

[Provisional Translation Only]

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ORIX JREIT Announces Suspension of Debt Financing and Postponement of Planned Property Acquisition (ORIX Akasaka 2-chome Building)

TOKYO, May 12, 2006 — ORIX JREIT (“OJR”) announced today that it has decided to suspend the plan to borrow that was announced in the recent two press releases “ORIX JREIT Announces a New Debt Financing,” (dated April 26, 2006) and “ORIX JREIT Announces the Applicable Interest Rates of the Debt Financing” (dated May 10, 2006). In these press releases, OJR announced plans (detailed in the table below) to borrow funds on May 12, 2006. However, in view of certain inadequate internal procedures at OJR, the borrowing has been suspended, with the agreement of the lenders. As a result, the date for the acquisition of the ORIX Akasaka 2-chome Building, to which OJR had planned to apply these loan funds and which was announced in the press release “ORIX JREIT Announces Acquisition of ORIX Akasaka 2-chome Building” (dated March 15, 2006), will be postponed from May 15, 2006 to a future date, to be announced when determined.

Details of Loan

Lenders	The Sumitomo Trust & Banking Co., Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Banking Corporation Mizuho Corporate Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Borrowing amount	JPY 20.5 billion
Applicable interest rate	Floating rate of 0.49285% (May 12, 2006 – June 20, 2006)
Loan terms	Un-secured, Non-guaranteed
Draw down date	May 12, 2006
Principal payment	Bullet payment at maturity
Maturity	June 20, 2006
Use of proceeds	Acquisition of ORIX Akasaka 2-chome Building

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