

News Release

PS Business Parks, Inc.
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PS Business Parks, Inc. Announces Closing of 5.75% Cumulative Preferred Stock, Series U

GLENDALE, California—PS Business Parks, Inc. (NYSE:PSB) announced today that it has closed its \$230.0 million public offering of 9.2 million depository shares, each representing 1/1,000 of a share of the Company's 5.75% Cumulative Preferred Stock, Series U at \$25.00 per share. Proceeds will be used to redeem all of the Company's outstanding 6.70% Cumulative Preferred Stock, Series P for \$132.3 million, reduce outstanding short-term debt and for general corporate purposes. The redemption will result in a non-cash distribution of \$3.8 million in the quarter ended September 30, 2012 related to the Series P original issuance cost.

Company Information

PS Business Parks, Inc., a member of the S&P SmallCap 600, is a self-advised and self-managed real estate investment trust ("REIT") that acquires, develops, owns and operates commercial properties, primarily multi-tenant flex, office and industrial 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 a number of uses (including office, assembly, showroom, laboratory, light manufacturing and warehouse space). As of August 31, 2012, the Company wholly owned 28.2 million rentable square feet with approximately 4,500 customers located in eight states, concentrated in California (11.1 million sq. ft.), Virginia (4.2 million sq. ft.), Florida (3.7 million sq. ft.), Texas (3.3 million sq. ft.), Maryland (2.4 million sq. ft.), Washington (1.5 million sq. ft.), Oregon (1.3 million sq. ft.) and Arizona (0.7 million sq. ft.).

Additional information about PS Business Parks, Inc. is available on the Company's website at www.psbusinessparks.com.

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