

For Immediate Release

December 14, 2004

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ORIX JREIT Inc. announces disposition of three of its properties

Tokyo, Japan, December 14, 2004 - ORIX JREIT Inc. ("OJR") announced today that it decided to dispose three buildings out of its 49 properties portfolio to a buyer on December 17, 2004. Properties to be disposed are Nikko Kagurazaka Building, West Side Gotanda, and Landic Gotanda Building.

1. Disposition Summary

Interest to be disposed	Fee simple interest in land and building	
Property name	Nikko Kagurazaka Building West Side Gotanda Landic Gotanda Building	
Acquisition Date	Nikko Kagurazaka Building	December 1, 2001
	West Side Gotanda	December 21, 2001
	Landic Gotanda Building	January 10, 2002
Book Value (as of August 31, 2004)	Nikko Kagurazaka Building	¥1,550 million
	West Side Gotanda	¥ 579 million
	<u>Landic Gotanda Building</u>	<u>¥2,093 million</u>
	Total	¥4,222 million
Disposition Prices*	Nikko Kagurazaka Building	¥1,627 million
	West Side Gotanda	¥ 578 million
	<u>Landic Gotanda Building</u>	<u>¥2,135 million</u>
	Total	¥4,340 million

* Disposition prices do not include offset accounts, such as property tax and city planning tax, with the buyer, as well as consumption tax.

ORIX JREIT Inc.

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Profit/Loss on disposition*	Nikko Kagurazaka Building	¥ 77 million
	West Side Gotanda	¥ 1 million
	<u>Landic Gotanda Building</u>	<u>¥ 42 million</u>
	Total	¥118 million

*Profit/ loss was calculated based on book value of these properties as of August 31, 2004.

Expected Contract Date	December 14, 2004
Expected Delivery Date	December 17, 2004
Buyer	AIG Edison Life Insurance Company
Brokerage(note)	None
Delivery Method	OJR will sell beneficiary interest of properties to the buyer upon completion of real estate trust of and establishment of beneficiary interest on these three properties.

Note:

OJR is not required to pay any brokerage fee for this particular transaction due to its direct negotiation with the buyer. However, the *transaction administration fee* of 0.5% on sale prices is payable to ORIX Asset Management, the asset management company for OJR, pursuant to the *Asset Management Agreement*.

2. Background/ Reason of Disposition

OJR has decided to dispose these three properties pursuant to its basic investment policy. In the course of making this decision, OJR has intensively studied possible influence of this particular disposition on total portfolio composition, cash distribution and efficiency of property management.

3. Summary of Properties to be disposed

(1) Nikko Kagurazaka Building

Building Name	Nikko Kagurazaka Building
Address	18, Iwatocho, Shinjuku-ku, Tokyo
Usage	Office, Parking
Space	Land 560.76 m ² / Building 3,261.91 m ² (Gross)
Structure	Steel Frame, Reinforced Concrete 9 floor with basement
Completion	October 1992
Type of Ownership	Fee simple
Appraisal Value	Appraiser : Tanizawa Sogo Appraisal Co., Ltd Appraisal Value : JPY 1,687 million (as of August 31, 2004)
Anticipated Disposition Date	December 17, 2004
Number of Tenants	6
Total Leased Space	2,277.00 m ²
Total Rentable Space	2,277.00 m ²
Occupancy Rate	100%

(2) West Side Gotanda

Building Name	West Side Gotanda
Address	2-7, Nishigotanda 6-chome, Shinagawa-ku, Tokyo
Usage	Office
Space	Land 613.40 m ² Building 1,822.33 m ² (Gross)
Structure	Reinforced Concrete 3floor with 2 nd basement
Completion	April, 1991
Type of Ownership	Fee simple
Appraisal Value	Appraiser : Tanizawa Sogo Appraisal Co., Ltd. Appraisal Value : JPY 671million (as of August 31, 2004)
Anticipated Disposition Date	December 17, 2004
Number of Tenants	5
Total Leased Space	1,726.56 m ²
Total Rentable Space	1,726.56 m ²
Occupancy Rate	100%

(3) Landic Gotanda Building

Building Name	Landic Gotanda Building
Address	21-13, Higasigotanda 1-chome, Shinagawa-ku, Tokyo
Usage	Office, Parking
Space	Land 500.00 m ² Building 3,595.81 m ² (Gross)
Structure	Steel Frame, Reinforced Steel Frame 9 floor
Completion	April, 1997
Type of Ownership	Fee simple
Appraisal Value	Appraiser : Chuo Real Estate Appraisal Co.,Ltd. Appraisal Value : JPY 2,153 million (as of August 31, 2004)
Anticipated Disposition Date	December 17, 2004
Number of Tenants	1
Total Leased Space	2,575.92 m ²
Total Rentable Space	2,575.92 m ²
Occupancy Rate	100%

4. Buyer

Name	AIG Edison Life Insurance Company
Address	1-8-10 Harumi, Chuo-ku, Tokyo
Representative	Mr. Kazunori Kataoka
Paid-in Capital	JPY 66,509 million
Operations	Life Insurance
Relationship with OJR	None

5. Disposition Schedule

December 14, 2004	Approval of OJR's BOD on this particular disposition Execution of purchase and sale contract of beneficiary interest of the properties
December 17, 2004	Delivery of beneficiary interest of properties to the buyer

6. Sixth fiscal period forecast

OJR estimates no substantial change on 6th fiscal period financial forecast (from September 1, 2004 through February 28, 2005) by this particular transaction. As for the 6th fiscal period forecast, please refer to 'ORIX JREIT INC. announces the fifth fiscal period results' that OJR disclosed on October 18, 2004.

Addendum

- Portfolio Summary after this particular disposition
- Portfolio Summary before this particular disposition

* 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.

Portfolio Summary *after* this particular disposition

	Property	Acquisition		Percentage of Total Acquisition Cost		
		Date	Price(¥ million)			
Office	Tokyo Central 3 Wards	Akasaka Kyowa Building	1 December, 2001	2,087	1.4	
		Aoyama Suncrest Building	1 December, 2001	3,356	2.3	
		Ascend Kanda	1 December, 2001	670	0.4	
		Nikko Ichi-bancho Building	1 December, 2001	3,900	2.6	
		VX Kayabacho Building	1 December, 2001	880	0.6	
		Beside Shirogane	21 December, 2001	1,300	0.9	
		Round-Cross Aoyama	21 December, 2001	4,529	3.0	
		Shiba East Building	21 December, 2001	707	0.5	
		Round-Cross Akasaka Mitsuke	21 December, 2001	1,650	1.1	
		Nihonbashi East Building	21 December, 2001	1,720	1.2	
		Landic Minami Azabu Building	21 December, 2001	1,394	0.9	
		Landic Akasaka Building	10 January, 2002	11,580	7.8	
		Landic Akasaka Building 2	10 January, 2002	2,624	1.8	
		Landic Akasaka Building 3	10 January, 2002	697	0.5	
		Landic Mita Building 2	10 January, 2002	1,748	1.2	
		Shiba Daimon Building	10 January, 2002	2,195	1.5	
		Landic Nagai Building	10 January, 2002	3,378	2.3	
		ORIX Jimbo-cho Building	29 September, 2003	4,177	2.8	
		ORIX Shiba 2-chome Building	29 September, 2003	7,500	5.0	
		Aoyama 246 Building	3 March, 2004	5,200	3.5	
		Subtotal		61,293	41.1	
		Other Tokyo Wards	Carrot Tower	1 December, 2001	5,479	3.7
			Center Machiya	1 December, 2001	610	0.4
			Toyo MK Building	1 December, 2001	5,270	3.5
			Nikko Moto Yoyogi Building	1 December, 2001	5,091	3.4
			Nikko Kagurazaka Building	-	-	-
			Round-Cross Nishi Shinjyuku	1 December, 2001	2,650	1.8
			Beside Kiba	21 December, 2001	2,450	1.6
			Waseda Ekimae Building	21 December, 2001	1,628	1.1
			West Side Gotanda	-	-	-
			DT Gaien	21 December, 2001	2,430	1.6
			Yoyogi Forest Building	21 December, 2001	1,473	1.0
			Landic Gotanda Building	-	-	-
			Sunny Building	30 September, 2002	5,300	3.6
			ORIX Ikebukuro Building	18 April, 2003	9,577	6.4
			ORIX Shinjuku Building	29 September, 2003	8,300	5.6
			Subtotal		50,258	33.7
			Greater Tokyo	Neo City Mitaka	1 December, 2001	2,200
		Excellent Kawasaki Building		27 April, 2004	4,130	2.8
		Subtotal			6,330	4.2
		Other Cities	OX Basho no Tsuji Building	1 December, 2001	882	0.6
			OX Otsu Building	1 December, 2001	181	0.1
			Nagoya Itochu Building	29 September, 2003	4,500	3.0
			Subtotal		5,563	3.7
		Office Total		123,445	82.9	
	Retail	Tokyo Central 3 Wards	Nihon Jisho Minami Aoyama Building	31 October, 2003	2,548	1.7
			Subtotal		2,548	1.7
Other Tokyo Wards		OX Kameido Building	1 December, 2001	438	0.3	
		CUBE Daikanyama	31 March, 2004	2,435	1.6	
		Subtotal		2,873	1.9	
Other Cities		OX Mito Building	1 December, 2001	498	0.3	
		OX Gifu Building	1 December, 2001	528	0.4	
	Subtotal		1,026	0.7		
	Retail Total		6,447	4.3		
Residential	Tokyo Central 3 Wards	Park Axis Nishi Azabu Stage	1 December, 2001	1,219	0.8	
		Subtotal		1,219	0.8	
	Other Tokyo Wards	Grand Maison Hakusan	1 December, 2001	455	0.3	
		Sonet Kami Ikebukuro	1 December, 2001	2,377	1.6	
		Subtotal		2,832	1.9	
	Residential Total		4,051	2.7		
Others	Greater Tokyo	Cross Gate	10 January, 2002	15,040	10.1	
		Subtotal		15,040	10.1	
		Others Total		15,040	10.1	
	Grand Total		148,983	100.0		

Portfolio Summary *before this particular disposition*

	Property	Acquisition		Percentage of Total Acquisition Cost		
		Date	Price(¥ million)			
Office	Tokyo Central 3 Wards	Akasaka Kyowa Building	1 December, 2001	2,087	1.4	
		Aoyama Suncrest Building	1 December, 2001	3,356	2.2	
		Ascend Kanda	1 December, 2001	670	0.4	
		Nikko Ichi-bancho Building	1 December, 2001	3,900	2.5	
		VX Kayabacho Building	1 December, 2001	880	0.6	
		Beside Shirogane	21 December, 2001	1,300	0.8	
		Round-Cross Aoyama	21 December, 2001	4,529	3.0	
		Shiba East Building	21 December, 2001	707	0.5	
		Round-Cross Akasaka Mitsuke	21 December, 2001	1,650	1.1	
		Nihonbashi East Building	21 December, 2001	1,720	1.1	
		Landic Minami Azabu Building	21 December, 2001	1,394	0.9	
		Landic Akasaka Building	10 January, 2002	11,580	7.6	
		Landic Akasaka Building 2	10 January, 2002	2,624	1.7	
		Landic Akasaka Building 3	10 January, 2002	697	0.5	
		Landic Mita Building 2	10 January, 2002	1,748	1.1	
		Shiba Daimon Building	10 January, 2002	2,195	1.4	
		Landic Nagai Building	10 January, 2002	3,378	2.2	
		ORIX Jimbo-cho Building	29 September, 2003	4,177	2.7	
		ORIX Shiba 2-chome Building	29 September, 2003	7,500	4.9	
		Aoyama 246 Building	3 March, 2004	5,200	3.4	
		Subtotal		61,293	40.0	
		Other Tokyo Wards	Carrot Tower	1 December, 2001	5,479	3.6
			Center Machiya	1 December, 2001	610	0.4
			Toyo MK Building	1 December, 2001	5,270	3.4
			Nikko Moto Yoyogi Building	1 December, 2001	5,091	3.3
			Nikko Kagurazaka Building	1 December, 2001	1,600	1.0
			Round-Cross Nishi Shinjyuku	1 December, 2001	2,650	1.7
			Beside Kiba	21 December, 2001	2,450	1.6
			Waseda Ekimae Building	21 December, 2001	1,628	1.1
			West Side Gotanda	21 December, 2001	587	0.4
			DT Gaien	21 December, 2001	2,430	1.6
			Yoyogi Forest Building	21 December, 2001	1,473	1.0
			Landic Gotanda Building	10 January, 2002	2,113	1.4
			Sunny Building	30 September, 2002	5,300	3.5
			ORIX Ikebukuro Building	18 April, 2003	9,577	6.2
			ORIX Shinjuku Building	29 September, 2003	8,300	5.4
			Subtotal		54,558	35.6
			Greater Tokyo	Neo City Mitaka	1 December, 2001	2,200
		Excellent Kawasaki Building		27 April, 2004	4,130	2.7
		Subtotal			6,330	4.1
		Other Cities	OX Basho no Tsuji Building	1 December, 2001	882	0.6
			OX Otsu Building	1 December, 2001	181	0.1
			Nagoya Itochu Building	29 September, 2003	4,500	2.9
			Subtotal		5,563	3.6
		Office Total		127,745	83.3	
	Retail	Tokyo Central 3 Wards	Nihon Jisho Minami Aoyama Building	31 October, 2003	2,548	1.7
			Subtotal		2,548	1.7
Other Tokyo Wards		OX Kameido Building	1 December, 2001	438	0.3	
		CUBE Daikanyama	31 March, 2004	2,435	1.6	
		Subtotal		2,873	1.9	
Other Cities		OX Mito Building	1 December, 2001	498	0.3	
		OX Gifu Building	1 December, 2001	528	0.3	
	Subtotal		1,026	0.7		
	Retail Total		6,447	4.2		
Residential	Tokyo Central 3 Wards	Park Axis Nishi Azabu Stage	1 December, 2001	1,219	0.8	
		Subtotal		1,219	0.8	
	Other Tokyo Wards	Grand Maison Hakusan	1 December, 2001	455	0.3	
		Sonet Kami Ikebukuro	1 December, 2001	2,377	1.6	
		Subtotal		2,832	1.8	
	Residential Total		4,051	2.6		
Others	Greater Tokyo	Cross Gate	10 January, 2002	15,040	9.8	
		Subtotal		15,040	9.8	
		Others Total		15,040	9.8	
	Grand Total		153,283	100.0		