

AMB Property Corporation Announces Tax Treatment of 2004 Dividends

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SAN FRANCISCO

AMB Property Corporation today announced the tax treatment of its 2004 distributions on its Common Stock , 6.5% Series L Cumulative Redeemable Preferred Stock , and 6.75% Series M Cumulative Redeemable Preferred Stock .

During 2004, the company paid four quarterly distributions totaling \$1.69 per share of Common Stock. These distributions are classified for income tax purposes as follows: \$.778 per share (46.0%) is classified as an Ordinary Taxable Dividend; \$0.369 per share (21.9%) is classified as a 15% Rate Capital Gain Dividend; \$0.151 per share (8.9%) is classified as a 25% Rate Capital Gain Dividend; and \$.392 per share (23.2%) is classified as return of capital on the 2004 Form 1099-DIV.

AMB Property Corporation also announced the tax treatment of its 2004 dividends on two series of the company's preferred stock.

For the company's 6.5% Series L Cumulative Redeemable Preferred Stock , the company's reportable 2004 dividends totaling \$1.625 per share are classified for income tax purposes as follows: \$0.974 per share (59.9%) is classified as an Ordinary Taxable Dividend; \$0.462 per share (28.5%) is classified as a 15% Rate Capital Gain Dividend; and \$0.189 per share (11.6%) is classified as a 25% Rate Capital Gain Dividend on the 2004 Form 1099-DIV.

The tax treatment of its reportable 2004 dividends on the company's 6.75% Series M Cumulative Redeemable Preferred Stock totaling \$1.50 per share are classified for income tax purposes as follows: \$0.899 per share (59.9%) is classified as an Ordinary Taxable Dividend; \$0.427 per share (28.5%) is classified as a 15% Rate Capital Gain Dividend; and \$0.174 per share (11.6%) is classified as a 25% Rate Capital Gain Dividend on the 2004 Form 1099-DIV.

On December 9, 2004, AMB Property Corporation declared dividends on two series of the company's preferred stock. For the company's 6.5% Series L Cumulative Redeemable Preferred Stock , stockholders of record on January 6, 2005, a dividend of \$0.40625 per share will be paid on January 17, 2005 and will be classified as 2005 taxable dividends. For the company's 6.75% Series M Cumulative Redeemable Preferred Stock , stockholders of record on January 6, 2005, a dividend of \$0.421875 per share will be paid on January 17, 2005 and will be classified as 2005 taxable dividends.

The tables below summarize the income tax treatment of the company's 2004 dividends:

2004 Dividend Tax Reporting Information (Form 1099-DIV)

AMB Property Corporation Common Stock
CUSIP # 00163T109
Ticker Symbol: AMB

| Declaration Dates | Record Dates | 2004 Cash Payable Dates (\$ per share) | 2004 Ordinary Dividend | | Gain (\$ per share) |
|-------------------|--------------|--|---------------------------------|-------------------------------------|---------------------|
| | | | Taxable Dividend (\$ per share) | 15% Capital Dividend (\$ per share) | |
| 12/4/2003 | 12/22/2003 | 1/5/2004 | \$0.415000 | \$0.191030 | \$0.090684 |
| 2/26/2004 | 4/5/2004 | 4/15/2004 | \$0.425000 | \$0.195635 | \$0.092869 |
| 5/18/2004 | 7/5/2004 | 7/15/2004 | \$0.425000 | \$0.195635 | \$0.092869 |
| 9/23/2004 | 10/5/2004 | 10/15/2004 | \$0.425000 | \$0.195635 | \$0.092869 |
| 2004 Totals | | | \$1.690000 | \$0.777935 | \$0.369291 |

| Declaration Dates | Record Dates | 2004 25% Capital Gain (unrecaptured Section 1250 Payable Dates) | 2004 Return of Capital | |
|-------------------|--------------|---|------------------------|---------------------------|
| | | | Gain (\$ per share) | (nontaxable distribution) |
| | | | | |

| | | | | |
|-------------|------------|------------|------------|------------|
| 12/4/2003 | 12/22/2003 | 1/5/2004 | \$0.036979 | \$0.096307 |
| 2/26/2004 | 4/5/2004 | 4/15/2004 | \$0.037868 | \$0.098628 |
| 5/18/2004 | 7/5/2004 | 7/15/2004 | \$0.037868 | \$0.098628 |
| 9/23/2004 | 10/5/2004 | 10/15/2004 | \$0.037868 | \$0.098628 |
| 2004 Totals | | | \$0.150583 | \$0.392191 |

AMB Property Corporation
Series L Cumulative Redeemable Preferred Stock
CUSIP # 00163T30
Ticker Symbol: AMB.PrL

| | | 2004 | | 25% Capital | | Gain | |
|-------------------|--------------|---------------|----------------|------------------|----------------|--------------------------|----------------|
| | | 2004 | | Ordinary | | 2004 (unrecap- tured | |
| | | Cash Dividend | | Taxable Dividend | | 15% Capital Section 1250 | |
| Declaration Dates | Record Dates | Payable Dates | (\$ per share) | (\$ per share) | (\$ per share) | Gain(\$ per share) | (\$ per share) |
| 12/4/2003 | 1/5/2004 | 1/15/2004 | \$0.406250 | \$0.243515 | \$0.115598 | \$0.047137 | |
| 2/26/2004 | 4/5/2004 | 4/15/2004 | \$0.406250 | \$0.243515 | \$0.115598 | \$0.047137 | |
| 5/18/2004 | 7/5/2004 | 7/15/2004 | \$0.406250 | \$0.243515 | \$0.115598 | \$0.047137 | |
| 9/23/2004 | 10/5/2004 | 10/15/2004 | \$0.406250 | \$0.243515 | \$0.115598 | \$0.047137 | |
| 2004 Totals | | | \$1.625000 | \$0.974060 | \$0.462392 | \$0.188548 | |

AMB Property Corporation
Series M Cumulative Redeemable Preferred Stock
CUSIP # 00163T406
Ticker Symbol: AMB.PrM

| | | 2004 | | 25% Capital | | Gain | |
|-------------------|--------------|---------------|----------------|------------------|----------------|--------------------------|----------------|
| | | 2004 | | Ordinary | | 2004 (unrecap- tured | |
| | | Cash Dividend | | Taxable Dividend | | 15% Capital Section 1250 | |
| Declaration Dates | Record Dates | Payable Dates | (\$ per share) | (\$ per share) | (\$ per share) | Gain(\$ per share) | (\$ per share) |
| 12/4/2003 | 1/5/2004 | 1/15/2004 | \$0.234375 | \$0.140489 | \$0.066691 | \$0.027195 | |
| 2/26/2004 | 4/5/2004 | 4/15/2004 | \$0.421875 | \$0.252881 | \$0.120045 | \$0.048949 | |
| 5/18/2004 | 7/5/2004 | 7/15/2004 | \$0.421875 | \$0.252881 | \$0.120045 | \$0.048949 | |
| 9/23/2004 | 10/5/2004 | 10/15/2004 | \$0.421875 | \$0.252881 | \$0.120045 | \$0.048949 | |
| 2004 Totals | | | \$1.500000 | \$0.899132 | \$0.426826 | \$0.174042 | |

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 September 30, 2004, the company's most recent reporting period, AMB owned, managed and had renovation and development projects totaling 109.1 million square feet (10.1 million square meters) and 1,106 buildings in 38 markets within eight countries. AMB invests in properties located predominantly in the infill submarkets of its targeted markets. The company's portfolio is comprised of High Throughput Distribution(R) facilities . industrial properties built for speed and located near airports, seaports and ground transportation systems.

Some of the information included in this report contains forward-looking statements, such as those related to the payment of preferred dividends and the classification of such dividends, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results to differ materially from those in the forward-looking statements, and you should not rely on the forward-looking statements as predictions of future events. The events or circumstances reflected in forward-looking statements might not occur. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements are necessarily

dependent on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak only as of the date of this report or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: defaults on or non-renewal of leases by tenants, increased interest rates and operating costs, our failure to obtain necessary outside financing, difficulties in identifying properties to acquire and in effecting acquisitions, our failure to successfully integrate acquired properties and operations, our failure to divest properties we have contracted to sell or to timely reinvest proceeds from any divestitures, risks and uncertainties affecting property development and construction (including construction delays, cost overruns, our inability to obtain necessary permits and public opposition to these activities), our failure to qualify and maintain our status as a real estate investment trust, environmental uncertainties, risks related to natural disasters, financial market fluctuations, changes in real estate and zoning laws, risks related to doing business internationally and increases in real property tax rates. Our success also depends upon economic trends generally, including interest rates, income tax laws, governmental regulation, legislation, population changes and certain other matters discussed under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations--Business Risks" and elsewhere in our most recent annual report for the year ended December 31, 2003 in Amendment No. 2 on Form 10-K/A.

SOURCE: AMB Property Corporation

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