

## **AMB Property Corporation Announces Fourth Quarter 2005 Capital Deployment Activity Totaling \$366 Million**

### **\$187 million in new development projects and \$179 million in acquisitions at strategic North America, Europe and Asia distribution locations; Shanghai and Hamburg added to global customer offerings**

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SAN FRANCISCO

AMB Property Corporation, a leading global developer and owner of industrial real estate, today announced fourth quarter 2005 distribution facility development projects comprising 2.4 million square feet and acquisitions comprising 2.1 million square feet, for an estimated total investment of \$366 million. Fourth quarter capital deployment activity includes the company's first investment in China; market entry into the Port of Hamburg, Germany; and a build-to-suit development in Tokyo, Japan for an AMB target customer.

#### Development -- North America:

Atlanta -- During the fourth quarter, AMB began development of AMB Horizon Creek -- Building 300 with its local market partner. The 190,900 square foot distribution facility is located in AMB's Horizon Creek project, which totals 395,200 square feet and is located in the center of Atlanta's largest distribution submarket. AMB Horizon Creek - Building 300 is projected to be completed for a total investment of \$9.0 million.

Chicago -- In Chicago's O'Hare International Airport (ORD) submarket, AMB commenced development of the pre-leased AMB Des Plaines Logistics Center for an estimated investment of approximately \$12.4 million. The 125,100 square foot facility expands AMB's presence in the submarket and provides another high quality alternative for the company's target airfreight customers who require easy access to ORD.

Dallas -- AMB began development on AMB DFW Logistics Center 1, located on-airport at Dallas/Fort Worth International Airport (DFW). The 113,600 square foot facility is projected to be completed for an investment of approximately \$5.4 million. AMB now has an operating and development portfolio of 1.4 million square feet serving customers with requirements at DFW.

Los Angeles -- In the fourth quarter, AMB began development on Civic Center Corporate Park which, when completed for an anticipated total investment of approximately \$25.9 million, will consist of 24 buildings totaling 161,800 square feet. The buildings are designed for sale to customers requiring smaller, flexible facility space in the Los Angeles' South Bay submarket, which is equidistant to the Ports of Los Angeles and Long Beach, Los Angeles International Airport, and adjacent to the San Diego and Harbor Freeways.

Mexico City, Mexico -- AMB, with its local partner, commenced development on the 259,500 square foot Agave -- Building 2, the fourth building located in its master-planned Agave Industrial Park, which totals 1.1 million square feet, one mile from the NAFTA Highway. The planned facility is expected to be completed for a total investment of approximately \$14.8 million. Several multi-national firms lease space at Agave Industrial Park including Kraft Foods, Adidas, Caterpillar Logistics, McGraw Hill and DuPont.

Seattle -- During the fourth quarter, AMB commenced development of AMB Valley Distribution Center, a 766,200 square foot facility for an anticipated total investment of approximately \$42.7 million. The development is located in the Kent Valley, a submarket of Seattle that serves the Port of Tacoma and has limited land sites capable of accommodating large distribution warehouse requirements. The combined Ports of Seattle/Tacoma rank third busiest in the United States, behind the Ports of Los Angeles/Long Beach and the Ports of New York/New Jersey.

#### Development -- Europe:

Amsterdam, The Netherlands -- AMB is expanding its presence in

Amsterdam's Schiphol Airport submarket with the development of AMB Douglassingel Distribution Center, an anticipated 149,000 square foot facility that is projected to be completed with an affiliate for approximately \$20.2 million. The project's infill location is in one of the last remaining large industrial zoned parcels within the master-planned Schiphol-Rijk industrial park, serving as Schiphol Airport's primary second line logistics park and home to many of AMB's target customers. AMB operates four fully-leased distribution facilities at the park, and now has approximately 1.3 million square feet of operating and development properties in Amsterdam.

Hamburg, Germany -- AMB entered the Hamburg market with the commencement of AMB Port of Hamburg Building 1, a development project of approximately 403,900 square feet. The project is expected to be completed with a local alliance partner in the second half of 2007, for an estimated total investment of \$33.1 million. The Port of Hamburg is Europe's second busiest seaport and largest rail container-handling center, which is served by a high-quality motorway network providing direct links to major markets throughout Europe.

#### Development -- Asia:

Tokyo, Japan -- As announced during the quarter, AMB is developing the pre-leased AMB Kashiwa Distribution Center with its local development partner. The 221,500 square foot facility is being developed in the Kashiwa submarket of Tokyo for an AMB global target customer, Japan's largest freight forwarder and a worldwide leader in logistics services. The logistics facility is expected to be completed in the fourth quarter of 2006 for a total investment of \$23.9 million.

#### Acquisition -- North America:

Austin -- In the fourth quarter, AMB added 242,600 square feet to its industrial property portfolio at TechRidge Corporate Center, which now totals three fully-leased buildings comprising approximately 823,500 square feet. TechRidge Building 4.2, acquired for approximately \$14.3 million, is leased to a leading global third-party logistics provider.

Boston -- AMB acquired the 57,800 square foot AMB Broadmoor Distribution airfreight facility in the fourth quarter, for an investment of approximately \$8.4 million. The building is located at an off-airport location near Logan International Airport (BOS). Expansion plans for BOS include the elimination of certain on-tarmac airfreight facilities, creating new demand in this strategic infill airport submarket.

AMB acquired AMB Pinewood Distribution, a 345,000 square foot industrial building at an infill location in the southeast region of greater Boston for an investment of approximately \$23.6 million. Demand for functional warehousing in the immediate vicinity is solid, with a substantial portion of the existing buildings earmarked for conversion to retail and office use.

Chicago -- In the fourth quarter, AMB acquired AMB Glendale Lakes Distribution, two industrial buildings totaling 126,400 square feet in central DuPage, a fully-developed Chicago submarket with limited availability and convenient access to ORD. The \$10.7 million acquisition increases the company's presence in the Central DuPage area to approximately 2.2 million square feet.

Dallas -- As announced in the fourth quarter, AMB received AMB DFW Air Cargo Center I, a 232,900 square foot on-tarmac facility at DFW, for an investment of approximately \$38.3 million, as part of the sale of the assets of AMB Institutional Alliance Fund I.

Guadalajara, Mexico -- For an investment of approximately \$10.6 million, AMB expanded its presence in Guadalajara with the acquisition of Arrayanes Industrial Park, a fully-leased, 242,300 square foot industrial building with an adjacent land parcel capable of supporting up to 1 million square feet of future development. The property is located in master-planned San Jorge Industrial Park in Guadalajara's largest industrial submarket.

Los Angeles -- AMB acquired the fully-occupied AMB Triton Distribution Center which is located in Los Angeles' Mid-Counties submarket, serving the Ports of Los Angeles and Long Beach, Los Angeles and Ontario International Airports, and western U.S. rail and freeway shipping corridors. The building is approximately 203,900 square feet and represents an investment of approximately \$15.3 million.

For a total investment of approximately \$8.4 million, AMB acquired AMB Line Haul Distribution Center, a fully-leased truck facility totaling approximately 25,900 square feet on an 11-acre site in the Inland Empire submarket of the greater Los Angeles metropolitan area. AMB has a portfolio of approximately 3.2 million square feet of industrial property in the Inland Empire, one of the country's key distribution markets, crisscrossed by Interstates 10 and 15 and linked to all major West Coast markets and Mexico.

Minneapolis -- AMB has acquired the fully-leased 117,000 square foot AMB Lunar Pointe Distribution for a total investment of approximately \$7.9 million. The facility is in the South Central submarket of Minneapolis, where AMB now owns 10 buildings totaling approximately 1.3 million square feet. The location offers direct access to the Minneapolis/St. Paul International Airport.

Acquisition -- Europe:

Hamburg, Germany -- AMB acquired three buildings totaling approximately 398,000 square feet, as part of its AMB Port of Hamburg portfolio, which in the aggregate comprises operating and development facilities totaling approximately 801,800 square feet. The AMB Port of Hamburg Buildings 2, 3 and 5, acquired in the fourth quarter for a total investment of approximately \$34.2 million, are 99% leased.

Acquisition -- Asia:

Shanghai, China -- As announced in the fourth quarter, AMB completed its first investment in Shanghai, China's largest city, with the acquisition of the 151,700 square foot AMB Jiuting Distribution Center for an investment of approximately \$7.0 million. Additionally, the company acquired an adjacent parcel of land capable of supporting up to 185,000 square feet of development.

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 December 31, 2005, AMB owned, or had investments in, on a consolidated basis or through unconsolidated joint ventures, or managed buildings, properties and development projects expected to total approximately 115 million square feet (10.7 million square meters) and 1,057 buildings in 42 markets within eleven 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 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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