

AMB Property Corporation Announces Third Quarter 2005 Capital Deployment Activity Totaling \$324 Million

\$163 Million in Development Starts and \$161 Million in Acquisitions Across North America, Europe and Asia Expand AMB's Presence in Key Distribution Locations Globally

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SAN FRANCISCO

AMB Property Corporation, a leading global developer and owner of industrial real estate, today announced third quarter 2005 acquisitions and development starts of approximately 3.8 million square feet of distribution facilities with a total expected investment of \$324 million. Activity in the quarter features expansion of the company's customer offerings in such international air cargo markets as San Francisco, Toronto, Amsterdam, Brussels, Frankfurt and Paris and such seaports as Seattle, Rotterdam and Kawasaki.

North American Markets:

Boston -- During the quarter, AMB acquired the 65,000 square foot AMB Cedar Hill Distribution facility in the Route 128 South submarket of greater Boston for a total investment of \$4.7 million. The single tenant building is fully leased to a national office products supplier/retailer and complements five additional facilities AMB owns in the same industrial park.

Chicago -- AMB has begun development of a 179,400 square foot multi-tenant distribution facility, adding a sixth building to its fully leased 1.7 million square foot AMB Turnberry Distribution park. The project is located in Chicago's Central DuPage submarket, a location noted for its modern park infrastructure and immediate access to the Elgin-O'Hare Expressway, providing a direct connection to O'Hare International Airport. The new development represents an estimated total investment of \$10.5 million.

AMB further expanded its presence in DuPage County during the quarter with the acquisition of AMB High Grove Distribution, a fully leased 98,500 square foot facility. The property was acquired for a total acquisition cost of \$6.2 million and is located in the master-planned High Grove Center of DuPage, an industrial park with excellent proximity to I-355, a major north/south expressway.

Los Angeles -- In the Mid-Counties submarket of greater Los Angeles, AMB acquired the 87,700 square foot AMB Forest Distribution Center for a total investment of \$7.1 million, fully leasing the facility subsequent to purchase. The Mid-Counties submarket has one of the lowest industrial vacancy rates in the country, serving southern California's distribution needs with proximity to the ports of Los Angeles and Long Beach, the international airports in Los Angeles, Orange County, and Ontario, and major transcontinental highways and rail systems. AMB owns and operates approximately 5.7 million square feet of industrial space in the Mid-Counties submarket and 18.4 million square feet in the greater Los Angeles area.

Northern New Jersey -- Expanding on its presence in North America's third largest distribution market, AMB purchased the fully leased, 250,000 square foot AMB Pointview Distribution Center for a total acquisition cost of \$17.5 million. The property is strategically located at the New Jersey Turnpike's Exit 8-A, with proximity to the international airports in New York and Newark, and the seaports of Newark and Elizabeth. The regional airports rank first in the U.S. and the world for air cargo volume; the combined seaports rank second in the U.S. in total waterborne containers. AMB owns and operates 2.7 million square feet in the Exit 8-A submarket and 11.3 million square feet in the northern New Jersey/New York region.

San Francisco -- During the quarter, AMB acquired AMB Spruce Avenue, a 560,000 square foot bulk warehouse property in South San Francisco's airport submarket. The fully leased cross-dock facility, with a total acquisition cost of \$66.5 million, is situated on a 21.5 acre site, one of the largest sites in the submarket. The infill property is located in a zone designated for future high-density retail and residential uses.

Seattle -- The company purchased AMB Portside Distribution Center, a 407,500 square foot cross-dock facility on 18.3 acres adjacent to the Port of Seattle. With a total acquisition cost of \$28.7 million, the property complements AMB's Seattle-Tacoma 7.9 million square foot portfolio of seaport, airport, rail, and highway served facilities. The ports of Seattle-Tacoma rank third in the U.S. for total container traffic volume.

Toronto -- Expanding its recent entry into Canada, AMB began development in the third quarter on AMB Pearson Logistics Centre, a two-building, rail served bulk warehouse property offering a total of 651,900 square feet in the Greater Toronto Area. The development is located less than two miles north of Toronto's Lester B. Pearson International Airport and is expected to be completed for a total investment of \$42.3 million. AMB is currently underway with more than 1.2 million square feet of facilities in the Toronto area and controls land positions for

an additional 1.9 million square feet of future development. Toronto is North America's fourth largest industrial market after Los Angeles, Chicago, and the northern New Jersey/New York regions.

In additional investment activity during the quarter, AMB acquired an approximate 5% interest in IAT Air Cargo Facilities Income Fund ("IAT") for approximately \$2.5 million. IAT is a Canadian income trust specializing in aviation-related real estate at Canada's leading airports, with a focus on Vancouver International Airport. Previously, AMB acquired the management company which provides services to IAT's 1.3 million square foot air cargo portfolio, extending AMB's platform for expansion into targeted Canadian markets.

European Markets:

Amsterdam -- During the third quarter, the company began development of a third building at AMB Fokker Logistics Park, located within five minutes of Amsterdam Airport Schiphol's south cargo terminals. Schiphol is Europe's third largest airport for cargo volume. The new 118,400 square foot logistics facility is expected to be completed for an estimated total investment of \$14.4 million. AMB currently owns, operates or has logistics facilities under development totaling 1.1 million square feet in the Schiphol submarket.

Brussels -- In the third quarter, AMB entered the Brussels market with the customer-driven acquisition and development expansion of AMB BRU Air Cargo Center, an 82,300 square foot on-tarmac facility located at Zaventem Airport in Brussels. Belgium is a leading pan-European logistics hub with convenient connections to Germany, France and the Netherlands. The Zaventem Airport ranks as Europe's fifth largest airfreight handler. The expansion of the ramp- accessed facility is expected to be completed for a total investment of \$10.1 million; the facility is fully leased to one of the world's largest dedicated air cargo ground services companies.

Frankfurt -- AMB began a 102,000 square foot expansion of its Frankfurt Logistics Center 556 facility in the third quarter. Upon completion, the building will total approximately 269,000 square feet. Located on airport land at Frankfurt International, the development increases the company's offerings at Europe's top-ranking airport for total cargo volume. The expansion is expected to be completed for \$15.9 million.

Lyon -- During the quarter, AMB began development on the second of its buildings in AMB L'Isle d'Abeau Logistics Park with a 277,800 square foot bulk warehouse facility in Lyon. Lyon is France's second largest metropolitan area and the primary distribution hub for goods entering Europe via the port of Marseille. Proximate to the main access routes to Barcelona, Milan, Switzerland and Paris, the park's location serves one of the larger pan- European distribution hubs. The state-of-art facility is expected to be completed for a total investment of \$19.0 million.

Milan -- During the quarter, AMB secured a land position which will allow it to enter the Milan market with an expected 1.3 million square foot multi- phase development. The site is located south of the city center along route SP40 in Siziano, between the A1 motorway connecting Milan to Bologna; Florence; Rome; and Naples, and the A7 route to Genoa.

Paris -- Significantly increasing its presence in the Paris metropolitan area, AMB began development of the 590,100 square foot AMB Gonesse Distribution Center. The modern bulk warehouse is located approximately seven miles north of Paris and four miles south of Charles de Gaulle International Airport (CDG). The project is expected to be completed for a total investment of \$50.7 million and will increase AMB's customer offerings in the CDG market to approximately 1.6 million square feet.

Rotterdam -- AMB entered the Rotterdam market in the third quarter with the acquisition of AMB Port of Rotterdam, a fully leased 85,200 square foot facility for a total investment of \$5.7 million. Rotterdam is Europe's largest and the world's seventh largest seaport. The property is adjacent to the A15, the main east/west arterial from the Port to the Rhine area of Germany, and the A4 and A79 motorways, connecting the Port to The Hague, Amsterdam and Belgium.

Asian Market:

Kawasaki, Japan -- AMB expanded its presence in Japan with the acquisition of the fully leased AMB Higashi Ogishima distribution center in the Kawasaki Port market for a total investment of \$22.0 million. The five-story, cross- docked facility comprises 269,300 square feet and is strategically located near the Wangan-doro Expressway, running north to Haneda Airport and Tokyo, and south to the Port of Yokohama. The market's expansive road network will be further enhanced by the Trans-Kawasaki Highway currently under construction. The acquisition increases the company's presence in Japan to more than 3.6 million square of property owned or under development in greater Tokyo, Osaka and Kawasaki.

AMB Property Corporation. Local partner to global trade(TM).

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, 2005 AMB owned, managed and had renovation and development projects totaling 118.0 million square feet (11.0 million square meters) and 1,109 buildings in 40 markets within ten 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.

AMB's press releases are available on the company website at www.amb.com or by contacting the Investor Relations department at 1-877-285-3111.

Some of the information included in this press release contains forward- looking statements, such as those related to our expectations for completion of developments and redevelopments, square footages of development and redevelopments and total expected investment dollars, 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 on Form 10-K for the year ended December 31, 2004.

SOURCE: AMB Property Corporation

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