News Release

PS Business Parks, Inc.
701 Western Avenue
P.O. Box 25050
Glendale, CA 91221-5050
www.psbusinessparks.com

For Release:	Immediately
Date:	May 5, 2000
Contact:	Mr. Jack Corrigan
	(818) 244-8080, Ext. 663

PS Business Parks, Inc. announces FFO of $0.65 per share for the first quarter of 2000 compared to $0.59 in 1999, an increase of 10.2%. PSB also announces "Same Park" net operating income growth of 8.1%.

Glendale, California - PS Business Parks, Inc. (AMEX: PSB), announced today operating results for the first quarter ending March 31, 2000.

Net income allocable to common shareholders for the first quarter of 2000 was $9.5 million or $0.40 per diluted share on revenues of $35.9 million compared to net income allocable to common shareholders of $9.4 million or $0.40 per diluted share on revenues of $29.3 million for the same period in 1999.

Funds from operations ("FFO") for the first quarter of 2000 were $20.2 million or $0.65 per share compared to $18.4 million or $0.59 per share for the same period in 1999. This represents an increase of 10.2% in FFO per share based on 31.1 million weighted average diluted common shares outstanding.

The growth in FFO is due to the performance of the Company's "Same Park" operations (see below) combined with income from acquisitions made during 1999. The Company's "Same Park" operations continued to benefit from strong demand resulting in increased rates and occupancies. The Company also continues to rationalize its cost structure through improving economies of scale and operating efficiencies, resulting in improving gross margins.

Property Operations

In order to evaluate the performance of the Company's overall portfolio, management analyzes the operating performance of a consistent group of 110 properties (10.8 million net rentable square feet). These 110 properties (herein referred to as the "Same Park" facilities) have been owned and operated by the Company for the comparable periods and will provide a more comprehensive analysis of the portfolio's operations. The "Same Park" facilities represent approximately 86% of the square footage of the Company's portfolio at March 31, 2000.

The following tables summarize the pre-depreciation historical operating results of the "Same Park" facilities in addition to information on the entire portfolio, excluding the effects of accounting for rental income on a straight-line basis.

"Same Park" Facilities (110 Properties)

	Three Months Ended March 31, 2000	Three Months Ended March 31, 1999	Change
Rental income [1]	$ 28,789,000	$ 26,986,000	6.7%
Cost of operations	8,172,000	7,918,000	3.2%
Net operating income	$ 20,617,000	$ 19,068,000	8.1%
Gross margin [2]	71.6%	70.7%	0.9%
Weighted average for period:			
Occupancy	96.7%	96.4%	0.3%
Annualized realized rent per sq. ft.[3]	$11.05	$10.39	6.4%

Total Portfolio Statistics

	Three Months Ended March 31, 2000	Three Months Ended March 31, 1999	Change
Rental income [1]	$ 33,423,000	$ 28,366,000	17.8%
Cost of operations	9,552,000	8,376,000	14.0%
Net operating income	$ 23,871,000	$ 19,990,000	19.4%
Gross margin [2]	71.4%	70.5%	0.9%
Weighted average for period:			
Square footage [4]	12,301,000	11,212,000	9.7%
Occupancy	96.5%	96.4%	0.1%
Annualized realized rent per sq. ft. [3]	$11.26	$10.50	7.2%

(1) Rental income does not include the effect of straight-line accounting.

(2) Gross margin is computed by dividing property net operating income by rental income.

(3) Realized rent per square foot represents the actual revenues earned per occupied square foot.

(4) Excludes new development in Beaverton, Oregon.

Financial Condition

The Company continued to maintain financial strength and flexibility. The following are the Company's key financial ratios with respect to its leverage for the three months ended March 31, 2000:

Ratio of FFO to fixed charges [1]	32.1x
Ratio of FFO to fixed charges and preferred distributions [2]	5.0x
Debt and preferred equity to total market capitalization (based on the closing stock price of $20 3/8 at March 31, 2000)	26%
Available under line of credit at March 31, 2000	$100 million

On March 27, 2000, the Company prepaid an 8.125 percent mortgage loan of $5.3 million without penalty.

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(1) Fixed charges include interest expense of $374,000 and capitalized interest of $398,000.

(2) Preferred distributions include amounts paid to preferred shareholders of $1,272,000 and preferred OP unitholders of $2,920,000.

Property Acquisitions

The Company continues to build its presence in existing markets by acquiring high quality facilities in those markets. The Company targets properties with below market rents which offer the Company the ability to achieve economies of scale resulting in more efficient operations.

On March 28, 2000, the Company acquired 178,000 square feet of flex buildings in the Santa Clara, California submarket of the Silicon Valley for approximately $23.3 million. The property is close to U.S. Highway 101 and the San Jose Airport. In addition, the property is near Intel's World Headquarters and major campuses of Cisco Systems and Sun Microsystems.

Development

The Company continues to develop office and flex properties that are located within or adjacent to existing parks. The properties are being developed using the expertise of local development companies. During the first quarter, the Company acquired 21 acres of land in the Las Colinas submarket of Dallas, Texas, just east of the Dallas Ft. Worth International Airport with frontage along I-635 (LBJ Freeway). The Company will develop 200,000 square feet of single story brick and glass office flex properties in two phases for an estimated cost of $24 million. The first phase of approximately 100,000 square feet is expected to be shell complete by September 2000. The second phase will commence upon lease up of the first phase.

Interest expense of $398,000 for the three months ended March 31, 2000, was capitalized as part of building costs associated with this property and other developments.

Planned Property Dispositions

Certain properties have been identified as not meeting the Company's ongoing investment strategy and have been designated for sale in 2000. There is no assurance that the sales will be consummated.

Stock Repurchase Program

During the first quarter, the Company announced that the Board of Directors had approved the repurchase of up to one million shares of its common stock. Through April 30, 2000, the Company has acquired 334,500 shares on the open market at a total cost of approximately $7.1 million.

Company Information

PSB is a self-advised and self-managed equity real estate investment trust specializing in the ownership, management, acquisition, development and redevelopment of business parks containing principally office "flex" space. The Company defines "flex" space as buildings that are configured with a combination of office and warehouse space and can be designed to fit an almost limitless number of uses (including office, assembly, showroom, laboratory, light manufacturing and warehouse under one roof). As of March 31, 2000, PSB had interests in 126 commercial properties (approximately 12.5 million net rentable square feet) with approximately 3,800 customers located in 11 states, concentrated primarily in California (4,588,000 sq. ft.), Texas (3,034,000 sq. ft.), Oregon (1,169,000 sq. ft.), Virginia (1,612,000 sq. ft.) and Maryland (1,104,000 sq. ft.).

Forward-Looking Statements

When used within this press release, the words "expects," "believes," "anticipates," "should," "estimates," and similar expressions are intended to identify "forward-looking statements" within the meaning of that term in Section 27A of the Securities Exchange Act of 1933, as amended, and in Section 21F of the Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results and performance of the Company to be materially different from those expressed or implied in the forward-looking statements. Such factors include the impact of competition from new and existing commercial facilities which could impact rents and occupancy levels at the Company's facilities, the Company's ability to evaluate, finance, and integrate acquired and developed properties into the Company's existing operations; the Company's ability to effectively compete in the markets that it does business in; the impact of the regulatory environment as well as national, state, and local laws and regulations including, without limitation, those governing Real Estate Investment Trusts; the impact of general economic conditions upon rental rates and occupancy levels at the Company's facilities; and the availability of permanent capital at attractive rates.

Additional information about PS Business Parks, Inc. including the financial analysis of the first quarter's operating results is available on the Internet. The Company's web site is www.psbusinessparks.com.

A conference call is scheduled for Monday, May 8, 2000 at 8:00 a.m. (PST). An instant replay of the conference call will be available through Friday, May 12, 2000 at 1-888-566-0574 (access code 26772).

Additional financial data attached.

PS BUSINESS PARKS, INC.
Selected Financial Data
(Unaudited)

	For the Three Months Ended March 31, 2000	1999
Revenues:		
Rental income	$ 34,053,000	$ 29,117,000
Facility management fees from affiliates	123,000	114,000
Interest and other income	1,688,000	20,000
	35,864,000	29,251,000
Expenses:		
Cost of operations	9,552,000	8,376,000
Cost of facility management	25,000	23,000
Depreciation and amortization	8,376,000	6,733,000
General and administrative	883,000	802,000
Interest expense	374,000	909,000
	19,210,000	16,843,000
Income before minority interests	16,654,000	12,408,000
Minority interest in income – preferred units	(2,920,000)	-
Minority interest in income – common units	(2,991,000)	(2,966,000)
Net income	$ 10,743,000	$ 9,442,000
Net income allocation:		
Allocable to preferred shareholders	$ 1,272,000	$ -
Allocable to common shareholders	9,471,000	9,442,000
	$ 10,743,000	$ 9,442,000
Net income per common share:		
Basic	$ 0.40	$ 0.40
Diluted	$ 0.40	$ 0.40
Weighted average common shares outstanding:		
Basic	23,592,000	23,637,000
Diluted	23,643,000	23,705,000

Balance Sheet Data:	March 31, 2000	December 31, 1999
Cash and cash equivalents	$ 41,572,000	$ 74,220,000
Construction in progress	$ 13,793,000	$ 8,616,000
Properties held for disposition, net	$ 14,235,000	$ 14,235,000
Real estate facilities, before accumulated depreciation	$ 859,456,000	$ 830,401,000
Total assets	$ 897,428,000	$ 903,741,000
Total debt	$ 31,552,000	$ 37,066,000
Minority interest – common units	$ 156,047,000	$ 157,199,000
Minority interest – preferred units	$ 132,750,000	$ 132,750,000
Perpetual preferred stock	$ 55,000,000	$ 55,000,000
Common shareholders' equity	$ 499,611,000	$ 500,531,000
Common shares outstanding at end of period	23,432,000	23,645,000
Common shares outstanding at end of period (assuming conversion of common OP units)	30,768,000	31,089,000

PS BUSINESS PARKS, INC.
Computation of Funds from Operations ("FFO")
(Unaudited)

	For the Three Months Ended March 31, 2000	For the Three Months Ended March 31, 1999
Net income allocable to common shareholders	$ 9,471,000	$ 9,442,000
Depreciation and amortization	8,376,000	6,733,000
Minority interest in income – common units	2,991,000	2,966,000
Less straight line rent adjustment	(630,000)	(751,000)
Consolidated FFO allocable to common shareholders	$ 20,208,000	$ 18,390,000

Computation of Diluted FFO per Common Share (1):

	2000	1999
Consolidated FFO allocable to common shareholders	$ 20,208,000	$ 18,390,000
Weighted average common shares outstanding	23,592,000	23,637,000
Weighted average common OP units outstanding	7,443,000	7,410,000
Dilutive effect of stock options	51,000	68,000
Weighted average common shares and OP units for purposes of computing fully-diluted FFO per common share	31,086,000	31,115,000
Fully diluted FFO per common share	$ 0.65	$ 0.59

Computation of Funds Available for Distribution ("FAD") (2)

	2000	1999
Consolidated FFO allocable to common shareholders	$ 20,208,000	$ 18,390,000
Less capitalized expenditures:		
Maintenance capital expenditures	(532,000)	(209,000)
Tenant improvements	(1,030,000)	(1,234,000)
Capitalized lease commissions	(665,000)	(517,000)
Total capitalized expenditures	(2,227,000)	(1,960,000)
FAD	$ 17,981,000	$ 16,430,000
FAD per share/OP unit	$ 0.58	$ 0.53

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(1) Funds from operations ("FFO") is a term defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") by which real estate investment trusts ("REITs") may be compared. It is generally defined as net income before depreciation and extraordinary items. FFO computations do not factor out the REIT's requirement to make either capital expenditures or principal payments on debt. The Company excludes straight line rent adjustments to more accurately reflect cash flow from real estate operations. Other REITs may not exclude these adjustments in computing FFO.

(2) Funds available for distribution ("FAD") is computed by deducting recurring capital expenditures, tenant improvements and capitalized leasing commissions from FFO.