

[Provisional Translation Only]

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For Immediate Release

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ORIX JREIT Announces Issue of Investment Corporation Bonds

TOKYO, January 21, 2011—ORIX JREIT Inc. (“OJR”) today announced its decision to issue investment corporation bonds, as outlined below:

1. Summary of Investment Corporation Bonds

(1) Name	ORIX JREIT Inc. Fourth Series of Unsecured Bonds (with special pari passu conditions among specified investment corporation bonds)
(2) Total issue amount	¥ 5 billion
(3) Form of bond certificate	Applicable to the regulations of the Law concerning Book-Entry Transfer of Corporate Bonds, etc.; Bond certificates will not be issued.
(4) Issue price	One hundred yen (¥100) per one hundred yen (¥100) of the investment corporate bond
(5) Redemption value	One hundred yen (¥100) per one hundred yen (¥100) of the investment corporate bond
(6) Interest rate	1.40% per annum
(7) Unit price	One hundred million yen (¥100,000,000)
(8) Method of offering	Public placement
(9) Date of offering	January 21, 2011
(10) Date of payment	January 27, 2011
(11) Collateral	The investment corporation bonds are issued on an unsecured, unguaranteed basis, and without the backing of specific assets.
(12) Method and date of redemption	The total amount will be redeemed on January 27, 2014. The investment corporate bonds may be repurchased and cancelled at any time after the date of payment unless otherwise specified by the transfer agent.
(13) Interest payment date	January 27 and July 27 of each year
(14) Special financial conditions	Provision of collateral restrictions is applicable.
(15) Ratings	A+ Rating and Investment Information, Inc. (R&I) A- Standard & Poor's Ratings Japan K.K. (S&P) AA- Japan Credit Rating Agency, Ltd. (JCR)
(16) Fiscal agent, issue agent and payment agent	The Sumitomo Trust and Banking Co., Ltd.
(17) Underwriter	Daiwa Securities Capital Markets Co., Ltd.

2. Reason for Issuance

OJR will issue the investment corporation bonds to procure funds to acquire specified assets.

3. Amount and Usage of Funds Procured, and Expected Time of Expenditure

(1) Amount of funds procured (approximate balance net)

¥ 4,971,000,000

(2) Specific usage and expected time of expenditure of funds procured

Specific usage	Amount (million yen)	Expected time of expenditure
Acquisition of Okayama Kume Retail Facility ^{*1} and other specified assets	4,971	January 2011 (planned) ^{*1} and as soon as the decision to acquire other specified assets is made in the future

Note

- OJR will acquire the Okayama Kume Retail Facility in January 2011.
- OJR will deposit the procured funds in a financial institution until the time of expenditure.

4. Situation of Interest-bearing Debt After Issuance of Investment Corporate Bonds and New Borrowing on January 31, 2011^{*3}

(In Millions of yen)

	Before (As of January 21, 2011)	After ^{*3} (As of January 31, 2011)	Change
Short-term borrowings	8,300	13,300	+5,000
Long-term borrowings	118,243	118,243	
[Long-term debt due within one year]	[32,250]	[32,250]	
Total of borrowings	126,543	131,543	+5,000
Investment corporation bonds	22,000	27,000	+5,000
Sum of borrowings and investment corporation bonds	148,543	158,543	+10,000
Other interest-bearing debt			
Total interest-bearing debt	148,543	158,543	+10,000
Interest-bearing debt ratio	52%	53%	2%

Note:

- Interest-bearing debt ratio is calculated by dividing the total interest-bearing debt by the sum of interest bearing-debt and total equity.
- Individual numbers are rounded off to whole numbers. As a result, change in the interest-bearing debt ratio may not be consistent with the corresponding figures as a result of rounding.
- Based on the commitment line dated June 15, 2010, OJR will take out ¥5,000 million in short term loans on January 31, 2011. (See “ORIX JREIT Announces New Debt Financing” dated January 19, 2011.)

5. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There is no change to the content of OJR's 17th Financial Report (ended August 31, 2010) with respect to the risks involved in repayment etc. due to the current issue of investment corporation bond.

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