

## **AMB Property Corporation Further Enhances Corporate Governance Practices**

PRNewswire-FirstCall  
SAN FRANCISCO

AMB Property Corporation announced today that its board of directors has approved additional enhancements to its corporate governance practices reflecting the company's ongoing commitment to be an industry leader in corporate governance.

The unanimously approved actions include the adoption of stock ownership guidelines for directors and senior officers, the appointment of a lead director, and the implementation of limitations to memberships on boards of other public companies. The board also adopted a formal policy stating it does not intend to adopt a poison pill without the consent of the company's stockholders.

"AMB has strived to be a leader in corporate governance since our IPO in 1997," said Hamid R. Moghadam, AMB's chairman and chief executive officer. "From day one, our directors have served annual rather than staggered terms and we have opted out of the poison pill and anti-takeover provisions frequently adopted by corporations. Over the years, AMB has added to its governance provisions, eliminating employment contracts, prohibiting the repricing of stock options and activating stock buyback programs. We view governance as a continuous process and believe that today's improvements represent an important evolution in best practices."

Highlights of the recently added governance standards include:

-- Stock ownership guidelines: Independent directors are expected to own or acquire shares of AMB's common stock with a market value of at least \$100,000 within three years. Senior officers of the company are expected to own equity valued at a designated multiple of their base salary within five years, ranging from one to five times base salary based on seniority.

-- Lead director: Each independent director with at least two years of service on the board will rotate service as lead director, chairing executive sessions of the independent directors, facilitating communication and resolving conflicts, if any, between independent directors or members of management, and consulting with and providing counsel to the chief executive officer.

-- Limits on other board memberships: Independent directors who hold an executive position with another company are limited to service on three other public company boards; independent directors who are not executives at other companies may serve on no more than five other public company boards. The chief executive officer may serve on no more than two other public boards and the President on no more than one other public board.

-- Poison pill: The board does not currently intend to adopt any poison pill, or shareholder rights plan, without the consent of a majority of the company's stockholders.

AMB has been recognized as one of the first U.S. companies in 2002 to begin expensing employee stock options, and adopted expanded corporate governance tools in advance of SEC regulations and NYSE listing requirements. A summary of the company's governance program and copies of its governance documents can be obtained in the "About Us" section of the company's website, at [www.amb.com](http://www.amb.com).

AMB Property Corporation is a leading owner and operator of industrial real estate, focused on major hub and gateway distribution markets throughout North America, Europe and Asia. As of June 30, 2003 AMB owned, managed and had renovation and development projects totaling 96.5 million square feet (9.0 million square meters) and 1,005 buildings in 30 markets. AMB invests in industrial properties located predominantly in the infill submarkets of its targeted markets. The company's portfolio is comprised largely of High Throughput Distribution(R) facilities -- industrial properties built for speed and located near airports, seaports and ground transportation systems.

This document contains forward-looking statements about business strategy and future plans, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve numerous risks and uncertainties and should not be relied upon as predictions of future events. The events or circumstances reflected in our forward-looking statements might not occur. In particular, a number of factors could cause AMB's actual results to differ materially from those anticipated, including, among other things, changes in general economic conditions or in the real estate sector; non-renewal of leases by customers or renewal at lower than expected rent; a downturn in California's economy or real estate

conditions; we experience losses in excess of our insurance coverage; difficulties in identifying properties to acquire and in effecting acquisitions on advantageous terms and the failure of acquisitions to perform as we expect; our failure to divest of properties on advantageous terms or to timely reinvest proceeds from any such divestitures; risks and uncertainties affecting property development and renovation (including construction delays, cost overruns, our inability to obtain necessary permits and financings); unknown liabilities acquired from our predecessors or in connections with acquired properties; risks of doing business internationally, including unfamiliarity with new markets and currency risks; risks associated with using debt to fund acquisitions and development, including re-financing risks; our failure to obtain necessary outside financing; changes in local, state and federal regulatory requirements; environmental uncertainties; and our failure to qualify and maintain our status as a real estate investment trust under the Internal Revenue Code of 1986. AMB's success also depends upon economic trends generally, various market conditions and fluctuations. For further information on these and other factors that could impact AMB and the statements contained herein, reference should be made to AMB's filings with the Securities and Exchange Commission, including AMB's quarterly report on Form 10-Q for the quarter ended June 30, 2003. The quarterly financial data contained herein is unaudited and the historical financial information is not necessarily indicative of future results.

SOURCE: AMB Property Corporation

CONTACT: Lauren L. Barr of AMB Property Corporation, +1-415-733-9477, or fax, +1-415-394-9001, or lbarr@amb.com

Web site: <http://www.amb.com/>

---

<http://prologis.mediaroom.com/2003-09-22-AMB-Property-Corporation-Further-Enhances-Corporate-Governance-Practices>