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***For Immediate Release***

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**ORIX JREIT Announces Changes in Asset Management Company Business Rules**

Tokyo, December 4, 2007—ORIX JREIT (OJR) announced that ORIX Asset Management Corporation (OAM), the investment trust management company that provides asset management services for OJR, has changed its Business Rules, as the registration application documents including the new Business Rules were submitted to and accepted by the authorities today. Prior to this, on November 13, 2007, the Board of Directors of OAM resolved to approve partial changes to the Business Rules as shown below, provided that the said application and attached documents based on the Article 159, Paragraph 2 of the Supplementary Provision of Japan' Law for Amending the Securities and Exchange Law and other financial laws (2006 Law No.65) and the Article 29, Paragraph 2 of the Financial Instruments and Exchange Law (Financial Instruments Law) would be accepted.

**1. Changes to the Business Rules**

- (1) To meet requirements of the Financial Instruments Law and the Cabinet Office Ordinance Regarding Financial Products Traders (Financial Products Traders Ordinance) sections were added to the Business Rules on types of financial transactions to be executed, type of investment manager, and grievance resolution systems.
- (2) With regard to the reassignment of partial authority to make management decisions, the new Business Rules limit the scope to that permitted under the Financial Instruments Law and the Investment Trust and Investment Corporation Law (Investment Trust Law), and stipulate that the parties to whom such authority can be reassigned must meet specifications set forth in the Article 42-3-1 of the Financial Instruments Law.
- (3) The rights related to financial derivatives and rights related to financial futures trading specified in the pre-revision Investment Trust and Investment Corporation Law Enforcement Order (Investment Trust Law Enforcement Order) were eliminated in the revision of the Investment Trust Law Enforcement Order that followed implementation of the Financial Instruments Law, and the rights related to derivatives transactions were newly added as specified assets. As a result of the revision, of the derivatives-related transactions described in the pre-revision Business Rules, the rights related to financial derivatives and rights related to financial futures trading are now specified as rights related to derivatives transactions. The scope of derivatives-related transactions expanded slightly as a result of the changes. However, under the revised Business Rules, investments in rights related to financial derivatives are restricted to the scope of assets specified as targets of investment under OJR's Articles of Incorporation and OAM's internal regulations (identical with the scope of derivatives-related transactions established in the pre-revision Business Rules).
- (4) The sections on "types of asset management agreements" and "items related to companies with which the firm has a business relationship," which are no longer required under the new Financial Instruments Law and the Financial Products Traders Ordinance have been eliminated from the Business Rules.
- (5) Changes to the phrasing required by the implementation of the Financial Instruments Law and the revision of the Investment Trust Law and Investment Trust Law Enforcement Order were made.
- (6) In addition, changes to paragraph numbering were made.

ORIX JREIT Inc.

ORIX Asset Management Corporation

## **2. Reason for Changes**

As set forth in section 1 of this press release, changes were made to sections, sequence, and phrasing to bring the documents into compliance with the Financial Instruments Law, the Investment Trust Law, and other applicable laws.

## **3. Date of Changes**

December 4, 2007

## **4. Results Forecast**

There is no change to OJR's results forecast for the six-month period ending February 2008 (September 1, 2007 to February 29, 2008).

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