN Jiyugaoka Plaza	May 30. 2007	3,110	1.0	
		ST WORLD Building	March 28. 2008	3,500	1.2	
		ORIX Real Estate Nishi Shinjuku Building	March 27. 2009	13,600	4.6	
		Subtotal		90,790	30.6	
		Other parts of the greater Tokyo area	Neo City Mitaka	December 1. 2001	2,200	0.7
	Round-Cross Kawasaki		April 27. 2004	4,130	1.4	
	Omiya Miyacho Building		March 27. 2009	4,400	1.5	
	* Omiya Shimocho 1-chome Building		March 29, 2010 (sheduled)	3,750	1.3	
	Subtotal			14,480	4.9	
	Other areas	Nagoya Itochu Building	September 29. 2003	4,500	1.5	
		ORIX Koraibashi Building	April 27. 2005	5,560	1.9	
		Lunar Sendai	June 28. 2007	8,500	2.9	
		ORIX Nagoya Nishiki Building	March 29. 2010	12,500	4.2	
		Subtotal		31,060	10.5	
	Offices Total		229,585	77.4		
	Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28. 2006	4,000	1.3
			Toda Park Logistics Center	March 28. 2008	9,600	3.2
Ichikawa Logistics Center			September 29. 2008	8,300	2.8	
Subtotal				21,900	7.4	
Other areas		* Sakai Logistics Center North Building	March 30, 2010 (sheduled)	10,200	3.4	
		Subtotal		10,200	3.4	
Logistics Facilities Total		32,100	10.8			
Retail Facilities	3 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31. 2003	2,548	0.9	
		Subtotal		2,548	0.9	
	Remaining Tokyo wards	CUBE Daikanyama	March 31. 2004	2,435	0.8	
		Subtotal		2,435	0.8	
	Other parts of the greater Tokyo area	aune Kohoku	March 10. 2010	4,000	1.3	
		aune Makuhari	March 10. 2010	3,600	1.2	
		Subtotal		7,600	2.6	
	Other areas	Kobe Momoyamadai Shopping Center (Site)	March 5. 2010	3,260	1.1	
Subtotal			3,260	1.1		
Retail Facilities Total		15,843	5.3			
Hotels	Other parts of the greater Tokyo area	Cross Gate	January 10. 2002	15,040	5.1	
		Subtotal		15,040	5.1	
	Hotels Total		15,040	5.1		
Others	3 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1. 2001	1,219	0.4	
		Subtotal		1,219	0.4	
	Remaining Tokyo wards	Grand Maison Hakusan	December 1. 2001	455	0.2	
		Sonet Kami Ikebukuro	December 1. 2001	2,377	0.8	
		Subtotal		2,832	1.0	
Others Total		4,051	1.4			
Grand Total	53 propeties		296,619	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.