

News Release

Public Storage, Inc.
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Public Storage, Inc. Announces Tax Treatment of 2006 Dividends For Public Storage and Shurgard Storage Centers

GLENDALE, California – Public Storage, Inc. (NYSE:PSA) announced today the tax treatment of the 2006 dividends for Public Storage and Shurgard Storage Centers.

Public Storage, Inc.

For the tax year ended December 31, 2006, distributions for the PSA common stock, Equity Stock, Series A, and all the various series of preferred stocks were classified as follows:

	2006			
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
Ordinary Income	100.0000%	100.0000%	100.0000%	100.0000%
Total	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>

The ordinary income dividends do not constitute “qualified dividend income.”

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 0.31% of each distribution to its shareholders for the tax year ended December 31, 2006 consists of alternative minimum tax adjustments (i.e., for each \$1 of dividend reportable by a shareholder, 0.31¢ represents a positive alternative minimum tax adjustment). To determine your share of the Company’s positive alternative minimum tax adjustments, multiply the aggregate dollar amount of your reportable 2006 dividends from the Company (the amount shown in Box 1a of the Company’s 2006 Form 1099-DIV) times 0.0031.

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.

Shurgard Storage Centers, Inc.

For Shurgard Storage Centers, Inc., 2006 first and second quarter distributions for all classes of stock (SHU common stock and Preferred Stocks Series C and D), and third quarter distributions for both series of preferred stocks, were classified as follows:

	2006		
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>
Ordinary Income	100.0000%	100.0000%	100.0000%
Total	<u>100.0000%</u>	<u>100.0000%</u>	<u>100.0000%</u>

A percentage of the ordinary dividend constitutes qualified dividend income for each quarter of 2006 as follows:

	2006 Percentage of Ordinary Dividend		
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>
Qualified Dividend	<u>1.6330%</u>	<u>1.6331%</u>	<u>1.6331%</u>

Company Information

Public Storage, Inc., a member of the S&P 500 and the Forbes Global 2000, is a fully integrated, self-administered and self-managed real estate investment trust that primarily acquires, develops, owns and operates storage facilities. The Company's headquarters are located in Glendale, California. The Company's storage properties are located in 38 states and seven European nations. At September 30, 2006, the Company had interests in 2,003 storage facilities with approximately 126.4 million net rentable square feet in the United States and 160 storage facilities with approximately 8.4 million net rentable square feet in Europe.

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

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