

**For Immediate Release**

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**ORIX JREIT Announces Issuance of the Investment Corporation Bonds**

TOKYO, July 11, 2018 — ORIX JREIT Inc. (“OJR”) announces its decision to issue the investment corporation bonds as below.

**1. Description of the investment corporation bonds**

**A. 11<sup>th</sup> investment corporation bonds**

(1) Name	ORIX JREIT Inc. 11 <sup>th</sup> unsecured bonds with pari passu conditions among specified investment corporation bonds
(2) Total issue amount	JPY 2 billion
(3) Form of bond certificate	Subject to the provisions of Act on Book-Entry Transfer of Corporate Bonds and Shares, etc., bond certificates shall not be issued.
(4) Issue price	JPY 100 per JPY 100 of each investment corporation bond
(5) Redemption price	JPY 100 per JPY 100 of each investment corporation bond
(6) Interest rate	0.200% per annum
(7) Unit price	JPY 100 million
(8) Method of offering	Public offering
(9) Date of offering	July 11, 2018
(10) Date of payment	July 18, 2018
(11) Collateral	The investment corporation bonds shall be issued on an unsecured, unguaranteed basis, and without reservation of specified assets.
(12) Maturity date and method of redemption	The total amount shall be redeemed on January 18, 2023. The investment corporation bonds may be repurchased and cancelled at any time after the date of payment except for the case separately determined by the Book-Entry Transfer Institution.
(13) Interest payment date	January 18 and July 18 every year (or if such interest payment date falls on a day which is not a bank business day, the payment shall be brought forward to the immediately preceding bank business day)
(14) Special financial conditions	Provision of collateral restrictions are applicable.
(15) Ratings	AA: Japan Credit Rating Agency, Ltd. (JCR)
(16) Fiscal agent, issuing agent and paying agent	Sumitomo Mitsui Trust Bank, Limited
(17) Underwriters	Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd.

## B. 12<sup>th</sup> investment corporation bonds

(1) Name	ORIX JREIT Inc. 12 <sup>th</sup> unsecured bonds with pari passu conditions among specified investment corporation bonds
(2) Total issue amount	JPY 3 billion
(3) Form of bond certificate	Subject to the provisions of Act on Book-Entry Transfer of Corporate Bonds and Shares, etc., bond certificates shall not be issued.
(4) Issue price	JPY 100 per JPY 100 of each investment corporation bond
(5) Redemption price	JPY 100 per JPY 100 of each investment corporation bond
(6) Interest rate	0.550% per annum
(7) Unit price	JPY 100 million
(8) Method of offering	Public offering
(9) Date of offering	July 11, 2018
(10) Date of payment	July 18, 2018
(11) Collateral	The investment corporation bonds shall be issued on an unsecured, unguaranteed basis, and without reservation of specified assets.
(12) Maturity date and method of redemption	The total amount shall be redeemed on July 18, 2028. The investment corporation bonds may be repurchased and cancelled at any time after the date of payment except for the case separately determined by the Book-Entry Transfer Institution.
(13) Interest payment date	January 18 and July 18 every year (or if such interest payment date falls on a day which is not a bank business day, the payment shall be brought forward to the immediately preceding bank business day)
(14) Special financial conditions	Provision of collateral restrictions are applicable.
(15) Ratings	AA: Japan Credit Rating Agency, Ltd. (JCR)
(16) Fiscal agent, issuing agent and paying agent	Sumitomo Mitsui Trust Bank, Limited
(17) Underwriters	Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd.

### 2. Reason for issuance

OJR aims to strengthen financial stability by diversifying its financing methods through this issuance of investment corporation bonds.

### 3. Amount and use of proceeds and the scheduled timing of disbursement

(1) Amount of proceeds (Estimated net proceeds)

JPY 4,970 million

(2) Use of proceeds and the scheduled timing of disbursement

Use of proceeds	The scheduled timing of disbursement
Allocate funds to redeem ORIX JREIT Inc. 6th investment corporation bonds (JPY 5 billion) (Note1)	July 20, 2018 (Note2)

Notes:

- For details of ORIX JREIT Inc. 6th investment corporation bonds, please refer to the press release "ORIX JREIT Announces Issuance of Investment Corporation Bonds" dated January 10, 2014.
- OJR will deposit the procured funds in a financial institution by the scheduled timing of disbursement.

#### 4. Change in interest-bearing liabilities and LTV post-issuance

Unit: million yen

	Pre-issuance As of July 11, 2018	Post-issuance As of July 20, 2018	Change
Short-term loans	-	-	-
Long-term loans	273,517	273,517	-
Total of loans	273,517	273,517	-
Investment corporation bonds	14,500	14,500	-
Sum of loans and investment corporation bonds	288,017	288,017	-
Other interest-bearing liabilities	-	-	-
Total interest-bearing liabilities	288,017	288,017	-
LTV based on total assets <sup>(Note 1,3)</sup>	42.8%	42.8%	-
LTV based on unitholders' capital <sup>(Note 2,3)</sup>	46.2%	46.2%	-

Notes:

1. "LTV based on total assets" (%) = Interest-bearing liabilities ÷ Expected Total Assets × 100  
"Expected Total Assets" is calculated by adding the net increase amount of interest-bearing liabilities and unitholders' capital since March 1, 2018 to the total asset as of the end of the 32<sup>nd</sup> fiscal period ended February 28, 2018.
2. "LTV based on unitholders' capital" (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' capital) × 100.
3. Each LTV figure is rounded to the one decimal place. Accordingly, each change in the LTV figures may not tally due to rounding error.

#### 5. Additional information for investors

With respect to the risks associated with the issuance of the investment corporation bonds, the content of "Investment Risks" stated in our Security Report (*Yukashoken Hokokusho*) for the 32<sup>nd</sup> fiscal period ended February 28, 2018, has not changed.

Notes:

1. This is the English translation of original Japanese documents and is provided solely for information purposes. If there are any discrepancies between the translation and the Japanese original, the latter shall prevail.
2. The original Japanese version of this announcement was distributed today to the Kabuto Club, the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Construction Specialty Publication Press Club.