
U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

**Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): July 17, 2007

AMB PROPERTY CORPORATION

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation)

001-13545

(Commission file number)

94-3281941

(I.R.S. employer identification
number)

Pier 1, Bay 1, San Francisco, California 94111

(Address of principal executive offices) (Zip code)

415-394-9000

(Registrants' telephone number, including area code)

n/a

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION AND
ITEM 7.01 REGULATION FD DISCLOSURE**

On July 17, 2007, we disclosed a supplemental analyst package in connection with our earnings conference call for the second quarter of 2007. A copy of the supplemental analyst package is attached hereto as Exhibit 99.1. This section and the attached exhibit are provided under Items 2.02 and 7.01 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

Forward Looking Statements

Some of the information included in this supplemental analyst package and the conference call to be held in connection therewith contains forward-looking statements, such as those related to development, value-added conversion, redevelopment and renovation projects (including stabilization dates, square feet at stabilization or completion, sale or contribution dates, weighted average estimated yields from such projects, costs and total investment amounts), acquisition capital, build out potential of land inventory, co-investment joint venture investment capacity, terms of the co-investment joint ventures, cost to buy out joint venture partners, lease expirations, future debt summaries, and future business plans (such as property divestitures and financings), 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, re-financing risks, risks related to our obligations in the event of certain defaults under joint venture and other debt, risks related to debt and equity security financings (including dilution risk), 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, risks related to our tax structuring, failure to maintain our current credit agency ratings, environmental uncertainties, risks related to natural disasters, financial market fluctuations, changes in general economic conditions or in the real estate sector, changes in real estate and zoning laws, a downturn in the U.S., California or global economy, risks related to doing business internationally and global expansion, losses in excess of our insurance coverage, unknown liabilities acquired in connection with acquired properties or otherwise 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 “Risk Factors” and elsewhere in our annual report on Form 10-K for the year ended December 31, 2006.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits:

Exhibit Number	Description
99.1	AMB Property Corporation Supplemental Analyst Package for Second Quarter 2007 Earnings Conference Call July 18, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMB Property Corporation
(Registrant)

Date: July 17, 2007

By: /s/ Tamra Browne
Tamra Browne
Senior Vice President, General Counsel and Secretary

Exhibits

Exhibit Number	Description
99.1	AMB Property Corporation Supplemental Analyst Package for Second Quarter 2007 Earnings Conference Call July 18, 2007



EUROPE FUND – CONTRIBUTED PROPERTIES EXAMPLES



AMB EUROPE FUND 1
48 distribution facilities
4 countries
6.0 million square feet
557,929 square meters



1. AMB Fokker Logistics Center 1
Amsterdam Airport Schiphol, Amsterdam



2. AMB BRU Air Cargo Center
Zaventem Airport, Brussels



3. AMB FRA Logistics Center 556
Frankfurt International Airport, Frankfurt



4. AMB Gonesse Distribution Center 2
Roissy Charles De Gaulle Airport, Paris

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Cover: AMB Europe Fund I, a Euro-denominated open-end commingled fund investing in distribution facilities near high-volume airports, seaports and highway systems, and in the major metropolitan areas of Europe. As of June 30, 2007 the gross asset value of AMB Europe Fund I is approximately €531 million (US\$719 million).

FINANCIAL HIGHLIGHTS

(dollars in thousands, except share data)

	Quarters Ended June 30,			Six Months Ended June 30,		
	2007	Change	2006	2007	Change	2006
Operating Data						
Revenues	\$ 171,432	(2.5%)	\$ 175,917 ⁽¹⁾ (2)	\$ 339,439	(3.7%)	\$ 352,325 ⁽¹⁾ (2)
Adjusted EBITDA ⁽³⁾	146,018	(13.5%)	168,832	271,191	(7.9%)	294,462
Net income available to common stockholders	111,390	54.0%	72,335	133,120	39.1%	95,719
FFO ⁽³⁾	78,474	(4.7%)	82,355	135,347	3.2%	131,094
Per diluted share and unit:						
EPS	\$ 1.10	37.5%	\$ 0.80	\$ 1.35	27.4%	\$ 1.06
FFO ⁽³⁾	0.74	(14.9%)	0.87	1.32	(5.0%)	1.39
Dividends per common share	0.50	8.7%	0.46	1.00	8.7%	0.92
Ratios						
Interest coverage ⁽³⁾	4.0 x		3.7 x	3.6 x		3.4 x
Fixed charge coverage ⁽³⁾	2.6 x		2.8 x	2.3 x		2.5 x
FFO payout	68%		53%	76%		66%
As of						
				June 30, 2007		December 31, 2006
Capitalization						
AMB's share of total debt ⁽³⁾				\$ 2,776,864		\$ 3,088,624
Preferred equity				312,267		417,767
Market equity				5,538,204		5,531,113
Total capitalization				\$ 8,627,335		\$ 9,037,504
Ratios						
AMB's share of total debt-to-AMB's share of total book capitalization ⁽³⁾ (4)				48.9%		55.8%
AMB's share of total debt-to-AMB's share of total market capitalization ⁽³⁾ (4)				32.2%		34.2%
Total common shares and units outstanding				104,062,458		94,371,491

- (1) Effective October 1, 2006, AMB deconsolidated AMB Alliance Fund III on a prospective basis.
- (2) Pro forma revenues for the quarter and six months ended June 30, 2006 would have been \$157,619 and \$318,451, respectively, if AMB Institutional Alliance Fund III had been deconsolidated as of January 1, 2006.
- (3) See Supplemental Financial Measures Disclosures.
- (4) See Reporting Definitions.

CONSOLIDATED BALANCE SHEETS

(dollars in thousands)

	As of	
	June 30, 2007	December 31, 2006
Assets		
Investments in real estate:		
Total investments in properties	\$ 6,406,982	\$ 6,575,733
Accumulated depreciation	(854,227)	(789,693)
Net investments in properties (1)	5,552,755	5,786,040
Investments in unconsolidated joint ventures	349,534	274,381
Properties held for contribution, net	245,632	154,036
Properties held for divestiture, net	45,146	20,916
Net investments in real estate	6,193,067	6,235,373
Cash and cash equivalents and restricted cash	251,052	195,878
Accounts receivable, net	166,449	133,998
Other assets	148,696	148,263
Total assets	\$ 6,759,264	\$ 6,713,512
Liabilities and stockholders' equity		
Secured debt	\$ 1,340,702	\$ 1,395,354
Unsecured senior debt	1,057,498	1,101,874
Unsecured credit facilities	562,184	852,033
Other debt	85,110	88,154
Accounts payable and other liabilities	278,921	271,880
Total liabilities	3,324,415	3,709,295
Minority interests:		
Joint venture partners	535,280	555,201
Preferred unitholders	77,563	180,298
Limited partnership unitholders	109,921	102,061
Total minority interests	722,764	837,560
Stockholders' equity:		
Common equity	2,488,673	1,943,240
Preferred equity	223,412	223,417
Total stockholders' equity	2,712,085	2,166,657
Total liabilities and stockholders' equity	\$ 6,759,264	\$ 6,713,512

(1) Includes AMB's 100% ownership interest in Park One, a 19.9 acre land parcel leased to a parking lot operator in the Los Angeles market immediately adjacent to LAX, for approximately \$76 million.

CONSOLIDATED STATEMENTS OF OPERATIONS (1)

(dollars in thousands, except share data)

	For the Quarters Ended		For the Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
Revenues				
Rental revenues (2)	\$ 162,914	\$ 170,974	\$ 324,996	\$ 342,276
Private capital income	8,518	4,943	14,443	10,049
Total revenues	<u>171,432</u>	<u>175,917</u>	<u>339,439</u>	<u>352,325</u>
Costs and expenses				
Property operating costs (3)	(43,304)	(43,589)	(87,551)	(87,732)
Depreciation and amortization	(41,483)	(44,500)	(82,504)	(87,254)
Impairment losses	—	(5,394)	(257)	(5,394)
General and administrative	(30,260)	(25,142)	(60,114)	(47,997)
Other expenses (4)	(1,139)	296	(2,051)	(241)
Fund costs	(277)	(479)	(518)	(1,093)
Total costs and expenses	<u>(116,463)</u>	<u>(118,808)</u>	<u>(232,995)</u>	<u>(229,711)</u>
Other income and expenses				
Equity in earnings of unconsolidated joint ventures (5)	1,748	8,278	3,861	10,366
Other income (4)	6,472	2,258	11,979	5,765
Gains from sale or contribution of real estate interests, net	74,707	—	74,843	—
Development profits, net of taxes	28,996	45,698	41,188	46,372
Interest expense, including amortization	(33,369)	(44,310)	(67,951)	(83,704)
Total other income and expenses	<u>78,554</u>	<u>11,924</u>	<u>63,920</u>	<u>(21,201)</u>
Income from operations before minority interests	<u>133,523</u>	<u>69,033</u>	<u>170,364</u>	<u>101,413</u>
Minority interests' share of income:				
Joint venture partners' share of income	(8,067)	(8,895)	(15,260)	(17,297)
Joint venture partners' and limited partnership unitholders' share of development profits	(2,574)	(1,619)	(3,136)	(1,651)
Preferred unitholders	(1,480)	(4,024)	(5,179)	(9,025)
Limited partnership unitholders	(4,001)	(341)	(4,495)	(1,068)
Total minority interests' share of income	<u>(16,122)</u>	<u>(14,879)</u>	<u>(28,070)</u>	<u>(29,041)</u>
Income from continuing operations	<u>117,401</u>	<u>54,154</u>	<u>142,294</u>	<u>72,372</u>
Discontinued operations:				
Income attributable to discontinued operations, net of minority interests	484	4,126	1,238	6,471
Gains from disposition of real estate, net of minority interests	384	17,073	419	24,087
Total discontinued operations	<u>868</u>	<u>21,199</u>	<u>1,657</u>	<u>30,558</u>
Net income	118,269	75,353	143,951	102,930
Preferred stock dividends	(3,952)	(3,095)	(7,904)	(6,191)
Preferred unit redemption (issuance costs) discount	(2,927)	77	(2,927)	(1,020)
Net income available to common stockholders	<u>\$ 111,390</u>	<u>\$ 72,335</u>	<u>\$ 133,120</u>	<u>\$ 95,719</u>
Net income per common share (diluted)	<u>\$ 1.10</u>	<u>\$ 0.80</u>	<u>\$ 1.35</u>	<u>\$ 1.06</u>
Weighted average common shares (diluted)	<u>101,361,013</u>	<u>90,135,659</u>	<u>98,305,299</u>	<u>90,147,493</u>

- (1) Effective October 1, 2006, AMB deconsolidated AMB Alliance Fund III on a prospective basis.
- (2) Pro forma rental revenues for the quarter and six months ended June, 2006 would have been \$152,676 and \$308,402, respectively, if AMB Institutional Alliance Fund III had been deconsolidated as of January 1, 2006.
- (3) Pro forma property operating costs for the quarter and six months ended June 30, 2006 would have been \$39,188 and \$79,278, respectively, if AMB Institutional Alliance Fund III had been deconsolidated as of January 1, 2006.
- (4) Includes changes in liabilities and assets associated with AMB's deferred compensation plan.
- (5) Includes gains on sale of operating properties of \$0.0 million and \$7.7 million, for the quarters ended June 30, 2007 and 2006, respectively. Includes gains on sale of operating properties of \$0.0 million and \$8.3 million, for the six months ended June 30, 2007 and 2006, respectively.

CONSOLIDATED STATEMENTS OF FUNDS FROM OPERATIONS (1)

(dollars in thousands, except share data)

	For the Quarters Ended		For the Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
Net income available to common stockholders	\$ 111,390	\$ 72,335	\$ 133,120	\$ 95,719
Gains from sale or contribution of real estate, net of minority interests	(75,091)	(17,073)	(75,262)	(24,087)
Depreciation and amortization:				
Total depreciation and amortization	41,483	44,500	82,504	87,254
Discontinued operations' depreciation	4	(62)	8	452
Non-real estate depreciation	(1,401)	(1,068)	(2,578)	(2,068)
Adjustments to derive FFO from consolidated JVs:				
Joint venture partners' minority interests (Net income)	8,067	8,895	15,260	17,297
Limited partnership unitholders' minority interests (Net income)	4,001	341	4,495	1,068
Limited partnership unitholders' minority interests (Development profits)	1,251	2,208	1,801	2,240
Discontinued operations' minority interests (Net income (loss))	25	209	(4)	463
FFO attributable to minority interests	(15,312)	(21,748)	(31,616)	(42,183)
Adjustments to derive FFO from unconsolidated JVs:				
AMB's share of net income	(1,748)	(8,278)	(3,861)	(10,366)
AMB's share of FFO	5,805	2,096	11,480	5,305
Funds from operations	<u>\$ 78,474</u>	<u>\$ 82,355</u>	<u>\$ 135,347</u>	<u>\$ 131,094</u>
FFO per common share and unit (diluted)	<u>\$ 0.74</u>	<u>\$ 0.87</u>	<u>\$ 1.32</u>	<u>\$ 1.39</u>
Weighted average common share and unit (diluted)	<u>105,806,524</u>	<u>94,520,866</u>	<u>102,866,432</u>	<u>94,534,263</u>
Estimated FFO by business line (1)				
Capital Partners FFO per common share and unit (diluted)(1)	\$ 0.05	\$ 0.02	\$ 0.07	\$ 0.04
% of reported FFO	6.7%	2.3%	5.3%	2.9%
Development FFO per common share and unit (diluted)(1)	\$ 0.24	\$ 0.48	\$ 0.36	\$ 0.48
% of reported FFO	32.4%	55.1%	27.4%	34.6%
Real estate operations FFO per common share and unit (diluted)(1)	\$ 0.45	\$ 0.37	\$ 0.89	\$ 0.87
% of reported FFO	60.9%	42.6%	67.3%	62.5%
Total FFO per common share and unit (diluted)	<u>\$ 0.74</u>	<u>\$ 0.87</u>	<u>\$ 1.32</u>	<u>\$ 1.39</u>

(1) See Supplemental Financial Measures Disclosure.

SUPPLEMENTAL CASH FLOW INFORMATION

(dollars in thousands)

	For the Quarters Ended		For the Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
AMB's Owned and Managed Portfolio: (1) (2)				
Supplemental Information:				
Straight-line rents and amortization of lease intangibles	\$ 3,339	\$ 6,235	\$ 7,958	\$ 11,603
AMB's share of straight-line rents and amortization of lease intangibles	\$ 2,237	\$ 5,095	\$ 5,399	\$ 9,138
Gross lease termination fees	\$ 585	\$ 296	\$ 703	\$ 6,050
Net lease termination fees (3)	\$ 578	\$ 241	\$ 721	\$ 5,986
AMB's share of net lease termination fees	\$ 539	\$ 147	\$ 635	\$ 5,892
Recurring capital expenditures:				
Tenant improvements	\$ 5,835	\$ 4,677	\$ 9,153	\$ 8,498
Lease commissions and other lease costs	6,125	6,661	13,503	12,866
Building improvements	11,353	13,382	14,352	17,226
Sub-total	23,313	24,720	37,008	38,590
JV Partners' share of capital expenditures	(6,193)	(6,911)	(11,239)	(10,856)
AMB's share of recurring capital expenditures	<u>\$ 17,120</u>	<u>\$ 17,809</u>	<u>\$ 25,769</u>	<u>\$ 27,734</u>
AMB's Consolidated Portfolio:				
Supplemental Information:				
Straight-line rents and amortization of lease intangibles	\$ 2,235	\$ 6,154	\$ 4,950	\$ 11,300
AMB's share of straight-line rents and amortization of lease intangibles	\$ 2,069	\$ 5,078	\$ 4,798	\$ 9,077
Gross lease termination fees	\$ 539	\$ 296	\$ 639	\$ 6,050
Net lease termination fees (3)	\$ 534	\$ 241	\$ 659	\$ 5,986
AMB's share of net lease termination fees	\$ 529	\$ 147	\$ 622	\$ 5,892
Recurring capital expenditures:				
Tenant improvements	\$ 5,299	\$ 4,605	\$ 8,042	\$ 8,426
Lease commissions and other lease costs	5,501	6,548	11,089	12,646
Building improvements	10,510	12,474	13,170	16,272
Sub-total	21,310	23,627	32,301	37,344
JV Partners' share of capital expenditures	(4,672)	(6,036)	(7,555)	(9,859)
AMB's share of recurring capital expenditures	<u>\$ 16,638</u>	<u>\$ 17,591</u>	<u>\$ 24,746</u>	<u>\$ 27,485</u>

(1) See Reporting Definitions.

(2) See Supplemental Financial Measures Disclosure for a discussion of owned and managed supplemental cash flow information.

(3) Net lease termination fees are defined as gross lease termination fees less the associated straight-line rent balance.

OWNED AND MANAGED OPERATING STATISTICS (1)

(dollars in thousands, except per square foot amounts)

Operating Portfolio	Quarter	Prior Quarter
Square feet owned at June 30, 2007	111,335,628	103,175,210
Occupancy percentage	96.1%	95.3%
Average occupancy percentage	94.9%	94.9%
Weighted average lease terms (years):		
Original	6.0	6.1
Remaining	3.4	3.4
Trailing four quarter tenant retention	76.0%	73.8%
Same Space Leasing Activity:(2)		
	Quarter	Year-to-Date
Rent increases on renewals and rollovers	2.0%	2.4%
Same space square footage commencing (millions)	4.5	9.7
2nd Generation Leasing Activity:		
TIs and LCs per square foot:		
Retained	\$ 1.30	\$ 1.12
Re-tenanted	2.86	3.07
Weighted average	<u>\$ 2.08</u>	<u>\$ 1.94</u>
Square footage commencing (millions)	5.7	11.7
Same Store Pool (1)		
	Quarter	Prior Quarter
Square feet in same store pool at June 30, 2007	85,808,842	85,907,988
% of total square feet	77.1%	83.3%
Occupancy percentage at period end:		
June 30, 2007	96.4%	95.9%
June 30, 2006	95.6%	95.0%
Weighted average lease terms (years):		
Original	6.1	6.1
Remaining	3.2	3.2
Trailing four quarter tenant retention	75.8%	74.0%
Same Space Leasing Activity:(2)		
	Quarter	Year-to-Date
Rent increases on renewals and rollovers	1.6%	2.2%
Same space square footage commencing (millions)	4.3	8.5
Cash basis NOI % change:(3)		
Revenues (4)	5.5%	5.8%
Expenses (4)	4.8%	4.8%
NOI (3) (4)	5.8%	6.2%
NOI without lease termination fees (3) (4)	5.8%	6.2%

TOP 10 CUSTOMERS

(dollars in thousands)

Customer Name (6)	Number of Leases	Aggregate Rentable Square Feet	% of Aggregate Leased Square Feet	ABR (1) (5)	% of Aggregate ABR (1) (5)
1. Deutsche Post World Net (DHL)(7)	51	3,467,273	3.2%	\$ 26,007	3.6%
2. United States Government (7) (8)	47	1,407,748	1.3%	20,399	2.8%
3. FedEx Corporation (7)	31	1,528,182	1.4%	15,314	2.1%
4. Nippon Express	13	993,992	0.9%	9,793	1.4%
5. Harmonic Inc.	4	285,480	0.3%	9,250	1.3%
6. Sagaw a Express	10	729,141	0.7%	8,791	1.2%
7. BAX Global Inc/Schenker/Deutsche Bahn(7)	17	750,271	0.7%	7,705	1.1%
8. La Poste	2	854,427	0.8%	6,733	0.9%
9. Panalpina, Inc.	10	1,008,796	0.9%	6,545	0.9%
10. City and County of San Francisco	1	559,605	0.5%	5,714	0.8%
Total		<u>11,584,915</u>	<u>10.8%</u>	<u>\$ 116,251</u>	<u>16.1%</u>

LEASE EXPIRATIONS (9)

(dollars in thousands)

Year	Square Feet	ABR (1) (5) (7)	% of ABR (1) (5)
2007	8,498,761	\$ 53,310	7.3%
2008	16,205,000	103,462	14.1%
2009	19,420,934	122,659	16.7%
2010	15,436,190	112,806	15.4%
2011	13,988,406	101,581	13.9%
2012	11,448,715	88,731	12.1%
2013	5,623,328	38,278	5.2%
2014	5,782,055	41,489	5.7%
2015	2,935,910	21,051	2.9%
2016 and beyond	7,068,199	49,665	6.8%
Total	<u>106,407,498</u>	<u>\$ 733,032</u>	<u>100.0%</u>

- (1) See Reporting Definitions for definitions of “owned and managed”, “same store properties” and “annualized base rent (“ABR””, as applicable.
- (2) Consists of second generation leases renewing or re-tenanting with current and prior lease terms greater than one year.
- (3) See Supplemental Financial Measures Disclosures.
- (4) For the quarter ended June 30, 2007, on a consolidated basis, the % change was 5.4%, 5.5%, 5.4% and 5.4%, respectively, for revenues, expenses, NOI and NOI without lease termination fees. For the year-to-date ended June 30, 2007, on a consolidated basis, the % change was 5.7%, 5.9%, 5.6% and 5.6%, respectively, for revenues, expenses, NOI and NOI without lease termination fees.
- (5) ABR is reported net of all operating expense reimbursements.
- (6) Customer(s) may be a subsidiary of or an entity affiliated with the named customer. AMB also owns a 19.9 acre land parcel adjacent to LAX, which is leased to a parking lot operator with an ABR of \$7.8 million, which is not included.
- (7) Apron rental amounts (but not square footage) are included.
- (8) United States Government includes the United States Postal Service (USPS), United States Customs, United States Department of Agriculture (USDA) and various other U.S. governmental agencies.
- (9) Schedule represents spaces that expire on or after June 30, 2007. Schedule includes owned and managed operating properties.

PRINCIPAL GLOBAL MARKETS (1)

As of June 30, 2007

	Southern California (2)	No. New Jersey/ New York	San Francisco Bay Area	Chicago	U.S. On-Tarmac (3)	South Florida	Seattle	Tokyo (4)	Paris (4)	Total Principal Global Markets
Rentable square feet	15,863,691	10,709,491	10,478,861	12,423,064	2,679,328	5,885,118	7,818,178	3,858,593	2,328,122	72,044,446
Occupancy percentage	97.8%	98.9%	98.0%	91.4%	94.8%	97.1%	97.1%	95.4%	99.1%	96.6%
ABR (000's) (5)	\$ 102,947	\$ 76,849	\$ 72,060	\$ 59,670	\$ 46,771	\$ 43,533	\$ 37,530	\$ 41,271	\$ 19,586	\$ 500,217
% of total ABR (5)	14.3%	10.7%	10.0%	8.3%	6.5%	6.0%	5.2%	5.8%	2.7%	69.5%
ABR per square foot	\$ 6.64	\$ 7.25	\$ 7.02	\$ 5.25	\$ 18.41	\$ 7.62	\$ 4.94	\$ 11.21	\$ 8.49	\$ 7.19
Lease expirations as a % of ABR: (5)										
2007	5.9%	2.4%	6.8%	16.7%	12.0%	11.1%	4.4%	4.6%	9.0%	7.6%
2008	15.5%	12.0%	17.0%	12.0%	15.8%	13.8%	11.4%	12.5%	13.1%	14.0%
2009	13.5%	16.5%	22.1%	14.5%	6.3%	15.9%	26.1%	20.6%	22.9%	16.8%
Weighted average lease terms:										
Original	5.6	6.9	5.5	5.5	8.7	5.7	6.2	4.8	6.8	6.0
Remaining	3.2	4.1	2.5	3.2	4.8	3.5	3.2	3.4	3.4	3.3
Trailing four quarter tenant retention:	80.5%	82.4%	68.1%	75.5%	81.4%	59.1%	86.9%	15.0%	0.0%	76.6%
Rent increases on renewals and rollovers:										
Quarter	21.9%	12.7%	(19.2%)	—	(0.8%)	17.7%	13.0%	—	—	2.6%
Same space square feet leased	641,925	710,653	730,719	442,764	144,203	152,169	534,042	—	—	3,356,475
Year-to-Date	11.8%	2.1%	(8.9%)	(1.7%)	(0.6%)	13.8%	11.1%	—	—	2.7%
Same space square feet leased	1,567,446	1,670,853	1,382,589	739,569	252,975	546,298	770,242	—	—	6,929,972
Same store cash basis NOI % change: (6)										
Quarter	7.9%	2.5%	8.4%	(1.7%)	4.1%	9.7%	3.7%	14.4%	22.3%	5.9%
Year-to-Date	4.2%	7.3%	7.6%	3.4%	2.5%	13.4%	4.4%	16.6%	26.8%	6.6%
Same store square feet as % of aggregate square feet (5)	83.8%	86.8%	98.3%	75.4%	100.0%	86.6%	88.9%	30.3%	43.9%	82.1%
AMB's pro rata share of square feet (7)	11,452,147	5,590,027	7,752,796	9,183,681	2,488,584	4,387,620	3,944,593	771,719	465,624	46,036,791
AMB's pro rata % share of square feet (7)	59.7%	52.2%	74.0%	55.8%	92.9%	74.6%	50.5%	20.0%	20.0%	58.0%

- (1) Based on annualized base rent and represents AMB's owned and managed portfolio. The markets included here are a subset of AMB's regions defined as East, Southwest, and West Central in North America, Europe and Asia. See Reporting Definitions for the definition of owned and managed.
- (2) AMB also owns a 19.9 acre land parcel, which is leased to a parking lot operator in the Los Angeles market immediately adjacent to LAX.
- (3) Includes on-tarmac cargo facilities at 14 airports.
- (4) At June 30, 2007, this represents our largest single market in Asia and Europe respectively.
- (5) See Reporting Definitions for definitions of "ABR" and "same store properties", as applicable.
- (6) See Supplemental Financial Measures Disclosures.
- (7) Calculated as AMB's pro rata share of square feet on the total stabilized portfolio as shown on the next page.

PORTFOLIO OVERVIEW (1)

As of June 30, 2007

(dollars in thousands, except per square foot amounts)

	Rentable Square Feet	Occupancy Percentage	ABR (2)	% of Total ABR (2)	ABR per Square Foot (2)
Principal Global Markets	72,044,446	96.6%	\$ 500,217	69.5%	\$ 7.19
Other Global Target Markets (6)					
North America Markets					
Atlanta	4,622,651	94.9%	\$ 19,504	2.7%	\$ 4.45
Baltimore	3,755,256	97.5%	23,611	3.3%	6.45
Boston	5,188,593	93.2%	32,158	4.5%	6.65
Dallas	5,103,641	93.7%	22,734	3.2%	4.75
Mexico City	2,022,489	95.8%	12,055	1.7%	6.22
Minneapolis	4,006,858	94.9%	17,551	2.4%	4.62
Other Markets (3)	8,102,257	94.2%	41,644	5.7%	5.46
Subtotal/Weighted Average	32,801,745	94.6%	\$ 169,257	23.5%	\$ 5.45
Europe Markets					
Amsterdam, Netherlands	1,613,855	99.7%	\$ 15,363	2.0%	\$ 9.55
Brussels, Belgium	100,169	100.0%	1,369	0.2%	13.67
Frankfurt, Germany	275,868	100.0%	4,550	0.6%	16.49
Hamburg, Germany	1,425,002	99.9%	10,481	1.5%	7.37
Lyon, France	262,491	100.0%	1,827	0.3%	6.96
Subtotal/Weighted Average	3,677,385	99.8%	\$ 33,590	4.6%	\$ 9.15
Asia Markets					
Osaka, Japan	1,018,875	91.1%	\$ 7,885	1.1%	\$ 8.50
Shanghai, China	1,380,248	100.0%	5,233	0.7%	3.79
Singapore, Singapore	412,929	95.9%	4,469	0.6%	11.28
Subtotal/Weighted Average	2,812,052	96.2%	\$ 17,587	2.4%	\$ 6.50
Owned and Managed Total	111,335,628	96.1%	\$ 720,651	100.0%	\$ 6.74
Other (4)	7,495,659	95.4%			
Total Stabilized Portfolio (2)	118,831,287	96.0%			
Development Projects	17,912,529				
Total Portfolio (5)	136,743,816				

- (1) Includes AMB's owned and managed operating and development properties, investments in operating properties through non-managed unconsolidated joint ventures, and recently completed developments that have not yet been placed in operations but are being held for sale or contribution. See Reporting Definitions for the definition of owned and managed.
- (2) See Reporting Definitions for definitions of "Annualized Base Rent (ABR)" and "completion/stabilization", as applicable.
- (3) Other Markets includes other target markets (Austin, Guadalajara, Houston, Orlando and Querétaro) and non-target markets (Columbus and New Orleans).
- (4) Includes investments in 7.4 million square feet of operating properties through AMB's investments in unconsolidated joint ventures that it does not manage which it excludes from its owned and managed portfolio and 151,606 square feet for its investment in AMB Pier One, LLC.
- (5) Total Portfolio includes recently completed development projects available for sale or contribution totaling 13 projects and 3.8 million square feet.
- (6) AMB's pro rata share of square feet and pro rata % share of square feet is 22,103,183 and 56.3%, respectively, for other global target markets.

CAPITAL DEPLOYMENT
For the Quarter ended June 30, 2007
 (dollars in thousands)

Property Acquisitions	Market	Month of Acquisition	Square Feet
<u>AMB Alliance Fund III</u>			
1. AMB Baltimore Beltway Industrial	Baltimore	April	708,932
2. AMB Topside Distribution Center	Southern California	April	107,154
3. AMB Wayfarer Distribution Center	Southern California	April	129,499
4. AMB Mittel Distribution Center	Chicago	May	82,114
5. AMB Los Nietos Business Center 2	Southern California	June	141,826
6. AMB Maude R&D	San Francisco Bay Area	June	20,000
7. AMB Port America Logistics Center 12-15	Dallas	June	147,900
Total AMB Alliance Fund III			1,337,425
<u>AMB Japan Fund I</u>			
8. AMB Chiba Distribution Center 1	Toyko, Japan	June	46,845
9. AMB Fukuoka Distribution Center 1	Osaka, Japan	June	53,720
10. AMB Funabashi Distribution Center 7-9	Toyko, Japan	June	503,219
11. AMB Higashi Ogijima Distribution Center 2	Toyko, Japan	June	176,861
12. AMB Narashino Distribution Center 1	Toyko, Japan	June	136,664
13. AMB Saitama Distribution 5	Toyko, Japan	June	8,255
Total AMB Japan Fund I			925,564
<u>AMB Europe Fund I</u>			
14. AMB Arena Distribution Centers	Amsterdam, Netherlands	June	270,906
15. AMB Gonesse Distribution 3 & 4	Paris, France	June	454,559
16. AMB Waltershof 4-7	Hamburg, Germany	June	474,796
17. AMB Eemhaven Distribution 3	Amsterdam, Netherlands	June	145,054
Total AMB Europe Fund I			1,345,315
<u>AMB-SGP Mexico</u>			
18. AMB Frontera Distribution Center	Tijuana, Mexico	April	264,103
19. AMB Arbolada Distribution Center	Guadalajara, Mexico	May	222,113
20. AMB Los Altos Industrial Park	Guadalajara, Mexico	May	1,151,955
Total AMB-SGP Mexico			1,638,171

Continued on next page

CAPITAL DEPLOYMENT

For the Quarter ended June 30, 2007

(dollars in thousands)
 (continued)

Property Acquisitions	Market	Month of Acquisition	Square Feet
AMB Property Corporation			
21. AMB Annagem Distribution Center II	Toronto, Canada	April	106,184
22. AMB Portview (1)	No. New Jersey/New York	June	26,697
23. AMB Taft Distribution Center (1)	Houston	June	66,000
Total AMB Property Corporation			198,881
Total Second Quarter Property Acquisitions			5,445,356
Acquisition Cost (2) (3)			\$ 494,610
AMB's Weighted Average Ownership Percentage			22%
Weighted Average Stabilized Cap Rate (Using GAAP NOI)(6)			6.6%
Total Year-to-Date Property Acquisitions			7,236,649
Acquisition Cost (2) (3)			\$ 636,367
AMB's Weighted Average Ownership Percentage			25%
Weighted Average Stabilized Cap Rate (Using GAAP NOI)(6)			6.5%
New Development Projects	Market	Estimated Stabilization (4)	Estimated Square Feet at Stabilization (4)
1. AMB Osgood Industrial (5)	San Francisco Bay Area	Q407	—
2. AMB IAH Airfreight 7	Houston	Q208	239,500
3. AMB El Segundo	Southern California	Q408	217,740
4. AMB Liberty Logistics Center	No. New Jersey/New York	Q408	191,196
5. AMB Minooka Distribution Center	Chicago	Q408	1,000,743
6. AMB Morgan Business Center — Bldg 100	Savannah	Q408	343,030
7. AMB Tsurumi Distribution Center 1	Tokyo, Japan	Q408	685,757
8. AMB Beacon Lakes Village — Phase 1 Bldg E2	South Florida	Q408	52,918
9. AMB Arrayanes — Bldg 4	Guadalajara, Mexico	Q109	265,050
10. AMB Pacifico — Bldgs 3 & 4	Tijuana, Mexico	Q109	194,977
Total Second Quarter New Development Projects			3,190,911
Estimated Total Investment (4)			\$ 265,134
AMB's Weighted Average Ownership Percentage			69%
Weighted Average Estimated Yield (4)			7.4%
Total Second Quarter Capital Deployment			\$ 759,744
Total Year-to-Date Capital Deployment			\$ 1,092,245

- (1) Represents a future redevelopment project.
- (2) Represents the total expected investment, including closing costs and estimated acquisition capital of \$7.0 million and \$11.8 million, respectively, for the quarter and six months ended June 30, 2007.
- (3) Non-U.S. Dollar assets are translated using the exchange rate on the date of acquisition.
- (4) See Reporting Definitions for definitions of "completion/stabilization", "estimated total investment" and "estimated yields", as applicable.
- (5) Represents a value-added conversion project. See Reporting Definitions.
- (6) See Reporting Definitions for definition of "stabilized GAAP cap rates" and Supplemental Financial Disclosures for discussion of NOI.

PROPERTY CONTRIBUTIONS & DISPOSITIONS
For the Quarter ended June 30, 2007
 (dollars in thousands)

<u>Operating Property Contributions and Dispositions</u>	<u>Market</u>	<u>Month of Contribution/Disposition</u>	<u>Square Feet</u>
Contributions			
1. AMB Europe Fund I	Europe	June	4,231,348
2. AMB Beacon Lakes 9	South Florida	June	206,656
Total Contributions			4,438,004
Contribution Value (1)			\$ 520,260
Dispositions			
None	n/a	n/a	n/a
Total Second Quarter Operating Property Contributions and Dispositions			4,438,004
Total Contribution Value (1)			\$ 520,260
AMB's Weighted Average Ownership Percentage Sold or Contributed			80%
Weighted Average Stabilized Cash Cap Rate			6.4%
Total Year-to-Date Operating Property Contributions and Dispositions			4,533,953
Total Contribution Value (1)			\$ 524,851
AMB's Weighted Average Ownership Percentage Sold or Contributed			80%
Weighted Average Stabilized Cash Cap Rate			6.4%
<u>Development Property Contributions and Dispositions</u>	<u>Market</u>	<u>Month of Contribution/Disposition</u>	<u>Square Feet</u>
Contributions			
1. AMB Riverfront Distribution Center — Bldg B (2)	Seattle	June	388,000
2. AMB Fokker Logistics Center 1	Amsterdam, Netherlands	June	236,203
3. AMB Beacon Lakes — Bldg 6	South Florida	June	206,524
4. AMB DFW Logistics Center — 1	Dallas	June	113,640
5. AMB FRA Logistics Center 556 — Phase II	Frankfurt, Germany	June	108,952
6. AMB BRU Air Cargo Center	Brussels, Belgium	June	102,655
Total Contributions			1,155,974
Contribution Value (1)			\$ 138,540
Development Margin (3)			32.0%
Dispositions			
1. AMB Forest Park Freight Terminal (2)	Atlanta	June	142,000
2. AMB Beacon Lakes Village — Phase 1 Bldg E1 — 4 units	South Florida	June	26,334
3. AMB Torrance Matrix — 2 units (2)	Southern California	June	11,770
Total Dispositions			180,104
Disposition Price (1)			\$ 20,915
Development Margin (3)			19.5%
Total Second Quarter Development Property Contributions and Dispositions			1,336,078
Total Contribution Value and Disposition Price (1)			\$ 159,455
Development Margin (3)			30.5%
AMB's Weighted Average Ownership Percentage Sold or Contributed			83%
Weighted Average Stabilized Cash Cap Rate			6.0%
Total Year-to-Date Development Property Contributions and Dispositions			1,997,395
Total Contribution Value and Disposition Price (1)			\$ 240,153
Development Margin (3)			27.3%
AMB's Weighted Average Ownership Percentage Sold or Contributed			84%
Weighted Average Stabilized Cash Cap Rate			6.2%

(1) Translated to U.S. Dollars using the exchange rate on the date of contribution/disposition, as applicable.

(2) Represents a project that was placed in projects available for sale or contribution during the quarter ended June 30, 2007, and was sold or contributed during the quarter.

(3) See Reporting Definitions for definition of "development margin".

DEVELOPMENT PROJECTS IN PROCESS

As of June 30, 2007

(dollars in thousands)

2007 Deliveries	Market	Estimated Stabilization (1)	Estimated Square Feet at Stabilization (1)
1. AMB Altenwerder Distribution Center 1 ⁽³⁾	Hamburg, Germany	Q3	414,701
2. AMB Dublin ⁽⁴⁾	San Francisco Bay Area	Q3	—
3. AMB Pearson Logistics Centre 1 — Bldg 200	Toronto, Canada	Q3	205,518
4. AMB Tres Rios Industrial Park — Bldg 3	Mexico City, Mexico	Q3	628,784
5. AMB Tres Rios Industrial Park — Bldg 4	Mexico City, Mexico	Q3	315,156
6. AMB Osgood Industrial ⁽⁴⁾ (5)	San Francisco Bay Area	Q4	—
7. AMB Arrayanes — Bldg 2	Guadalajara, Mexico	Q4	473,720
8. AMB Milton 401 Business Park — Bldg 2	Toronto, Canada	Q4	281,358
9. AMB Pearson Logistics Centre 1 — Bldg 100	Toronto, Canada	Q4	446,338
10. AMB Sagamihara Distribution Center	Tokyo, Japan	Q4	543,056
11. AMB Fokker Logistics Center 3	Amsterdam, Netherlands	Q4	332,109
12. AMB Hathaway ⁽⁴⁾	San Francisco Bay Area	Q4	—
13. AMB Isle d'Abeau Logistics Park Bldg. C	Lyon, France	Q4	277,817
14. AMB Wille Distribution Center	Chicago	Q4	253,410
15. AMB Beacon Lakes — Commerce Bank	South Florida	Q4	101,345
16. AMB Beacon Lakes Bldg 7	South Florida	Q4	193,090
Total 2007 Deliveries			4,466,402
Estimated Total Investment (1)			\$ 429,642
Funded-to-date			\$ 346,389 (2)
AMB's Weighted Average Ownership Percentage			92%
Weighted Average Estimated Yield (1)			7.7%
% Pre-leased			50%

Continued on next page

- (1) See Reporting Definitions for definitions of "completion/stabilization", "estimated total investment" and "estimated yield", as applicable.
- (2) AMB's share of amounts funded to date for 2007, 2008 and 2009 deliveries was \$314.8 million, \$570.9 million and \$8.5 million, respectively, for a total of \$894.2 million.
- (3) Property was previously named AMB Port of Hamburg 1.
- (4) Represents a value-added conversion project. See Reporting Definitions.
- (5) Represents a new development start for the quarter ended June 30, 2007.

DEVELOPMENT PROJECTS IN PROCESS

As of June 30, 2007

(dollars in thousands)

(continued)

2008 Deliveries	Market	Estimated Stabilization (1)	Estimated Square Feet at Stabilization (1)
17. AMB Aurora Industrial (5)	Minneapolis	Q1	122,793
18. AMB Valley Distribution Center	Seattle	Q1	749,970
19. AMB Amagasaki Distribution Center 2	Osaka, Japan	Q2	981,679
20. AMB Agave Bldg 5	Mexico City, Mexico	Q2	111,589
21. AMB Redlands 2	Southern California	Q2	1,313,470
22. AMB Le Grand Roissy Distribution — Mitry	Paris, France	Q2	37,954
23. AMB Shinkiba Distribution Center	Tokyo, Japan	Q2	333,668
24. AMB Theodore Park Logistics Center	Dusseldorf, Germany	Q2	140,566
25. AMB Narita Air Cargo 1 — Phase 1 Bldg C	Tokyo, Japan	Q2	348,891
26. AMB IAH Airfreight 7 (4)	Houston	Q2	239,500
27. AMB Platinum Triangle Land — Phase 1 (3)	Southern California	Q2	—
28. AMB Barajas Logistics Park	Madrid, Spain	Q2	444,043
29. AMB Palmetto Distribution Center	Orlando	Q2	406,400
30. AMB Franklin Commerce Center	No. New Jersey/New York	Q3	366,896
31. AMB Lijnden Logistics Court 1	Lijnden, Netherlands	Q3	96,520
32. AMB Nanko Naka Distribution Center	Osaka, Japan	Q3	402,313
33. AMB Remington Lakes Distribution	Chicago	Q4	228,413
34. AMB Beacon Lakes Village — Phase 1 Bldg E2(4)	South Florida	Q4	52,918
35. AMB Pompano Center of Commerce — Phase 1	South Florida	Q4	218,835
36. AMB Liberty Logistics Center (4)	No. New Jersey/New York	Q4	191,196
37. AMB Morgan Business Center — Bldg 100(4)	Savannah	Q4	343,030
38. AMB El Segundo (4)	Southern California	Q4	217,740
39. AMB Minooka Distribution Center (4)	Chicago	Q4	1,000,743
40. AMB Tsurumi Distribution Center 1 (4)	Tokyo, Japan	Q4	685,757
41. AMB ICN Logistics Center	Seoul, Korea	Q4	362,745
42. AMB Platinum Triangle Land — Phase 2 (3)	Southern California	Q4	—
43. AMB Akechi Distribution Center	Nagoya, Japan	Q4	979,357
Total 2008 Deliveries			10,376,986
Estimated Total Investment (1)			\$ 976,350
Funded-to-date			\$ 611,832 (2)
AMB's Weighted Average Ownership Percentage			91%
Weighted Average Estimated Yield (1)			7.3%
% Pre-leased			14%

Continued on next page

- (1) See Reporting Definitions for definitions of “completion/stabilization”, “estimated total investment” and “estimated yield”, as applicable.
- (2) AMB’s share of amounts funded to date for 2007, 2008 and 2009 deliveries was \$314.8 million, \$570.9 million and \$8.5 million, respectively, for a total of \$894.2 million.
- (3) Represents a value-added conversion project. See Reporting Definitions.
- (4) Represents a new development start for the quarter ended June 30, 2007.
- (5) Represents a redevelopment project. See Reporting Definitions.

DEVELOPMENT PROJECTS IN PROCESS

As of June 30, 2007

(dollars in thousands)

(continued)

2009 Deliveries	Market	Estimated Stabilization (1)	Estimated Square Feet at Stabilization (1)
44. AMB Arrayanes — Bldg 4 (4)	Guadalajara, Mexico	Q1	265,050
45. AMB Pacifico — Bldgs 3 & 4 (4)	Tijuana, Mexico	Q1	194,977
46. AMB Siziano Business Park — Bldg 1	Milan, Italy	Q2	436,916
Total 2009 Deliveries			896,943
Estimated Total Investment (1)			\$ 55,868
Funded-to-date			\$ 13,766 (2)
AMB's Weighted Average Ownership Percentage			76%
Weighted Average Estimated Yield (1)			9.3%
% Pre-leased			0%
Total 2007, 2008 and 2009 Scheduled Deliveries			15,740,331
Estimated Total Investment (1)			\$ 1,461,860
Funded-to-date			\$ 971,987 (2)
AMB's Weighted Average Ownership Percentage			90%
Weighted Average Estimated Yield (1)			7.5%
% Pre-leased			23%

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|--|
| <p>(1) See Reporting Definitions for definitions of “completion/stabilization”, “estimated total investment” and “estimated yield”, as applicable.</p> <p>(2) AMB’s share of amounts funded to date for 2007, 2008 and 2009 deliveries was \$314.8 million, \$570.9 million and \$8.5 million, respectively, for a total of \$894.2 million.</p> <p>(3) Represents a value-added conversion project. See Reporting Definitions.</p> <p>(4) Represents a new development start for the quarter ended June 30, 2007.</p> |
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DEVELOPMENT PROJECTS PLACED IN OPERATIONS AND PROJECTS AVAILABLE FOR SALE OR CONTRIBUTION

As of June 30, 2007

(dollars in thousands)

Projects Placed in Operations	Market	Square Feet
None	n/a	n/a
Total Year-to-Date Placed in Operations		179,400
Total Investment (1)		\$ 10,657
AMB's Weighted Average Ownership Percentage		20%
Weighted Average Estimated Yield (1)		8.0%

Development Projects Available for Sale or Contribution (1)	Market	Square Feet
1. Singapore Airport Logistics Center — Bldg 2 (3)	Singapore, Singapore	250,758
2. AMB Milton 401 Business Park — Bldg 1	Toronto, Canada	375,241
3. AMB Fengxian Logistics Center — Bldgs 2, 4 & 6 (4)	Shanghai, China	1,040,633
4. Highway 17 — 55 Madison Street (4)	No. New Jersey/New York	150,446
5. AMB Jiuting Distribution Center 2	Shanghai, China	187,866
6. AMB Annagem Distribution Centre	Toronto, Canada	198,169
7. Beacon Lakes Village — Phase 1 Bldg E1 — 1 unit	South Florida	6,583
8. AMB Funabashi Distribution Center 5 (5)	Tokyo, Japan	469,254
9. AMB Fokker Logistics Center 2A (5)	Amsterdam, Netherlands	118,166
10. AMB Gonesse Distribution Center (5)	Paris, France	592,779
11. AMB Douglassingel Distribution Center (5)	Amsterdam, Netherlands	148,714
12. AMB Steel Road (5)	Southern California	161,000
13. AMB Torrance Matrix — 22 units (5)	Southern California	150,015
Total Available for Sale or Contribution		3,849,624
Total Investment (1)		\$ 305,306
AMB's Weighted Average Ownership Percentage		92%
% Leased		85%

Operating Properties Available for Contribution (2)	Market	Square Feet
1. AMB Annagem Distribution Centre II (5)	Toronto, Canada	106,184
2. AMB Jiuting Distribution Center 1 (5)	Shanghai, China	162,171
3. Singapore Airport Logistics Center — Bldg 3 (5)	Singapore, Singapore	151,749
Total Available for Contribution		420,104
Total Investment (1)		\$ 33,063
AMB's Weighted Average Ownership Percentage		100%
% Leased		86%

- (1) See Reporting Definitions for definitions of "estimated total investment" and "estimated yields", as applicable.
- (2) Represents projects where development activities have been completed and which AMB intends to sell or contribute within two years of construction completion.
- (3) Represents a project in an unconsolidated joint venture.
- (4) Represents a redevelopment project. See Reporting Definitions.
- (5) Represents an asset placed in available for sale or contribution during the quarter ended June 30, 2007. Assets placed in available for sale or contribution during the quarter totaled \$258.9 million and 2.6 million square feet.

LAND INVENTORY (1)
As of June 30, 2007
 (dollars in thousands)

	North America		Europe		Asia		Totals	
	Acres (4)	Estimated Build Out Potential (square feet)	Acres	Estimated Build Out Potential (square feet)	Acres	Estimated Build Out Potential (square feet)	Acres	Estimated Build Out Potential (square feet)
Balance as of March 31, 2007	1,989	31,679,740	53	1,037,254	46	2,562,538	2,088	35,279,532
Acquisitions	513	9,816,975	—	—	2	406,793	515	10,223,768
Development Starts	(157)	(2,504,929)	—	—	(8)	(685,757)	(165)	(3,190,686)
Balance as of June 30, 2007	<u>2,345</u>	<u>38,991,786</u>	<u>53</u>	<u>1,037,254</u>	<u>40</u>	<u>2,283,574</u>	<u>2,438 (5)</u>	<u>42,312,614 (5)</u>
Total investments in Land (2)		\$ <u>419,784</u>		\$ <u>28,572</u>		\$ <u>84,562</u>		\$ <u>532,918 (5)</u>
Estimated Development Cost								\$ <u>2,103,870 (3)</u>

- (1) Includes consolidated and unconsolidated investments.
- (2) Includes initial acquisition cost and associated carry costs.
- (3) Represents total estimated costs of development including initial land acquisition cost and associated carry costs assuming full build out of land inventory.
- (4) AMB also has a 19.9 acre land parcel leased to a parking lot operator in the Los Angeles market immediately adjacent to LAX.
- (5) AMB's share of acres, square feet of estimated build out potential, and total investment including amounts held in unconsolidated joint ventures is 2,243 acres, 39,014,861 square feet and \$423,701, respectively.

CAPITALIZATION SUMMARY

As of June 30, 2007

(dollars in thousands, except share price)

Year	AMB Secured Debt (1)	Joint Venture Debt (1)	Unsecured Senior Debt	Credit Facilities (2)	Other Debt	Total Debt
2007	\$ 57,917	\$ 29,640	\$ 55,000	\$ —	\$ 13,179	\$ 155,736
2008	69,188	79,398	175,000	—	810	324,396
2009	25,799	127,993	100,000	—	873	254,665
2010	65,905	95,179	250,000	562,184	941	974,209
2011	115	189,611	75,000	—	1,014	265,740
2012	2,044	449,587	—	—	1,093	452,724
2013	—	46,447	175,000	—	65,920 (6)	287,367
2014	—	4,076	—	—	616	4,692
2015	—	18,780	112,491	—	664	131,935
2016	—	54,995	—	—	—	54,995
Thereafter	—	19,091	125,000	—	—	144,091
Sub-total	220,968	1,114,797	1,067,491	562,184	85,110	3,050,550
Unamortized premiums/(discount)	1,225	3,712	(9,993)	—	—	(5,056)
Total consolidated debt	222,193	1,118,509	1,057,498	562,184	85,110	3,045,494
AMB's share of unconsolidated JV Debt(3) (5)	—	458,931	—	—	42,252	501,183
Total debt	222,193	1,577,440	1,057,498	562,184	127,362	3,546,677
JV partners' share of consolidated JV debt(5)	—	(717,813)	—	—	(52,000)	(769,813)
AMB's share of total debt(5)	\$ 222,193	\$ 859,627	\$ 1,057,498	\$ 562,184	\$ 75,362	\$ 2,776,864
Weighted average interest rate	6.0%	6.2%	6.2%	2.1%	6.4%	5.4%
Weighted average maturity (in years)	1.6	4.6	4.5	2.8	5.0	4.0

	Market Equity			
	Security	Shares	Price	Value
Common Stock		99,660,284	\$ 53.22	\$ 5,303,920
LP Units		4,402,174	53.22	234,284
Total		104,062,458		\$ 5,538,204

	Preferred Stock and Units (4)		
	Security	Dividend Rate	Liquidation Preference
Series D preferred units		7.18%	\$ 79,767
Series L preferred stock		6.50%	50,000
Series M preferred stock		6.75%	57,500
Series O preferred stock		7.00%	75,000
Series P preferred stock		6.85%	50,000
Weighted Average/Total		6.90%	\$ 312,267

Capitalization Ratios	
Total debt-to-total market capitalization(5)	37.7%
AMB's share of total debt-to-AMB's share of total market capitalization(5)	32.2%
Total debt plus preferred-to-total market capitalization(5)	41.1%
AMB's share of total debt plus preferred-to-AMB's share of total market capitalization(5)	35.8%

- (1) AMB secured debt includes debt related to European and Asian assets in the amount of \$60.5 million and \$45.5 million, respectively.
- (2) Represents three credit facilities with total capacity of approximately \$1,247 million. Includes \$403.8 million and \$158.3 million in Yen and Canadian dollar based borrowings, respectively, translated to U.S. Dollars using the foreign exchange rates at June 30, 2007.
- (3) The weighted average interest and maturity for the unconsolidated JV debt were 4.5% and 5.1 years, respectively.
- (4) Exchangeable under certain circumstances by the unitholder and redeemable at the option of AMB after a non-call period, five years from issuance.
- (5) See Reporting Definitions and Supplemental Financial Measures Disclosures.
- (6) Maturity includes \$65 million balance outstanding on a \$65 million non-recourse credit facility obtained by AMB Partners II.

UNCONSOLIDATED AND CONSOLIDATED JOINT VENTURES (1)

As of June 30, 2007

(dollars in thousands)

Unconsolidated Joint Ventures	Geographic Focus	AMB's Ownership Percentage	Square Feet (2)	Gross Book Value (3)	Property Debt	Other Debt	AMB's Net Equity Investment (4)	Estimated Investment Capacity	Planned Gross Capitalization
Co-Investment Operating Joint Ventures:									
AMB Institutional Alliance Fund III (5)	United States	20%	17,999,126	\$ 1,672,461	\$ 793,729	\$ 60,000	\$ 139,448	\$ 202,000	\$ 1,874,461
AMB Japan Fund I (6)	Japan	20%	4,877,468	757,580	477,701	95,673	44,905	1,220,000	1,977,580
AMB Europe Fund I (5) (6)	Europe	20%	6,005,508	718,863	418,568	—	48,686	224,000	942,863
AMB-SGP Mexico	Mexico	20%	4,688,440	253,153	113,397	55,851	12,839	462,000	715,153
Total Co-Investment Operating Joint Ventures		20%	33,570,542	3,402,057	1,803,395	211,524	245,878	2,108,000	5,510,057
Co-Investment Development Joint Ventures:									
AMB DFS Fund I	United States	15%	1,218,483	118,821	—	—	17,833	328,000	446,821
Other Industrial Operating Joint Ventures									
		53%	7,669,507(7)	291,921	181,060	—	49,361	n/a	n/a
Total Unconsolidated Joint Ventures		22%	42,458,532	\$ 3,812,799	\$ 1,984,455	\$ 211,524	\$ 313,072	\$ 2,436,000	\$ 5,956,878
Consolidated Joint Ventures									
Co-Investment Operating Joint Ventures:									
AMB Partners II	United States	20%	9,913,375	\$ 686,368	\$ 320,662	\$ 65,000			
AMB Institutional Alliance Fund II	United States	20%	8,007,103	519,473	240,812	—			
AMB-SGP	United States	50%	8,287,424	448,399	348,928	—			
AMB-AMS	United States	39%	2,172,137	155,235	84,118	—			
AMB Erie	United States	50%	821,712	52,654	20,318	—			
Total Co-Investment Operating Joint Ventures		30%	29,201,751	1,862,129	1,014,838	65,000			
Co-Investment Development Joint Ventures:									
AMB Partners II	United States	20%	n/a	955	—	—			
AMB Institutional Alliance Fund II	United States	20%	n/a	4,293	—	—			
Total Co-Investment Development Joint Ventures		20%	—	5,248	—	—			
Total Co-Investment Joint Ventures		30%	29,201,751	1,867,377	1,014,838	65,000			
Other Industrial Operating Joint Ventures		92%	2,196,134	207,530	29,180	—			
Other Industrial Development Joint Ventures		71%	4,214,731	398,506	74,491	—			
Total Consolidated Joint Ventures		42%	35,612,616	\$ 2,473,413	\$ 1,118,509	\$ 65,000			
Selected Operating Results									
For the Quarter Ended June 30, 2007									
	Cash NOI (8)	Net Income	FFO (8)	Share of	Cash NOI (8)	Net Income	FFO (8)		
Unconsolidated Joint Ventures	\$ 47,524	\$ 6,272	\$ 22,432	AMB's	\$ 11,527	\$ 1,748	\$ 5,805		
Consolidated Co-Investment Joint Ventures	\$ 36,832	\$ 8,224	\$ 21,214	Partner's	\$ 26,672	\$ 4,318	\$ 14,929		
Selected Operating Results									
For the Six Months Ended June 30, 2007									
	Cash NOI (8)	Net Income	FFO (8)	Share of	Cash NOI (8)	Net Income	FFO (8)		
Unconsolidated Joint Ventures	\$ 87,004	\$ 12,711	\$ 42,961	AMB's	\$ 23,066	\$ 3,861	\$ 11,480		
Consolidated Co-Investment Joint Ventures	\$ 73,365	\$ 13,872	\$ 39,582	Partner's	\$ 53,440	\$ 8,395	\$ 30,810		

- (1) See Joint Venture Partner Information.
- (2) For development properties, this represents estimated square feet upon completion for committed phases of development projects.
- (3) Represents the book value of the property (before accumulated depreciation) owned by the joint venture entity and excludes net other assets. Development book values include uncommitted land.
- (4) AMB also has a 39% equity interest in G. Accion, a Mexican real estate company for approximately \$36.5 million. G. Accion provides real estate management and development services in Mexico.
- (5) The planned gross capitalizations and investment capacities of AMB Institutional Alliance Fund III and AMB Europe Fund I, as open-end funds, are not limited. The planned gross capitalization represents the gross book value of real estate assets as of the most recent quarter end, and the investment capacity represents estimated capacity based on the Fund's current cash and leverage limitations as of the most recent quarter end.
- (6) AMB Japan Fund I is a yen-denominated fund. AMB Europe Fund I is a euro-denominated fund. U.S. dollar amounts are converted at the June 30, 2007 exchange rate.
- (7) Includes investments in 7.4 million square feet of operating properties through AMB's investments in unconsolidated joint ventures that it does not manage which it excludes from its owned and managed portfolio. See Reporting Definitions for the definition of owned and managed.

SUPPLEMENTAL INFORMATION FOR NET ASSET VALUE ANALYSIS (1)

(dollars in thousands)

	For the Quarter Ended June 30, 2007
AMB's Share of cash basis NOI (1) (2)	
Rental revenues	\$ 162,914
Straight-line rents and amortization of lease intangibles	(2,235)
Property operating costs	(43,304)
JV Partners' share of cash basis NOI(1) (2)	(27,181)
AMB's share of transaction activity adjustments to NOI(1) (2) (3)	(9,650)
AMB's share of unconsolidated JV's cash basis NOI(1) (2)	11,979
Total AMB's share of cash basis NOI (1) (2)	<u>\$ 92,523</u>
Private capital income	\$ 8,518
AMB's share of land and development projects	
AMB's share of land held for future development(2) (4)	\$ 423,701
AMB's share of developments and renovations in process(2) (4)	\$ 894,200
AMB's share of development projects held for contribution or sale(2) (4)	\$ 280,882
AMB's share of assets contributed to private capital joint ventures(2) (4)	\$ 131,760
AMB's share of total debt and preferred securities(1) (2) (4)	\$ 3,089,131
AMB's share of select balance sheet items (owned and managed portfolio):(1) (2)	
Cash and cash equivalents	\$ 253,939
Mortgages and loans receivable	4,546
Accounts receivable (net) and other assets	290,944
Deferred rents receivable and deferred financing costs (net)	(73,162)
Accounts payable and other liabilities	(288,136)
AMB's share of other assets and liabilities	<u>\$ 188,131</u>

(1) See Supplemental Financial Disclosures.

(2) See Reporting Definitions for definitions of "AMB's share of", "JV Partner's share of" and "owned and managed", as applicable.

(3) Transaction activity adjustments to NOI stabilizes NOI for acquisitions and development completions and removes NOI generated from in-progress developments, contributed developments, and projects held for sale or contribution.

(4) See Property Contributions & Dispositions, Development Projects in Process, Development Projects Placed in Operations & Projects Available for Sale or Contribution or Capitalization Summary and their respective footnotes for further information.

REPORTING DEFINITIONS

Acquisition/non-recurring capex includes immediate building improvements that were taken into consideration when underwriting the purchase of a building or which are incurred to bring a building up to “operating standard” or to stabilization. Also includes incremental building improvements and leasing costs that are incurred in an effort to substantially increase the revenue potential of an existing building.

AMB’s share of total debt-to-AMB’s share of total book capitalization is calculated using the following definitions: AMB’s share of total debt is the pro rata portion of the total debt based on the Company’s percentage of equity interest in each of the consolidated or unconsolidated ventures holding the debt. AMB’s share of total book capitalization is defined as the Company’s share of total debt plus minority interests to preferred unitholders and limited partnership unitholders plus stockholders’ equity.

AMB’s share of total debt-to-AMB’s share of total market capitalization is calculated using the following definitions: AMB’s share of total debt is the pro rata portion of the total debt based on the Company’s percentage of equity interest in each of the consolidated or unconsolidated ventures holding the debt. The Company’s definition of “total market capitalization” is total debt plus preferred equity liquidation preferences plus market equity. The Company’s definition of “AMB’s share of total market capitalization” is the Company’s share of total debt plus preferred equity liquidation preferences plus market equity. The Company’s definition of “market equity” is the total number of outstanding shares of the Company’s common stock and common limited partnership units multiplied by the closing price per share of its common stock as of the period end.

AMB’s share of calculations for certain financial measures represent the pro-rata portion of the applicable financial measure based on the Company’s percentage of equity interest in each of the consolidated or unconsolidated ventures accounted for in the applicable financial measure. The company believes that “AMB’s share of” calculations are meaningful and useful supplemental measures, which enables both management and investors to assess the operations, earnings and growth of the company in light of the company’s ownership interest in its joint ventures and to compare the applicable measure to that of other companies. In addition, it allows for a more meaningful comparison of the applicable measure to that of other companies that do not consolidate their joint ventures. “AMB’s share of” calculations are not intended to reflect actual liability should there be a default under loans or a liquidation of the joint ventures. AMB’s computation of “AMB’s share of” measures may not be comparable to that of other real estate companies, as they may use different methodologies for calculating these measures.

AMB’s share of total market capitalization is defined as the Company’s share of total debt plus preferred equity liquidation preferences plus market equity.

Annualized base rent (ABR) is calculated as monthly base rent (cash basis) per the lease, as of a certain date, multiplied by 12. If free rent is granted, then the first positive rent value is used. Leases denominated in foreign currencies are translated using the currency exchange rate at quarter end.

Completion/Stabilization is generally defined as properties that are 90% leased or properties for which we have held a certificate of occupancy or building has been substantially complete for at least 12 months.

Development margin is calculated as the net after tax gain (before any deferrals) on contributions and dispositions divided by the estimated total investment.

Estimated total investment represents total estimated cost of development, renovation, or expansion, including initial acquisition costs, prepaid ground leases and associated carry costs. Estimated total investments are based on current forecasts and are subject to change. Non-U.S. Dollar investments are translated to U.S. Dollars using the exchange rate at period end.

Estimated yields on development projects are calculated from estimated annual NOI following occupancy stabilization divided by the estimated total investment, including earnouts (if triggered by stabilization), prepaid ground leases and associated carrying costs. Yields exclude value-added conversion projects and are calculated on an after-tax basis for international projects.

Fixed charge coverage is adjusted EBITDA divided by total interest expense (including capitalized interest) plus preferred dividends and distributions.

Interest coverage is adjusted EBITDA divided by total interest expense.

JV Partner’s share of calculations for certain financial measures represent the pro-rata portion of the applicable financial measure based on the Company’s joint venture partners’ percentage of equity interest in each of the consolidated or unconsolidated ventures accounted for in the applicable financial measure.

Market equity is defined as the total number of outstanding shares of the Company’s common stock and common limited partnership units multiplied by the closing price per share of its common stock as of the period end.

Occupancy percentage 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.

Owned and managed is defined by the Company as assets in which the Company has at least a 10% ownership interest, is the property or asset manager, and which it intends to hold for the long-term.

Percentage pre-leased represents the percentage of signed leases only.

Preferred, with respect to its capitalization ratios, is defined as preferred equity liquidation preferences.

Renovation projects represents projects where the acquired buildings are less than 75% leased and require significant capital expenditures (generally more than 10% — 25% of acquisition cost) to bring the buildings up to operating standards and stabilization (generally 90% occupancy).

Redevelopment projects represent those that require significant capital expenditures (generally more than 25% of acquired cost or existing basis) to bring them up to operating standards and stabilization (generally 90% occupancy).

Recurring capital expenditures represents non-incremental building improvements and leasing costs required to maintain current revenues. Recurring capital expenditures do not include acquisition capital that was taken into consideration when underwriting the purchase of a building or which are incurred to bring a building up to “operating standard.”

Rent increases on renewals and rollovers are calculated as the difference, weighted by square feet, of the net ABR due the first month after a term commencement date and the net ABR due the last month prior to the termination date of the former tenant’s term. If free rent is granted, then the first positive full rent value is used as a point of comparison. The rental amounts exclude base stop amounts, holdover rent and premium rent charges. If either the previous or current lease terms are under 12 months, then they are excluded from this calculation. If the lease is the first in the unit (first generation) and there is no prior lease for comparison, then it is excluded from this calculation.

Same store NOI growth is the change in the NOI (excluding straight-line rents and amortization of lease intangibles) 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 as of the end of both the current and prior year reporting periods and excludes development properties for both the current and prior reporting periods. The same store pool is set annually and excludes properties purchased and developments

stabilized after December 31, 2005.

Second generation TIs and LCs per square foot are total tenant improvements, 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 space are not included until such space is leased. Second generation space excludes newly developed square footage or square footage vacant at acquisition.

Stabilized GAAP cap rates for acquisitions are 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, lease intangible adjustments, planned immediate capital expenditures, leasing costs necessary to achieve stabilization and, if applicable, any estimated costs required to buy-out AMB's joint venture partners. For dispositions or contributions, cap rates are calculated as NOI divided by total disposition price or contribution value, as applicable.

Tenant retention is the square footage of all leases renewed by existing tenants divided by the square footage of all expiring and renewed leases during the reporting period, excluding the square footage of tenants that default or buy-out prior to expiration of their lease, short-term tenants and the square footage of month-to-month leases.

Total market capitalization is defined by the Company as total debt plus preferred equity liquidation preferences plus market equity.

Value-added conversion project represents the repurposing of land or a building site for more valuable uses and may include such activities as rezoning, redesigning, reconstructing and retenanting.

SUPPLEMENTAL FINANCIAL MEASURES DISCLOSURES

Adjusted EBITDA. The Company uses adjusted earnings before interest, tax, depreciation and amortization, and non-development gains, or adjusted EBITDA, to measure both its operating performance and liquidity. The Company considers adjusted EBITDA to provide investors relevant and useful information because it permits fixed income investors to view income from its operations on an unleveraged basis before the effects of tax, non-cash depreciation and amortization expense or non-development gains. By excluding interest expense, adjusted EBITDA allows investors to measure the Company's operating performance independent of its capital structure and indebtedness and, therefore, allows for a more meaningful comparison of its operating performance between quarters as well as annual periods and to compare its operating performance to that of other companies, both in the real estate industry and in other industries. The Company considers adjusted EBITDA to be a useful supplemental measure for reviewing its comparative performance with other companies because, by excluding non-cash depreciation expense, adjusted EBITDA can help the investing public compare the performance of a real estate company to that of companies in other industries. As a liquidity measure, the Company believes that adjusted EBITDA helps fixed income and equity investors to analyze its ability to meet debt service obligations and to make quarterly preferred share and unit distributions. Management uses adjusted EBITDA in the same manner as the Company expects investors to when measuring the Company's operating performance and liquidity; specifically when assessing its operating performance, and comparing that performance to other companies, both in the real estate industry and in other industries, and when evaluating its ability to meet debt service obligations and to make quarterly preferred share and unit distributions. The Company believes investors should consider adjusted EBITDA, in conjunction with net income (the primary measure of the Company's performance) and the other required GAAP measures of its performance and liquidity, to improve their understanding of the Company's operating results and liquidity, and to make more meaningful comparisons of the performance of its assets between periods and as against other companies. By excluding interest, taxes, depreciation and amortization, and non-development gains when assessing the Company's financial performance, an investor is assessing the earnings generated by the Company's operations, but not taking into account the eliminated expenses or non-development gains incurred in connection with such operations. As a result, adjusted EBITDA has limitations as an analytical tool and should be used in conjunction with the Company's required GAAP presentations. Adjusted EBITDA does not reflect the Company's historical cash expenditures or future cash requirements for working capital, capital expenditures or contractual commitments. Adjusted EBITDA also does not reflect the cash required to make interest and principal payments on the Company's outstanding debt. While adjusted EBITDA is a relevant and widely used measure of operating performance and liquidity, it does not represent net income or cash flow from operations as defined by GAAP and it should not be considered as an alternative to those indicators in evaluating operating performance or liquidity. Further, the Company's computation of adjusted EBITDA may not be comparable to EBITDA reported by other companies.

The following table reconciles adjusted EBITDA from net income for the three and six months ended June 30, 2007 and 2006 (dollars in thousands):

	For the Quarters Ended		For the Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
Net income	\$ 118,269	\$ 75,353	\$ 143,951	\$ 102,930
Depreciation and amortization	41,483	44,500	82,504	87,254
Impairment losses	—	5,394	257	5,394
Stock-based compensation amortization	4,295	6,112	9,403	10,941
Adjustments to derive adjusted EBITDA from unconsolidated JVs:				
AMB's share of net income	(1,748)	(8,278)	(3,861)	(10,366)
AMB's share of FFO	5,805	2,096	11,480	5,305
AMB's share of interest expense	4,249	2,428	8,317	4,455
Interest expense, including amortization	33,369	44,310	67,951	83,704
Total minority interests' share of income	16,122	14,879	28,070	29,041
Total discontinued operations, including gains	(75,575)	(21,199)	(76,500)	(30,558)
Discontinued operations' adjusted EBITDA	(251)	3,237	(381)	6,362
Adjusted EBITDA	\$ 146,018	\$ 168,832	\$ 271,191	\$ 294,462

AMB's share of select balance sheet items (owned and managed portfolio). AMB believes that the financial information in the consolidated balance sheets based on GAAP provides the most appropriate earnings information. However, AMB considers AMB's share of select balance sheet items reported on an owned and managed basis (such as cash and cash equivalents, mortgages and loans receivable, accounts receivable (net) and other assets, deferred rents receivable and deferred financing costs (net) and accounts payable and other liabilities) to be useful supplemental measures to help both management and investors make a comprehensive assessment and valuation of AMB's total real estate portfolio and its operating performance and activities. (See Reporting Definitions for definitions of "owned and managed" and "AMB's share of".) While these measures are helpful to the investor, they do not provide balance sheet information as defined by GAAP and are not true alternatives to such GAAP measurements. Further, AMB's computation of these measures may not be comparable to that of other real estate companies, as they may use different methodologies for calculating these measures.

Cash-basis NOI. Cash-basis NOI is defined as NOI (see definition for "NOI") less straight line rents and amortization of lease intangibles. The Company considers cash-basis NOI to be an appropriate and useful supplemental performance measure because cash basis NOI reflects the operating performance of the real estate portfolio excluding the effects of non-cash adjustments and provides a better measure of actual cash basis rental growth for a year-over-year comparison. However, cash-basis NOI should not be viewed as an alternative measure of financial performance since it does not reflect general and administrative expenses, interest expenses, depreciation and amortization costs, capital expenditures and leasing costs, or trends in development and construction activities that could materially impact results from operations. Further, cash-basis NOI may not be comparable to that of other real estate investment trusts, as they may use different methodologies for calculating cash-basis NOI.

Company's share of total debt. The Company's share of total debt is the pro rata portion of the total debt based on its percentage of equity interest in each of the consolidated or unconsolidated ventures holding the debt. The Company believes that its share of total debt is a meaningful supplemental measure, which enables both management and investors to analyze its leverage and to compare its leverage to that of other companies. In addition, it allows for a more meaningful comparison of its debt to that of other companies that do not consolidate their joint ventures. The Company's share of total debt is not intended to reflect its actual liability should there be a default under any or all of such loans or a liquidation of the joint ventures. See Capitalization Summary for a reconciliation of total debt and the Company's share of total debt.

Estimated FFO by Business Line. Estimated FFO by Business Line is FFO (See discussion of FFO) generated by the Company's Capital Partners, development and real estate operations business lines. Estimated Capital Partners and Development FFO was determined by reducing Capital Partner Income and Development Profits, net of taxes by their respective estimated share of general and administrative expenses. Capital Partners and Developments estimated allocation of total general and administrative expenses was based on their respective percentage of actual direct general and administrative expenses incurred. Estimated Real Estate Operations FFO represents total AMB FFO less estimated FFO attributable to Capital Partners and Development. Management believes estimated FFO by business line is a useful supplemental measure of its operating performance because it helps the investing public compare the operating performance of a company's respective business lines to other companies' comparable business lines. Further, AMB's

computation of FFO by business line may not be comparable to that reported by other real estate investment trusts as they may use different methodologies in computing such measures.

SUPPLEMENTAL FINANCIAL MEASURES DISCLOSURES

Fixed charge coverage. Fixed charge coverage is defined as interest expense including amortization of finance costs and debt premiums from continuing and discontinuing operations and amortization of financing costs and debt premiums from continuing and discontinuing operations, the Company's share of interest expense from unconsolidated joint venture debt, capitalized interest, preferred unit distributions and preferred stock dividends. The Company uses fixed charge coverage to measure its liquidity. The Company believes fixed charge coverage is relevant and useful to investors because it permits fixed income investors to measure the Company's ability to meet its interest payments on outstanding debt, make distributions to its preferred unitholders and pay dividends to its preferred shareholders. The Company's computation of fixed charge coverage may not be comparable to fixed charge coverage reported by other companies.

The following table details the calculation of fixed charges for the three and six months ended June 30, 2007 and 2006 (dollars in thousands):

	For the Quarters Ended June 30,		For the Six Months Ended June 30,	
	2007	2006	2007	2006
Fixed charge				
Interest expense, including amortization — continuing operations	\$ 33,369	\$ 44,310	\$ 67,951	\$ 83,704
Amortization of financing costs and debt premiums — continuing operations	(1,185)	(1,803)	(2,035)	(4,473)
Interest expense, including amortization — discontinued operations	(764)	(1,036)	(1,623)	(1,024)
Amortization of financing costs and debt premiums — discontinued operations	(7)	(2)	(2)	(3)
AMB's share of interest expense from unconsolidated JVs	4,249	2,428	8,317	4,455
Capitalized interest	15,826	10,018	30,368	18,551
Preferred unit distributions	1,480	4,024	5,179	9,025
Preferred stock dividends	3,952	3,095	7,904	6,191
Total fixed charge	<u>\$ 56,920</u>	<u>\$ 61,034</u>	<u>\$ 116,059</u>	<u>\$ 116,426</u>

Funds From Operations ("FFO"). The Company believes that net income, as defined by GAAP, is the most appropriate earnings measure. However, the Company considers funds from operations, or FFO, as defined by NAREIT, to be a useful supplemental measure of its operating performance. FFO is defined as net income, calculated in accordance with GAAP, less gains (or losses) from dispositions of real estate held for investment purposes and real estate-related depreciation, and adjustments to derive the Company's pro rata share of FFO of consolidated and unconsolidated joint ventures. Further, the Company does not adjust FFO to eliminate the effects of non-recurring charges. The Company believes that FFO, as defined by NAREIT, is a meaningful supplemental measure of its operating performance because historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization expenses. However, since real estate values have historically risen or fallen with market and other conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient. Thus, NAREIT created FFO as a supplemental measure of operating performance for real estate investment trusts that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. The Company believes that the use of FFO, combined with the required GAAP presentations, has been beneficial in improving the understanding of operating results of real estate investment trusts among the investing public and making comparisons of operating results among such companies more meaningful. The Company considers FFO to be a useful measure for reviewing comparative operating and financial performance because, by excluding gains or losses related to sales of previously depreciated operating real estate assets and real estate depreciation and amortization, FFO can help the investing public compare the operating performance of a company's real estate between periods or as compared to other companies. While FFO is a relevant and widely used measure of operating performance of real estate investment trusts, it does not represent cash flow from operations or net income as defined by GAAP and should not be considered as an alternative to those measures in evaluating the Company's liquidity or operating performance. FFO also does not consider the costs associated with capital expenditures related to the Company's real estate assets nor is FFO necessarily indicative of cash available to fund the Company's future cash requirements. Further, the Company's computation of FFO may not be comparable to FFO reported by other real estate investment trusts that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than the Company does. See Consolidated Statements of Funds from Operations for a reconciliation of FFO from net income.

Interest coverage. Interest coverage is defined as interest expense including amortization from continuing and discontinuing operations and the Company's share of interest expense from unconsolidated joint venture debt. The Company uses interest coverage to measure its liquidity. The Company believes interest coverage is relevant and useful to investors because it permits fixed income investors to measure the Company's ability to meet its interest payments on outstanding debt. The Company's computation of interest coverage may not be comparable to interest coverage reported by other companies.

The following table details total interest for the three and six months ended June 30, 2007 and 2006 (dollars in thousands):

	For the Quarters Ended June 30,		For the Six Months Ended June 30,	
	2007	2006	2007	2006
Interest				
Interest expense, including amortization — continuing operations	\$ 33,369	\$ 44,310	\$ 67,951	\$ 83,704
Interest expense, including amortization — discontinued operations	(764)	(1,036)	(1,623)	(1,024)
AMB's share of interest expense from unconsolidated JVs	4,249	2,428	8,317	4,455
Total interest	<u>\$ 36,854</u>	<u>\$ 45,702</u>	<u>\$ 74,645</u>	<u>\$ 87,135</u>

Net Asset Value ("NAV"). The Company believes NAV is a useful supplemental measure of its operating performance because it enables both management and investors to analyze the fair value of its business. An assessment of the fair value of a business involves estimates and assumptions and can be performed using various methods. The Company has presented certain financial measures related to its business that it believes may be useful to the investing public in calculating its NAV but has not presented any specific methodology nor provided any guidance on assumptions or estimates that should be used in the calculation.

Net Operating Income ("NOI"). Net operating income is defined as rental revenue (as calculated in accordance with GAAP), including reimbursements, less property operating expenses, which excludes depreciation, amortization, general and administrative expenses and interest expense. The Company considers NOI to be an appropriate and useful supplemental performance measure because NOI reflects the operating performance of the real estate portfolio. However, NOI should not be viewed as an alternative measure of financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, capital expenditures and leasing costs, or trends in development and construction activities that could materially impact results from operations. Further, NOI may not be comparable to that of other real estate investment trusts, as they may use different methodologies for calculating NOI.

SUPPLEMENTAL FINANCIAL MEASURES DISCLOSURES

Owned and Managed Supplemental Cash Flow Information. AMB believes that cash flow information based on GAAP provides the most appropriate earnings information. However, AMB considers cash flow information reported on an owned and managed basis (such as straight-line rents and amortization of lease intangibles, AMB's share of straight-line rents and amortization of lease intangibles, gross lease termination fees, net lease termination fees, AMB's share of net lease termination fees, tenant improvements, lease commissions and other lease costs, building improvements, JV partners' share of capital expenditures and AMB's share of recurring capital expenditures) to be useful supplemental measures to help the investors better understand AMB's operating performance and cash flow. See Reporting Definitions for definitions of "owned and managed", "AMB's share of" and "JV partners' share of". AMB believes that owned and managed cash flow information helps management and investors make a comprehensive assessment of the cash flow of AMB's total real estate portfolio and provides a better understanding of AMB's operating performance and activities. While owned and managed supplemental cash flow information is helpful to the investor, it does not provide cash flow information as defined by GAAP and are not true alternatives to such GAAP measurements. Further, AMB's computation of owned and managed supplemental cash flow information may not be comparable to that of other real estate companies, as they may use different methodologies for calculating these measures.

Same Store Net Operating Income ("SS NOI"). The Company believes that net income, as defined by GAAP, is the most appropriate earnings measure. However, the Company considers SS NOI to be a useful supplemental measure of our operating performance. For properties that are considered part of the same store pool, see Reporting Definitions. In deriving SS NOI, the Company defines NOI as rental revenue (as calculated in accordance with GAAP), including reimbursements, less property operating expenses, which excludes depreciation, amortization, general and administrative expenses and interest expense. For a discussion of cash-basis NOI, see definition of cash-basis NOI. The Company believes that SS NOI helps the investing public compare the operating performance of a company's real estate as compared to other companies. While SS NOI is a relevant and widely used measure of operating performance of real estate investment trusts, it does not represent cash flow from operations or net income as defined by GAAP and should not be considered as an alternative to those measures in evaluating our liquidity or operating performance. SS NOI also does not reflect general and administrative expenses, interest expenses, depreciation and amortization costs, capital expenditures and leasing costs, or trends in development and construction activities that could materially impact our results from operations. Further, the Company's computation of SS NOI may not be comparable to that of other real estate companies, as they may use different methodologies for calculating SS NOI.

The following table reconciles consolidated SS NOI and NOI from net income for the three and six months ended June 30, 2007 and 2006 (dollars in thousands):

	For the Quarters Ended June 30,		For the Six Months Ended June 30,	
	2007	2006	2007	2006
Net income	\$ 118,269	\$ 75,353	\$ 143,951	\$ 102,930
Private capital income	(8,518)	(4,943)	(14,443)	(10,049)
Depreciation and amortization	41,483	44,500	82,504	87,254
Impairment losses	—	5,394	257	5,394
General and administrative and fund costs	30,537	25,621	60,632	49,090
Total other income and expenses	(77,415)	(12,220)	(61,869)	21,442
Total minority interests' share of income	16,122	14,879	28,070	29,041
Total discontinued operations	(868)	(21,199)	(1,657)	(30,558)
NOI	119,610	127,385	237,445	254,544
Less non same-store NOI	(17,715)	(29,568)	(35,019)	(59,034)
Less non cash adjustments ⁽¹⁾	(1,103)	(2,153)	(2,271)	(5,962)
Cash-basis same-store NOI	<u>\$ 100,792</u>	<u>\$ 95,664</u>	<u>\$ 200,155</u>	<u>\$ 189,548</u>

(1) Non-cash adjustments include straight line rents and amortization of lease intangibles for the same store pool only.

JOINT VENTURE PARTNER INFORMATION

AMB-SGP Mexico is a co-investment partnership formed in 2004 with a subsidiary of GIC Real Estate Pte Ltd.

AMB Japan Fund I is a co-investment partnership formed in 2005 with institutional investors. This fund is yen-denominated. U.S. dollar amounts are converted at the June 30, 2007 exchange rate.

AMB Institutional Alliance Fund III is an open-ended co-investment partnership formed in 2004 with institutional investors, which invest through a private REIT. Prior to October 1, 2006, the Company accounted for AMB Institutional Alliance Fund III as a consolidated joint venture.

AMB Europe Fund I is an open-ended co-investment venture formed in 2007 with institutional investors. This fund is euro-denominated. U.S. dollar amounts are converted at the June 30, 2007 exchange rate.

AMB DFS Fund I is a co-investment partnership formed in 2006 with a subsidiary of GE Real Estate to build and sell properties in non-target markets.

AMB Erie is a co-investment partnership formed in 1998 with the Erie Insurance Group.

AMB Partners II is a co-investment partnership formed in 2001 with the City and County of San Francisco Employees' Retirement System.

AMB-SGP is a co-investment partnership formed in 2001 with a subsidiary of GIC Real Estate Pte Ltd.

AMB Institutional Alliance Fund II is a co-investment partnership with institutional investors, which invest through a private REIT.

AMB-AMS is a co-investment partnership with three Dutch pension funds advised by Mn Services NV and Cordares.

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		Boston	Nagoya	Seoul	
		Chicago	Narita	Shanghai	



Some of the information included in this supplemental analyst package and the conference call to be held in connection therewith contains forward-looking statements, such as those related to development, value-added conversion, redevelopment and renovation projects (including stabilization dates, square feet at stabilization or completion, sale or contribution dates, weighted average estimated yields from such projects, costs and total investment amounts), acquisition capital, build out potential of land inventory, co-investment joint venture investment capacity, terms of the co-investment joint ventures, cost to buy out joint venture partners, lease expirations, future debt summaries, and future business plans (such as property divestitures and financings), 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, re-financing risks, risks related to our obligations in the event of certain defaults under joint venture and other debt, risks related to debt and equity security financings (including dilution risk), 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, risks related to our tax structuring, failure to maintain our current credit agency ratings, environmental uncertainties, risks related to natural disasters, financial market fluctuations, changes in general economic conditions or in the real estate sector, changes in real estate and zoning laws, a downturn in the U.S., California or global economy, risks related to doing business internationally and global expansion, losses in excess of our insurance coverage, unknown liabilities acquired in connection with acquired properties or otherwise 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 “Risk Factors” and elsewhere in our annual report on Form 10-K for the year ended December 31, 2006.