



## Press Release

For Immediate News Release  
January 12, 2005

### **Mission West Properties, Inc. Announces 2004 Dividend Income Tax Treatment**

*“We build the buildings for the high tech companies that build the internet”*

Cupertino, CA - Mission West Properties, Inc. (AMEX/PCX: MSW) announced today the tax treatment of its 2004 dividends. The Company's total dividend distributions of \$0.88 per share of its Common Stock is to be classified for income tax purposes as follows: \$0.86 will be reported as taxable ordinary income and \$0.02 will be reported as return of capital. The dividends classified as taxable ordinary income are not "qualified dividend income" and, therefore, are not eligible for capital gains rates. No capital gains will be included in the 2004 distributions. The table below shows the amounts and dates of the quarterly dividend distributions to be reported on the 2004 Form 1099 to shareholders.

<u>Record Date</u>	<u>Payment Date</u>	<u>Cash Distribution per Share</u>
03/31/04	04/08/04	\$0.24
06/30/04	07/08/04	\$0.24
09/30/04	10/07/04	\$0.24
12/31/04	01/07/05	\$0.16

Dividend distributions which are declared and recorded during a calendar year and paid within 30 days of the end of the year are included in that year's distributions. Accordingly, the Company's 2004 dividend distributions include the January 7, 2005 payment to holders of Common Stocks.

#### ***Company Profile***

Mission West Properties, Inc. operates as a self-managed, self-administered and fully integrated REIT engaged in the management, leasing, marketing, development and acquisition of commercial R&D properties primarily located in the Silicon Valley portion of the San Francisco Bay Area. Currently, the Company manages 108 properties totaling approximately 7.8 million square feet. For additional information, please contact Investor Relations at 408-725-0700.