

<For Immediate Release>

26 December 2003

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### **ORIX JREIT Inc. announces acquisition of Aoyama 246 Building**

Tokyo, Japan, 26 December 2003 – ORIX JREIT Inc. (“OJR”) announced today that OJR decided to purchase the Aoyama 246 Building from Aoyama 246 Birukanri K.K.

#### 1.Acquisition Summary

Interest to be acquired	Fee simple interest in land and building
Property name	Aoyama 246 Building
Acquisition value	JPY 5,200,000,000.-
Expected acquisition date	3 March 2004
Current owner	Aoyama 246 Birukanri K.K.
Anticipated funding method	Cash on hand and/ or loan proceeds

#### 2.Purpose of the acquisition

OJR will acquire Property to further enhance its portfolio quality in Tokyo Metropolitan area. OJR particularly appreciated Property’s strong points including following ones.

- Property is adjacent to the Omote-sando station for several subway lines.
- Omote-sando station area has been getting more popular and attractive as a commercial district thanks to major international brands that opened their shops recently.
- Property is located between Omote-sando Street and Kotto Street, two of the busiest brand shops and restaurant concentrations in the surrounding area.
- There are mixture of large and medium sized retail buildings as well as office properties in Property’s neighbor, that attracts both shoppers as well as potential tenants, especially retail ones.
- Property’s favorable location might enable Property to secure tenants with higher rent payment capacity and to get higher rental income in the future.

### 3. Property Summary

#### 3-1. Outline

Building Name	Aoyama 246 Building
Address	5-6-26 Minami Aoyama, Minato-ku, Tokyo
Usage	Bank/Office
Space	Land 427.46 m <sup>2</sup> Building 2,805.01 m <sup>2</sup> ( Total floor area )
Structure	Steel Frame Reinforced Concrete, Reinforced Concrete 10 Stories above ground with basement (total 11 floors)
Completion	November 1990
Type of Ownership	Fee Simple
Appraisal Value	JPY4,896,000,000.- (appraised as of 1 December 2003 ) By Chuo Real Estate Appraisal Co., Ltd.
Anticipated Acquisition Date	3 March 2004

#### 3-2. Tenant Information

Number of Tenants	8
Total Leased Space	2,378.97m <sup>2</sup>
Total Rentable Space	2,378.97m <sup>2</sup>
Occupancy Rate	100.0%

### 4. Current owner / Seller

Name	Aoyama 246 Birukanri K.K.
Address	5-6-26 Minami Aoyama, Minato-ku, Tokyo
Representative Director	Keiji Ueno
Paid-in capital	JPY70,000,000.-
Operations	Real estate rental/ cleaning, maintenance, management and security service for real estate
Relationship to OJR	None

### 5. Schedule

26 December 2003	Execution of Sales and Purchase Contract
3 March 2004	Delivery of Property

### 6. Addendum

- 6-1. Property Photo
- 6-2. Appraisal Summary
- 6-3. Portfolio Summary

\* OJR is a real estate investment corporation (commonly referred to as a J-REIT ) listed on the Tokyo Stock Exchange JREIT Section (TSE:8954) whose objective is to provide stable income returns to investors over the mid- to long-term through investing in diversified types of quality real estate, mostly in Greater Tokyo Metropolitan area ORIX Asset Management, a wholly owned subsidiary of ORIX Corp. (TSE: 8591), provides the asset management services for OJR.

6-1. Property Photo



## 6-2.Appraisal Summary

(1) Appraisal	
Appraisal Value	¥4,896,000,000.-
Appraisal Date	1 December 2003
Appraiser	Chuo Real Estate Appraisal Co., Ltd.

(2) Valuations by Method	
i. Cost Method.....	¥3,611,000,000.-
ii. Direct Capitalization Method .....	¥5,174,000,000.-
Capitalization Rate.....	5.0%
iii. Discounted Cash Flow Method.....	¥4,896,000,000.-
Discount Rate.....	4.7%
Terminal Capitalization Rate.....	5.5%

(3) Income Projection	(Unit: '000¥)
Rental Revenue	303,309
Other Revenue	17,582
Vacancy Loss	-1,029
Gross Revenue	319,862
Management Fee	960
Maintenance Cost	15,133
Utilities	2,898
Taxes	24,502
Insurance Premium	397
Repair Cost	2,000
Leasing Fee	224
Others	11
Total Cost	46,125
Net Operating Income	273,737

### (Note)

Above projection is quoted from the first year income projection used in Discount Cash Flow Method of the Appraisal. Therefore, it doesn't represent any of OJR's projection.

6-3.Portfolio Summary

	Property	Acquisition		Percentage of Total Acquisition Cost	
		Date	Price		
Office	Tokyo Central 3 Wards	Akasaka Kyowa	2001/12/1	2,087	1.42%
		Aoyama Suncrest	2001/12/1	3,356	2.29%
		Ascend Kanda	2001/12/1	670	0.46%
		Nikko Ichi-bancho	2001/12/1	3,900	2.66%
		VX Kayabacho	2001/12/1	880	0.60%
		DaVinci Shiroganedai	2001/12/21	1,300	0.89%
		DaVinci Higashi Nihonbashi	2001/12/21	1,720	1.17%
		DaVinci Akasaka Mitsuke	2001/12/21	1,650	1.12%
		DaVinci Shiba 2	2001/12/21	707	0.48%
		DaVinci Aoyama	2001/12/21	4,529	3.09%
		Landic Minami Azabu	2002/1/10	1,394	0.95%
		Landic Akasaka	2002/1/10	11,580	7.89%
		Landic Akasaka 2	2002/1/10	2,624	1.79%
		Landic Akasaka 3	2002/1/10	697	0.48%
		Landic Mita 2	2002/1/10	1,748	1.19%
		Shiba Daimon	2002/1/10	2,195	1.50%
		Landic Nagai	2001/12/21	3,378	2.30%
		ORIX Jimbo-cho Building	2003/9/29	7,500	5.11%
		ORIX Shiba 2-chome Building	2003/9/29	4,177	2.85%
		<b>Aoyama 246 Building</b>	<b>2004/3/3</b>	<b>5,200</b>	<b>3.54%</b>
	<b>Subtotal</b>		<b>61,292</b>	<b>41.78%</b>	
	Other Tokyo Wards	Carrot Tower	2001/12/1	5,479	3.73%
		Center Machiya	2001/12/1	610	0.42%
		Toyo MK	2001/12/1	5,270	3.59%
		Nikko Moto Yoyogi	2001/12/1	5,091	3.47%
		Nikko Kagurazaka	2001/12/1	1,600	1.09%
		Round-Cross Nishi Shinjyuku	2001/12/1	2,650	1.81%
		DaVinci Gotanda	2001/12/21	587	0.40%
		DT Gaien	2001/12/21	2,430	1.66%
		DaVinci Kiba	2001/12/21	2,450	1.67%
		DaVinci Waseda	2001/12/21	1,628	1.11%
		DaVinci Yoyogi	2001/12/21	1,473	1.00%
		Landic Gotanda	2002/1/10	2,113	1.44%
		Sunny Building	2002/9/30	5,300	3.61%
		ORIX Ikebukuro Building	2003/4/18	9,577	6.53%
		ORIX Shinjuku Building	2003/9/29	8,300	5.66%
		<b>Subtotal</b>		<b>54,558</b>	<b>37.19%</b>
	Greater Tokyo	Neo City Mitaka	2001/12/1	2,200	1.50%
		<b>Subtotal</b>		<b>2,200</b>	<b>1.50%</b>
	Other Cities	OX Basho no Tsuji	2001/12/1	882	0.60%
		OX Otsu	2001/12/1	181	0.12%
		Nagoya Itochu Building	2003/9/29	4,500	3.07%
		<b>Subtotal</b>		<b>5,563</b>	<b>3.79%</b>
<b>Total</b>		<b>123,614</b>	<b>84.25%</b>		
Residential	Tokyo Central 3 Wards	Park Axis Nishi Azabu Stage	2001/12/1	1,219	0.83%
		<b>Subtotal</b>		<b>1,219</b>	<b>0.83%</b>
	Other Tokyo Wards	Grand Maison Hakusan	2001/12/1	455	0.31%
		Sonet Kami Ikebukuro	2001/12/1	2,377	1.62%
<b>Subtotal</b>		<b>2,832</b>	<b>1.93%</b>		
<b>Total</b>		<b>4,051</b>	<b>2.76%</b>		
Others	Tokyo Central 3 Wards	Nihon Jisho Minami Aoyama Building	2003/10/31	2,548	1.74%
		<b>Subtotal</b>		<b>2,548</b>	<b>1.74%</b>
	Other Tokyo Wards	OX Kameido	2001/12/1	438	0.30%
		<b>Subtotal</b>		<b>438</b>	<b>0.30%</b>
Greater Tokyo	Cross Gate	2002/1/10	15,040	10.25%	
	<b>Subtotal</b>		<b>15,040</b>	<b>10.25%</b>	
Other Cities	OX Mito	2001/12/1	498	0.34%	
	OX Gifu	2001/12/1	528	0.36%	
	<b>Subtotal</b>		<b>1,026</b>	<b>0.70%</b>	
<b>Total</b>		<b>19,052</b>	<b>12.99%</b>		
<b>Grand Total</b>		<b>146,717</b>	<b>100.00%</b>		

Newly acquire building