

For Immediate Release

June 2, 2005

ORIX JREIT Inc. (TSE: 8954)
Hiroshi Ichikawa
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ORIX JREIT Inc. announces a disposition of one of its properties

Tokyo, Japan, June 2, 2005 - ORIX JREIT Inc. ("OJR") announced today that it decided to dispose VX Kayabacho building out of its 49 properties portfolio to a buyer on June 16, 2005 as follows.

1. Disposition summary

| | |
|-------------------------|---|
| Interest to be disposed | Fee simple interest in land and building |
| Property name | VX Kayabacho Building |
| Disposition date | June 16, 2005 |
| Book value | JPY 874 million (as of February 28, 2005) |
| Disposition price* | JPY 1,040 million |
| | * Disposition price does not include offset accounts, such as property tax and city planning tax, with the buyer, as well as consumption tax. |
| Profit on disposition* | JPY 166 million |
| | *Profit was calculated based on the book value of the property as of February 28, 2005. |
| Expected contract date | June 2, 2005 |
| Expected delivery date | June 16, 2005 |
| Buyer | TACT MEDICAL INC.(TACT) and Mr. Keiichi Yamagishi, President of TACT |
| Delivery method | OJR will sell fee simple interest of the property to the buyer. |

2. Background/ Reason of disposition

OJR has decided to dispose the property 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.

ORIX JREIT Inc.

ORIX Asset Management Corporation

3. Summary of property to be disposed

| | |
|------------------------------|---|
| Building Name | VX Kayabacho Building |
| Address | 16-1, Nihonbashikayabacho 2-chome, Cyuo-ku, Tokyo |
| Usage | Office, Parking |
| Space | Land 408.36 m ² / Building 2,085.85 m ² (Gross) |
| Structure | Steel frame, reinforced concrete, flat roof with 7 floors and 2 basements |
| Completion | September 1991 |
| Type of Ownership | Fee simple |
| Appraisal Value | Appraiser : Tanizawa Sogo Appraisal Co., Ltd Appraisal Value : JPY 916 million (as of February 28, 2005) |
| Anticipated Disposition Date | June 16, 2005 |
| Number of Tenants | 1 |
| Total Leased Space | 1,119.72 m ² |
| Total Rentable Space | 1,489.73 m ² |
| Occupancy Rate | 75.2% (as of anticipated disposition date) |

4. Brief profile of the buyers

Buyer 1

| | |
|---------------------|---|
| Name | TACT MEDICAL I NC. (TACT) |
| Address | 3-9-1 Hongo, Bunkyo-ku, Tokyo |
| Representative | Mr. Keiichi Yamagishi |
| Paid-in Capital | JPY 40 million |
| Operations | Manufacturing, sales, import and export of various machineries for physics, chemistry, medical treatment and sterilization. |
| Relationship to OJR | None |

Buyer 2

| | |
|---------------------|--|
| Name | Mr. Keiichi Yamagishi, President of TACT |
| Relationship to OJR | None |

5. Disposition Schedule

| | |
|---------------|---|
| June 2, 2005 | Approval of OJR's Board of Directors on this particular disposition Execution of purchase and sale contract of fee simple interest of the property |
| June 16, 2005 | Delivery of fee simple interest of property to the buyer |

6. Forecast for 7th and 8th fiscal period

OJR estimates no substantial change in the 7th and the 8th fiscal period financial forecast (March 1, 2005 through August 31, 2005 and September 1, 2005 through February 28, 2006, respectively) by this particular transaction. As for the 7th and 8th fiscal period forecast, please refer to 'ORIX JREIT INC. announces the sixth fiscal period results' that OJR disclosed on April 18, 2005.

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 (49 properties)

| | Property | Acquisition | | Percentage of Total Acquisition Cost | | |
|--------------------------|-----------------------|------------------------------|------------------------------------|--------------------------------------|--------------|------------|
| | | Date | Price(¥ million) | | | |
| Office | Tokyo Central 3 Wards | Akasaka Kyowa Building | December 1. 2001 | 2,087 | 1.1 | |
| | | Aoyama Suncrest Building | December 1. 2001 | 3,356 | 1.8 | |
| | | Ascend Kanda | December 1. 2001 | 670 | 0.4 | |
| | | Nikko Ichi-bancho Building | December 1. 2001 | 3,900 | 2.1 | |
| | | VX Kayabacho Building | - | - | - | |
| | | Beside Shirogane | December 21. 2001 | 1,300 | 0.7 | |
| | | Round-Cross Aoyama | December 21. 2001 | 4,529 | 2.4 | |
| | | Shiba East Building | December 21. 2001 | 707 | 0.4 | |
| | | Round-Cross Akasaka Mitsuke | December 21. 2001 | 1,650 | 0.9 | |
| | | Nihonbashi East Building | December 21. 2001 | 1,720 | 0.9 | |
| | | Landic Minami Azabu Building | December 21. 2001 | 1,394 | 0.8 | |
| | | Landic Akasaka Building | January 10. 2002 | 11,580 | 6.2 | |
| | | Landic Akasaka Building 2 | January 10. 2002 | 2,624 | 1.4 | |
| | | Landic Akasaka Building 3 | January 10. 2002 | 697 | 0.4 | |
| | | Landic Mita Building 2 | January 10. 2002 | 1,748 | 0.9 | |
| | | Shiba Daimon Building | January 10. 2002 | 2,195 | 1.2 | |
| | | Landic Nagai Building | January 10. 2002 | 3,378 | 1.8 | |
| | | ORIX Jimbo-cho Building | September 29. 2003 | 4,177 | 2.3 | |
| | | ORIX Shiba 2-chome Building | September 29. 2003 | 7,500 | 4.0 | |
| | | Aoyama 246 Building | March 3. 2004 | 5,200 | 2.8 | |
| | Subtotal | | 60,413 | 32.6 | | |
| | Other Tokyo Wards | Carrot Tower | December 1. 2001 | 5,479 | 3.0 | |
| | | Center Machiya | December 1. 2001 | 610 | 0.3 | |
| | | Toyo MK Building | December 1. 2001 | 5,270 | 2.8 | |
| | | Nikko Moto Yoyogi Building | December 1. 2001 | 5,091 | 2.7 | |
| | | Round-Cross Nishi Shinjyuku | December 1. 2001 | 2,650 | 1.4 | |
| | | Beside Kiba | December 21. 2001 | 2,450 | 1.3 | |
| | | Waseda Ekimae Building | December 21. 2001 | 1,628 | 0.9 | |
| | | DT Gaien | December 21. 2001 | 2,430 | 1.3 | |
| | | Yoyogi Forest Building | December 21. 2001 | 1,473 | 0.8 | |
| | | Sunny Building | September 30. 2002 | 5,300 | 2.9 | |
| | | ORIX Ikebukuro Building | April 18. 2003 | 9,577 | 5.2 | |
| | | ORIX Shinjuku Building | September 29. 2003 | 8,300 | 4.5 | |
| | | Round-Cross Shinjuku | Late April. 2006 | 8,020 | 4.3 | |
| | | Subtotal | | 58,278 | 31.4 | |
| | | Greater Tokyo | Neo City Mitaka | December 1. 2001 | 2,200 | 1.2 |
| | | | Excellent Kawasaki Building | April 27. 2004 | 4,130 | 2.2 |
| | | | Subtotal | | 6,330 | 3.4 |
| | Other Cities | OX Basho no Tsuji Building | December 1. 2001 | 882 | 0.5 | |
| | | OX Otsu Building | December 1. 2001 | 181 | 0.1 | |
| | | Nagoya Itochu Building | September 29. 2003 | 4,500 | 2.4 | |
| | | The SHOHO 3rd Building | March 1. 2005 | 13,600 | 7.3 | |
| | | ORIX Koraibashi Building | April 27. 2005 | 5,560 | 3.0 | |
| | | ORE Nagoya Fushimi Building | May 30. 2005 | 10,040 | 5.4 | |
| | | Subtotal | | 34,763 | 18.8 | |
| | | Office Total | | 159,785 | 86.2 | |
| | Retail | Tokyo Central 3 Wards | Nihon Jisho Minami Aoyama Building | October 31. 2003 | 2,548 | 1.4 |
| Subtotal | | | | 2,548 | 1.4 | |
| Other Tokyo Wards | | OX Kameido Building | December 1. 2001 | 438 | 0.2 | |
| | | CUBE Daikanyama | March 31. 2004 | 2,435 | 1.3 | |
| Subtotal | | | 2,873 | 1.6 | | |
| Other Cities | | OX Mito Building | December 1. 2001 | 498 | 0.3 | |
| | | OX Gifu Building | December 1. 2001 | 528 | 0.3 | |
| Subtotal | | 1,026 | 0.6 | | | |
| Retail Total | | 6,447 | 3.5 | | | |
| Residential | Tokyo Central 3 Wards | Park Axis Nishi Azabu Stage | December 1. 2001 | 1,219 | 0.7 | |
| | | Subtotal | | 1,219 | 0.7 | |
| | Other Tokyo Wards | Grand Maison Hakusan | December 1. 2001 | 455 | 0.2 | |
| | | Sonet Kami Ikebukuro | December 1. 2001 | 2,377 | 1.3 | |
| Subtotal | | 2,832 | 1.5 | | | |
| Residential Total | | 4,051 | 2.2 | | | |
| Others | Greater Tokyo | Cross Gate | January 10. 2002 | 15,040 | 8.1 | |
| | | Subtotal | | 15,040 | 8.1 | |
| | Others Total | | 15,040 | 8.1 | | |
| Grand Total | | 185,323 | 100.0 | | | |

Note : Round-Cross Shinjuku will be completed on October 30, 2005 and will be acquired by OJR late April 2006.

Portfolio Summary before this particular disposition(50 properties)

| | Property | Acquisition | | Percentage of Total Acquisition Cost | |
|-----------------------------|-----------------------------|------------------------------------|--------------------|--------------------------------------|-------------|
| | | Date | Price(¥ million) | | |
| Office | Tokyo Central 3 Wards | Akasaka Kyowa Building | December 1. 2001 | 2,087 | 1.1 |
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| | | VX Kayabacho Building | December 1. 2001 | 880 | 0.5 |
| | | Beside Shirogane | December 21. 2001 | 1,300 | 0.7 |
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| | | ORIX Shiba 2-chome Building | September 29. 2003 | 7,500 | 4.0 |
| | | Aoyama 246 Building | March 3. 2004 | 5,200 | 2.8 |
| | Subtotal | | 61,293 | 32.9 | |
| | Other Tokyo Wards | Carrot Tower | December 1. 2001 | 5,479 | 2.9 |
| | | Center Machiya | December 1. 2001 | 610 | 0.3 |
| | | Toyo MK Building | December 1. 2001 | 5,270 | 2.8 |
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| Subtotal | | | 34,763 | 18.7 | |
| Office Total | | 160,665 | 86.3 | | |
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| Residential Total | | 4,051 | 2.2 | | |
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| | Others Total | | 15,040 | 8.1 | |
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