

**For Immediate Release***REIT Issuer:*

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**Partial Revision of OJR's Rules for Asset Management and Property Management**

TOKYO, April 14, 2017 — ORIX Asset Management Corporation, the company contracted by ORIX JREIT Inc. (OJR) to manage its assets, announced a partial revision of OJR's rules for Asset Management and Property Management, hereinafter "Management Rules" is resolved at its Investment Committee held today, as follows.

**1. Summary**

OJR has made a partial revision to its Management Rules, in order to drive diversification of growth opportunities by coping with environmental changes in a flexible manner. For details of the revision, please refer to "3. Details of Revisions".

**2. Background to Revisions**

OJR benefits from three particular strengths, namely its status as a "Diversified REIT," the "ORIX Synergy" , and the "Operational Expertise". By leveraging these three strengths, OJR copes with changes in the external environment as well as the asset management situation within OJR itself, conducting selective investments in a variety of properties with a wide range of profit characteristics, in various asset types and geographical areas. In addition, through property replacement implemented in consideration of the market environment, OJR has constructed a portfolio that combines profitability, growth, and stability.

Specifically, OJR has invested primarily in the Greater Tokyo area and, in terms of asset type, in offices, especially medium-sized offices. Anticipating that the positive trend in the office market would ripple out into Other areas other than Greater Tokyo area, OJR has implemented investments in properties in favorable locations in major cities, it had disposed of offices in the Greater Tokyo area that are some distance from stations in consideration of the future competitiveness. In addition, with an asset size of more than 500 billion yen and an accumulation of internal reserves leading to portfolio and financial stability, OJR has been progressing to making individual and selective investments in high class offices of central Tokyo as well as Hotels and Others. The following revisions have been decided to drive diversification of growth opportunities by coping with environmental changes in a flexible manner.

**3. Details of Revisions**

- I. Guideline for the investment ratio based on acquisition price in Real Estate-Related Assets which Asset Type are Offices .

It has changed from "approx. 60% ± 10%" to "approx. 50% ± 10%"

- II. Guideline for the property investment ratio based on acquisition price in Real Estate-Related Assets which Area are in the Greater Tokyo area<sup>(Note)</sup> .

It has changed from "approx. 80% ± 10%" to "approx. 70% ± 10%"

Note: "The Greater Tokyo area" here indicates Tokyo, Kanagawa, Saitama and Chiba Prefectures.

### III. Name of Asset Type

OJR has changed the name of Asset Type from “Others” to “Hotels and Others” to better reflect the realities of the portfolio.

#### 4. Effective date

April 14, 2017

#### 5. Forecasts for the 31<sup>st</sup> and 32<sup>nd</sup> Fiscal Period

With regard to impact on the financial results forecasts for the 31<sup>st</sup> fiscal period from March 1, 2017 through August 31, 2017 and the 32<sup>nd</sup> fiscal period from September 1, 2017 through February 28, 2018 due to the said partial revision, please refer to “ORIX JREIT Announces Financial Results for 30<sup>th</sup> Fiscal Period” released as of today.

#### <Reference>

The following table shows Summary of the subject matter stipulated in Management Rules. Underlined sections indicate changes.

#### Previous

Asset Type		Area	
		Greater Tokyo area	Other areas
Offices	<u>Approx. 60%±10%</u>	<u>Approx. 80%±10%</u>	<u>Approx. 20%±10%</u>
Retail Facilities	<u>Approx. 40%±10%</u>		
Residential Properties			
Logistics Facilities			
<u>Others</u>			

#### After

Asset Type		Area	
		Greater Tokyo area	Other areas
Offices	<u>Approx. 50%±10%</u>	<u>Approx. 70%±10%</u>	<u>Approx. 30%±10%</u>
Retail Facilities	<u>Approx. 50%±10%</u>		
Residential Properties			
Logistics Facilities			
<u>Hotels and Others</u>			

#### <Reference>

Investment Ratio as of today was as below.

Asset Type		Area		
		Greater Tokyo area	Ratio	
Offices	55.9%		6 Central Tokyo Wards	41.9%
Retail Facilities	17.7%	Remaining Tokyo Wards	11.4%	
Residential Properties	11.0%	Other Parts of Greater Tokyo area	20.3%	
Logistics Facilities	6.0%	Other areas		26.4%
Hotels and Others	9.5%			

Note: 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.