

< For Immediate Release >

19 September 2003

ORIX JREIT Inc. (TSE: 8954)
Hiroshi Ichikawa
Executive Director

ORIX Asset Management Corporation
Hirohisa Saito
Executive Director
Tel: +81 3 3435 3285

ORIX JREIT Inc. announces debt repayment and new debt finance

Tokyo, Japan, September 19, 2003 - ORIX Asset Management Corp. ("OAM"), the asset management company of ORIX JREIT Inc. ("OJR") announced today that its Board of Directors approved the following debt finance of JPY17.3 billion in connection with the acquisition of four buildings. OJR received approximately JPY24.1 billion in proceeds from the issuance of new investment units on 17 September 2003, and plans to put a part of its proceeds to repay all short-term borrowings on September 22, 2003.

1. Debt Repayment

Repayment 1 Summary

1. Lenders	The Sumitomo Trust & Banking, The Mitsubishi Trust & Banking, The Chuo Mitsui Trust and Banking, Tokio Marine & Fire Insurance.
2. Borrowing amount	JPY5.5 billion
3. Interest rate	1.07917%
4. Loan terms	Secured, non-guaranteed, floating rate
5. Draw down date	30 September 2002
6. Principal payment	Bullet payment at maturity
7. Maturity	22 September 2003
8. Use of proceeds	Acquisition of Sunny Building
9. Repayment date	22 September 2003

Repayment 2 Summary

1. Lenders	The Sumitomo Trust & Banking, The Chuo Mitsui Trust & Banking, The Chiba Bank, Ltd. The Norinchukin Bank, Tokio Marine & Fire Insurance,
2. Borrowing amount	JPY9.8 billion
3. Interest rate	1.07917%
4. Loan terms	Secured, non-guaranteed, floating rate
5. Draw down date	18 April 2003
6. Principal payment	Bullet payment at maturity
7. Maturity	22 March 2004
8. Use of proceeds	Acquisition of ORIX Ikebukuro Building
9. Repayment date	22 September 2003

Note: A penalty will not be occurred by the early termination of Repayment 2.

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2. New Debt Finance

Summary

1. Lenders	The Sumitomo Trust & Banking, The Mitsubishi Trust & Banking, The Norinchukin Bank, Tokio Marine & Fire Insurance, SOMPO JAPAN INSURANCE INC., The Chiba Bank, Ltd., The Hachijuni Bank Ltd., Sumitomo Mitsui Banking Corporation, UFJ Trust Bank Limited, Mizuho Trust & Banking Co., Ltd.
2. Borrowing amount	JPY17.3 billion (fix rate:JPY8.65billion floating rate:JPY8.65billion)
3. Interest rate	To be determined
4. Loan terms	Secured, non-guaranteed,
5. Draw down date	29 September 2003
6. Principal payment	Bullet payment at maturity
7. Maturity	20 September 2008
8. Use of proceeds	Acquisition of ORIX Shinjuku Building, ORIX Jimbo-cho Building, ORIX Shiba 2-chome Building and Nagoya Itochu Building.

The following table summarises the change in LTV from the above debt repayment and new debt finance.

	Before	After	Change
Short-term debt	15,300	-	(15,300)
Long-term debt	43,000	60,300	17,300
Total interesting-bearing liability	58,300	60,300	2,000
Interest-bearing debt ratio	40%	41%	1%

Notes:

The amounts are in JPY million, except the Interest-bearing debt ratio. Interest-bearing debt ratio is calculated by dividing the interest-bearing debt with the sum of interest bearing-debt and total equity. Total equity JPY85, 821,396,000 includes proceeds from the issuance of new investment units totalling JPY24, 121,396,000 that OJR received on 17 September 2003.