



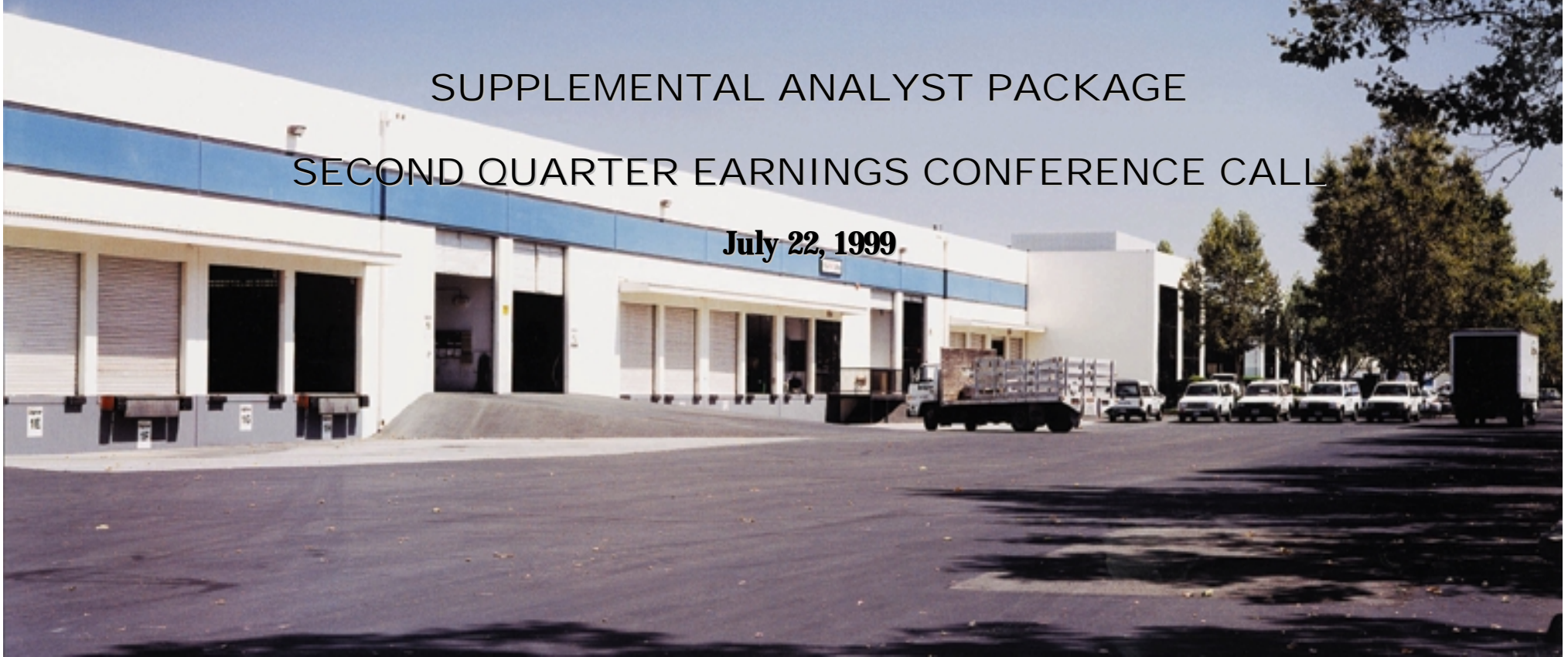
# AMB PROPERTY CORPORATION

A tradition of nontraditional thinking.™

SUPPLEMENTAL ANALYST PACKAGE

SECOND QUARTER EARNINGS CONFERENCE CALL

**July 22, 1999**





## FINANCIAL HIGHLIGHTS

(dollars in thousands, except share data)

	Quarter Ended		Six Months Ended	
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
<b>Operating data</b>				
Revenues	\$ 115,377	\$ 85,014	\$ 224,949	\$ 160,799
EBITDA <sup>(1)</sup>	81,052	59,618	157,845	112,433
FFO	48,357	42,274	93,778	82,569
FFO per share and unit:				
Basic	\$ 0.53	\$ 0.47	\$ 1.03	\$ 0.93
Diluted	0.53	0.47	1.03	0.92
Dividends per common share	0.35	0.34	0.70	0.69
Weighted average common shares and units:				
Basic	90,861,822	89,539,010	90,655,675	88,983,990
Diluted	91,044,028	89,886,673	90,756,567	89,362,932
<b>Ratios</b>				
Interest coverage <sup>(2)</sup>	3.4x	3.8x	3.3x	4.1x
Fixed charge coverage <sup>(2)</sup>	2.4x	3.3x	2.4x	3.3x
FFO payout	66%	73%	68%	74%

	As of		
	June 30, 1999	March 31, 1999	December 31, 1998
<b>Capitalization</b>			
AMB's share of total debt <sup>(2) (3)</sup>	\$ 1,388,368	\$ 1,466,442	\$ 1,348,107
Preferred equity <sup>(4)</sup>	354,767	275,000	275,000
Market equity <sup>(5)</sup>	<u>2,140,792</u>	<u>1,877,359</u>	<u>1,988,038</u>
Total capitalization	<u>\$ 3,883,927</u>	<u>\$ 3,618,801</u>	<u>\$ 3,611,145</u>
AMB's share of total debt-to-total market capitalization	35.7%	40.5%	37.3%
Total common shares and units outstanding	91,097,534	90,475,144	90,365,359

<sup>(1)</sup> Includes an adjustment to reflect the Company's *pro rata* share of EBITDA in an unconsolidated joint venture.

<sup>(2)</sup> See Reporting Definitions on page 17.

<sup>(3)</sup> Includes the Company's *pro rata* share of unconsolidated debt of \$19,472, \$19,831 and \$20,186 as of June 30, 1999, March 31, 1999 and December 31, 1998, respectively and is net of JV Partner's share of debt of \$49,691, \$39,818, and \$40,275 as of June 30, 1999, March 31, 1999 and December 31, 1998, respectively.

<sup>(4)</sup> At liquidation preference. Includes preferred stock and preferred units.

<sup>(5)</sup> Common shares and operating partnership units.



## CONSOLIDATED BALANCE SHEETS

(dollars in thousands)

	As of		
	June 30, 1999	March 31, 1999	December 31, 1998
<b>Assets</b>			
Investments in real estate, net <sup>(1) (2)</sup>	\$3,636,188	\$3,607,266	\$3,483,361
Cash and cash equivalents	40,130	29,165	25,137
Other assets	<u>56,226</u>	<u>60,187</u>	<u>54,387</u>
Total assets	<u>\$3,732,544</u>	<u>\$3,696,618</u>	<u>\$3,562,885</u>
<b>Liabilities and Stockholders' Equity</b>			
Unsecured credit facility	\$ 255,000	\$ 316,000	\$ 234,000
Unsecured senior debt securities	400,000	400,000	400,000
Secured debt	763,587	770,429	734,196
Other liabilities	<u>120,686</u>	<u>123,796</u>	<u>104,305</u>
Total liabilities	1,539,273	1,610,225	1,472,501
<b>Minority interests:</b>			
Institutional Alliance Partners	56,023	52,279	52,381
Other joint venture partners	17,780	17,974	18,012
Preferred units <sup>(3)</sup>	245,959	168,187	167,993
Limited partners in OP	<u>89,900</u>	<u>86,420</u>	<u>86,638</u>
Total minority interests	409,662	324,860	325,024
<b>Stockholders' equity:</b>			
Common stock	1,687,509	1,665,433	1,669,260
Preferred stock	<u>96,100</u>	<u>96,100</u>	<u>96,100</u>
Total stockholders' equity	<u>1,783,609</u>	<u>1,761,533</u>	<u>1,765,360</u>
Total liabilities and stockholders' equity	<u>\$3,732,544</u>	<u>\$3,696,618</u>	<u>\$3,562,885</u>

<sup>(1)</sup> Includes 25 retail centers and 16 industrial buildings held for divestiture with a net book value of \$637,566 and \$38,326, respectively, as of June 30, 1999.

<sup>(2)</sup> Includes an investment in an unconsolidated joint venture with a net book value of \$58,278, \$57,697, and \$57,655 as of June 30, 1999, March 31, 1999 and December 31, 1998.

<sup>(3)</sup> For financial reporting purposes, the preferred units are classified as minority interests.



## CONSOLIDATED STATEMENTS OF OPERATIONS

(dollars in thousands, except share data)

	For the Quarter Ended		For the Six Months Ended	
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
<b>Revenues</b>				
Rental Revenues <sup>(1)</sup>	\$ 113,530	\$ 84,401	\$ 221,187	\$ 159,003
Investment management and other income	<u>1,847</u>	<u>613</u>	<u>3,762</u>	<u>1,796</u>
Total revenues	115,377	85,014	224,949	160,799
<b>Operating Expenses</b>				
Property operating	30,884	22,252	60,418	42,504
Interest, including amortization <sup>(2)</sup>	23,591	15,720	46,558	27,561
Depreciation and amortization	15,178	13,516	33,602	25,302
General, administrative and other	<u>4,278</u>	<u>3,144</u>	<u>8,350</u>	<u>5,862</u>
Total expenses	<u>73,931</u>	<u>54,632</u>	<u>148,928</u>	<u>101,229</u>
Income from operations	41,446	30,382	76,021	59,570
<b>Minority interests:</b>				
Institutional Alliance Partners	(741)	(807)	(1,800)	(933)
Other joint venture partners	(554)	(390)	(910)	(726)
Preferred unit holders	(4,667)	--	(8,475)	--
Limited partners in OP	<u>(2,183)</u>	<u>(1,207)</u>	<u>(3,521)</u>	<u>(2,027)</u>
Total minority interests	<u>(8,145)</u>	<u>(2,404)</u>	<u>(14,706)</u>	<u>(3,686)</u>
Net income before gain from disposition of real estate	33,301	27,978	61,315	55,884
Gain from disposition of real estate	<u>11,525</u>	<u>--</u>	<u>11,525</u>	<u>--</u>
Net income before extraordinary items	44,826	27,978	72,840	55,884
Extraordinary items <sup>(3)</sup>	<u>(1,509)</u>	<u>--</u>	<u>(1,509)</u>	<u>--</u>
Net income	43,317	27,978	71,331	55,884
Preferred stock dividends	<u>(2,125)</u>	<u>--</u>	<u>(4,250)</u>	<u>--</u>
Net income available to common stockholders	<u>\$ 41,192</u>	<u>\$ 27,978</u>	<u>\$ 67,081</u>	<u>\$ 55,884</u>
<b>Net income per common share:</b>				
Basic	<u>\$ 0.48</u>	<u>\$ 0.33</u>	<u>\$ 0.78</u>	<u>\$ 0.65</u>
Diluted	<u>\$ 0.48</u>	<u>\$ 0.32</u>	<u>\$ 0.78</u>	<u>\$ 0.65</u>
<b>Weighted average common shares:</b>				
Basic	<u>86,286,613</u>	<u>85,874,513</u>	<u>86,143,859</u>	<u>85,874,513</u>
Diluted <sup>(4)</sup>	<u>86,468,820</u>	<u>86,222,175</u>	<u>86,244,750</u>	<u>86,253,456</u>

<sup>(1)</sup> Includes straight-line rents of \$2,835 and \$2,664 for the quarters ended June 30, 1999 and 1998, respectively, and \$5,523 and \$5,489 for the six months ended June 30, 1999 and 1998, respectively.

<sup>(2)</sup> Net of capitalized interest of \$2,874 and \$1,845 for the quarters ended June 30, 1999 and 1998, respectively, and \$5,457 and \$3,098 for the six months ended June 30, 1999 and 1998, respectively.

<sup>(3)</sup> Represents prepayment penalties on early extinguishment of debt associated with the BPP Retail disposition transaction, offset by mortgage premium write-offs.

<sup>(4)</sup> Includes the dilutive effect of stock options.





## CONSOLIDATED STATEMENTS OF FUNDS FROM OPERATIONS

(dollars in thousands, except share data)

	For the Quarter Ended		For the Six Months Ended	
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Income from operations	\$ 41,446	\$ 30,382	\$ 76,021	\$ 59,570
Real estate related depreciation and amortization:				
Total depreciation and amortization	15,178	13,516	33,602	25,302
FF&E depreciation and ground lease amortization <sup>(1)</sup>	(250)	(111)	(364)	(215)
FFO attributable to minority interests: <sup>(2)</sup>				
Institutional Alliance Partners	(1,161)	(1,003)	(2,635)	(1,129)
Other joint venture partners	(558)	(510)	(1,109)	(959)
Adjustments to derive FFO in unconsolidated JV: <sup>(3)</sup>				
Company's share of net income	(1,177)	--	(2,328)	--
Company's share of FFO	1,671	--	3,316	--
Preferred stock dividends	(2,125)	--	(4,250)	--
Preferred unit distributions	<u>(4,667)</u>	<u>--</u>	<u>(8,475)</u>	<u>--</u>
Funds from operations	<u>\$ 48,357</u>	<u>\$ 42,274</u>	<u>\$ 93,778</u>	<u>\$ 82,569</u>
FFO per common share and unit:				
Basic	<u>\$ 0.53</u>	<u>\$ 0.47</u>	<u>\$ 1.03</u>	<u>\$ 0.93</u>
Diluted	<u>\$ 0.53</u>	<u>\$ 0.47</u>	<u>\$ 1.03</u>	<u>\$ 0.92</u>
Weighted average common shares and units:				
Basic	<u>90,861,822</u>	<u>89,539,010</u>	<u>90,655,675</u>	<u>88,983,990</u>
Diluted <sup>(4)</sup>	<u>91,044,028</u>	<u>89,886,673</u>	<u>90,756,567</u>	<u>89,362,932</u>

<sup>(1)</sup> Ground lease amortization represents the straight-line amortization of the Company's investments in ground leased properties, for which the Company does not have a purchase option.

<sup>(2)</sup> Represents FFO allocated to minority interests in consolidated joint ventures whose interests are not exchangeable into common stock. The minority interest's share of NOI for the quarters ended June 30, 1999 and 1998 was \$2,544 and \$1,651, respectively, and for the six months ended June 30, 1999 and 1998 was \$5,216 and \$2,412, respectively.

<sup>(3)</sup> AMB's share of NOI for the quarters ended June 30, 1999 and 1998 was \$2,014 and \$0, respectively, and for the six months ended June 30, 1999 and 1998 was \$3,992 and \$0, respectively.

<sup>(4)</sup> Includes the dilutive effect of stock options.



OPERATING AND LEASING STATISTICS <sup>(1)</sup>

		INDUSTRIAL	RETAIL	TOTAL
Square feet owned at June 30, 1999 <sup>(2)</sup>		61,901,637	5,652,580	67,554,217
Occupancy percentage at June 30, 1999		95.8%	94.2%	95.6%
Lease expirations as percentage of total square feet (next 12 months)		15.5%	8.4%	14.9%
Weighted average lease term		7 years	15 years	7 years
Tenant retention	- Quarter	58.3%	88.4%	59.6%
	- Trailing average (1/01/96 to 6/30/99)	72.4%	85.7%	73.1%
Rent increases on renewals and rollovers	- Quarter	14.1%	6.5%	13.1%
	- Trailing 12 months	10.1%	7.4%	9.8%
Same store cash basis NOI growth <sup>(3)</sup>	- Quarter	5.1%	6.8%	5.5%
	- Year-to-date	5.9%	4.8%	5.4%
Second generation TIs and LCs per sq. ft. <sup>(4)</sup>	- Quarter:			
	Renewals	\$0.83	\$0.84	\$0.83
	Re-tenanted	<u>2.57</u>	<u>1.27</u>	<u>2.57</u>
	Weighted average	<u>\$1.82</u>	<u>\$0.94</u>	<u>\$1.81</u>
	- Year-to-date:			
	Renewals	\$1.43	\$1.43	\$1.43
	Re-tenanted	<u>2.52</u>	<u>4.36</u>	<u>2.54</u>
	Weighted average	<u>\$1.67</u>	<u>\$1.58</u>	<u>\$1.67</u>
	- Trailing average:			
	(1/01/96 to 6/30/99)	<u>\$1.32</u>	<u>\$4.13</u>	<u>\$1.46</u>

<sup>(1)</sup> All properties.

<sup>(2)</sup> In addition to owned square feet as of June 30, 1999, the Company managed, through its subsidiary, AMB Investment Management, 3.8 million, 0.4 million, and 0.1 million additional square feet of industrial, retail, and other properties, respectively. The Company also has an investment in 4.0 million square feet of Industrial Properties through its investment in an unconsolidated joint venture.

<sup>(3)</sup> Consists of industrial buildings and retail centers aggregating 36.0 million and 4.4 million square feet, respectively, that have been owned by the Company prior to January 1, 1998, and excludes development properties prior to stabilization.

<sup>(4)</sup> Consists of all leases renewing or re-tenanting with lease terms greater than one year.



## SAME STORE OPERATING STATISTICS

		INDUSTRIAL	RETAIL	TOTAL
Square feet in same store pool <sup>(1)</sup>		36,025,231	4,411,219	40,436,450
Occupancy at period end	- 6/30/99	96.9%	96.4%	96.8%
	- 6/30/98	95.6%	97.4%	95.8%
Tenant retention	- Quarter	67.2%	88.5%	68.5%
	- Trailing 12 months	66.2%	76.8%	66.7%
Rent increases on renewals and rollovers	- Quarter	18.9%	6.5%	16.6%
	- Trailing 12 months	9.2%	7.4%	8.9%
Cash basis NOI growth % increase (decrease)	- Quarter:			
	• Revenues	4.6%	4.8%	4.7%
	• Expenses	3.0%	0.5%	2.2%
	• NOI	5.1%	6.8%	5.5%
	- Year-to-date:			
	• Revenues	5.4%	4.1%	5.0%
	• Expenses	3.8%	2.3%	3.4%
• NOI	5.9%	4.8%	5.4%	

<sup>(1)</sup> See Reporting Definitions on page 17.



INDUSTRIAL PORTFOLIO OVERVIEW  
AS OF JUNE 30, 1999  
(dollars in thousands)

	Number of Buildings	Rentable Square Feet <sup>(1)</sup> <sup>(3)</sup>	% of Total Rentable Square Feet	% Leased	Annualized Base Rent <sup>(2)</sup>	% of Total ABR
Hub Markets:						
Atlanta	41	3,950,629	6.4%	93.6%	\$ 15,628	5.4%
Chicago <sup>(1)</sup>	62	6,855,278	11.1	95.2	25,605	8.9
Dallas/Ft. Worth	59	5,196,653	8.4	96.4	18,698	6.5
Southern California	62	5,546,558	9.0	100.0	24,965	8.6
Northern New Jersey	14	3,372,705	5.4	92.6	15,893	5.5
San Francisco Bay Area	<u>113</u>	<u>7,271,824</u>	<u>11.7</u>	<u>96.2</u>	<u>51,101</u>	<u>17.7</u>
Subtotal	351	32,193,647	52.0	96.0	151,890	52.6
Other Markets:						
Austin	6	735,240	1.2	100.0	5,050	1.7
Baltimore/Washington DC	58	3,683,105	5.9	91.7	24,373	8.4
Boston	39	4,549,181	7.3	96.1	19,022	6.6
Charlotte	12	831,974	1.3	96.3	3,617	1.3
Cincinnati	6	811,774	1.3	89.9	2,512	0.9
Columbus	2	465,433	0.8	100.0	1,363	0.5
Denver	2	63,080	0.1	96.3	296	0.1
Houston	22	1,951,787	3.2	92.1	6,334	2.2
Memphis	19	2,259,162	3.6	94.2	9,161	3.2
Miami	31	2,703,635	4.4	95.6	15,956	5.5
Minneapolis	43	4,559,589	7.4	96.2	17,378	6.0
New Orleans	5	411,689	0.7	100.0	1,855	0.6
Orlando	18	1,678,910	2.7	95.9	6,131	2.1
Philadelphia	13	779,594	1.3	96.8	2,873	1.0
Portland	5	676,104	1.1	100.0	2,863	1.0
Sacramento	1	182,437	0.3	100.0	630	0.2
San Diego	5	276,167	0.4	100.0	2,141	0.7
Seattle	36	2,822,988	4.6	100.0	14,509	5.0
Wilmington	<u>3</u>	<u>266,141</u>	<u>0.4</u>	<u>100.0</u>	<u>1,079</u>	<u>0.4</u>
Subtotal	<u>326</u>	<u>29,707,990</u>	<u>48.0</u>	<u>95.7</u>	<u>137,143</u>	<u>47.4</u>
Total/Weighted Average	<u>677</u>	<u>61,901,637</u>	<u>100.0%</u>	<u>95.8%</u>	<u>\$289,033</u>	<u>100.0%</u>

<sup>(1)</sup> The Company also has an investment in 36 industrial buildings totaling 4.0 million square feet in the Chicago market through its investment in an unconsolidated joint venture.

<sup>(2)</sup> See Reporting Definitions on page 17.

<sup>(3)</sup> In addition to owned square feet as of June 30, 1999, the Company managed, through its subsidiary, AMB Investment Management, 3.8 million, 0.4 million, and 0.1 million additional square feet of industrial, retail, and other properties, respectively. The Company also has an investment in 4.0 million square feet of Industrial Properties through its investment in an unconsolidated joint venture.



RETAIL PORTFOLIO OVERVIEW  
AS OF JUNE 30, 1999  
(dollars in thousands)

	<u>Number of Centers <sup>(1)</sup></u>	<u>Rentable Square Feet</u>	<u>% Leased</u>	<u>Annualized Base Rent <sup>(2)</sup></u>
Eastern	2	690,897	98.3%	\$ 6,972
Midwestern	5	803,283	95.8	7,509
Southern	12	1,975,312	91.7	20,918
Western	<u>10</u>	<u>2,183,088</u>	<u>94.5</u>	<u>26,686</u>
Total/Weighted Average	<u>29</u>	<u>5,652,580</u>	<u>94.2%</u>	<u>\$62,085</u>

<sup>(1)</sup> Includes 25 centers held for divestiture.

<sup>(2)</sup> See Reporting Definitions on page 17.



**LEASE EXPIRATIONS <sup>(1)</sup>**  
**AS OF JUNE 30, 1999**  
**(dollars in thousands)**

	INDUSTRIAL			RETAIL			TOTAL		
	Rentable Square Feet	Annualized Base Rent <sup>(2)</sup>	% ABR	Rentable Square Feet	Annualized Base Rent <sup>(2)</sup>	% ABR	Rentable Square Feet	Annualized Base Rent <sup>(2)</sup>	% ABR
1999 (6 mos.) <sup>(3)</sup>	4,473,347	\$ 22,359	7.1%	248,243	\$ 2,692	3.9%	4,721,590	\$ 25,051	6.5%
2000	10,794,458	50,088	15.9	445,815	5,267	7.6	11,240,273	55,355	14.4
2001	9,648,206	51,776	16.5	492,206	5,850	8.5	10,140,412	57,626	15.0
2002	10,354,445	54,797	17.4	360,511	5,986	8.7	10,714,956	60,783	15.9
2003	7,965,835	44,710	14.2	429,631	5,641	8.2	8,395,466	50,351	13.1
2004	5,909,760	35,552	11.3	244,829	4,595	6.7	6,154,589	40,147	10.5
2005	2,794,950	14,526	4.6	114,010	2,519	3.6	2,908,960	17,045	4.4
2006	1,379,414	8,885	2.8	251,567	4,489	6.5	1,630,981	13,374	3.5
2007	1,523,375	8,073	2.6	293,833	3,226	4.7	1,817,208	11,299	2.9
2008	1,493,604	9,521	3.0	279,178	2,911	4.2	1,772,782	12,432	3.3
Thereafter	<u>2,819,176</u>	<u>14,540</u>	<u>4.6</u>	<u>2,186,933</u>	<u>25,759</u>	<u>37.4</u>	<u>5,006,109</u>	<u>40,299</u>	<u>10.5</u>
Total	<u>59,156,570</u>	<u>\$314,827</u>	<u>100.0%</u>	<u>5,346,756</u>	<u>\$68,935</u>	<u>100.0%</u>	<u>64,503,326</u>	<u>\$383,762</u>	<u>100.0%</u>

<sup>(1)</sup> Represents leased square feet and includes executed leases that commence after June 30, 1999 and excludes leases expiring June 30, 1999.

<sup>(2)</sup> Calculated as monthly rent at expiration multiplied by 12.

<sup>(3)</sup> Includes approximately 530,654 SF of month-to-month leases.



**ACQUISITIONS**  
**FOR THE QUARTER ENDED JUNE 30, 1999**  
**(dollars in thousands)**

	Location	Alliance Program Sourcing	Number of Buildings & Centers	Square Feet	Month of Acquisition	Acquisition Cost <sup>(1)</sup>	AMB's Ownership Percentage	
<b>Industrial</b>								
1.	Technology Park II <sup>(2)</sup>	Frederick, MD	UPREIT	9	381,074	April 1999	\$ 40,198	100%
2.	Boston Industrial Portfolio <sup>(2)</sup>	Braintree, MA	UPREIT	1	35,139	May 1999	1,118	100%
3.	WOCAC Portfolio		UPREIT			May 1999	94,644	100%
a.	Concord Ind. Portfolio	Concord, CA		10	246,087			
b.	Diablo Industrial Park	Hayward, CA		16	312,255			
c.	Gateway Corporate Center	Seattle, WA		9	430,603			
d.	Gateway North	Seattle, WA		6	266,476			
4.	Junction Industrial Park	San Jose, CA	Management	4	439,845	June 1999	31,500	100%
5.	Miami Airport Business Ctr.	Miami, FL	n/a	6	530,657	June 1999	25,600	100%
6.	Sylvan Industrial	Atlanta, GA	n/a	<u>1</u>	<u>415,676</u>	June 1999	<u>7,785</u>	100%
	<b>Total Industrial</b>			<u>62</u>	<u>3,057,812</u>		<u>200,845</u>	
<b>Retail</b>								
	None	n/a		<u>n/a</u>	<u>n/a</u>	n/a	<u>n/a</u>	n/a
<b>Total Acquisitions</b>				<u>62</u>	<u>3,057,812</u>		<u>\$200,845</u>	

<sup>(1)</sup> Represents AMB's investment and includes estimated closing costs.

<sup>(2)</sup> Represents the completion of portfolio acquisitions made in prior quarters.



**DEVELOPMENT ACTIVITY  
FOR THE QUARTER ENDED JUNE 30, 1999  
(Dollars in Thousands)**

**Development Completions**

	Location	Development Alliance Partner <sup>TM</sup>	Square Feet at Completion	Date Stabilized	Total Investment <sup>(1)</sup>	AMB's Ownership Percentage
<b>Industrial</b>						
1. Fairway Drive (phase III)	San Leandro, CA	Legacy Partners	116,000	April 1999	\$5,400	100%
2. South Dallas	Dallas, TX	Lincoln Property Company	<u>95,000</u>	May 1999	<u>2,400</u>	100%
Total Industrial			<u>211,000</u>		<u>\$7,800</u>	
<b>Retail</b>						
None	n/a	n/a	<u>n/a</u>	n/a	<u>n/a</u>	n/a
<b>Total Development Completions</b>			<u>211,000</u>		<u>\$7,800</u>	

**New Development Projects**

	Location	Number of Buildings & Centers	Estimated Square Feet at Completion	Month of Start	Estimated Total Investment	AMB's Ownership Percentage
<b>Industrial</b>						
None	n/a	n/a	n/a	n/a	n/a	n/a
<b>Retail</b>						
None	n/a	n/a	n/a	n/a	n/a	n/a

<sup>(1)</sup> Represents total estimated cost of renovation, expansion or development, including initial acquisition costs, debt and equity carry, and partner earnouts. The estimates are based on the Company's current estimates and forecasts and are therefore subject to change.



INDUSTRIAL DEVELOPMENT PROJECTED DELIVERIES  
AS OF JUNE 30, 1999  
(dollars in thousands)

Project	Location	Development Alliance Partner <sup>TM</sup>	Estimated Stabilization Date <sup>(1)</sup>	Estimated Square Feet at Completion	Estimated Total Investment <sup>(2)</sup>
<b>1999 Deliveries</b>					
1. Pennsy Drive	Landover, MD	n/a	August 1999	359,000	\$14,700
2. North Great SW Industrial Park	Dallas, TX	Trammell Crow Company	September 1999	215,000	10,500
3. Dock's Corner (phase II)	South Brunswick, NJ	n/a	September 1999	649,000	24,200
4. South River Park (phase I)	Cranbury, NJ	Trammell Crow Company	September 1999	345,000	15,600
5. Suwanee Creek Distribution (phase I)	Atlanta, GA	Seefried Properties	October 1999	249,000	8,200
6. Emery Worldwide Build-To-Suit	Atlanta, GA	Seefried Properties	October 1999	<u>78,000</u>	<u>5,400</u>
Total 1999 Deliveries				1,895,000	78,600 <sup>(5)</sup>
<b>2000 Deliveries</b>					
7. Hempstead Highway (phase I)	Houston, TX	Cypress Realty	May 2000	292,000	11,500
8. Northwest Crossing Distribution (phase I)	Houston, TX	Trammell Crow Company	May 2000	178,000	6,900
9. Richardson Tech Center	Richardson, TX	Lincoln Property Company	February 2000	26,000	1,900
10. Cabot Business Park (phase I)	Mansfield, MA	National Development of NE	June 2000	98,000	8,900
11. Orlando Central Park Dev. (phase I)	Orlando, FL	Trammell Crow Company	July 2000	306,000	11,900
12. Suwanee Creek Distribution (phase II)	Atlanta, GA	Seefried Properties	October 2000	<u>241,000</u>	<u>8,200</u>
Total 2000 Deliveries				1,141,000	49,300 <sup>(5)</sup>
<b>2001 Deliveries</b>					
13. LA Media Tech Center (phase I)	Los Angeles, CA	Legacy Partners	February 2001	386,000	39,200
14. South River Park (phase II)	Cranbury, NJ	Trammell Crow Company	March 2001	<u>281,000</u>	<u>13,200</u>
Total 2001 Deliveries				<u>667,000</u>	<u>52,400</u> <sup>(5)</sup>
<b>Total Scheduled Deliveries <sup>(3)</sup></b>				<u><b>3,703,000</b></u> <sup>(4)</sup>	<u><b>\$180,300</b></u> <sup>(3)</sup>

(1) Estimated stabilization date represents management's estimate of when capital improvements for repositioning, development, and redevelopment programs will have been completed and in effect for a period of time sufficient to achieve market occupancy.

(2) Represents total estimated cost of renovation, expansion or development, including initial acquisition costs, debt and equity carry, and partner earnouts. The estimates are based on the Company's current estimates and forecasts and are therefore subject to change.

(3) Excludes 263 acres of land and other acquisition-related costs totaling approximately \$29,600, which represents future phases of current projects which have not been committed to, or for which final project planning has not been completed, and other land inventory.

(4) Construction has begun on approximately 3.3 million square feet of industrial space which was 56% leased as of June 30, 1999.

(5) As of June 30, 1999, amounts funded to date for deliveries in 1999, 2000 and 2001 are approximately \$66,253, \$23,711 and \$16,798, respectively.



RETAIL DEVELOPMENT PROJECTED DELIVERIES  
AS OF JUNE 30, 1999  
(dollars in thousands)

Project <sup>(1)</sup>	Location	Development Alliance Partner <sup>TM</sup>	Estimated Stabilization Date <sup>(2)</sup>	Estimated Square Feet at Completion	Estimated Total Investment <sup>(3)</sup>
<b>1999 Deliveries</b>					
None	n/a	n/a	n/a	n/a	n/a
<b>2000 Deliveries</b>					
1. Howard & Western Shopping Center	Chicago, IL	n/a	September 2000	88,000	\$ 8,600
<b>2001 Deliveries</b>					
2. Northridge	Fort Lauderdale, FL	Lefmark	April 2001	<u>259,000</u>	<u>37,500</u>
<b>Total Scheduled Deliveries <sup>(4)</sup></b>				<u><b>347,000<sup>(5)</sup></b></u>	<u><b>\$46,100<sup>(6)</sup></b></u>

(1) Excludes two projects that are held for divestiture.

(2) Estimated stabilization date represents management's estimate of when capital improvements for repositioning, development, and redevelopment programs will have been completed and in effect for a period of time sufficient to achieve market occupancy.

(3) Represents total estimated cost of renovation, expansion or development, including initial acquisition costs, debt and equity carry, and partner earnouts. The estimates are based on the Company's current estimates and forecasts and are therefore subject to change.

(4) Excludes 39 acres of land and other acquisition costs totaling approximately \$14,200 which represents future phases of current projects which have not been committed to, or for which final project planning has not been completed, and other land inventory.

(5) Construction has begun on approximately 0.3 million of retail space which was 88% leased as of June 30, 1999.

(6) As of June 30, 1999, approximately \$25,200 has been funded.





DISPOSITIONS  
FOR THE QUARTER ENDED JUNE 30, 1999  
(dollars in thousands)

Location	Number of Buildings & Centers	Square Feet	Month of Disposition	Disposition Price
<b>Industrial</b>				
1. Crossroads Industrial	1	261,000	June 1999	\$ 10,463
<b>Retail</b>				
2. BPP Retail, LLC			June 1999	207,361
a. Aurora Marketplace	1	107,000		
b. Bayhill Shopping Center	1	122,000		
c. Corbins Corner	1	177,000		
d. Eastgate Plaza	1	77,000		
e. Granada Village	1	225,000		
f. Long Gate Shopping Center	1	405,000		
g. Silverado Plaza	1	85,000		
h. Twin Oaks Shopping Center	1	102,000		
i. Ygnacio Plaza	<u>1</u>	<u>109,000</u>		
Total Retail	<u>9</u>	<u>1,409,000</u>		<u>207,361</u>
Total Dispositions	<u>10</u>	<u>1,670,000</u>		<u>\$217,824</u>





CONSOLIDATED JOINT VENTURES  
AS OF JUNE 30, 1999  
(dollars in thousands)

Properties	Square Feet	Gross Book Value <sup>(1)</sup>	Secured Debt	Book Value of Partners' Investment	Book Value of Company's Investment	JV Partners' Share of FFO
<b>Industrial</b>						
1. Chancellor	201,600	\$ 4,960	\$ (2,869)	\$ (565)	\$ 1,526	10%
2. Nippon Express <sup>(2)</sup>	148,941	5,171	--	(550)	4,621	27%
3. Metric Center	397,440	41,159	--	(5,358)	35,801	13%
4. Jamesburg <sup>(3)</sup>	821,712	47,206	(23,500)	(11,677)	12,029	50%
5. Corporate Park/Hickory Hill <sup>(3)</sup>	858,322	27,360	(16,400)	(5,318)	5,642	50%
6. Garland Industrial <sup>(3)</sup>	1,018,637	33,672	(19,600)	(7,063)	7,009	50%
7. Minnetonka Industrial <sup>(3)</sup>	515,915	28,290	(12,850)	(7,662)	7,778	50%
8. South Point Business Park <sup>(3)</sup>	343,536	21,685	--	(10,698)	10,987	50%
9. LA Media Tech Center <sup>(3) (4)</sup>	386,000 <sup>(6)(7)</sup>	26,698	--	(13,604)	13,094	51%
10. Orlando Central Park Development <sup>(4)</sup>	306,000 <sup>(6)(7)</sup>	10,421	--	(514)	9,907	5%
11. South River Park Development <sup>(4)</sup>	626,000 <sup>(6)</sup>	15,730	--	(705)	15,025	5%
12. Cabot Business Park Land <sup>(4)</sup>	98,000 <sup>(6)(7)</sup>	4,492	--	(406)	4,086	10%
13. North Great SW Industrial Park <sup>(4)</sup>	215,000 <sup>(6)</sup>	7,336	--	(364)	6,972	5%
14. Northwest Crossing Distribution Center <sup>(4)</sup>	178,000 <sup>(6)(7)</sup>	3,848	--	(192)	3,656	5%
Subtotal	<u>6,115,103</u>	<u>278,028</u>	<u>(75,219)</u>	<u>(64,676)</u>	<u>138,133</u>	
<b>Retail</b>						
15. Kendall Mall <sup>(4) (5)</sup>	299,582	36,166	(24,546)	(41)	11,579	29%
16. Manhattan Village <sup>(5)</sup>	424,112	83,559	--	(7,715)	75,844	10%
17. Palm Aire <sup>(4) (5)</sup>	133,000 <sup>(6)</sup>	16,437	(7,139)	(1,107)	8,191	0%
18. Plaza at Delray <sup>(4) (5)</sup>	331,846	35,831	(22,981)	6	12,856	2%
19. Springs Gate <sup>(4)</sup>	-- <sup>(6)(7)</sup>	14,160	--	--	14,160	0%
20. Northridge <sup>(4)</sup>	259,000 <sup>(6)</sup>	21,334	--	--	21,334	0%
21. Around Lenox <sup>(5)</sup>	120,000 <sup>(6)</sup>	18,660	(10,964)	(270)	7,426	10%
Subtotal	<u>1,567,540</u>	<u>226,147</u>	<u>(65,630)</u>	<u>(9,127)</u>	<u>151,390</u>	
<b>Total</b>	<u>7,682,643</u>	<u>\$504,175</u>	<u>\$(140,849)</u>	<u>\$(73,803)</u>	<u>\$289,523</u>	

<sup>(1)</sup> Represents the book value of the property (before accumulated depreciation) owned by the joint venture entity and excludes net other assets.

<sup>(2)</sup> Represents a building which is part of the Lake Michigan Industrial Portfolio.

<sup>(3)</sup> These properties are owned by a joint venture with an Institutional Alliance Partner <sup>TM</sup> that is a client of AMB Investment Management.

<sup>(4)</sup> Represents a development, renovation or expansion project with a Development Alliance Partner <sup>TM</sup>.

<sup>(5)</sup> Included as part of retail properties held for divestiture.

<sup>(6)</sup> Represents estimated square feet at completion of development project.

<sup>(7)</sup> Excludes projected building square footage on 120.4 acres of land representing future phases of current projects which have not been committed to, or for which final project planning has not been completed.



## REPORTING DEFINITIONS

**Annualized base rent** is calculated as monthly rent (cash basis) at period end multiplied by 12.

**AMB's share of total debt-to-total market capitalization** is calculated as AMB's share of total debt divided by the sum of total debt plus market equity and preferred stock and units at liquidation preference. AMB's share of total debt includes total consolidated debt plus AMB's pro rata share of the debt of unconsolidated joint ventures less JV partners' share of debt. Market equity assumes conversion of all OP units into common stock.

**Development REIT cap rate** is calculated as NOI, including straight-line rents, for the 12 months following stabilization divided by the estimated total investment including Development Alliance Partner™ earnouts and debt carry costs.

**Development yield** is calculated as NOI, excluding straight-line rents, for the 12 months following stabilization divided by the estimated total investment including Development Alliance Partner™ earnouts and carry costs (debt and equity).

**Fixed charge coverage** is calculated as EBITDA divided by total interest expense (including capitalized interest and debt premium amortization) plus preferred dividends and distributions.

**Funds from operations** is defined as income from operations before minority interests, gains or losses from sales of real estate and extraordinary losses plus real estate depreciation and an adjustment to derive AMB's pro rata share of the FFO of unconsolidated joint ventures, less minority interests' pro rata share of the FFO of consolidated joint ventures and perpetual preferred stock dividends. In accordance with the NAREIT White Paper on FFO, AMB includes the effects of straight-line rents in FFO. Further, AMB does not adjust its FFO to eliminate the effects of non-recurring charges.

**Interest coverage** is calculated as EBITDA divided by total interest expense.

**NOI** is defined as rental revenues, including reimbursements and excluding straight-line rents, less property level operating expenses. NOI represents 100% of property NOI from properties that are either owned directly by AMB or in which AMB has a controlling interest (e.g. consolidated joint ventures) and includes AMB's pro rata share of the NOI of unconsolidated joint ventures.

**Percentage leased** represents the percentage of total rentable square feet owned which is leased, including month-to-month leases, as of the date reported. Space is considered leased when the tenant has either taken physical or economic occupancy.

**Rent increases on renewals and rollovers** is calculated as the change in per square foot gross contractual base rent (cash basis) from the last month under the old lease to the first month under the new or renewed lease, weighted by annualized base rent, excluding the effect of above-standard tenant improvements.

**Same store NOI growth** is calculated as the change in the NOI (excluding straight-line rents) of the same store properties from the prior year reporting period to the current year reporting period.

**Same store properties** include all properties that were owned during both the current and prior year reporting periods and excludes development properties prior to being stabilized for both the current and prior reporting period.

**Second generation TIs and LCs per square foot** is calculated as total tenant improvement, lease commissions and other leasing costs incurred during leasing of second generation space divided by the total square feet leased. Costs incurred prior to leasing available square feet are not included until such space is leased. Second generation space excludes newly developed square footage or square footage vacant at acquisition.

**Stabilized REIT cap rate** is calculated as NOI, including straight-line rents, stabilized to market occupancy (generally 95%) divided by total acquisition cost. The total acquisition cost basis includes the initial purchase price, the effects of marking assumed debt to market, all due diligence and closing costs, planned immediate capital expenditures ("acquisition capex"), leasing costs necessary to achieve stabilization and, if applicable, any estimated costs required to buy out AMB's joint venture partner.

**Tenant retention** is calculated as the square footage of all leases renewed by existing tenants divided by the square footage of all expiring leases during the reporting period, excluding the square footage of tenants that default prior to expiration of their lease, the square footage of tenants repositioned and the square footage of month-to-month leases.

**Total square feet owned** represents 100% of the square footage of properties either owned directly by AMB or which AMB has a controlling interest in (e.g. consolidated joint ventures) and excludes square footage at development properties which is not yet available for lease. Square footage at development, renovation or expansion projects which is either currently leased, available for lease or for which we have a certificate of occupancy is included in total square feet owned.

**Weighted average lease term** is calculated as the average term of all leases in effect as of the date reported. The term is from the original start date to the expiration date weighted by square feet. Such calculation excludes the effect of lease renewal options.



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Corporate Headquarters

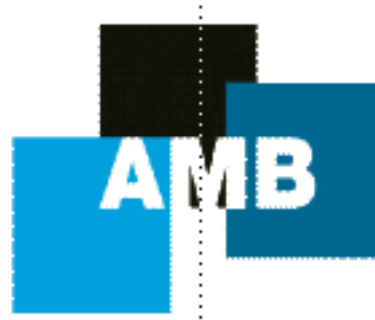
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# AMB PROPERTY CORPORATION

A tradition of nontraditional thinking.™

This supplemental analyst package contains forward-looking statements about personnel, business strategy and future plans, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve numerous risks and uncertainties and should not be relied upon as predictions of future events. The events or circumstances reflected in our forward-looking statements might not occur. In particular, a number of factors could cause AMB's actual results to differ materially from those anticipated, including, among other things, defaults on or non-renewal of leases by tenants, increased interest rates and operating costs, AMB's failure to obtain necessary outside financing, difficulties in identifying properties to acquire and in effecting acquisitions, AMB's failure to successfully integrate acquired properties and operations, AMB's failure to dispose of properties it has contracted to sell or to timely reinvest proceeds from any such dispositions, risks and uncertainties affecting property development and construction (including construction delays, cost overruns, AMB's inability to obtain necessary permits and public opposition to these activities), AMB's failure to qualify and maintain our status as a real estate investment trust under the Internal Revenue Code, environmental uncertainties, risks related to natural disasters, financial market fluctuations, changes in real estate and zoning laws and increases in real property tax rates. AMB's success also depends upon economic trends generally, including interest rates, income tax laws, governmental regulation, legislation and population changes. For further information on these and other factors that could impact AMB and the statements contained herein, reference should be made to AMB's filings with the Securities and Exchange Commission, including AMB's annual report on Form 10-K for the year ended December 31, 1998.