

AMB Property Corporation Announces Tax Treatment of 2005 Dividends

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SAN FRANCISCO

AMB Property Corporation today announced the treatment for dividend distributions taxable in 2005 on its Common Stock , 6.5% Series L Cumulative Redeemable Preferred Stock , and 6.75% Series M Cumulative Redeemable Preferred Stock .

For shareholders of AMB Property Corporation Common Stock, the total dividend distribution of \$2.185 per common share includes the four quarterly distributions paid in 2005 totaling \$1.745 per share, and the \$0.44 per share distribution declared on December 7, 2005 that was paid on January 6, 2006. The January 2006 distribution is being included in 2005 for income tax purposes.

The total distribution of \$2.185 is classified for income tax purposes as follows: \$0.503 per share (23.02%) is classified as an Ordinary Taxable Dividend; \$1.335 per share (61.09%) is classified as a 15% rate Capital Gain Dividend; \$0.347 per share (15.89%) is classified as a 25% rate Capital Gain Dividend on the 2005 Form 1099-DIV.

AMB Property Corporation also announced the tax treatment of its 2005 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 2005 dividends totaling \$1.625 per share are classified for income tax purposes as follows: \$0.374 per share (23.02%) is classified as an Ordinary Taxable Dividend; \$0.993 per share (61.09%) is classified as a 15% rate Capital Gain Dividend; and \$0.258 per share (15.89%) is classified as a 25% rate Capital Gain Dividend on the 2005 Form 1099-DIV.

The tax treatment of its reportable 2005 dividends on the company's 6.75% Series M Cumulative Redeemable Preferred Stock totaling \$1.6875 per share are classified for income tax purposes as follows: \$0.3884 per share (23.02%) is classified as an Ordinary Taxable Dividend; \$1.0309 per share (61.09%) is classified as a 15% rate Capital Gain Dividend; and \$0.2682 per share (15.89%) is classified as a 25% rate Capital Gain Dividend on the 2005 Form 1099-DIV.

On December 7, 2005, 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, 2006, a dividend of \$0.40625 per share will be payable on January 16, 2006 and will be classified as 2006 taxable dividends. For the company's 6.75% Series M Cumulative Redeemable Preferred Stock , stockholders of record on January 6, 2006, a dividend of \$0.421875 per share will be payable on January 16, 2006 and will be classified as 2006 taxable dividends.

The tables below summarize the income tax treatment of the company's 2005 dividends:

2005 Dividend Tax Reporting Information (Form 1099-DIV)

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

		2005		2005 (unrecaptured Section 1250)	
		25%	Capital Gain	15%	Capital Gain
Declaration Dates	Record Dates	Cash Dividend Payable Dates	Taxable Dividend (\$ per share)	Taxable Capital Gain (\$ per share)	Section 1250 Gain (\$ per share)
12/9/2004	12/23/2004	1/7/2005	\$0.425000	\$0.097815	\$0.259643
3/1/2005	4/5/2005	4/15/2005	\$0.440000	\$0.101267	\$0.268807
5/12/2005	7/6/2005	7/15/2005	\$0.440000	\$0.101267	\$0.268807
9/22/2005	10/5/2005	10/17/2005	\$0.440000	\$0.101267	\$0.268807
12/7/2005	12/22/2005	1/6/2006	\$0.440000	\$0.101267	\$0.268807

2005 Totals \$2.185000 \$0.502883 \$1.334871 \$0.347246

AMB Property Corporation
 Series L Cumulative Redeemable Preferred Stock
 CUSIP # 00163T307
 Ticker Symbol: AMB.PrL

		25% Capital Gain			
		2005	2005 (unrecaptured 15% Section Capital 1250 Gain)	2005	2005
Declaration Dates	Record Dates	Payable Dates	(\$ per share)	(\$ per share)	(\$ per share)
12/9/2004	1/6/2005	1/17/2005	\$0.406250	\$0.093500	\$0.248188 \$0.064562
3/1/2005	4/5/2005	4/15/2005	\$0.406250	\$0.093500	\$0.248188 \$0.064562
5/12/2005	7/6/2005	7/15/2005	\$0.406250	\$0.093500	\$0.248188 \$0.064562
9/22/2005	10/5/2005	10/17/2005	\$0.406250	\$0.093500	\$0.248188 \$0.064562
2005 Totals			\$1.625000	\$0.374000	\$0.992752 \$0.258248

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

		25% Capital Gain			
		2005	2005 (unrecaptured 15% Section Capital 1250 Gain)	2005	2005
Declaration Dates	Record Dates	Payable Dates	(\$ per share)	(\$ per share)	(\$ per share)
12/9/2004	1/6/2005	1/17/2005	\$0.421875	\$0.097096	\$0.257733 \$0.067046
3/1/2005	4/5/2005	4/15/2005	\$0.421875	\$0.097096	\$0.257733 \$0.067046
5/12/2005	7/6/2005	7/15/2005	\$0.421875	\$0.097096	\$0.257733 \$0.067046
9/22/2005	10/5/2005	10/17/2005	\$0.421875	\$0.097096	\$0.257733 \$0.067046
2005 Totals			\$1.687500	\$0.388384	\$1.030932 \$0.268184

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, the company's most recent reporting period, AMB owned, managed and had renovation and development projects totaling 118.0 million square feet (10.0 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.

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, 2004 on Form 10-K.

SOURCE: AMB Property Corporation

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