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For Immediate Release

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ORIX JREIT Announces Sale of Sonet Kami Ikebukuro

TOKYO, December 17, 2010 — ORIX JREIT Inc. (“OJR”) announced today that it has decided to sell Sonet Kami Ikebukuro, one of the properties in its portfolio. Details are below.

1. Sale summary

Property name	Sonet Kami Ikebukuro
Asset to be sold	Real estate property
Sale price	¥2,146 million (Excludes adjustments, such as property tax and city planning tax, as well as consumption tax)
Book value	¥ 2,061 million (As of August 31, 2010)
Difference between sale price and book value	¥ 84 million (Expected to incur a loss on sale due to the expenditure of the repair reserve (approx. ¥130 million) and other expenses related to this property sale)
Scheduled contract date	December 17, 2010
Scheduled delivery date	December 27, 2010
Buyer	JYU-SEIKATSU REALTY, Corp.
Delivery method	Transfer of fee simple ownership

* Figures are rounded down to the nearest million yen.

2. Rationale for Sale

In order to maintain and increase the level of distributions over the medium to long term, OJR is currently upgrading the quality of its portfolio through asset replacement as well as expanding the scale of its assets through selective investment in properties with outstanding stability and profitability in cash flow.

As part of this external growth strategy, OJR has decided to sell this property as a result of comprehensive consideration of the effects on the internal growth capacity, the overall portfolio structure and the level of distributions.

Looking ahead, OJR will make effective use of the funds to be gained from the sale of the property as it continues taking steps to upgrade the quality of the portfolio and to expand the scale of its assets.

3. Summary of property to be sold

Asset type		Real estate property
Address		10-8, Kami Ikebukuro 4-chome, Toshima-ku, Tokyo
Acquisition price		¥2,377 million
Appraisal value		¥1,880 million (appraised by Tanizawa Sogo Appraisal Co., Ltd. as of December 1, 2010)
Use		Type 1 residential zone, Commercial zone
Land	Site area	2,079.75 m ² (register)
	Type of ownership	Ownership of the land: the proportion of site ownership, and co-ownership is 77.5%
Building	Use	Residential, Car park (register)
	Date of construction	February 1997 (register)
	Total floor area	8,983.00 m ² (Total floor area of entire single building recorded in register)
	Structure	Steel-reinforced concrete, flat roof, 14 floors with 2 underground floors
	Type of ownership	Compartmentalized ownership: proportion of building ownership is 77.5%
Number of tenants		1 (As of November 30, 2010)
Gross rental income		- *
Security deposits		- *
Total leased space		5,853.00 m ² (As of November 30, 2010)
Total rentable space		5,853.00 m ² (As of November 30, 2010)
Occupancy rate		100.0% (As of November 30, 2010)

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

4. Profile of buyer

As of December 10, 2010

Company Name	JYU-SEIKATSU REALTY, Corp.
Address	14-15, Nihonbashi Oodenmachi, Chuo-ku, Tokyo
Representative	Susumu Ando
Operations	Buying, selling, leasing and management of real estate, and brokerage of these businesses as well as arrears guarantee services for leased residential real estate
Shareholders' equity	¥160 million
Date of establishment	September 1, 1993
Relationships with OJR or its asset management company	
Capital relationships	There is no capital relationship that requires reporting between OJR or ORIX Asset Management Corporation ("OAM") and the company in question.
Personal relationships	There is no personal relationship that requires reporting between OJR or OAM and the company in question.
Business relationships	There is no business relationship that requires reporting between OJR or OAM and the company in question.

Applicability to related parties	The company in question is not a “related party” for OJR or OAM. In addition, the related parties of the company in question are not those for OJR or OAM.
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5. Profile of broker

As consent for disclosure has not been obtained from the broker, OJR will not disclose its name. As of today, there are no capital relationships, personnel relationships, or business relationships that require reporting between OJR or OAM and the broker in question. The broker in question is not a “related party” for OJR or OAM.

6. Settlement method

Lump sum settlement on settlement date

7. Transfer schedule

December 17, 2010 (scheduled): Decision to sell, and execution of the sale and purchase agreement
December 27, 2010 (scheduled): Transfer of the property

8. Future outlook

The sale of this property will only make a minor impact on the financial results for the period ending February 2011 (September 1, 2010 – February 28, 2011) and the period ending August 2011 (March 1, 2011 – August 31, 2011). Therefore, the forecast financial results for the periods ending February 2011 and August 2011 remain unchanged from those announced in the Financial Results for the period ended August 2010 (March 1, 2010 – August 31, 2010).

Reference: Portfolio summary after sale of Sonet Kami Ikebukuro

The original Japanese version of this material is being 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 Press Club for Construction Publication

Portfolio summary after sale of Sonet Kami Ikebukuro

		Property	Acquisition		Percentage of Total Acquisition Cost
			Date	Price(¥million)	
Offices	6 central Tokyo wards	Aoyama Suncrest Building	December 1, 2001	3,356	1.1
		Round-Cross Ichi-bancho	December 1, 2001	3,900	1.3
		Round-Cross Moto Yoyogi	December 1, 2001	5,091	1.7
		Round-Cross Nishi Shinjuku	December 1, 2001	2,650	0.9
		Beside Shirogane	December 21, 2001	1,300	0.4
		DT Gaian	December 21, 2001	2,430	0.8
		Nihonbashi East Building	December 21, 2001	1,720	0.6
		Yoyogi Forest Building	December 21, 2001	1,473	0.5
		Round-Cross Minami Azabu	December 21, 2001	1,394	0.5
		Round-Cross Akasaka	January 10, 2002	2,624	0.9
		Round-Cross Mita	January 10, 2002	1,748	0.6
		Shiba Daimon Building	January 10, 2002	2,195	0.7
		Round-Cross Tsukiji	January 10, 2002	3,378	1.1
		ORIX Shiba 2-chome Building	September 29, 2003	7,500	2.5
		Aoyama 246 Building	March 3, 2004	5,200	1.7
		Round-Cross Shinjuku	April 28, 2006	8,020	2.6
		Seafort Square Center Building	September 30, 2005	18,000	5.9
			April 28, 2006		
		ORIX Akasaka 2-chome Building	June 26, 2006	21,860	7.2
			December 4, 2006		
		Round-Cross Shinjuku 5-chome	April 26, 2007	4,500	1.5
		Nihonbashi Honcho 1-chome Building	March 28, 2007	10,500	3.5
		ST WORLD Building	March 28, 2008	3,500	1.2
		ORIX Suidobashi Building	March 28, 2008	3,000	1.0
		ORIX Shinagawa Building	June 27, 2008	15,200	5.0
		ORIX Real Estate Nishi Shinjuku Building	March 27, 2009	13,600	4.5
		OX Tamachi Building	March 29, 2010	6,730	2.2
		Subtotal		150,869	49.8
	Remaining Tokyo wards	Carrot Tower	December 1, 2001	5,479	1.8
		Toyo MK Building	December 1, 2001	5,270	1.7
		Beside Kiba	December 21, 2001	2,450	0.8
		ORIX Ikebukuro Building	April 18, 2003	9,577	3.2
		Round-Cross Kamata	March 1, 2006	5,640	1.9
		KN Jiyugaoka Plaza	May 30, 2007	3,110	1.0
		ORIX Meguro Building	July 29, 2010	6,350	2.1
		Subtotal		37,876	12.5
	Other parts of the greater Tokyo area	Neo City Mitaka	December 1, 2001	2,200	0.7
		Round-Cross Kawasaki	April 27, 2004	4,130	1.4
		Omiya Miyacho Building	March 27, 2009	4,400	1.5
		Omiya Shimochi 1-chome Building	March 29, 2010	3,750	1.2
		Subtotal		14,480	4.8
	Other areas	Nagoya Itochu Building	September 29, 2003	4,500	1.5
		ORIX Korabashi Building	April 27, 2005	5,560	1.8
		Lunar Sendai	June 28, 2007	8,500	2.8
		ORIX Nagoya Nishiki Building	March 29, 2010	12,500	4.1
		ORE Sapporo Building	October 1, 2010	4,250	1.4
		Subtotal		35,310	11.7
	Offices Total			238,535	78.8
Logistics Facilities	Other parts of the greater Tokyo area	Koshigaya Logistics Center	April 28, 2006	4,000	1.3
		Toda Logistics Center	March 28, 2008	9,600	3.2
		Ichikawa Logistics Center	September 29, 2008	8,300	2.7
		Subtotal		21,900	7.2
	Other areas	Sakai Logistics Center North Building	March 30, 2010	10,200	3.4
		Subtotal		10,200	3.4
	Logistics Facilities Total			32,100	10.6
Retail Facilities	6 central Tokyo wards	Nihon Jisho Minami Aoyama Building	October 31, 2003	2,548	0.8
		CUBE Daikanyama	March 31, 2004	2,435	0.8
		Subtotal		4,983	1.6
	Other parts of the greater Tokyo area	aune Kohoku	March 10, 2010	4,000	1.3
		aune Makuhari	March 10, 2010	3,600	1.2
		Subtotal		7,600	2.5
	Other areas	Kobe Momoyamada Shopping Center (Site)	March 5, 2010	3,260	1.1
	Retail Facilities Total			15,843	5.2
Residential	6 central Tokyo wards	Park Axis Nishi Azabu Stage	December 1, 2001	1,219	0.4
		Subtotal		1,219	0.4
	Residential Total			1,219	0.4
Others	Other parts of the greater Tokyo area	Cross Gate	January 10, 2002	15,040	5.0
		Subtotal		15,040	5.0
	Others Total			15,040	5.0
Grand Total		52 properties		302,737	100.0

- 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.