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For Immediate Release

March 27, 2006

ORIX JREIT Inc. (TSE: 8954)

Hiroshi Ichikawa

Executive Director

Inquiries:

ORIX Asset Management Corporation

Mitsuo Sato

Director, Corporate Executive Vice President

Tel: +81 3 3435 3285

ORIX JREIT Revises Earnings Forecast for 9th Fiscal Period (Ending August 31, 2006)

ORIX JREIT Inc. (“OJR”) today revised its forecast for the 9th fiscal period ending August 31, 2006 (March 1, 2006 to August 31, 2006). The revised forecast replaces the information on page seven of the earnings forecast for the 7th fiscal period (from March 1, 2005 to August 31, 2005), which was released on October 17, 2005. The details of the revised forecast are described below.

1. Revised Earnings Forecast for 9th Fiscal Period (March 1, 2006 to August 31, 2006)

| | Operating Revenue (Millions of Yen) | Net Income (Millions of Yen) | Distribution per Unit (Yen) |
|-----------------------|--|---------------------------------|--------------------------------|
| Previous forecast (A) | 7,687 | 2,707 | 12,014 |
| Revised forecast (B) | 8,980 | 3,380 | 15,000 |
| Change (B-A) | + 1,292 | + 672 | + 2,986 |
| Percentage Change | + 16.8% | + 24.8% | + 24.9% |

1. Number of units outstanding: 225,372.

2. Figures are based on the attached *Supporting Information for Revised Earnings Forecast (9th Fiscal Period Ending August 31, 2006)*.

3. Figures are rounded down to the nearest decimal.

2. Reasons for Revision

At the board of directors’ meeting held on March 27, 2006, the company decided to dispose of the Landic Akasaka Building and Landic Akasaka Building 3, and purchase the Koshigaya Logistics Center. Previously, the company had decided to purchase the Kamata Green Building on January 30, 2006, in addition to purchasing the ORIX Akasaka 2-chome Building on March 15, 2006. These portfolio changes will occur during the 9th fiscal period ending August 31, 2006. The projected distribution per unit will change by more than 20% compared with earlier projections released on October 17, 2005, prompting the company to issue the revised earnings forecast.

The company has also examined the earnings forecast for the 8th fiscal period and does not expect a change of more than 20% from earlier projections. Consequently, the company expects the earnings forecast for the 8th fiscal period ending February 28, 2006 (September 1, 2005 to February 28, 2006), to remain on target.

Comments

The revised earnings forecast is based on the attached *Supporting Information for Revised Earnings Forecast (9th Fiscal Period Ending August 31, 2006)*. Operating revenue, net income, and distribution per unit are subject to change according to prevailing operating conditions, including the future acquisition or disposal of real estate properties. No assurances can be given regarding these forecasts.

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Attachment: Supporting Information for Revised Earnings Forecast (9th Fiscal Period Ending August 31, 2006)

| | |
|-----------------------------|--|
| Fiscal Period | 9 th Fiscal Period (March 1, 2006 to August 31, 2006). |
| Properties Owned | The company owned 39 properties as of February 28, 2006. Since that time, the company acquired the Kamata Green Building on March 1, 2006, and will acquire the Round-Cross Shinjuku property on April 28, 2006. The company will also acquire the Seafort Square/Center Building on April 28, 2006, the remaining 50% of which will be held through trust beneficiary interests. Additionally, the company will acquire the Koshigaya Logistics Center on April 28, 2006, and dispose of the Landic Akasaka Building and Landic Akasaka Building 3 on June 1, 2006. These moves will bring the company's total portfolio to 40 properties. However, the number of portfolio properties is subject to change depending on other acquisition or disposal of properties. |
| No. of Units Outstanding | Based on 225,372 units issued as of February 28, 2006. |
| Interest-Bearing Debt Ratio | The company's interest-bearing debt ratio was 34% as of March 1, 2006. The following formula was used: $\text{interest-bearing debt ratio} = \text{interest-bearing debt} / (\text{interest-bearing debt} + \text{total investments}) \times 100.$ The company will borrow new loans in accordance with property acquisitions occurring after March 1, 2006. In addition, proceeds from the disposal of properties after March 1, 2006, will be appropriated to repay existing loans. However, the actual loan repayment amount may be reduced or canceled depending on prevailing financial conditions. |
| Operating Revenue | The company expects to generate operating revenue of 902 million yen from the sale of two properties. |
| Operating Costs | Property taxes assessed for portfolio properties and city planning taxes are treated as rental expenses, in accordance with tax payments during the relevant fiscal period. When a property is purchased, OJR pays settlement amounts to the seller. These amounts correspond to property and city planning taxes paid by the seller during the fiscal year of the transaction. OJR calculates these amounts into the cost of acquiring the property, instead of treating them as an expense. Depreciation costs are forecasted at 1.4 billion yen during the fiscal period. |
| Distribution Amounts | The distribution amount is set at 90% of the distributable amount, not to exceed the amount of actual profits. As a rule, the distribution amount does not exceed profits. The distribution amount per unit is subject to change depending on variables such as changes in rental income due to tenant moves. Other factors include acquisition and disposal of properties and interest rate fluctuations. |

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