

< For Immediate Release >

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ORIX JREIT Inc. (TSE: 8954)

Hiroshi Ichikawa

Executive Director

*For any queries, please contact ...*

ORIX Asset Management Corporation

Hirohisa Saito

Executive Officer

Tel: +81 3 3435 3443

### **ORIX JREIT Inc. announces repayment of existing loans and a new borrowing**

Tokyo, Japan, September 16, 2005 - ORIX JREIT Inc. ("OJR") announced today that its Board of Directors approved the following debt finance of JPY3 billion in connection with the acquisition of Seafort Square / Center Building. OJR received approximately JPY33.3 billion in proceeds from the issuance of new investment units on September 14, 2005, and plans to put a part of its proceeds to repay short-term borrowings as follows.

#### **1. Debt Repayment**

As for repayment 1 through 3, all of existing loans will be repaid in full.

#### **Repayment 1 Summary**

##### **(Commitment line)**

1. Lenders	The Sumitomo Trust & Banking Co., Ltd., The MitsubishiTrust & Banking Corporation, The Norinchukin Bank, Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd.
2. Borrowing amount	JPY 5.5 billion
3. Interest rate	0.53%
4. Loan terms	Un-secured, non-guaranteed, floating rate
5. Draw down date	April 27, 2005
6. Principal payment	Bullet payment at maturity
7. Maturity	September 20, 2005
8. Use of proceeds	Acquisition of ORIX Koraibashi Building
9. Repayment date	September 20, 2005

**Repayment 2 Summary****(Commitment line)**

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1. Lenders	The Sumitomo Trust & Banking Co., Ltd., The Mitsubishi Trust & Banking Corporation, The Norinchukin Bank, Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd.
2. Borrowing amount	JPY 10.4 billion
3. Interest rate	0.53%
4. Loan terms	Un-secured, non-guaranteed, floating rate
5. Draw down date	May 30, 2005
6. Principal payment	Bullet payment at maturity
7. Maturity	September 20, 2005
8. Use of proceeds	Acquisition of ORE Nagoya Fushimi Building
9. Repayment date	September 20, 2005

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**Repayment 3 Summary**

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1. Lenders	The Sumitomo Trust & Banking Co., Ltd., The Mitsubishi Trust & Banking Corporation, The Norinchukin Bank, The Chiba Bank, Ltd. and The Hachijuni Bank Ltd.
2. Borrowing amount	JPY 11 billion
3. Interest rate	0.68%
4. Loan terms	Secured, non-guaranteed, floating rate
5. Draw down date	March 1, 2005
6. Principal payment	Bullet payment at maturity
7. Maturity	December 20, 2005
8. Use of proceeds	Acquisition of The SHOHO 3rd Building.
9. Repayment date	September 20, 2005

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Note: A penalty will not be occurred by the early termination of Repayment 3.

**2. New borrowing (Debt finance)****New borrowing Summary**

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1. Lenders	ZENKYOREN NATIONAL MUTUAL INSURANCE FEDERATION OF AGRICULTURAL COOPERATIVES
2. Borrowing amount	JPY 3 billion
3. Interest rate	1.39875% (fixed rate)
4. Loan terms	Un-secured, non-guaranteed
5. Draw down date	September 29, 2005
6. Principal payment	Bullet payment at maturity
7. Maturity	September 20, 2012
8. Use of proceeds	Acquisition of Seafort Square / Center Building

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

	Before	After	Change
Short-term debt	27,900	1,000	26,900
Long-term debt	66,550	69,550	3,000
Total interesting-bearing liability	94,450	70,550	23,900
Interest-bearing debt ratio	52%	37%	15%

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 JPY119,108,446,000 includes proceeds from the issuance of new investment units totalling JPY33,287,050,000 that OJR received on September 14, 2005 for the calculation of LTV after the repayment and new borrowing.

\* Please note that this English translation of the original Japanese document is provided solely for informational purposes. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

\* 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 Corp., a wholly owned subsidiary of ORIX Corp. (TSE: 8591), provides the asset management services for OJR.