

News Release

Public Storage, Inc.
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Public Storage, Inc. Announces Tax Treatment of 2004 Dividends

GLENDALE, California – Public Storage, Inc. (NYSE and PCX: PSA) announced today the tax treatment of the Company's 2004 dividends. For the tax year ended December 31, 2004, distributions for the common stock, Equity Stock, Series A, and all the various series of preferred stocks were classified as follows:

	2004			
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
Ordinary Income	99.8683%	99.8694%	99.8712%	98.0855%
Long-Term Capital Gain	.1317%	.1306%	0.1288%	1.9145%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

The ordinary income dividends do not constitute "qualified dividend income."

A percentage of the long-term capital gain is unrecaptured section 1250 gain for each quarter of 2004 as follows:

	<u>2004 Percentage of Total Long-Term Capital Gain Distribution</u>			
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
Unrecaptured Section 1250 Gain	<u>34.8559%</u>	<u>34.8559%</u>	<u>34.8559%</u>	<u>43.7003%</u>

For corporate shareholders a portion of the total long-term capital gain is required to be recaptured as ordinary income. For each quarter of 2004 the percentages are as follows:

	<u>2004 Percentage of Total Long-Term Capital Gain Distribution</u>			
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
IRC §291 Recapture	<u>6.9709%</u>	<u>6.9709%</u>	<u>6.9709%</u>	<u>8.7400%</u>

Alternative Minimum Tax

Alternative minimum tax adjustments are to be apportioned between a real estate investment trust ("REIT") and its shareholders under Internal Revenue Code Section 59(d). Although regulations have not yet been issued under that provision, based on regulations issued pursuant to a similar provision of prior law and the legislative history of the current provision, it appears that such alternative minimum tax adjustments are to be apportioned to a REIT's shareholders to the extent that the REIT distributes its regular taxable income. It is the Company's policy to distribute all of its regular taxable income and accordingly, all of the Company's alternative minimum tax adjustments are being apportioned to the Company's shareholders.

The Company has determined that 0.69% of each distribution to its shareholders for the tax year ended December 31, 2004 consists of alternative minimum tax adjustments (i.e., for each \$1 of dividend reportable by a

shareholder, 0.69¢ represents an alternative minimum tax adjustment). To determine your share of the Company's alternative minimum tax adjustments, multiply the aggregate dollar amount of your reportable 2004 dividends from the Company (the sum of the amounts shown in Boxes 1a and 2a of the Company's 2004 Form 1099-DIV) times 0.69%.

If you are an individual, please refer to Internal Revenue Service Form 6251, Alternative Minimum Tax-Individuals. Your share of alternative minimum tax adjustments should be input as a positive amount in Part I, Line 17 (depreciation on assets placed in service after 1986). If you are a corporation, please refer to Internal Revenue Service Form 4626, Alternative Minimum Tax-Corporations. Your share of alternative minimum tax adjustments should be input as a positive amount in Line 2, letter "a" (depreciation of post-1986 property).

If you have questions, please consult your tax advisor for further guidance.

Company Information

Public Storage, Inc. is a fully integrated, self-administered and self-managed real estate investment trust that primarily acquires, develops, owns and operates self-storage facilities. The Company's headquarters is located in Glendale, California. The Company's self-storage properties are located in 37 states. At September 30, 2004, the Company had interests in 1,421 storage facilities with approximately 86.2 million net rentable square feet (815,000 rentable units).

Additional information about Public Storage, Inc. is available on the Internet. The Company's web site is www.publicstorage.com.

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