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ORIX JREIT Announces the Impact of the 2018 Hokkaido Eastern Iburi Earthquake
(Update: Notice on Estimated Cost of Restoration Work)

ORIX JREIT Inc. (“OJR”) would like to express our heartfelt sympathy to everyone affected by the 2018 Hokkaido Eastern Iburi Earthquake.

OJR announces the impact of facility issues at our retail facility “intervillage OH! MAGARI” located in Kita Hiroshima-shi, which was announced in our press release “ORIX JREIT Announces the Impact of the Earthquake in the Southern Part of Hokkaido Prefecture” dated September 6, 2018, as outlined below.

As a result of conducting surveys concerning facility issues including fallen ceiling material, the cost of restoration work for the damage is currently estimated to be around 337 million yen^(Note 1). The restoration work is scheduled to be completed during the 34th fiscal period from September 1, 2018 through February 28, 2019 and the amount is to be either accounted as expense or CAPEX during the said fiscal period. There will be no revisions to the earnings and distribution forecasts for the 34th fiscal period announced in “Fiscal Results for 32nd Fiscal Period” dated April 19, 2018 as we are considering to offset a portion from our existing internal reserves (3,020 million yen in total^(Note 2)). New earnings and distribution forecasts for the 34th fiscal period including the impact of this restoration work shall be announced in “Fiscal Results for 33rd Fiscal Period” on October 17, 2018.

(Note 1) The cost for restoration work is a current estimate and is subject to change.

(Note 2) The figure is calculated by adding a provision for internal reserves for the 32nd fiscal period to the balance of internal reserves as of the end of the 32nd fiscal period.

Furthermore, despite there are still a few stores on this property that are suspending business operations, OJR is continuing restoration work to facilitate resuming its operations as soon as possible.

An update shall be provided in case any damages that may affect critical impact on OJR’s operating results are found.