

For Immediate Release

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ORIX JREIT Announced New Debt Financing (Partial Early Repayment and Refinancing)

TOKYO, March 8, 2013 — ORIX JREIT Inc. (“OJR”) announced that it has resolved the following at its board of directors meeting held on March 8, 2013 regarding debt financing (partial early repayment and refinancing).

1. Overview of Debt Financing (Early Repayment and Refinancing)

OJR will make a partial early repayment of the long-term loan (Term loan 18) that matures on June 27, 2016. With this early repayment, OJR will also pay a break funding cost^(Note) as an early repayment expense. OJR will also carry out the debt financing of the same amount as the early repayment (the “Refinancing”) on the same day as the early repayment.

Through these measures, OJR will further enhance the stability of its financial standing through the diversified and extended repayment dates while simultaneously reducing financing costs of interest-bearing debt overall. For details, please refer to the press release “ORIX JREIT Announces Revision of Earnings & Distributions Forecasts for the 23rd Fiscal Period (Ending August 31, 2013) and Earnings & Distributions Forecasts for the 24th Fiscal Period (Ending February 28, 2014)” announced today.

Note: The break funding cost, when an early repayment of an existing borrowing is being made and furthermore the reinvestment interest rate is smaller than the base rate, refers to the amount calculated by multiplying the principal amount of the early repayment on the early repayment date by the difference between the base rate and reinvestment interest rate prorated (365 days a year) based on the number of actual days in the remaining period.

The reinvestment interest rate is the rationally determined rate based on a hypothetical reinvestment interest of the repayment amount during the remaining period at the Tokyo interbank market and such.

Disclaimer: This document is a press release intended for the general public regarding new debt financing (partial early repayment and refinancing). It has not been prepared for the purpose of soliciting investment. When investing, investors should do so based on their own judgment after being sure to read the “prospectus on the issue of new investment units and the secondary offering of investment units through over-allotment” that OJR will prepare as well as any amendments (if any).

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2. Partial Early Repayment

(1) Details of Loan (Term Loan 18) for Early Repayment

Lender	Loan amount	Applicable interest rate	Drawdown date	Maturity	Collateral
Mitsubishi UFJ Trust and Banking Corporation	4,000,000,000 yen	1.58967% (fixed rate)	June 27, 2011	June 27, 2016	Un-secured, non-guaranteed
Sumitomo Mitsui Trust Bank, Limited	4,000,000,000 yen				
Sumitomo Mitsui Banking Corporation	4,000,000,000 yen				
Mizuho Corporate Bank, Ltd.	3,000,000,000 yen				
Total	15,000,000,000 yen				

(2) Scheduled Partial Early Repayment Date March 21, 2013

(3) Amount of Partial Early Repayment 9,900,000,000 yen

(4) Amount of One-off Expenses ^(Note) Incurred with the Early Repayment 255,000,000 yen (approximation)

Note: The one-off expenses incurred with the early repayment consists of (A) and (B) below.

(A) Break funding cost

The break funding cost, which is a factor that makes up approx. 255 million yen of the one-off expenses incurred with the early repayment, is calculated based on the interest rate of the Tokyo interbank market, etc. as of March 1, 2013 but as the final amount will be determined two business days before the early repayment date, the actual figure may vary.

(B) Lump-sum depreciation portion of the up-front fee, etc.

The up-front fee, etc. refers to the fee paid to the lender when the debt financing was implemented. OJR is taking an accounting process whereby depreciation is distributed evenly during the borrowing period and it will expense the remaining depreciation as a lump-sum when the early repayment is made.

3. New Debt Financing (Refinancing)

Lender	Loan amount	Applicable interest rate	Drawdown date	Maturity	Collateral
Mitsubishi UFJ Trust and Banking Corporation	2,640,000,000 yen	1.06552% (Note 1) (fixed rate)	March 21, 2013	March 20, 2019	Un-secured, non-guaranteed
Sumitomo Mitsui Trust Bank, Limited	2,640,000,000 yen				
Sumitomo Mitsui Banking Corporation	2,640,000,000 yen				
Mizuho Corporate Bank, Ltd.	1,980,000,000 yen				
Total	9,900,000,000 yen				

Notes:

- The 1.06552% interest rate of the new debt financing is calculated based on the base rate (Note 2) as of 11:00am on March 1, 2013 but as the final rate will be determined two business days before the early repayment date the actual rate may vary.
- The base rate used in (Note 1) above is calculated by adding to the 6-year interest rate swap offered rate shown in Reuters Monitor Telerate Page "9154" (rounded down to the fifth decimal place; if there is no rate on the page for the corresponding period, the rate will be rationally determined by an agent with reference to rates of corresponding periods on the page) the Libor/Tibor spread offered rate of the same time in Reuters Monitor Telerate Page "9154" multiplied by 365 and divided by 360 (expressed as a percentage and round down to the fifth decimal place).

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4. Change in LTV, etc. After the Debt Financing

(millions of yen)

	Before (As of March 8, 2013)	After (As of March 21, 2013)	Change
Short-term loans	—	—	—
Long-term loans	155,493	155,430	▲62
(Long-term debt due within one year)	(33,250)	(19,250)	▲14,000
Total of loans	155,493	155,430	▲62
Investment corporation bonds	20,000	20,000	—
Sum of loans and investment corporation bonds	175,493	175,430	▲62
Other interest-bearing debt	—	—	—
Total interest-bearing debt	175,493	175,430	▲62
LTV (based on total assets) ^(Note 1)	50.2%	50.2%	—
LTV (based on unitholders' capital) ^(Note 2)	53.8%	53.8%	—

Notes:

1. "LTV (based on total assets)" (%) = Interest-bearing debt ÷ Total expected assets × 100
Total expected assets is the net increase of interest-bearing debt and net increase of unitholders' capital since the end of the previous period added to the total assets as of the end of the previous fiscal period.
2. "LTV (based on unitholders' capital)" (%) = Interest-bearing debt ÷ (Interest-bearing debt + unitholders' capital) × 100
3. Both LTVs are rounded to the nearest first decimal place. Accordingly, change in the LTVs may not be consistent with the corresponding figures as a result of rounding.
4. In order to repay the loan from the Development Bank of Japan, Inc. dated September 18, 2009, installments of 62,500,000 yen are being made on the 20th day of every third month starting on December 20, 2009, and a final payment of 3,812,500,000 yen will be made upon the loan's principal repayment date on September 18, 2014. As part of the repayment schedule, repayment of JPY 62,500,000 is scheduled to be made on March 20, 2013.
5. The debt maturing on March 19, 2013 is scheduled to be fully refinanced.

5. Additional Information for Investors

There is no change to the content of OJR's Securities Report (*Yukashoken Hokokusho*) for the 21st Fiscal Period ended August 31, 2012 with respect to the risks involved in loans and investment corporation bonds due to the new debt financing.

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