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For Immediate Release

REIT Issuer:

ORIX JREIT Inc. (TSE: 8954)

Yoshio Ono

Executive Director

Investment Trust Management Company:

ORIX Asset Management Corporation

Mitsuo Sato

Representative Director and President

Inquiries:

Hirofumi Yatsuduka

Director, Corporate Senior Vice President

TEL: +81 3 3435 3285

ORIX JREIT Announces Acquisition of Ichikawa Logistics Center

TOKYO, September 19, 2008—ORIX JREIT Inc. (“OJR”) announced today that it would acquire the Ichikawa Logistics Center. The details of the acquisition are outlined below.

1. Acquisition Summary

Asset to be acquired	Real estate trust beneficial interest *Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest and acquire fee simple ownership.
Property name	Ichikawa Logistics Center
Acquisition price	¥8,300,000,000 (excluding national and local consumption taxes)
Scheduled acquisition date	September 29, 2008
Current owner and seller	ORIX Real Estate Corporation
Anticipated funding method	Self-financed and loan proceeds
Payment terms	100% on transfer

2. Purpose of the Acquisition

Based on the objectives and principles of asset management outlined in its Articles of Incorporation, OJR has decided to acquire the property for the purposes of strengthening its portfolio, and facilitating stable dividend distribution over the medium and long terms. The following points were emphasized when considering the acquisition of the property.

1) Location

This property is located on the Chiba waterfront, one of the distribution bases in the suburbs of the Tokyo metropolitan area. This area attracts firm demand for large-scale distribution facilities because it offers excellent access to the heart of Tokyo via the Higashi-Kanto Expressway, the Keiyo Highway, Route 357 and Route 14, as distribution companies continue to actively concentrate and consolidate their distribution bases here. Moreover, the completion of the Tokyo-Gaikan Expressway has shortened the time required to travel to consumer areas toward Saitama and access the Joban Expressway and Tohoku Expressway. This has made it possible to serve an even broader area, and solid demand can be expected in the future as well.

2) Property

The location is extremely convenient. The property is located in close proximity to expressways, approximately 0.7km from the Wangan-Ichikawa Interchange on the Higashi-Kanto Expressway and approximately 1.5km from the Funabashi Interchange on the Keiyo Highway. Air freight can be handled at Haneda Airport and Narita Airport, and cargo can be transported through a wide area centered on the Tokyo metropolitan area. In addition, the environment is optimal for logistics operations as the facility can be operated 24 hours a day and it is easy to secure manpower.

Moreover, in addition to the prime site, the property boasts new construction just completed in June 2008, including a large logistics facility and a total floor area exceeding 10,000 tsubo (33,000 m²), height of

beams 5.5 m, 10.5m x 10.4m column span, a floor load of 1.5t/ m², a truck berth and office facilities. This property is thus extremely versatile, with specifications meeting tenant needs.

3. Summary of Property for Acquisitions

Building Name	Ichikawa Logistics Center
Specified asset category	Property trust beneficial interest ^{*1}
Trustee	Mizuho Trust & Banking Co., Ltd. ^{*1}
Term of trust agreement	July 31, 2006 – July 31, 2016 ^{*1}
Postal address	20-7, Futamatashinmachi, Ichikawa-city, Chiba
Registered usage	Warehouse, garbage dump
Registered area	Land: 19,834.80 m ² Building: 37,456.96 m ² (total floor area, includes 40.00 m ² garbage dump annex)
Registered construction	Steel-framed building with an alloy-coated steel plate roof, 5 floors, Garbage dump annex: Single-story concrete block structure with an alloy-coated steel plate roof
Registered completion date	June 17, 2008
Type of ownership	Fee simple Ownership
Previous owner	ORIX Real Estate Corporation
Acquisition price	¥8,300,000,000 (excluding national and local consumption taxes)
Appraised value	¥8,300,000,000
Appraisal date	August 31, 2008
Appraiser	Japan Real Estate Institute
Scheduled acquisition date	September 29, 2008
Public transit access	About 0.7 km from Wangan-Ichikawa IC, Higashi-kanto Expressway, About 1.5 km from Funabashi IC, Keiyo Highway, About 13 minutes' walk from Futamatashimmachi Station on JR Line
Usage restrictions	Building to land ratio 60%, floor to area ratio 200%, and industrial area etc.
Architects	KAJIMAROAD CO., LTD
General contractors	KAJIMAROAD CO., LTD
Building inspection agency	JAPAN ERI CO., LTD.
Main facilities and specifications	[Warehouse floor height/Height of beams] 1st: 6.7m/5.5m, 2nd: 6.7m/5.5m, 3rd: 6.6m/5.5m, 4th: 5.9m/5.5m [Freight elevators] 5, Load 3,500kg [Vertical conveyors] 5 [Dock levelers:] 4 [Warehouse floor loading] 1.5 tons/m ² [Column spacing] 10.4 m x 10.5m [Docking berths] 37-vehicle capacity [Parking] 91 car parking spaces
Earthquake resistance	PML 13% (Based on SHIMIZU CORPORATION report) PML shows the estimated cost of recovering the building in the event of an earthquake. The figure is based on the probability of an earthquake that may occur every 475 years, and shows the percentage of the construction costs to the replacement value. This seismic risk analysis was done by Shimizu Corporation.
Collateral	None
Special notes	None
No. of tenants	1 (as of September 19, 2008)
Projected annual gross revenue	¥ 426 million The projection is quoted from the income projection using the direct capitalization method in the Appraisal Report, and does not represent any projections by OJR or ORIX Asset Management Corporation.

Security deposits	- *2
Total rent space	37,456.96 m ² (as of September 19, 2008)
Total rentable space	37,456.96 m ² (as of September 19, 2008)
Occupancy rate	100.0% (as of September 19, 2008)

*1 Upon acquisition of the real estate trust beneficial interest, OJR will terminate the trust agreement relating to the beneficial interest on the same date, acquiring fee simple ownership.

*2 Because the tenant has not consented, these figures will not be disclosed.

4. Current owner / Seller

*As of September 11, 2008

Company Name	ORIX Real Estate Corporation
Address	4-1, Hamamatsucho 2-chome, Minato-ku, Tokyo
Representative	Hiroaki Nishina
Shareholders' Equity	¥ 200 million
Shareholder	ORIX Corporation (100%)
Operations	Development of condominiums, detached houses, and office buildings. Subleasing and management of condominiums, shops, and offices.
Relationships	Both ORIX Real Estate Corporation and ORIX Asset Management Corporation are subsidiaries of ORIX Corporation. Their relationships thus correspond to that of a "related party" stipulated in Japan's Law Concerning Investment Trusts and Investment Corporations.

5. Information regarding ownership

Building name (Address)	Ichikawa Logistics Center (20-7, Futamatashinmachi, Ichikawa-city, Chiba)
Previous ownership status	
Owner/company name	ORIX Real Estate Corporation
Special relationships involved	Wholly owned subsidiary of the parent company of the asset management company
Background to and reason for acquisition	New development (Construction completed in June 2008)
Acquisition price	-
Acquisition date	-

6. Intermediary

None

7. Payment

Anticipated funding method: Self-financed and loan proceeds

Payment terms: 100% on transfer

8. Schedule

September 19, 2008: Decision made to acquire the property

September 19, 2008 (tentative): Execution of sale and purchase contract for the property

September 29, 2008 (tentative): Transfer of the property

9. Future Outlook

Please refer to the press release dated September 19, 2008, entitled "ORIX JREIT Revises Earnings Forecast for the 14th Fiscal Period (Ending February 28, 2009)," for information on the impact that this acquisition is expected to have on the earnings forecasts for the 14th fiscal period (September 1, 2008 – February 28, 2009).

Addendums

I. Property photo and map II. Appraisal summary III. Portfolio summary after acquisition of property

The original Japanese version of this material is being distributed today to the Kabuto Club, the Ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.

I. Property photo and map

Ichikawa Logistics Center



Wide-area map



II. Appraisal summary

1. Appraisal

- 1) Appraised Value ¥ 8,300,000,000-
- 2) Appraisal Date August 31, 2008
- 3) Appraiser Japan Real Estate Institute

2. Valuations by method

- 1) Cost Method..... ¥ 8,080,000,000-
- 2) Income Method
 - i. DCF value ¥ 8,250,000,000-
 - Discount Rate..... 4.5%
 - Terminal Capitalization Rate 5.3%
 - ii. DC Value..... ¥ 8,350,000,000-
 - Capitalization Rate..... 5.0%

3. Income projection

The following projection is quoted from the income projection using the direct capitalization method in the Appraisal Report, and does not represent any projections by OJR or ORIX Asset Management Corporation.

Income Projection (NOI): ¥ 426 million

4. Long Term Projected Repairs

According to the Engineering Report by NIPPON KANZAI Co., Ltd. maintenance cost over the next 12 years will be ¥ 40,300 thousand.

III. Portfolio summary after acquisition of property

	Property	Acquisition		Percentage of Total Acquisition Cost		
		Date	Price(¥ million)			
Offices	3 central Tokyo wards	Aoyama Suncrest Building	December 1. 2001	3,356	1.2	
		Round-Cross Ichi-bancho	December 1. 2001	3,900	1.4	
		Beside Shirogane	December 21. 2001	1,300	0.5	
		Round-Cross Akasaka Mitsuke	December 21. 2001	1,650	0.6	
		Nihonbashi East Building	December 21. 2001	1,720	0.6	
		Round-Cross Minami Azabu	December 21. 2001	1,394	0.5	
		Round-Cross Akasaka	January 10. 2002	2,624	1.0	
		Round-Cross Mita	January 10. 2002	1,748	0.6	
		Shiba Daimon Building	January 10. 2002	2,195	0.8	
		Round-Cross Tsukiji	January 10. 2002	3,378	1.3	
		ORIX Jimbo-cho Building	September 29. 2003	4,177	1.5	
		ORIX Shiba 2-chome Building	September 29. 2003	7,500	2.8	
		Aoyama 246 Building	March 3. 2004	5,200	1.9	
		ORIX Akasaka 2-chome Building	June 26. 2006 December 4. 2006	21,860	8.1	
		Nihonbashi Honcho 1-chome Building	March 28. 2007	10,500	3.9	
		ORIX Suidobashi Building	March 28. 2008	3,000	1.1	
		ORIX Shinagawa Building	June 27. 2008	15,200	5.6	
	Subtotal		90,702	33.6		
	Remaining Tokyo wards	Carrot Tower	December 1. 2001	5,479	2.0	
		Toyo MK Building	December 1. 2001	5,270	2.0	
		Round-Cross Moto Yoyogi	December 1. 2001	5,091	1.9	
		Round-Cross Nishi Shinjuku	December 1. 2001	2,650	1.0	
		Beside Kiba	December 21. 2001	2,450	0.9	
		DT Gaien	December 21. 2001	2,430	0.9	
		Yoyogi Forest Building	December 21. 2001	1,473	0.5	
		ORIX Ikebukuro Building	April 18. 2003	9,577	3.6	
		ORIX Shinjuku Building	September 29. 2003	8,300	3.1	
		Round-Cross Shinjuku	April 28. 2006	8,020	3.0	
		Seafort Square Center Building	September 30. 2005 April 28. 2006	18,000	6.7	
		Round-Cross Kamata	March 1. 2006	5,640	2.1	
		Round-Cross Shinjuku 5-chome	April 26. 2007	4,500	1.7	
		KN Jiyugaoka Plaza	May 30. 2007	3,110	1.2	
		ST WORLD Building	March 28. 2008	3,500	1.3	
		Subtotal		85,490	31.7	
		Other parts of the greater Tokyo area	Neo City Mitaka	December 1. 2001	2,200	0.8
	Round-Cross Kawasaki		April 27. 2004	4,130	1.5	
	Subtotal			6,330	2.3	
	Other areas	Nagoya Itochu Building	September 29. 2003	4,500	1.7	
		ORIX Koraibashi Building	April 27. 2005	5,560	2.1	
		ORE Nagoya Fushimi Building	May 30. 2005	10,040	3.7	
		Lunar Sendai	June 28. 2007	8,500	3.2	
		ORIX Nagoya Nishiki Building	September 29. 2008	12,500	4.6	
		Subtotal		41,100	15.2	
	Offices Total		223,622	82.9		
	Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28. 2006	4,000	1.5
			Toda Park Logistics Center	March 28. 2008	9,600	3.6
			* Ichikawa Logistics Center	September 29. 2008	8,300	3.1
Subtotal			21,900	8.1		
Logistics Facilities Total		21,900	8.1			
Retail Facilities	3 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31. 2003	2,548	0.9	
		Subtotal		2,548	0.9	
	Remaining Tokyo wards	CUBE Daikanyama	March 31. 2004	2,435	0.9	
		Subtotal		2,435	0.9	
Retail Facilities Total		4,983	1.8			
Hotels	Other parts of the greater Tokyo area	Cross Gate	January 10. 2002	15,040	5.6	
		Subtotal		15,040	5.6	
Hotels Total		15,040	5.6			
Others	3 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1. 2001	1,219	0.5	
		Subtotal		1,219	0.5	
	Remaining Tokyo wards	Grand Maison Hakusan	December 1. 2001	455	0.2	
		Sonet Kami Ikebukuro	December 1. 2001	2,377	0.9	
	Subtotal		2,832	1.1		
Others Total		4,051	1.5			
Grand Total		269,596	100.0			

* Newly acquired building

Notes

1. "Acquisition price" above refers to sale price (fractions rounded down) specified in the sale and purchase contract. Consumption taxes are not included in the price.
2. "Percentage of total acquisition cost" refers to the acquisition price of each property under management as a proportion of total acquisition price.
3. Fractions are rounded to two decimal places for the "Percentage of total acquisition cost". Totals for the "Percentage of total acquisition cost" may not tally as a result of rounding.