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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

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**Date of report (Date of earliest event reported): May 1, 2012**

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**BOSTON PROPERTIES, INC.**

(Exact Name of Registrant As Specified in Charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-13087**  
(Commission  
File Number)

**04-2473675**  
(IRS Employer  
Identification No.)

**800 Boylston Street, Suite 1900, Boston, Massachusetts 02199**  
(Address of Principal Executive Offices) (Zip Code)

**(617) 236-3300**  
(Registrant's telephone number, including area code)

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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.**

The information in this Item 2.02 - "Results of Operations and Financial Condition" is being furnished. Such information, including Exhibits 99.1 and 99.2 hereto, shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing.

On May 1, 2012, Boston Properties, Inc. (the "Company") issued a press release announcing its financial results for the first quarter of 2012. That press release referred to certain supplemental information that is available on the Company's website. The text of the supplemental information and the press release are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

**Item 8.01. Other Events.**

Selected financial results and related information of the Company for the three months ended March 31, 2012 are filed as Exhibit 99.3 hereto and incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
*99.1	Boston Properties, Inc. Supplemental Operating and Financial Data for the quarter ended March 31, 2012.
*99.2	Press release dated May 1, 2012.
*99.3	Selected financial and related information of the Company for the three months ended March 31, 2012.

\* Filed herewith.

**SIGNATURES**

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

BOSTON PROPERTIES, INC.

Date: May 1, 2012

By: /s/ Michael E. LaBelle  
Michael E. LaBelle  
Senior Vice President, Chief Financial Officer

**EXHIBIT INDEX**

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\* Filed herewith.



 **Boston Properties**

*Supplemental Operating and Financial Data  
for the Quarter Ended March 31, 2012*

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This supplemental package contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words “assumes,” “believes,” “estimates,” “expects,” “guidance,” “intends,” “may,” “might,” “plans,” “projects,” “should,” “will” and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties’ control and could materially affect actual results, performance or achievements. These factors include, without limitation, the ability to enter into new leases or renew leases on favorable terms, dependence on tenants’ financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate acquisitions, the uncertainties of investing in new markets, the ability of our joint venture partners to satisfy their obligations, the costs and availability of financing, the effectiveness of our interest rate hedging programs, the effects of local economic and market conditions, the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company’s accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company’s filings with the Securities and Exchange Commission. Boston Properties does not undertake a duty to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

(Cover photo: 100 Federal Street, Boston, MA)

**The Company**

Boston Properties, Inc. (the “Company”), a self-administered and self-managed real estate investment trust (REIT), is one of the largest owners, managers, and developers of first-class office properties in the United States, with a significant presence in five markets: Boston, New York, Princeton, San Francisco, and Washington, DC. The Company was founded in 1970 by Mortimer B. Zuckerman and Edward H. Linde in Boston, where it maintains its headquarters. Boston Properties became a public company in June 1997. The Company acquires, develops, and manages its properties through full-service regional offices. Its property portfolio is comprised primarily of first-class office space, one hotel, three residential properties and three retail properties. Boston Properties is well-known for its in-house building management expertise and responsiveness to tenants’ needs. The Company holds a superior track record in developing premium Central Business District (CBD) office buildings, suburban office centers and build-to-suit projects for the U.S. government and a diverse array of creditworthy tenants.

**Management**

Boston Properties’ senior management team is among the most respected and accomplished in the REIT industry. Our deep and talented team of thirty-three individuals averages twenty-eight years of real estate experience and seventeen years with Boston Properties. We believe that our size, management depth, financial strength, reputation, and relationships of key personnel provide a competitive advantage to realize growth through property development and acquisitions. Boston Properties benefits from the reputation and relationships of key personnel, including Mortimer B. Zuckerman, Chairman of the Board of Directors and Chief Executive Officer; Douglas T. Linde, President; Raymond A. Ritchey, Executive Vice President, National Director of Acquisitions and Development; and Michael E. LaBelle, Senior Vice President, Chief Financial Officer. Our senior management team’s national reputation helps us attract business and investment opportunities. In addition, our other senior officers that serve as Regional Managers have strong reputations that assist in identifying and closing on new opportunities, having opportunities brought to us, and in negotiating with tenants and build-to-suit prospects. Additionally, Boston Properties’ Board of Directors consists of ten distinguished members, the majority of whom serve as Independent Directors.

**Strategy**

Boston Properties’ primary business objective is to maximize return on investment in an effort to provide its stockholders with the greatest possible total return. To achieve this objective, the Company maintains a consistent strategy that includes the following:

- concentrating on carefully selected markets characterized by high barriers to the creation of new supply and strong real estate fundamentals where tenants have demonstrated a preference for high-quality office buildings and other facilities;
- selectively acquiring assets which increase its penetration in these select markets;
- taking on complex, technically-challenging projects that leverage the skills of its management team to successfully develop, acquire, and reposition properties;
- exploring joint-venture opportunities with partners who seek to benefit from the Company’s depth of development and management expertise;
- pursuing the sale of properties (on a selective basis) to take advantage of its value creation and the demand for its premier properties; and
- continuing to enhance the Company’s balanced capital structure through its access to a variety of capital sources.

**Snapshot**

**(as of March 31, 2012)**

Corporate Headquarters	Boston, Massachusetts
Markets	Boston, New York, Princeton, San Francisco and Washington, DC
Fiscal Year-End	December 31
Total Properties (includes unconsolidated joint ventures, other than the Value-Added Fund)	153
Total Square Feet (includes unconsolidated joint ventures, other than the Value-Added Fund, and structured parking)	58.5 million
Common Shares and Units Outstanding (as converted, but excluding out performance plan units)	169.0 million
Dividend - Quarter/Annualized	\$0.55/\$2.20
Dividend Yield	2.10%
Total Combined Market Capitalization	\$27.1 billion
Senior Debt Ratings	Baa2 (Moody’s); BBB (Fitch); A- (S&P)

**Boston Properties, Inc.**  
**First Quarter 2012**

INVESTOR INFORMATION

**Board of Directors**

Mortimer B. Zuckerman Chairman of the Board and Chief Executive Officer	Dr. Jacob A. Frenkel Director
Douglas T. Linde President and Director	Matthew J. Lustig Director
Lawrence S. Bacow Director	Alan J. Patricof Director, Chair of Audit Committee
Zoë Baird Budinger Director, Chair of Nominating & Corporate Governance Committee	Martin Turchin Director
Carol B. Einiger Director	David A. Twardock Director, Chair of Compensation Committee

**Management**

Raymond A. Ritchey Executive Vice President, National Director of Acquisitions & Development	Robert E. Pester Senior Vice President and Regional Manager of San Francisco
Michael E. LaBelle Senior Vice President, Chief Financial Officer	Robert E. Selsam Senior Vice President and Regional Manager of New York
Peter D. Johnston Senior Vice President and Regional Manager of Washington, DC	Frank D. Burt Senior Vice President, General Counsel
Bryan J. Koop Senior Vice President and Regional Manager of Boston	Michael R. Walsh Senior Vice President, Finance
Mitchell S. Landis Senior Vice President and Regional Manager of Princeton	Arthur S. Flashman Vice President, Controller

**Company Information**

<b>Corporate Headquarters</b> 800 Boylston Street Suite 1900  Boston, MA 02199 (t) 617.236.3300 (f) 617.236.3311	<b>Trading Symbol</b> BXP  <b>Stock Exchange Listing</b> New York Stock Exchange	<b>Investor Relations</b> Boston Properties, Inc. 800 Boylston Street, Suite 1900  Boston, MA 02199 (t) 617.236.3322 (f) 617.236.3311 www.bostonproperties.com	<b>Inquires</b> Inquiries should be directed to Michael Walsh, Senior Vice President, Finance at 617.236.3410 or mw Walsh@bostonproperties.com  Arista Joyner, Investor Relations Manager at 617.236.3343 or ajoyner@bostonproperties.com
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**Common Stock Data (NYSE: BXP)**

*Boston Properties' common stock has the following characteristics (based on information reported by the New York Stock Exchange):*

	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011
High Closing Price	\$ 107.57	\$ 101.59	\$ 112.36	\$ 108.35	\$ 95.92
Low Closing Price	\$ 97.49	\$ 84.72	\$ 89.10	\$ 93.91	\$ 84.66
Average Closing Price	\$ 102.95	\$ 94.31	\$ 102.48	\$ 102.20	\$ 92.04
Closing Price, at the end of the quarter	\$ 104.99	\$ 99.60	\$ 89.10	\$ 106.16	\$ 94.85
Dividends per share - annualized	\$ 2.20	\$ 2.20	\$ 2.00	\$ 2.00	\$ 2.00
Closing dividend yield -annualized	2.10%	2.21%	2.24%	1.88%	2.11%
Closing common shares outstanding, plus common, preferred and LTIP units on an as-converted basis (but excluding out performance plan units) (thousands) (1)	168,956	167,733	167,729	167,281	166,567
Closing market value of outstanding shares and units (thousands)	\$17,738,690	\$16,706,207	\$14,944,654	\$17,758,551	\$15,798,880

(1) For additional detail, see page 12.

**Timing**

Quarterly results for the remainder of 2012 will be announced according to the following schedule:

Second Quarter 2012	Tentatively July 31, 2012
Third Quarter 2012	Tentatively October 23, 2012
Fourth Quarter 2012	Tentatively January 29, 2013



**Boston Properties, Inc.**  
**First Quarter 2012**

RESEARCH COVERAGE

**Equity Research Coverage**

John Eade  
Argus Research Company  
212.427.7500

Jeffrey Spector / Jamie Feldman  
Bank of America Merrill Lynch  
212.449.6329 / 212.449.6339

Ross Smotrich / Michael Lewis  
Barclays Capital  
212.526.2306 / 212.526.3098

Sri Nagarajan / Evan Smith  
Cantor Fitzgerald  
212-915-1223 / 215-915-1220

Michael Bilerman / Joshua Attie  
Citigroup Global Markets  
212.816.1383 / 212.816.1685

James Sullivan / Stephen Boyd  
Cowen and Company  
646.562.1380 / 646.562.1382

John Perry / Vin Chao  
Deutsche Bank Securities  
212.250.4912 / 212.250.6799

Michael Knott / Jed Reagan  
Green Street Advisors  
949.640.8780 / 949.640.8780

David Harris  
Imperial Capital  
212.351.9429

Steve Sakwa / George Auerbach  
ISI Group  
212.446.9462 / 212.446.9459

Omotayo Okusanya  
Jefferies & Co.  
212.336.7076

Mitch Germain  
JMP Securities  
212.906.3546

Anthony Paolone / Joseph Dazio  
J.P. Morgan Securities  
212.622.6682 / 212.622.6416

Sheila McGrath / Kristin Brown  
Keefe, Bruyette & Woods  
212.887.7793 / 212.887.7738

Jordan Sadler / Craig Mailman  
KeyBanc Capital Markets  
917.368.2280 / 917.368.2316

Robert Stevenson  
Macquarie Research  
212.857.6168

Paul Morgan / Chris Caton  
Morgan Stanley  
415.576.2627 / 415.576.2637

David Rodgers / Mike Carroll  
RBC Capital Markets  
440.715.2647 / 440.715.2649

Alexander Goldfarb / James Milam  
Sandler O'Neill & Partners  
212.466.7937 / 212.466.8066

John Guinee / Erin Aslakson  
Stifel, Nicolaus & Company  
443.224.1307 / 443.224.1350

Ross Nussbaum  
UBS Securities  
212.713.2484

**Debt Research Coverage**

Tom Truxillo  
Bank of America Merrill Lynch  
980.386.5212

Thomas Cook  
Citi Investment Research  
212.723.1112

John Giordano  
Credit Suisse Securities  
212.538.4935

Mark Streeter  
J.P. Morgan Securities  
212.834.5086

Thierry Perrein / Jason Jones  
Wells Fargo  
704.715.8455 / 704.715.7932

**Rating Agencies**

George Hoglund  
Fitch Ratings  
212.908.9149

Karen Nickerson  
Moody's Investors Service  
212.553.4924

Susan Madison  
Standard & Poor's  
212.438.4516

*With the exception of Green Street Advisors, an independent research firm, the equity analysts listed above are those analysts that, according to First Call Corporation, have published research material on the Company and are listed as covering the Company. Please note that any opinions, estimates or forecasts regarding Boston Properties' performance made by the analysts listed above do not represent the opinions, estimates or forecasts of Boston Properties or its management. Boston Properties does not by its reference above imply its endorsement of or concurrence with any information, conclusions or recommendations made by any of such analysts.*

**Boston Properties, Inc.**  
**First Quarter 2012**

**FINANCIAL HIGHLIGHTS**  
*(unaudited and in thousands, except per share amounts)*

This section includes non-GAAP financial measures, which are accompanied by what we consider the most directly comparable financial measures calculated and presented in accordance with GAAP. Quantitative reconciliations of the differences between the non-GAAP financial measures presented and the most directly comparable GAAP financial measures are shown on pages 9-11. A description of the non-GAAP financial measures we present and a statement of the reasons why management believes the non-GAAP measures provide useful information to investors about the Company's financial condition and results of operations can be found on pages 50-52.

	Three Months Ended				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
<b>Selected Items:</b>					
Revenue	\$ 447,662	\$ 452,185	\$ 451,772	\$ 435,813	\$ 417,214
Straight-line rent (1)	\$ 21,929	\$ 21,404	\$ 23,075	\$ 24,571	\$ 21,073
Fair value lease revenue (1) (2)	\$ 17,863	\$ 19,756	\$ 19,955	\$ 20,537	\$ 20,761
Revenue from residential units	\$ 3,140	\$ 2,440	\$ 1,515	\$ 221	\$ —
Company share of funds from operations from unconsolidated joint ventures	\$ 34,842	\$ 36,138	\$ 36,960	\$ 35,562	\$ 35,041
Lease termination fees (included in revenue) (1)	\$ 3,387	\$ 7,168	\$ 8,976	\$ 231	\$ 2,003
Ground rent expense (3)	\$ 8,224	\$ 4,897	\$ 4,686	\$ 2,405	\$ 982
ASC 470-20 (formerly known as FSP APB 14-1) interest expense adjustment	\$ 8,264	\$ 9,815	\$ 9,813	\$ 9,657	\$ 9,505
Capitalized interest	\$ 11,201	\$ 12,188	\$ 13,004	\$ 11,958	\$ 11,239
Capitalized wages	\$ 2,668	\$ 2,856	\$ 2,710	\$ 2,876	\$ 2,559
Operating Margins [(rental revenue - rental expense)/rental revenue] (4)	65.3%	66.3%	66.6%	67.5%	67.0%
Gains (losses) from early extinguishments of debt (5)	\$ 767	\$ (1,494)	\$ —	\$ —	\$ —
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 101,644	\$ 70,542	\$ 60,214	\$ 40,813
Funds from operations (FFO) attributable to Boston Properties, Inc.	\$ 166,943	\$ 179,298	\$ 190,274	\$ 181,569	\$ 159,980
FFO per share - diluted	\$ 1.12	\$ 1.21	\$ 1.28	\$ 1.23	\$ 1.12
Net income attributable to Boston Properties, Inc. per share - basic	\$ 0.44	\$ 0.69	\$ 0.48	\$ 0.41	\$ 0.29
Net income attributable to Boston Properties, Inc. per share - diluted	\$ 0.43	\$ 0.69	\$ 0.48	\$ 0.41	\$ 0.29
Dividends per common share	\$ 0.55	\$ 0.55	\$ 0.50	\$ 0.50	\$ 0.50
Funds available for distribution to common shareholders and common unitholders (FAD) (6)	\$ 119,909	\$ 103,460	\$ 162,496	\$ 156,895	\$ 127,782
<b>Ratios:</b>					
Interest Coverage Ratio (excluding capitalized interest) - cash basis (7)	2.88	2.99	3.29	3.16	2.90
Interest Coverage Ratio (including capitalized interest) - cash basis (7)	2.57	2.64	2.85	2.77	2.57
FFO Payout Ratio (8)	49.11%	45.45%	39.06%	40.65%	44.64%
FAD Payout Ratio (9)	76.91%	88.41%	51.17%	52.84%	64.65%
<b>Capitalization:</b>					
Common Stock Price @ Quarter End	\$ 104.99	\$ 99.60	\$ 89.10	\$ 106.16	\$ 94.85
Equity Value @ Quarter End	\$17,738,690	\$16,706,207	\$14,944,654	\$17,758,551	\$15,798,880
Total Consolidated Debt	\$ 7,960,626	\$ 8,704,138	\$ 7,950,363	\$ 7,941,643	\$ 7,937,264
Total Consolidated Market Capitalization	\$25,699,316	\$25,410,345	\$22,895,017	\$25,700,194	\$23,736,144
Total Consolidated Debt/Total Consolidated Market Capitalization (10)	30.98%	34.25%	34.73%	30.90%	33.44%
BXP's Share of Joint Venture Debt	\$ 1,436,587	\$ 1,433,687	\$ 1,532,963	\$ 1,534,029	\$ 1,542,952
Total Combined Debt	\$ 9,397,213	\$10,137,825	\$ 9,483,326	\$ 9,475,672	\$ 9,480,216
Total Combined Market Capitalization (11)	\$27,135,903	\$26,844,032	\$24,427,980	\$27,234,223	\$25,279,096
Total Combined Debt/Total Combined Market Capitalization (11) (12)	34.63%	37.77%	38.82%	34.79%	37.50%

- (1) Includes the Company's share of unconsolidated joint venture amounts. For additional detail, see page 17.
- (2) Represents the net adjustment for above- and below-market leases that are being amortized over the terms of the respective leases in place at the property acquisition dates.
- (3) Includes non-cash straight-line adjustments to ground rent. For the three months ended March 31, 2012, the straight-line ground rent expense also includes a one-time adjustment of approximately \$3.2 million. See page 11 for the straight-line adjustments to the ground rent expense.
- (4) Rental Expense consists of operating expenses, real estate taxes and ground rent expense. Amounts are exclusive of the gross up of reimbursable electricity and other amounts totaling \$12,124, \$12,084, \$13,838, \$12,859 and \$9,704 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.
- (5) During the three months ended March 31, 2012, the Company recognized a net gain from early extinguishments of debt aggregating approximately \$0.8 million comprised of (1) approximately \$0.9 million from of the acceleration of the remaining balance of the historical fair value debt adjustment related to the repayment of the Company's Bay Colony Corporate Center mortgage loan offset by (2) costs totaling approximately \$0.1 million related to the redemption/repurchase of the remaining \$576.2 million aggregate principal amount of the Company's Operating Partnership's 2.875% exchangeable senior notes due 2037. During the three months ended December 31, 2011, the Company recognized losses from early extinguishments of debt aggregating approximately \$1.5 million consisting of (1) approximately \$0.6 million related to the repurchase of \$50.0 million aggregate principal amount of the Company's Operating Partnership's 2.875% exchangeable senior notes due 2037, (2) approximately \$0.5 million related to the repayment of the Company's Reservoir Place mortgage loan and (3) approximately \$0.4 million related to the termination of the Company's Atlantic Wharf construction loan facility.
- (6) For a quantitative reconciliation of the differences between FAD and FFO, see page 11.

- (7) For additional detail, see page 11.
- (8) FFO Payout Ratio is defined as dividends per share to common shareholders divided by FFO per share.
- (9) FAD Payout Ratio is defined as distributions to common shareholders and unitholders divided by FAD.
- (10) For disclosures related to our definition of Total Consolidated Debt to Total Consolidated Market Capitalization Ratio, see page 50.
- (11) For additional detail, see page 12.
- (12) For disclosures related to our definition of Total Combined Debt to Total Combined Market Capitalization Ratio, see page 50.

**Boston Properties, Inc.**  
**First Quarter 2012**

**CONSOLIDATED BALANCE SHEETS**  
**(unaudited and in thousands)**

	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
<b>ASSETS</b>					
Real estate	\$12,937,143	\$12,303,965	\$12,031,660	\$11,786,353	\$11,567,294
Construction in progress (1)	870,006	818,685	899,302	982,318	681,342
Land held for future development	268,030	266,822	266,834	284,115	759,786
Less accumulated depreciation	<u>(2,722,605)</u>	<u>(2,642,986)</u>	<u>(2,558,620)</u>	<u>(2,468,165)</u>	<u>(2,411,378)</u>
Total real estate	11,352,574	10,746,486	10,639,176	10,584,621	10,597,044
Cash and cash equivalents (2)	591,196	1,823,208	1,063,024	780,584	747,305
Cash held in escrows (2)	30,697	40,332	36,759	302,439	305,692
Marketable securities	11,193	9,548	9,312	9,975	9,800
Tenant and other receivables, net	68,275	79,838	47,554	44,470	54,740
Related party notes receivable (3)	281,177	280,442	276,375	276,375	270,000
Interest receivable from related party notes receivable (3)	95,126	89,854	84,782	79,884	75,280
Accrued rental income, net	541,153	522,675	508,838	491,878	463,117
Deferred charges, net	500,957	445,403	441,700	449,014	449,076
Prepaid expenses and other assets	73,132	75,458	102,812	92,470	100,897
Investments in unconsolidated joint ventures	667,377	669,722	770,466	772,502	762,522
<b>Total assets</b>	<u>\$14,212,857</u>	<u>\$14,782,966</u>	<u>\$13,980,798</u>	<u>\$13,884,212</u>	<u>\$13,835,473</u>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities:</b>					
Mortgage notes payable (2)	\$ 2,946,760	\$ 3,123,267	\$ 3,179,034	\$ 3,181,469	\$ 3,188,025
Unsecured senior notes, net of discount	3,865,369	3,865,186	3,016,986	3,016,837	3,016,743
Unsecured exchangeable senior notes, net of discount	1,148,497	1,715,685	1,754,343	1,743,337	1,732,496
Unsecured line of credit	—	—	—	—	—
Accounts payable and accrued expenses	165,441	155,139	143,694	145,811	145,362
Dividends and distributions payable	92,615	91,901	83,584	83,369	83,019
Accrued interest payable	97,997	69,105	89,555	62,046	88,070
Other liabilities	324,826	293,515	273,789	259,148	236,647
<b>Total liabilities</b>	<u>8,641,505</u>	<u>9,313,798</u>	<u>8,540,985</u>	<u>8,492,017</u>	<u>8,490,362</u>
Commitments and contingencies	—	—	—	—	—
<b>Noncontrolling interest:</b>					
Redeemable preferred units of the Operating Partnership	51,537	55,652	55,652	55,652	55,652
<b>Equity:</b>					
<b>Stockholders' equity attributable to Boston Properties, Inc.:</b>					
Excess stock, \$.01 par value, 150,000,000 shares authorized, none issued or outstanding	—	—	—	—	—
Preferred stock, \$.01 par value, 50,000,000 shares authorized, none issued or outstanding	—	—	—	—	—
Common stock, \$.01 par value, 250,000,000 shares authorized, 149,384,341, 148,107,611, 147,627,247, 146,387,021 and 145,058,429 outstanding, respectively	1,494	1,481	1,476	1,464	1,451
Additional paid-in capital	5,050,547	4,936,457	4,916,440	4,846,003	4,771,659
Dividends in excess of earnings	(70,609)	(53,080)	(72,941)	(69,537)	(56,479)
Treasury common stock, at cost	(2,722)	(2,722)	(2,722)	(2,722)	(2,722)
Accumulated other comprehensive loss	(15,558)	(16,138)	(16,717)	(17,294)	(17,867)
<b>Total stockholders' equity attributable to Boston Properties, Inc.</b>	<u>4,963,152</u>	<u>4,865,998</u>	<u>4,825,536</u>	<u>4,757,914</u>	<u>4,696,042</u>
<b>Noncontrolling interests:</b>					
Common units of the Operating Partnership	557,930	548,581	559,621	579,211	594,002
Property partnerships	(1,267)	(1,063)	(996)	(582)	(585)
<b>Total equity</b>	<u>5,519,815</u>	<u>5,413,516</u>	<u>5,384,161</u>	<u>5,336,543</u>	<u>5,289,459</u>
<b>Total liabilities and equity</b>	<u>\$14,212,857</u>	<u>\$14,782,966</u>	<u>\$13,980,798</u>	<u>\$13,884,212</u>	<u>\$13,835,473</u>

(1) Represents the portion of the Company's consolidated development projects which qualify for interest capitalization.

(2) On September 24, 2010, in connection with the acquisition of 510 Madison Avenue in New York City, the Company caused the assignment of the existing mortgage to a new lender and subsequently increased the amount borrowed to \$267.5 million. This amount was fully secured by cash deposits included within the caption "Cash held in escrows." On August 19, 2011, the mortgage loan was refinanced and the cash deposit was released to the Company.

(3) The notes receivable consist of (1) a partner loan from the Company to the unconsolidated joint venture entity that owns the General Motors Building totaling \$270.0 million and (2) two loans from the Company to the Company's Value-Added Fund in maximum amounts aggregating \$18.0 million, of which an aggregate net amount of approximately \$11.2 million has been advanced as of March 31, 2012. The unconsolidated entities have corresponding notes payable to the Company, see pages 17 and 18.

**Boston Properties, Inc.**  
**First Quarter 2012**

**CONSOLIDATED INCOME STATEMENTS**  
*(in thousands, except for per share amounts)*  
*(unaudited)*

	Three Months Ended				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
<b>Revenue</b>					
Rental					
Base Rent	\$ 357,701	\$ 357,860	\$ 359,984	\$ 347,853	\$ 338,925
Recoveries from tenants	52,568	52,736	53,877	48,859	45,849
Parking and other	22,428	21,228	21,686	21,099	19,064
Total rental revenue	432,697	431,824	435,547	417,811	403,838
Hotel revenue	6,816	11,632	8,045	8,904	5,948
Development and management services	8,149	8,729	8,180	9,098	7,428
Total revenue	447,662	452,185	451,772	435,813	417,214
<b>Expenses</b>					
Operating	90,085	88,126	89,889	82,729	78,925
Real estate taxes	67,421	65,710	64,818	61,835	60,705
Hotel operating	6,099	8,076	6,032	6,281	5,739
General and administrative (1) (2)	27,619	19,329	16,917	18,721	24,643
Transaction costs	2,104	80	474	1,361	72
Depreciation and amortization	109,673	108,988	109,303	110,888	109,237
Total expenses	303,001	290,309	287,433	281,815	279,321
Operating income	144,661	161,876	164,339	153,998	137,893
<b>Other income (expense)</b>					
Income from unconsolidated joint ventures (3)	11,721	57,712	11,326	8,882	7,976
Interest and other income	1,646	1,179	1,252	1,953	974
Gains (losses) from investments in securities (1)	801	38	(860)	6	373
Interest expense (4) (5)	(103,237)	(103,308)	(95,117)	(94,583)	(98,525)
Gains (losses) from early extinguishments of debt (6)	767	(1,494)	—	—	—
Income from continuing operations	56,359	116,003	80,940	70,256	48,691
<b>Discontinued operations</b>					
Loss from discontinued operations (7)	(156)	(560)	(489)	(518)	(497)
Gain on forgiveness of debt from discontinued operations (7)	17,807	—	—	—	—
<b>Net income</b>	74,010	115,443	80,451	69,738	48,194
<b>Net income attributable to noncontrolling interests</b>					
Noncontrolling interest in property partnership	(546)	(440)	(86)	(503)	(529)
Noncontrolling interest - redeemable preferred units of the Operating Partnership	(801)	(842)	(832)	(842)	(823)
Noncontrolling interest - common units of the Operating Partnership (8)	(6,089)	(12,577)	(9,045)	(8,239)	(6,090)
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (8)	(1,942)	60	54	60	61
<b>Net income attributable to Boston Properties, Inc.</b>	<u>\$ 64,632</u>	<u>\$ 101,644</u>	<u>\$ 70,542</u>	<u>\$ 60,214</u>	<u>\$ 40,813</u>
<b>INCOME PER SHARE OF COMMON STOCK (EPS)</b>					
Net income attributable to Boston Properties, Inc. per share - basic	<u>\$ 0.44</u>	<u>\$ 0.69</u>	<u>\$ 0.48</u>	<u>\$ 0.41</u>	<u>\$ 0.29</u>
Net income attributable to Boston Properties, Inc. per share - diluted	<u>\$ 0.43</u>	<u>\$ 0.69</u>	<u>\$ 0.48</u>	<u>\$ 0.41</u>	<u>\$ 0.29</u>

- (1) Gains (losses) from investments in securities includes \$801, \$38, \$(860), \$6 and \$373 and general and administrative expense includes \$(825), \$(38), \$757, \$(23) and \$(425) for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively, related to the Company's deferred compensation plan.
- (2) For the three months ended March 31, 2012, general and administrative expense includes approximately \$4.5 million related to the resignation of the Company's Chief Operating Officer. For the three months ended March 31, 2011, general and administrative expense includes approximately \$4.3 million consisting of the acceleration of the remaining unrecognized compensation expense associated with the conclusion of the three-year measurement period of the Company's 2008 OPP Awards. The 2008 OPP Awards were not earned and therefore the program was terminated.
- (3) For the three months ended December 31, 2011, income from unconsolidated joint ventures includes the gain on sale of Two Grand Central Tower totaling approximately \$46.2 million.
- (4) Interest expense is reported net of capitalized interest of \$11,201, \$12,188, \$13,004, \$11,958 and \$11,239 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.
- (5) Includes additional non-cash interest expense related to the adoption of ASC 470-20 (formerly known as FSP No. APB 14-1). For additional detail, see page 12.
- (6) During the three months ended March 31, 2012, the Company recognized a net gain from early extinguishments of debt aggregating approximately \$0.8 million comprised of (1) approximately \$0.9 million from of the acceleration of the remaining balance of the historical fair value debt adjustment related to the repayment of the Company's Bay Colony Corporate Center mortgage loan offset by (2) costs totaling approximately \$0.1 million related to the redemption/repurchase of the remaining \$576.2 million aggregate principal amount of the Company's Operating Partnership's 2.875% exchangeable senior notes due 2037. During the three months ended December 31, 2011, the Company recognized losses from early extinguishments of debt aggregating approximately \$1.5 million consisting of (1) approximately \$0.6 million related to the repurchase of \$50.0 million aggregate principal amount of the Company's Operating Partnership's 2.875% exchangeable senior notes due 2037, (2) approximately \$0.5 million related to the repayment of the Company's Reservoir Place mortgage loan and (3) approximately \$0.4 million related to the termination of the Company's Atlantic Wharf construction loan facility.
- (7) On January 31, 2012, the servicer of the non-recourse mortgage loan collateralized by the Company's Montvale Center property located in Gaithersburg, Maryland foreclosed on the property. The Company was not current on making debt service payments and was accruing interest at the default interest rate of 9.93% per annum. The loan was originally scheduled to mature on June 6, 2012. As a result of the foreclosure, the mortgage loan totaling \$25.0 million was extinguished and the related obligations were satisfied with the transfer of the real estate and working capital to the servicer. The transaction resulted in a gain on forgiveness of debt of approximately \$17.8 million. The operating results of the property through the date of foreclosure have been classified as discontinued operations on a historical basis for all periods presented.

(8) Equals noncontrolling interest - common units of the Operating Partnership's share of 10.67%, 10.77%, 11.02%, 11.61% and 12.33% of income before net income attributable to noncontrolling interests in Operating Partnership after deduction for preferred distributions for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.

Certain prior period amounts have been reclassified to conform to the current period presentation.

*Boston Properties, Inc.*

*First Quarter 2012*

**FUNDS FROM OPERATIONS (FFO)**  
*(in thousands, except for per share amounts)*  
*(unaudited)*

	Three Months Ended				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 101,644	\$ 70,542	\$ 60,214	\$ 40,813
Add:					
Noncontrolling interest in discontinued operations - common units of the Operating Partnership	1,942	(60)	(54)	(60)	(61)
Noncontrolling interest - common units of the Operating Partnership	6,089	12,577	9,045	8,239	6,090
Noncontrolling interest - redeemable preferred units of the Operating Partnership	801	842	832	842	823
Noncontrolling interests in property partnerships	546	440	86	503	529
Loss from discontinued operations	156	560	489	518	497
Less:					
Gain on forgiveness of debt from discontinued operations	17,807	—	—	—	—
Income from continuing operations	56,359	116,003	80,940	70,256	48,691
Add:					
Real estate depreciation and amortization (1)	132,490	133,415	134,777	137,495	136,104
Less:					
Loss from discontinued operations	156	560	489	518	497
Gains on sales of real estate included within income from unconsolidated joint ventures (2)	—	46,166	—	—	—
Noncontrolling interests in property partnerships' share of funds from operations	1,010	904	549	966	993
Noncontrolling interest - redeemable preferred units of the Operating Partnership	801	842	832	842	823
Funds from operations (FFO) attributable to the Operating Partnership	186,882	200,946	213,847	205,425	182,482
Less:					
Noncontrolling interest - common units of the Operating Partnership's share of funds from operations	19,939	21,648	23,573	23,856	22,502
FFO attributable to Boston Properties, Inc. (3)	<u>\$ 166,943</u>	<u>\$ 179,298</u>	<u>\$ 190,274</u>	<u>\$ 181,569</u>	<u>\$ 159,980</u>
FFO per share - basic	<u>\$ 1.13</u>	<u>\$ 1.21</u>	<u>\$ 1.29</u>	<u>\$ 1.24</u>	<u>\$ 1.13</u>
Weighted average shares outstanding - basic	<u>148,343</u>	<u>147,732</u>	<u>147,006</u>	<u>145,864</u>	<u>142,095</u>
FFO per share - diluted	<u>\$ 1.12</u>	<u>\$ 1.21</u>	<u>\$ 1.28</u>	<u>\$ 1.23</u>	<u>\$ 1.12</u>
Weighted average shares outstanding - diluted	<u>150,140</u>	<u>149,435</u>	<u>149,083</u>	<u>148,156</u>	<u>143,965</u>

- (1) Real estate depreciation and amortization consists of depreciation and amortization from the consolidated statements of operations of \$109,673, \$108,988, \$109,303, \$110,888 and \$109,237, our share of unconsolidated joint venture real estate depreciation and amortization of \$23,121, \$24,592, \$25,633, \$26,680 and \$27,065, and depreciation and amortization from discontinued operations of \$64, \$193, \$192, \$192 and \$191, less corporate related depreciation of \$368, \$358, \$351, \$265 and \$389 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.
- (2) For the three months ended December 31, 2011, consists of the gain on sale of Two Grand Central Tower included within income from unconsolidated joint ventures in the Company's consolidated statements of operations.
- (3) Based on weighted average basic shares for the quarter. The Company's share for the quarter ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011 was 89.33%, 89.23%, 88.98%, 88.39% and 87.67%, respectively.

**Boston Properties, Inc.**

**First Quarter 2012**

**RECONCILIATION TO DILUTED FUNDS FROM OPERATIONS**

*(in thousands, except for per share amounts)*

*(unaudited)*

	March 31, 2012		December 31, 2011		September 30, 2011		June 30, 2011		March 31, 2011	
	Income (Numerator)	Shares/Units (Denominator)	Income (Numerator)	Shares/Units (Denominator)	Income (Numerator)	Shares/Units (Denominator)	Income (Numerator)	Shares/Units (Denominator)	Income (Numerator)	Shares/Units (Denominator)
Basic FFO	\$ 186,882	166,060	\$ 200,946	165,569	\$ 213,847	165,219	\$ 205,425	165,029	\$ 182,482	162,082
Effect of Dilutive Securities										
Convertible Preferred Units	801	1,394	842	1,461	832	1,461	842	1,461	823	1,461
Stock based compensation and exchangeable senior notes	—	403	—	242	—	616	—	831	—	409
Diluted FFO	\$ 187,683	167,857	\$ 201,788	167,272	\$ 214,679	167,296	\$ 206,267	167,321	\$ 183,305	163,952
Less:										
Noncontrolling interest - common units of the Operating Partnership's share of diluted funds from operations	19,810	17,717	21,517	17,837	23,371	18,213	23,625	19,165	22,346	19,987
Company's share of diluted FFO (1)	\$ 167,873	150,140	\$ 180,271	149,435	\$ 191,308	149,083	\$ 182,642	148,156	\$ 160,959	143,965
FFO per share - basic	\$ 1.13		\$ 1.21		\$ 1.29		\$ 1.24		\$ 1.13	
FFO per share - diluted	\$ 1.12		\$ 1.21		\$ 1.28		\$ 1.23		\$ 1.12	

(1) Based on weighted average diluted shares for the quarter. The Company's share for the quarter ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011 was 89.45%, 89.34%, 89.11%, 88.55% and 87.81%, respectively.



**Boston Properties, Inc.**

**First Quarter 2012**

**Funds Available for Distribution (FAD)**  
(in thousands)

	Three Months Ended				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
Basic FFO (see page 9)	\$ 186,882	\$ 200,946	\$ 213,847	\$ 205,425	\$ 182,482
2nd generation tenant improvements and leasing commissions	(50,678)	(60,564)	(18,158)	(16,639)	(33,881)
Straight-line rent (1)	(21,929)	(21,404)	(23,075)	(24,571)	(21,073)
Recurring capital expenditures	(1,796)	(18,299)	(7,120)	(2,785)	(1,130)
Fair value interest adjustment (1)	202	(80)	(97)	(208)	45
ASC 470-20 (formerly known as FSP APB 14-1) interest expense adjustment	8,264	9,815	9,813	9,657	9,505
Fair value lease revenue (1) (2)	(17,863)	(19,756)	(19,955)	(20,537)	(20,761)
Hotel improvements, equipment upgrades and replacements	(187)	(799)	(1,239)	(1,478)	(494)
Straight-line ground rent expense adjustment (3)	5,032	1,788	1,687	682	—
Non real estate depreciation	368	358	351	265	389
Stock-based compensation (4)	11,358	5,970	5,937	5,909	11,856
Non-cash losses (gains) from early extinguishments of debt	(914)	1,494	—	—	—
Non-cash termination income (including fair value lease amounts)	56	(573)	(335)	—	—
Partners' share of joint venture 2nd generation tenant improvement and leasing commissions	1,114	4,564	840	1,175	844
<b>Funds available for distribution to common shareholders and common unitholders (FAD)</b>	<b>\$ 119,909</b>	<b>\$ 103,460</b>	<b>\$ 162,496</b>	<b>\$ 156,895</b>	<b>\$ 127,782</b>

**Interest Coverage Ratios**  
(in thousands, except for ratio amounts)

	Three Months Ended				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
<b>Excluding Capitalized Interest</b>					
Income from continuing operations	\$ 56,359	\$ 116,003	\$ 80,940	\$ 70,256	\$ 48,691
Interest expense	103,237	103,308	95,117	94,583	98,525
Depreciation and amortization expense	109,673	108,988	109,303	110,888	109,237
Depreciation and amortization expense from unconsolidated joint ventures	23,121	24,592	25,633	26,680	27,065
Gains on sales of real estate included within income from unconsolidated joint ventures	—	(46,166)	—	—	—
Interest expense - discontinued operations	222	659	660	653	626
Depreciation and amortization expense - discontinued operations	64	193	192	192	191
Loss from discontinued operations	(156)	(560)	(489)	(518)	(497)
Non-cash losses (gains) from early extinguishments of debt	(914)	1,494	—	—	—
Non-cash termination income (including fair value lease amounts)	56	(573)	(335)	—	—
Stock-based compensation	11,358	5,970	5,937	5,909	11,856
Straight-line ground rent expense adjustment (3)	5,032	1,788	1,687	682	—
Straight-line rent (1)	(21,929)	(21,404)	(23,075)	(24,571)	(21,073)
Fair value lease revenue (1) (2)	(17,863)	(19,756)	(19,955)	(20,537)	(20,761)
Subtotal	268,260	274,536	275,615	264,217	253,860
Divided by:					
Adjusted interest expense (5) (6) (7)	93,107	91,929	83,678	83,495	87,598
<b>Interest Coverage Ratio</b>	<b>2.88</b>	<b>2.99</b>	<b>3.29</b>	<b>3.16</b>	<b>2.90</b>
<b>Including Capitalized Interest</b>					
Income from continuing operations	\$ 56,359	\$ 116,003	\$ 80,940	\$ 70,256	\$ 48,691
Interest expense	103,237	103,308	95,117	94,583	98,525
Depreciation and amortization expense	109,673	108,988	109,303	110,888	109,237
Depreciation and amortization expense from unconsolidated joint ventures	23,121	24,592	25,633	26,680	27,065
Gains on sales of real estate included within income from unconsolidated joint ventures	—	(46,166)	—	—	—
Interest expense - discontinued operations	222	659	660	653	626
Depreciation and amortization expense - discontinued operations	64	193	192	192	191
Loss from discontinued operations	(156)	(560)	(489)	(518)	(497)
Non-cash losses (gains) from early extinguishments of debt	(914)	1,494	—	—	—
Non-cash termination income (including fair value lease amounts)	56	(573)	(335)	—	—
Stock-based compensation	11,358	5,970	5,937	5,909	11,856
Straight-line ground rent expense adjustment (3)	5,032	1,788	1,687	682	—
Straight-line rent (1)	(21,929)	(21,404)	(23,075)	(24,571)	(21,073)
Fair value lease revenue (1) (2)	(17,863)	(19,756)	(19,955)	(20,537)	(20,761)
Subtotal	268,260	274,536	275,615	264,217	253,860
Divided by:					
Adjusted interest expense (5) (6) (7) (8)	104,308	104,117	96,682	95,453	98,837
<b>Interest Coverage Ratio</b>	<b>2.57</b>	<b>2.64</b>	<b>2.85</b>	<b>2.77</b>	<b>2.57</b>

(1) Includes the Company's share of unconsolidated joint venture amounts.

(2) Represents the net adjustment for above- and below-market leases that are being amortized over the terms of the respective leases in place at the property acquisition dates.

(3) For additional information, see page 6.

(4) For the three months ended March 31, 2012, stock-based compensation includes approximately \$2.7 million consisting of the acceleration of vesting of the Company's Chief Operating Officer's stock-based compensation awards associated with his resignation. For the three months ended March 31, 2011, stock-based compensation includes approximately \$4.3 million consisting of the acceleration of the remaining unrecognized compensation expense associated with the conclusion of the three-year measurement period of the Company's 2008 OPP Awards. The 2008 OPP Awards were not earned and therefore the program was terminated.

(5) Excludes the impact of the ASC 470-20 (formerly known as FSP APB 14-1) interest expense adjustment of \$8,264, \$9,815, \$9,813, \$9,657 and \$9,505 for the

three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.

- (6) Excludes amortization of financing costs of \$2,088, \$2,223, \$2,286, \$2,084 and \$2,048 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.
- (7) Includes interest expense from discontinued operations of \$222, \$659, \$660, \$653 and \$626 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.
- (8) Includes capitalized interest of \$11,201, \$12,188, \$13,004, \$11,958 and \$11,239 for the three months ended March 31, 2012, December 31, 2011, September 30, 2011, June 30, 2011 and March 31, 2011, respectively.

**Boston Properties, Inc.**  
**First Quarter 2012**

**CAPITAL STRUCTURE**

**Consolidated Debt**  
**(in thousands)**

	<b>Aggregate Principal March 31, 2012</b>
Mortgage Notes Payable	\$ 2,926,125
Unsecured Line of Credit	—
Unsecured Senior Notes, at face value	3,875,000
Unsecured Exchangeable Senior Notes, at face value	1,197,500
<b>Total Debt</b>	<b>7,998,625</b>
Fair Value Adjustment on Mortgage Notes Payable	20,635
Discount on Unsecured Senior Notes	(9,631)
Discount on Unsecured Exchangeable Senior Notes	(2,720)
ASC 470-20 (formerly known as FSP APB 14-1) Adjustment (1)	(46,283)
<b>Total Consolidated Debt</b>	<b>\$ 7,960,626</b>

**Boston Properties Limited Partnership Unsecured Senior Notes**

	11/10/2011	11/18/2010	4/19/2010	10/9/2009	5/22/2003	3/18/2003	1/17/2003	12/13/2002	<b>Total/ Average</b>
Settlement Date									
Original Principal Amount	\$ 850,000	\$ 850,000	\$ 700,000	\$ 700,000	\$ 250,000	\$ 300,000	\$ 175,000	\$ 750,000	\$ 4,575,000
Principal Amount at Quarter End	\$ 850,000	\$ 850,000	\$ 700,000	\$ 700,000	\$ 250,000	\$ 300,000	\$ 42,568	\$ 182,432	\$ 3,875,000
Yield (on issue date)	3.853%	4.289%	5.708%	5.967%	5.194%	5.693%	6.291%	6.381%	5.24%
Coupon	3.700%	4.125%	5.625%	5.875%	5.000%	5.625%	6.250%	6.250%	5.12%
Public Offering Price	99.767%	99.260%	99.891%	99.931%	99.329%	99.898%	99.763%	99.650%	99.68%
Ratings:									
Moody's	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)	Baa2 (stable)
S&P	A- (stable)	A- (stable)	A- (stable)	A- (stable)	A- (stable)	A- (stable)	A- (stable)	A- (stable)	A- (stable)
Fitch	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)	BBB (stable)
Maturity Date	11/15/2018	5/15/2021	11/15/2020	10/15/2019	6/1/2015	4/15/2015	1/15/2013	1/15/2013	
Discount	\$ 1,919	\$ 5,923	\$ 689	\$ 389	\$ 542	\$ 98	\$ 10	\$ 61	\$ 9,631
Unsecured Senior Notes, net of discount	<u>\$ 848,081</u>	<u>\$ 844,077</u>	<u>\$ 699,311</u>	<u>\$ 699,611</u>	<u>\$ 249,458</u>	<u>\$ 299,902</u>	<u>\$ 42,558</u>	<u>\$ 182,371</u>	<u>\$ 3,865,369</u>

**Boston Properties Limited Partnership Unsecured Exchangeable Senior Notes**

	8/19/2008	4/6/2006	<b>Total/Average</b>
Settlement Date			
Original Principal Amount	\$ 747,500	\$ 450,000	\$ 1,197,500
Principal Amount at Quarter End	\$ 747,500	\$ 450,000	\$ 1,197,500
Yield (on issue date)	4.037%	3.787%	3.94%
GAAP Yield	6.555%	5.958%	6.33%
Coupon	3.625%	3.750%	
Exchange Rate	8.5051	10.0066	
Exchange Price	\$ 135.14(2)	\$ 99.93	
Diluted share impact for the current quarter	—	—	—
First Optional Redemption Date	N/A	5/18/2013	
Maturity Date	2/15/2014	5/15/2036	
Discount	\$ 2,720	\$ —	\$ 2,720
ASC 470-20 (FSP APB 14-1) Adjustment (1)	\$ 35,548	\$ 10,735	\$ 46,283
Unsecured Senior Exchangeable Notes	<u>\$ 709,232</u>	<u>\$ 439,265</u>	<u>\$ 1,148,497</u>

**Equity**  
**(in thousands)**

Shares/Units Outstanding as of 03/31/2012	Common Stock Equivalents	Equivalent Value (3)
--	--------------------------------	-------------------------

Common Stock	149,384	149,384 (4)	\$ 15,683,826
Common Operating Partnership Units	18,219	18,219(5)	\$ 1,912,813
Series Two Preferred Operating Partnership Units	1,031	1,353	\$ 142,051
Total Equity		168,956	\$ 17,738,690
Total Consolidated Debt			\$ 7,960,626
Total Consolidated Market Capitalization			\$ 25,699,316
BXP's share of Joint Venture Debt			\$ 1,436,587(6)
Total Combined Debt (7)			\$ 9,397,213
Total Combined Market Capitalization (8)			\$ 27,135,903

- (1) Represents the remaining debt discount which will be amortized over the period during which the exchangeable senior notes are expected to be outstanding (i.e., through the first optional redemption dates or, in the case of the exchangeable senior notes due 2014, the maturity date) as additional non-cash interest expense.
- (2) The initial exchange rate is 8.5051 shares per \$1,000 principal amount of the notes (or an initial exchange price of approximately \$117.58 per share of Boston Properties, Inc.'s common stock). In addition, the Company entered into capped call transactions with affiliates of certain of the initial purchasers, which are intended to reduce the potential dilution upon future exchange of the notes. The capped call transactions are expected to have the effect of increasing the effective exchange price to the Company of the notes from \$117.58 to approximately \$137.17 per share (subject to adjustments), representing an overall effective premium of approximately 40% over the closing price on August 13, 2008 of \$97.98 per share of Boston Properties, Inc.'s common stock. The net cost of the capped call transactions was approximately \$44.4 million. As of March 31, 2012, the exchange price was \$135.14 per share.
- (3) Values based on March 31, 2012 closing price of \$104.99 per share of common stock.
- (4) Includes 82 shares of restricted stock.
- (5) Includes 1,691 long-term incentive plan units, but excludes 800 unvested outperformance plan units.
- (6) Excludes the Company's share (\$281,177) of partner loans made to unconsolidated joint ventures.
- (7) For disclosures relating to our definition of Total Combined Debt, see page 50.
- (8) For disclosures relating to our definition of Total Combined Market Capitalization, see page 50.

**Boston Properties, Inc.**

**First Quarter 2012**

**DEBT ANALYSIS (1)**

**Debt Maturities and Principal Payments**

**as of March 31, 2012  
(in thousands)**

	2012	2013	2014	2015	2016	Thereafter	Total
<b>Floating Rate Debt</b>							
Mortgage Notes Payable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unsecured Line of Credit	—	—	—	—	—	—	—
Total Floating Debt	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Fixed Rate Debt</b>							
Mortgage Notes Payable	\$ 75,638	\$ 103,209	\$ 87,757	\$ 26,182	\$ 397,629	\$ 2,235,710	\$ 2,926,125
Fair Value Adjustment	3,657	4,271	3,962	4,157	4,226	362	20,635
Mortgage Notes Payable	79,295	107,480	91,719	30,339	401,855	2,236,072	2,946,760
Unsecured Exchangeable Senior Notes, net of discount	—	450,000(2)	744,780	—	—	—	1,194,780
ASC 470-20 (formerly known as FSP APB 14-1) Adjustment	(20,793)	(23,052)	(2,438)	—	—	—	(46,283)
Unsecured Exchangeable Senior Notes	(20,793)	426,948	742,342	—	—	—	1,148,497
Unsecured Senior Notes, net of discount	—	224,929	—	549,360	—	3,091,080	3,865,369
Total Fixed Debt	\$ 58,502	\$ 759,357	\$ 834,061	\$ 579,699	\$ 401,855	\$ 5,327,152	\$ 7,960,626
Total Consolidated Debt	\$ 58,502	\$ 759,357	\$ 834,061	\$ 579,699	\$ 401,855	\$ 5,327,152	\$ 7,960,626
GAAP Weighted Average Floating Rate Debt	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
GAAP Weighted Average Fixed Rate Debt	5.51%	6.08%	6.46%	5.48%	6.84%	5.00%	5.38%
Total GAAP Weighted Average Rate	5.51%	6.08%	6.46%	5.48%	6.84%	5.00%	5.38%
Total Stated Weighted Average Rate	7.61%	4.94%	4.03%	5.40%	6.83%	5.02%	5.05%

**Unsecured Debt**

**Unsecured Line of Credit - Matures June 24, 2014**

**(in thousands)**

Facility	Outstanding at 3/31/2012	Letters of Credit	Remaining Capacity at 3/31/2012
\$ 750,000	\$ —	\$ 13,929	\$ 736,071

**Unsecured and Secured Debt Analysis**

	% of Total Debt	Stated Weighted Average Rate	GAAP Weighted Average Rate	Weighted Average Maturity
Unsecured Debt	62.98%	4.69%	5.34%	5.7 years
Secured Debt	37.02%	5.67%	5.46%	5.9 years
Total Consolidated Debt	100.00%	5.05%	5.38%	5.8 years

**Floating and Fixed Rate Debt Analysis**

	% of Total Debt	Stated Weighted Average Rate	GAAP Weighted Average Rate	Weighted Average Maturity
Floating Rate Debt	0.00%	0.00%	0.00%	— years
Fixed Rate Debt	100.00%	5.05%	5.38%	5.8 years
Total Consolidated Debt	100.00%	5.05%	5.38%	5.8 years

- Excludes unconsolidated joint ventures. The GAAP interest rate differs from the stated interest rate due to the inclusion of the amortization of financing charges, effects of hedging transactions, adjustments required to reflect loans at their fair values upon acquisition and the adjustments required to reflect the nonconvertible debt borrowing rate on the unsecured exchangeable senior notes in accordance with ASC 470-20 (formerly known as FSP APB 14-1).
- Represents aggregate principal amount of our outstanding 3.75% exchangeable senior notes due 2036. Amount is included in the year in which the first optional redemption date occurs.

**Boston Properties, Inc.**

**First Quarter 2012**

**DEBT MATURITIES AND PRINCIPAL PAYMENTS (1)**

*as of March 31, 2012*

*(in thousands)*

<b>Property</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Thereafter</b>	<b>Total</b>
599 Lexington Avenue	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 750,000	\$ 750,000
601 Lexington Avenue	—	2,747	11,321	11,870	12,447	686,615	725,000
John Hancock Tower and Garage	—	—	—	—	—	640,500	640,500(2)
Embarcadero Center Four	3,649	5,131	5,452	5,794	348,886	—	368,912
505 9th Street	1,646	2,306	2,441	2,585	2,737	113,596	125,311
One Freedom Square	65,113	—	—	—	—	—	65,113(2)(3)
New Dominion Technology Park, Building Two	—	—	63,000	—	—	—	63,000
140 Kendrick Street	864	47,889	—	—	—	—	48,753(2)
New Dominion Technology Park, Building One	1,011	2,140	2,304	2,481	2,672	35,822	46,430
Kingstowne Two and Retail	1,232	1,730	1,837	1,950	29,277	—	36,026(2)
Summer Square	705	22,896	—	—	—	—	23,601
Kingstowne One	494	17,062	—	—	—	—	17,556(2)
University Place	924	1,308	1,402	1,502	1,610	9,177	15,923
	<u>75,638</u>	<u>103,209</u>	<u>87,757</u>	<u>26,182</u>	<u>397,629</u>	<u>2,235,710</u>	<u>2,926,125</u>
Aggregate Fair Value Adjustments	3,657	4,271	3,962	4,157	4,226	362	20,635
	<u>79,295</u>	<u>107,480</u>	<u>91,719</u>	<u>30,339</u>	<u>401,855</u>	<u>2,236,072</u>	<u>2,946,760</u>
Unsecured Exchangeable Senior Notes, net of discount	—	450,000(4)	744,780	—	—	—	1,194,780
ASC 470-20 (formerly known as FSP APB 14-1)							
Adjustment	(20,793)	(23,052)	(2,438)	—	—	—	(46,283)
	<u>(20,793)</u>	<u>426,948</u>	<u>742,342</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,148,497</u>
Unsecured Senior Notes, net of discount	—	224,929	—	549,360	—	3,091,080	3,865,369
Unsecured Line of Credit	—	—	—	—	—	—	— (5)
	<u>\$ 58,502</u>	<u>\$ 759,357</u>	<u>\$ 834,061</u>	<u>\$ 579,699</u>	<u>\$ 401,855</u>	<u>\$ 5,327,152</u>	<u>\$ 7,960,626</u>
<b>% of Total Consolidated Debt</b>	<b>0.73%</b>	<b>9.54%</b>	<b>10.48%</b>	<b>7.28%</b>	<b>5.05%</b>	<b>66.92%</b>	<b>100.00%</b>
Balloon Payments	64,706	\$ 761,181	\$ 807,780	\$ 549,360	\$ 372,532	\$ 5,226,326	\$ 7,781,885
Scheduled Amortization	\$ 14,589	\$ 21,228	\$ 28,719	\$ 30,339	\$ 29,323	\$ 100,826	\$ 225,024

(1) Excludes unconsolidated joint ventures. For information on our unconsolidated joint venture debt, see page 16.

(2) This property has a fair value adjustment which is aggregated below.

(3) This mortgage loan was repaid on April 2, 2012.

(4) Represents aggregate principal amount of our outstanding 3.75% exchangeable senior notes due 2036. Amount is included in the year in which the first optional redemption date occurs.

(5) The Unsecured Line of Credit matures on June 24, 2014 and has an option for a one-year extension, subject to certain conditions.

**Boston Properties, Inc.**  
**First Quarter 2012**

**Senior Unsecured Debt Covenant Compliance Ratios**

(in thousands)

In the fourth quarter of 2002, the Company's operating partnership (Boston Properties Limited Partnership) received investment grade ratings on its senior unsecured debt securities and thereafter issued unsecured notes. The notes were issued under an indenture, dated as of December 13, 2002, by and between Boston Properties Limited Partnership and The Bank of New York Mellon Trust Company, N.A., as trustee, as supplemented, which, among other things, requires us to comply with the following limitations on incurrence of debt: Limitation on Outstanding Debt; Limitation on Secured Debt; Ratio of Annualized Consolidated EBITDA to Annualized Interest Expense; and Maintenance of Unencumbered Assets. Compliance with these restrictive covenants requires us to apply specialized terms the meanings of which are described in detail in our filings with the SEC, and to calculate ratios in the manner prescribed by the indenture.

This section presents such ratios as of March 31, 2012 to show that the Company's Operating Partnership was in compliance with the terms of the indenture, as amended, which has been filed with the SEC. This section also presents certain other indenture-related data which we believe assists investors in the Company's unsecured debt securities. Management is not presenting these ratios and the related calculations for any other purpose or for any other period, and is not intending for these measures to otherwise provide information to investors about the Company's financial condition or results of operations. Investors should not rely on these measures other than for purposes of testing our compliance with the indenture.

	Senior Notes Issued Prior to October 9, 2009	Senior Notes Issued On or After October 9, 2009
	March 31, 2012	
<b>Total Assets:</b>		
Capitalized Property Value (1)	\$ 18,148,196	\$ 18,557,569
Cash and Cash Equivalents	591,196	591,196
Investments in Marketable Securities	11,193	11,193
Undeveloped Land, at Cost (including Joint Venture %)	283,930	283,930
Development in Process, at Cost (including Joint Venture %)	1,259,336	1,259,336
<b>Total Assets</b>	<b>\$ 20,293,851</b>	<b>\$ 20,703,224</b>
<b>Unencumbered Assets</b>	<b>\$ 13,181,908</b>	<b>\$ 13,441,713</b>
Secured Debt (Fixed and Variable)(2)	\$ 2,926,125	\$ 2,926,125
Joint Venture Debt	1,436,587	1,436,587
Contingent Liabilities & Letters of Credit	16,303	16,303
Unsecured Debt (3)	5,072,500	5,072,500
<b>Total Outstanding Debt</b>	<b>\$ 9,451,515</b>	<b>\$ 9,451,515</b>
<b>Consolidated EBITDA:</b>		
Income from Continuing Operations (per Consolidated Income Statement)	\$ 56,359	\$ 56,359
Subtract: Income from unconsolidated joint ventures (per Consolidated Income Statement)	(11,721)	(11,721)
Subtract: Gains from Investments in Securities (per Consolidated Income Statement)	(801)	(801)
Subtract: Gains from early extinguishment of debt (per Consolidated Income Statement)	(767)	(767)
Add: Interest Expense (per Consolidated Income Statement)	103,237	103,237
Add: Depreciation and Amortization (per Consolidated Income Statement)	109,673	109,673
<b>EBITDA</b>	<b>255,980</b>	<b>255,980</b>
Add: Company share of unconsolidated joint venture EBITDA	55,883	55,883
<b>Consolidated EBITDA</b>	<b>\$ 311,863</b>	<b>\$ 311,863</b>
<b>Adjusted Interest Expense:</b>		
Interest Expense (per Consolidated Income Statement)	\$ 103,237	\$ 103,237
Add: Company share of unconsolidated joint venture interest expense	21,953	21,953
Less: Amortization of financing costs	(2,088)	(2,088)
Less: Interest expense funded by construction loan draws	—	—
<b>Adjusted Interest Expense</b>	<b>\$ 123,102</b>	<b>\$ 123,102</b>

**Covenant Ratios and Related Data**

	Test	Actual	Actual
Total Outstanding Debt/Total Assets	Less than 60%	46.6%	45.7%
Secured Debt/Total Assets	Less than 50%	21.5%	21.1%
Interest Coverage (Annualized Consolidated EBITDA to Annualized Interest Expense)	Greater than 1.50x	2.53	2.53
Unencumbered Assets/ Unsecured Debt	Greater than 150%	259.9%	265.0%
<b>Unencumbered Consolidated EBITDA</b>		<b>\$205,346</b>	<b>\$205,346</b>
Unencumbered Interest Coverage (Unencumbered Consolidated EBITDA to Unsecured Interest Expense)		2.89	2.89
<b>% of Unencumbered Consolidated EBITDA to Consolidated EBITDA</b>		<b>65.8%</b>	<b>65.8%</b>
<b># of unencumbered properties</b>		<b>122</b>	<b>122</b>

- (1) For senior notes issued prior to October 9, 2009, Capitalized Property Value is determined for each property and is the greater of (A) annualized EBITDA capitalized at an 8.5% rate for CBD properties and a 9.0% rate for non-CBD properties, and (B) the undepreciated book value as determined under GAAP. Capitalized Property Value for senior notes issued on or after October 9, 2009 is determined for each property and is the greater of (A) annualized EBITDA capitalized at an 8.0% rate for CBD properties and a 9.0% rate for non-CBD properties, and (B) the undepreciated book value as determined under GAAP.
- (2) Excludes aggregate fair value adjustment of \$20,635.
- (3) Excludes aggregate debt discount of \$12,351 and ASC 470-20 (formerly known as FSP APB 14-1) adjustment of \$46,283.

## UNCONSOLIDATED JOINT VENTURE DEBT ANALYSIS (\*)

## Debt Maturities and Principal Payments by Property

(in thousands)

Property	2012	2013	2014	2015	2016	Thereafter	Total
General Motors Building (60%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 963,600	\$ 963,600(1)(2)
125 West 55th Street (60%)	1,254	1,763	1,874	1,991	2,116	112,245	121,243
Metropolitan Square (51%)	—	662	1,187	1,257	1,332	84,812	89,250
540 Madison Avenue (60%)	180	70,920	—	—	—	—	71,100(2)
Market Square North (50%)	—	161	993	1,042	1,094	61,710	65,000
901 New York Avenue (25%)	560	782	823	37,590	—	—	39,755
Annapolis Junction - Lot 4 (50%)	210	279	279	279	279	19,799	21,125(3)
500 North Capitol (30%)	—	—	14,828	—	—	—	14,828(4)
Annapolis Junction - Lot 6 (50%)	—	4,856	—	—	—	—	4,856(4)
	<u>2,204</u>	<u>79,423</u>	<u>19,984</u>	<u>42,159</u>	<u>4,821</u>	<u>1,242,166</u>	<u>1,390,757</u>
Aggregate Fair Value Adjustments	5,372	7,186	7,087	7,612	8,177	6,529	41,962
	<u>\$7,576</u>	<u>\$86,609</u>	<u>\$27,071</u>	<u>\$49,771</u>	<u>\$12,998</u>	<u>\$1,248,695</u>	<u>\$1,432,719</u>
GAAP Weighted Average Rate	5.57%	6.15%	3.33%	5.29%	5.55%	6.39%	6.29%
% of Total Debt	0.53%	6.05%	1.89%	3.47%	0.91%	87.16%	100.00%

## Floating and Fixed Rate Debt Analysis

	% of Total Debt	Stated Weighted Average Rate (1)	GAAP Weighted Average Rate	Weighted Average Maturity
Floating Rate Debt	2.93%	1.96%	2.37%	4.2 years
Fixed Rate Debt	97.07%	5.85%	6.41%	5.7 years
Total Debt	<u>100.00%</u>	<u>5.73%</u>	<u>6.29%</u>	<u>5.7 years</u>

(\*) All amounts represent the Company's share. Amounts exclude the Value-Added Fund. See page 18 for additional information on debt pertaining to the Value-Added Fund.

(1) Excludes the Company's share (\$270 million) of the aggregate of \$450 million of loans made to the joint venture by its partners.

(2) These properties have a fair value adjustment which are aggregated below.

(3) Loan has one, three-year extension option, subject to certain conditions.

(4) Loan has two, one-year extension options, subject to certain conditions.



**Boston Properties, Inc.**  
**First Quarter 2012**

**UNCONSOLIDATED JOINT VENTURES**

**Balance Sheet Information**

*(unaudited and in thousands)  
as of March 31, 2012*

	General Motors Building	125 West 55th Street	Two Grand Central Tower (1)	540 Madison Avenue	Market Square North	Metropolitan Square	901 New York Avenue	Wisconsin Place (2)	Annapolis Junction (3)	Eighth Avenue and 46th Street (4)	500 North Capitol Street (4)	Value- Added Fund (5)(6)	Total Unconsolidated Joint Ventures	
Investment (7)	\$654,035(8)	\$115,869	\$ 3,366	\$ 69,423	\$ (11,957)	\$ 11,101	\$ (1,538)	\$ 50,657	\$ 17,022	\$10,335	\$ 1,681	\$ 919,994	\$ 28,560	\$ 948,554
Note Receivable													11,177	
	270,000(8)	—	—	—	—	—	—	—	—	—	—	270,000	(9)	281,177
Net Equity (7)	<u>\$384,035</u>	<u>\$115,869</u>	<u>\$ 3,366</u>	<u>\$ 69,423</u>	<u>\$ (11,957)</u>	<u>\$ 11,101</u>	<u>\$ (1,538)</u>	<u>\$ 50,657</u>	<u>\$ 17,022</u>	<u>\$10,335</u>	<u>\$ 1,681</u>	<u>\$ 649,994</u>	<u>\$17,383</u>	<u>\$ 667,377</u>
Mortgage/Construction loans payable (7) (10)	<u>\$963,600</u>	<u>\$121,243</u>	<u>\$ —</u>	<u>\$ 71,100</u>	<u>\$ 65,000</u>	<u>\$ 89,250</u>	<u>\$39,755</u>	<u>\$ —</u>	<u>\$ 25,981</u>	<u>\$ —</u>	<u>\$14,828</u>	<u>\$1,390,757</u>	<u>\$45,830</u>	<u>\$ 1,436,587</u>
BXP's nominal ownership percentage	<u>60.00%</u>	<u>60.00%</u>	<u>60.00%</u>	<u>60.00%</u>	<u>50.00%</u>	<u>51.00%</u>	<u>25.00%</u>	<u>33.33%</u>	<u>50.00%</u>	<u>50.00%</u>	<u>30.00%</u>		<u>37.62%</u>	

**Results of Operations**

*(unaudited and in thousands)  
for the three months ended March 31, 2012*

	General Motors Building	125 West 55th Street	Two Grand Central Tower (1)	540 Madison Avenue	Market Square North	Metropolitan Square	901 New York Avenue	Wisconsin Place (2)	Annapolis Junction (3)	Eighth Avenue and 46th Street (4)	500 North Capitol Street (4)	Value- Added Fund (5)(6)	Total Unconsolidated Joint Ventures	
<b>REVENUE</b>														
Rental	\$ 59,357	\$ 9,796	\$ 6	\$ 7,027	\$ 5,514	\$ 8,756	\$ 8,696	\$ 1,078	\$ 4,228	\$ —	\$ (6)	\$104,452	\$ 4,481	\$ 108,933
Straight-line rent	2,213	1,615	—	27	81	39	(159)	—	(11)	—	—	3,805	511	4,316
Fair value lease revenue	22,487	969	—	1,639	—	—	—	—	—	—	—	25,095	204	25,299
Termination Income	—	177	—	375	—	—	—	—	—	—	—	552	—	552
Total revenue	<u>84,057</u>	<u>12,557</u>	<u>6</u>	<u>9,068</u>	<u>5,595</u>	<u>8,795</u>	<u>8,537</u>	<u>1,078</u>	<u>4,217</u>	<u>—</u>	<u>(6)</u>	<u>133,904</u>	<u>5,196</u>	<u>139,100</u>
<b>EXPENSES</b>														
Operating	20,532	3,469	(1)	2,846	2,302	3,202	2,944	703	1,298	61	—	37,356	1,536	38,892
<b>NET OPERATING INCOME</b>	<u>63,525</u>	<u>9,088</u>	<u>7</u>	<u>6,222</u>	<u>3,293</u>	<u>5,593</u>	<u>5,593</u>	<u>375</u>	<u>2,919</u>	<u>(61)</u>	<u>(6)</u>	<u>96,548</u>	<u>3,660</u>	<u>100,208</u>
Interest	26,337	3,113	—	1,928	1,597	2,541	2,092	—	191	—	—	37,799	1,089	38,888
Interest other - partner loans	16,474	—	—	—	—	—	—	—	—	—	—	16,474	—	16,474
Depreciation and amortization	26,621	4,180	—	2,646	805	1,858	1,383	1,375	1,179	—	—	40,047	1,852	41,899
<b>SUBTOTAL</b>	<u>69,432</u>	<u>7,293</u>	<u>—</u>	<u>4,574</u>	<u>2,402</u>	<u>4,399</u>	<u>3,475</u>	<u>1,375</u>	<u>1,370</u>	<u>—</u>	<u>—</u>	<u>94,320</u>	<u>2,941</u>	<u>97,261</u>
Loss on sale of real estate	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>NET INCOME/(LOSS)</b>	<u>\$ (5,907)</u>	<u>\$ 1,795</u>	<u>\$ 7</u>	<u>\$ 1,648</u>	<u>\$ 891</u>	<u>\$ 1,194</u>	<u>\$ 2,118</u>	<u>\$ (1,000)</u>	<u>\$ 1,549</u>	<u>\$ (61)</u>	<u>\$ (6)</u>	<u>\$ 2,228</u>	<u>\$ 719</u>	<u>\$ 2,947</u>
BXP's share of net income/(loss)	\$ (3,544)	\$ 1,077	\$ 4	\$ 989	\$ 446	\$ 609	\$ 1,130(11)	\$ (335)	\$ 730(11)	\$ (30)	\$ (2)	\$ 1,073	\$ 282(6)(12)	\$ 1,355
Basis differential (11)	—	295	—	96	—	—	—	—	—	—	—	391	91(6)	481
Gain on sale of investment	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Elimination of inter-entity interest on partner loan	9,884	—	—	—	—	—	—	—	—	—	—	9,884	—	9,884
Income/(loss) from unconsolidated joint ventures	\$ 6,340	\$ 1,372	\$ 4	\$ 1,085	\$ 446	\$ 609	\$ 1,130	\$ (335)	\$ 730	\$ (30)	\$ (2)	\$ 11,348	\$ 373(6)	\$ 11,721
Gain on sale of investment	—	—	—	—	—	—	—	—	—	—	—	—	—	—
BXP's share of depreciation & amortization	15,972	2,124	—	1,320	403	947	703(11)	460	590(11)	—	—	22,519	602(6)(11)	23,121
BXP's share of Funds from Operations (FFO)	<u>\$ 22,312</u>	<u>\$ 3,496</u>	<u>\$ 4</u>	<u>\$ 2,405</u>	<u>\$ 849</u>	<u>\$ 1,556</u>	<u>\$ 1,833</u>	<u>\$ 125</u>	<u>\$ 1,320</u>	<u>\$ (30)</u>	<u>\$ (2)</u>	<u>\$ 33,867</u>	<u>\$ 975(6)</u>	<u>\$ 34,842</u>
BXP's share of net operating income/(loss)	<u>\$ 38,115</u>	<u>\$ 5,364</u>	<u>\$ 4</u>	<u>\$ 3,562</u>	<u>\$ 1,647</u>	<u>\$ 2,852</u>	<u>\$ 1,398</u>	<u>\$ 125</u>	<u>\$ 1,460</u>	<u>\$ (31)</u>	<u>\$ (2)</u>	<u>\$ 54,495</u>	<u>\$ 1,388(6)</u>	<u>\$ 55,883</u>

- (1) The property was sold on October 25, 2011. The joint venture's remaining investment in this entity consists of cash.
- (2) Represents the Company's interest in the joint venture entity that owns the land and infrastructure. The Company's entity that owns the office component of the project has been consolidated within the accounts of the Company.
- (3) Annapolis Junction includes one property in service, one property in development and two undeveloped land parcels.
- (4) Property is currently not in service (i.e., under construction or undeveloped land). 500 North Capitol Street was taken out of service for re-development on March 28, 2011.
- (5) For additional information on the Value-Added Fund, see page 18. Information presented includes costs which relate to the organization and operations of the Value-Added Fund. The investments held by the Value-Added Fund are not included in the Company's portfolio information tables or any other portfolio level statistics and therefore are presented on page 18.
- (6) Represents the Company's 25% interest in 300 Billerica Road, as well as a 39.5% interest in Mountain View Research Park and Mountain View Technology Park.
- (7) Represents the Company's share.
- (8) Includes the Company's share (\$270 million) of the aggregate of \$450 million of loans made to the joint venture by its partners.
- (9) Represents two loans from the Company to the Value-Added Fund. The loans from the Company bear interest at a fixed rate of 10.0% per annum and mature on May 31, 2014 and November 22, 2014.
- (10) Excludes fair value adjustments.
- (11) Reflects the changes in the allocation percentages pursuant to the achievement of specified investment return thresholds as provided for in the joint venture agreement.
- (12) Represents adjustment related to the impairment of the carrying values of certain of the Company's investments in unconsolidated joint ventures.

**Boston Properties, Inc.**  
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**Boston Properties Office Value-Added Fund, L.P.**

On October 25, 2004, the Company formed Boston Properties Office Value-Added Fund, L.P. (the "Value-Added Fund"), a strategic partnership with third parties, to pursue the acquisition of value-added investments in non-core office assets within the Company's existing markets. The Value-Added Fund had total equity commitments of \$140 million. The Company receives asset management, property management, leasing and redevelopment fees and, if certain return thresholds are achieved, will be entitled to an additional promoted interest.

On January 7, 2008, the Company transferred the Mountain View properties to its Value-Added Fund. In connection with the transfer of the Research Park and Technology Park properties to the Value-Added Fund, the Company and its partners agreed to certain modifications to the Value-Added Fund's original terms, including bifurcating the Value-Added Fund's promote structure such that Research Park and Technology Park will be accounted for separately from the non-Mountain View properties then owned by the Value-Added Fund (i.e. 300 Billerica Road). As a result of the modifications, the Company's interest in the Mountain View properties is approximately 39.5% and its interest in the non-Mountain View properties is 25%. The Company does not expect that the Value-Added Fund will make any future investments in new properties. The investments held by the Value-Added Fund are not included in the Company's portfolio information tables or any other portfolio level statistics and therefore are presented below.

**Property Information**

<u>Property Name</u>	<u>Number of Buildings</u>	<u>Square Feet</u>	<u>Leased %</u>	<u>Annualized Revenue per leased SF (1)</u>	<u>Mortgage Notes Payable (2)</u>
300 Billerica Road, Chelmsford, MA	1	110,882	100.0%	\$ 9.04	\$ 1,875(3)
Mountain View Research Park, Mountain View, CA	16	600,449	75.4%	30.66	36,051(4)
Mountain View Technology Park, Mountain View, CA	7	135,279	94.0%	23.09	7,904(5)
Total	24	846,610	81.6%	\$ 25.80	\$ 45,830

**Results of Operations**

*(unaudited and in thousands)  
for the three months ended March 31, 2012*

	<u>Value-Added Fund</u>
<b>REVENUE</b>	
Rental	\$ 4,481
Straight-line rent	511
Fair value lease revenue	204
Total revenue	5,196
<b>EXPENSES</b>	
Operating	1,536
<b>SUBTOTAL</b>	3,660
Interest	1,089
Depreciation and amortization	1,852
<b>SUBTOTAL</b>	2,941
<b>NET INCOME</b>	\$ 719
BXP's share of net income	\$ 282
Basis differential (6)	91
Income from Value-Added Fund	\$ 373
BXP's share of depreciation & amortization	602
BXP's share of Funds from Operations (FFO)	\$ 975
The Company's Equity in the Value-Added Fund	\$ 17,383

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Represents the Company's share.
- (3) The mortgage bears interest at a fixed rate of 5.69% per annum and matures on January 1, 2016.
- (4) The mortgage bears interest at a variable rate of LIBOR plus 2.00% and matures on May 31, 2014. In conjunction with the mortgage loan, the Company agreed to lend up to \$12.0 million to the Value-Added Fund, of which approximately \$7.6 million is outstanding through March 31, 2012. The loan from the Company bears interest at a fixed rate of 10.0% per annum and matures on May 31, 2014. The loan from the Company is included in the Company's investment in the Value-Added Fund. See page 17.
- (5) The mortgage bears interest at a variable rate of LIBOR plus 2.50% and matures on November 22, 2014. In conjunction with the mortgage loan modification, the Company agreed to lend up to \$6.0 million to the Value-Added Fund, of which approximately \$3.6 million is outstanding through March 31, 2012. The loan from the Company bears interest at a fixed rate of 10.0% per annum and matures on November 22, 2014. The loan from the Company is included in the Company's investment in the Value-Added Fund. See page 17.
- (6) Represents adjustment related to the impairment of the carrying values.

**Boston Properties, Inc.**  
**First Quarter 2012**

**PORTFOLIO OVERVIEW**

**Rentable Square Footage and Percentage of Portfolio Net Operating Income of In-Service Properties by Location and Type of Property for the Quarter Ended March 31, 2012 (1) (2)**

<u>Geographic Area</u>	<u>Square Feet Office (3)</u>	<u>% of NOI Office (4)</u>	<u>Square Feet Office/ Technical</u>	<u>% of NOI Office/ Technical (4)</u>	<u>Square Feet Total (3)</u>	<u>Square Feet % of Total</u>	<u>% of NOI Residential (4)</u>	<u>% of NOI Hotel (4)</u>	<u>% of NOI Total (4)</u>
Boston	13,245,427	25.3%	770,414	1.7%	14,015,841	35.3%	0.2%	0.2%	27.4%
New York	8,315,634(5)	38.5%	—	—	8,315,634(5)	20.9%	—	—	38.5%
Princeton	2,457,992	2.3%	—	—	2,457,992	6.2%	—	—	2.3%
San Francisco	5,122,263	9.8%	29,620	0.0%	5,151,883	13.0%	—	—	9.8%
Washington, DC	9,037,236(6)	20.7%	756,325	0.9%	9,793,561(6)	24.6%	0.4%	—	22.0%
	<u>38,178,552</u>	<u>96.6%</u>	<u>1,556,359</u>	<u>2.6%</u>	<u>39,734,911</u>	<u>100.0%</u>	<u>0.6%</u>	<u>0.2%</u>	<u>100.0%</u>
% of Total	96.1%		3.9%		100.0%				

**Percentage of Portfolio Net Operating Income of In-Service Properties by Location and Type of Property (2) (4)**

<u>Geographic Area</u>	<u>CBD</u>	<u>Suburban</u>	<u>Total</u>
Boston	21.1%	6.3%	27.4%
New York	38.5%	—	38.5%
Princeton	—	2.3%	2.3%
San Francisco	8.0%	1.8%	9.8%
Washington, DC	10.0%	12.0%	22.0%
Total	<u>77.6%</u>	<u>22.4%</u>	<u>100.0%</u>

**Structured Parking**

	<u>Number of Spaces</u>	<u>Square Feet</u>
Total Structured Parking	<u>44,703</u>	<u>15,154,232</u>

**Hotel Properties**

<u>Hotel Properties</u>	<u>Number of Rooms</u>	<u>Square Feet (7)</u>
Cambridge Center Marriott, Cambridge, MA	433	334,660
Total Hotel Properties	<u>433</u>	<u>334,660</u>

**Residential Properties**

<u>Residential Properties</u>	<u>Number of Units</u>	<u>Square Feet</u>
Residences on The Avenue, Washington, DC	335	323,295(8)
The Lofts at Atlantic Wharf, Boston, MA	86	86,584(9)
Total Residential Properties	<u>421</u>	<u>409,879</u>

- (1) For disclosures relating to our definition of In-Service Properties, see page 51.
- (2) Portfolio Net Operating Income is a non-GAAP financial measure. For a quantitative reconciliation of Portfolio NOI to net income available to common shareholders, see page 43. For disclosures relating to our use of Portfolio NOI see page 51.
- (3) Includes approximately 1,900,000 square feet of retail space.
- (4) The calculation for percentage of Portfolio Net Operating Income excludes termination income.
- (5) Includes 1,815,068 square feet at the General Motors Building, 582,966 square feet at 125 West 55th Street and 289,310 square feet at 540 Madison Avenue, each of which is 60% owned by the Company.
- (6) Includes 588,917 square feet at Metropolitan Square which is 51% owned by the Company, 408,965 square feet at Market Square North which is 50% owned by the Company, 539,229 square feet at 901 New York Avenue which is 25% owned by the Company, 321,943 square feet at 505 9th Street, N.W. which is 50% owned by the Company and 117,599 square feet at Annapolis Junction which is 50% owned by the Company.
- (7) Includes 4,260 square feet of retail space which is 100% occupied.
- (8) Includes 49,528 square feet of retail space which is 100% occupied.
- (9) Includes 8,994 square feet of retail space which is 61% occupied.

**Boston Properties, Inc.**  
**First Quarter 2012**

**In-Service Property Listing**

**as of March 31, 2012**

						Annualized Revenue Per Leased SF (1)	Encumbered with secured debt (Y/N)	Central Business District (CBD) or Suburban (S)
	Sub Market	Number of Buildings	Square Feet	Leased %				
<b>Boston</b>								
Office								
	John Hancock Tower	CBD Boston MA	1	1,721,601	97.4%	\$ 52.02	Y	CBD
(2)	100 Federal Street	CBD Boston MA	1	1,264,421	93.7%	46.49	N	CBD
	800 Boylston Street - The Prudential Center	CBD Boston MA	1	1,228,651	98.0%	49.54	N	CBD
	111 Huntington Avenue - The Prudential Center	CBD Boston MA	1	857,975	99.1%	56.67	N	CBD
(2)	Atlantic Wharf Office	CBD Boston MA	1	797,877	88.8%	57.30	N	CBD
	101 Huntington Avenue - The Prudential Center	CBD Boston MA	1	505,389	100.0%	41.00	N	CBD
	The Shops at the Prudential Center	CBD Boston MA	1	504,021	98.3%	71.61	N	CBD
	Shaws Supermarket at the Prudential Center	CBD Boston MA	1	57,235	100.0%	49.57	N	CBD
	One Cambridge Center	East Cambridge MA	1	215,819	73.1%	45.79	N	CBD
	Three Cambridge Center	East Cambridge MA	1	109,358	100.0%	34.33	N	CBD
	Four Cambridge Center	East Cambridge MA	1	199,131	57.5%	43.12	N	CBD
	Five Cambridge Center	East Cambridge MA	1	240,480	100.0%	48.98	N	CBD
	Eight Cambridge Center	East Cambridge MA	1	177,226	100.0%	41.38	N	CBD
	Ten Cambridge Center	East Cambridge MA	1	152,664	100.0%	44.40	N	CBD
	Eleven Cambridge Center	East Cambridge MA	1	79,616	86.3%	54.07	N	CBD
	University Place	Mid-Cambridge MA	1	195,282	100.0%	40.38	Y	CBD
(2)	Bay Colony Corporate Center	Route 128 Mass Turnpike MA	4	985,334	61.6%	32.11	N	S
	Reservoir Place	Route 128 Mass Turnpike MA	1	526,080	77.6%	32.62	N	S
	Reservoir Place North	Route 128 Mass Turnpike MA	1	73,258	100.0%	28.59	N	S
	140 Kendrick Street	Route 128 Mass Turnpike MA	3	380,987	100.0%	30.42	Y	S
	230 CityPoint	Route 128 Mass Turnpike MA	1	301,373	96.3%	34.60	N	S
	77 CityPoint	Route 128 Mass Turnpike MA	1	209,707	100.0%	42.77	N	S
	195 West Street	Route 128 Mass Turnpike MA	1	63,500	100.0%	37.76	N	S
	200 West Street	Route 128 Mass Turnpike MA	1	256,245	78.7%	35.25	N	S
	Weston Corporate Center	Route 128 Mass Turnpike MA	1	356,995	100.0%	46.85	N	S
	Waltham Weston Corporate Center	Route 128 Mass Turnpike MA	1	306,687	75.5%	31.21	N	S
	10 & 20 Burlington Mall Road	Route 128 Northwest MA	2	152,097	83.9%	24.98	N	S
	Bedford Business Park	Route 128 Northwest MA	1	92,207	100.0%	28.41	N	S
	32 Hartwell Avenue	Route 128 Northwest MA	1	69,154	100.0%	26.18	N	S
	91 Hartwell Avenue	Route 128 Northwest MA	1	121,425	60.4%	26.78	N	S
	92 Hayden Avenue	Route 128 Northwest MA	1	31,100	100.0%	36.06	N	S
	100 Hayden Avenue	Route 128 Northwest MA	1	55,924	100.0%	35.90	N	S
	33 Hayden Avenue	Route 128 Northwest MA	1	80,128	43.7%	37.25	N	S
	Lexington Office Park	Route 128 Northwest MA	2	166,745	82.2%	27.61	N	S
	191 Spring Street	Route 128 Northwest MA	1	158,900	100.0%	32.12	N	S
	181 Spring Street	Route 128 Northwest MA	1	55,792	100.0%	30.59	N	S
	201 Spring Street	Route 128 Northwest MA	1	106,300	100.0%	33.84	N	S
	40 Shattuck Road	Route 128 Northwest MA	1	121,216	72.8%	21.28	N	S
	Quorum Office Park	Route 128 Northwest MA	2	267,527	82.5%	16.39	N	S
			<u>47</u>	<u>13,245,427</u>	<u>90.4%</u>	<u>\$ 44.72</u>		
Office/Technical								
	Seven Cambridge Center	East Cambridge MA	1	231,028	100.0%	\$ 86.83	N	CBD

Fourteen Cambridge Center	East Cambridge MA	1	67,362	100.0%	24.78	N	CBD
Bedford Business Park	Route 128 Northwest MA	2	377,884	87.3%	21.04	N	S
17 Hartwell Avenue	Route 128 Northwest MA	1	30,000	100.0%	15.25	N	S
164 Lexington Road	Route 128 Northwest MA	1	64,140	0.0%	—	N	S
		<u>6</u>	<u>770,414</u>	<u>85.4%</u>	<u>\$ 44.25</u>		
<b>Total Boston:</b>		<u>53</u>	<u>14,015,841</u>	<u>90.1%</u>	<u>\$ 44.70</u>		

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.  
(2) Not included in Same Property analysis.

**Boston Properties, Inc.**

**First Quarter 2012**

**In-Service Property Listing (continued)**

**as of March 31, 2012**

	<u>Sub Market</u>	<u>Number of Buildings</u>	<u>Square Feet</u>	<u>Leased %</u>	<u>Annualized Revenue Per Leased SF (1)</u>	<u>Encumbered with secured debt (Y/N)</u>	<u>Central Business District (CBD) or Suburban (S)</u>
<b>New York</b>							
Office							
599 Lexington Avenue	Park Avenue NY	1	1,045,128	97.4%	\$ 81.29	Y	CBD
601 Lexington Avenue	Park Avenue NY	1	1,629,868	98.0%	86.41	Y	CBD
399 Park Avenue	Park Avenue NY	1	1,707,476	98.9%	81.58	N	CBD
Times Square Tower	Times Square NY	1	1,245,818	98.7%	72.90	N	CBD
General Motors Building (60% ownership)	Plaza District NY	1	1,815,068	96.6%	127.24	Y	CBD
540 Madison Avenue (60% ownership)	Fifth/Madison Avenue NY	1	289,310	95.7%	101.07	Y	CBD
125 West 55th Street (60% ownership)	Sixth/Rock Center NY	1	582,966	96.1%	68.94	Y	CBD
Total New York		<u>7</u>	<u>8,315,634</u>	<u>97.7%</u>	<u>\$ 90.85</u>		
<b>Princeton</b>							
Office							
101 Carnegie Center	Princeton NJ	1	123,659	87.7%	\$ 29.68	N	S
104 Carnegie Center	Princeton NJ	1	102,886	85.0%	32.37	N	S
105 Carnegie Center	Princeton NJ	1	69,955	55.3%	28.33	N	S
201 Carnegie Center	Princeton NJ	—	6,500	100.0%	31.03	N	S
202 Carnegie Center	Princeton NJ	1	130,582	93.4%	34.20	N	S
206 Carnegie Center	Princeton NJ	1	161,763	100.0%	34.16	N	S
210 Carnegie Center	Princeton NJ	1	162,372	94.4%	37.87	N	S
211 Carnegie Center	Princeton NJ	1	47,025	100.0%	32.51	N	S
212 Carnegie Center	Princeton NJ	1	150,395	56.7%	35.12	N	S
214 Carnegie Center	Princeton NJ	1	150,774	62.5%	31.17	N	S
302 Carnegie Center	Princeton NJ	1	64,926	65.1%	31.64	N	S
502 Carnegie Center	Princeton NJ	1	122,460	80.6%	35.13	N	S
504 Carnegie Center	Princeton NJ	1	121,990	100.0%	30.77	N	S
506 Carnegie Center	Princeton NJ	1	145,213	74.8%	31.88	N	S
508 Carnegie Center	Princeton NJ	1	128,684	23.7%	32.34	N	S
510 Carnegie Center	Princeton NJ	1	234,160	100.0%	30.23	N	S
701 Carnegie Center	Princeton NJ	1	120,000	100.0%	36.54	N	S
		<u>16</u>	<u>2,043,344</u>	<u>81.3%</u>	<u>\$ 32.98</u>		
One Tower Center	East Brunswick NJ	1	414,648	47.2%	\$ 31.12	N	S
		<u>1</u>	<u>414,648</u>	<u>47.2%</u>	<u>\$ 31.12</u>		
Total Princeton:		<u>17</u>	<u>2,457,992</u>	<u>75.5%</u>	<u>\$ 32.79</u>		
<b>San Francisco</b>							
Office							
Embarcadero Center One	CBD San Francisco CA	1	833,723	93.8%	\$ 46.02	N	CBD
Embarcadero Center Two	CBD San Francisco CA	1	779,768	98.3%	51.51	N	CBD
Embarcadero Center Three	CBD San Francisco CA	1	775,086	98.7%	43.66	N	CBD
Embarcadero Center Four	CBD San Francisco CA	1	936,721	80.4%	54.21	Y	CBD
		<u>4</u>	<u>3,325,298</u>	<u>92.2%</u>	<u>\$ 48.78</u>		
611 Gateway	South San Francisco CA	1	257,664	81.0%	\$ 33.99	N	S
601 and 651 Gateway	South San Francisco CA	2	506,224	95.8%	33.95	N	S
303 Almaden	San Jose CA	1	158,499	91.5%	36.86	N	CBD
(2) North First Business Park	San Jose CA	5	190,636	75.8%	14.72	N	S
3200 Zanker Road	San Jose CA	4	543,900	49.9%	14.70	N	S
(3) 2440 West El Camino Real	Mountain View CA	1	140,042	100.0%	45.71	N	S
		<u>14</u>	<u>1,796,965</u>	<u>77.6%</u>	<u>\$ 29.70</u>		
Office/Technical							
(3) 453 Ravendale Avenue	Mountain View CA	1	29,620	100.0%	\$ 16.95	N	S
		<u>1</u>	<u>29,620</u>	<u>100.0%</u>	<u>\$ 16.95</u>		
Total San Francisco:		<u>19</u>	<u>5,151,883</u>	<u>87.2%</u>	<u>\$ 42.62</u>		

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.  
(2) Property held for redevelopment.  
(3) Not included in Same Property analysis.

**Boston Properties, Inc.**  
**First Quarter 2012**

**In-Service Property Listing (continued)**

**as of March 31, 2012**

	<u>Sub Market</u>	<u>Number of Buildings</u>	<u>Square Feet</u>	<u>Leased %</u>	<u>Annualized Revenue Per Leased SF (1)</u>	<u>Encumbered with secured debt (Y/N)</u>	<u>Central Business District (CBD) or Suburban (S)</u>
<b>Washington, DC</b>							
<b>Office</b>							
Capital Gallery	Southwest Washington DC	1	627,985	96.6%	\$ 51.24	N	CBD
500 E Street, S. W.	Southwest Washington DC	1	248,336	100.0%	44.77	N	CBD
Metropolitan Square (51% ownership)	East End Washington DC	1	588,917	99.8%	53.62	Y	CBD
1301 New York Avenue	East End Washington DC	1	188,357	100.0%	46.70	N	CBD
Market Square North (50% ownership)	East End Washington DC	1	408,965	83.9%	59.48	Y	CBD
505 9th Street, N.W. (50% ownership)	East End Washington DC	1	321,943	100.0%	66.54	Y	CBD
901 New York Avenue (25% ownership)	East End Washington DC	1	539,229	99.8%	61.66	Y	CBD
(2) 601 Massachusetts Avenue (formerly 635 Massachusetts Avenue)	East End Washington DC	1	211,000	100.0%	28.31	N	CBD
(3) 2200 Pennsylvania Avenue	CBD Washington DC	1	458,831	94.5%	69.54	N	CBD
1333 New Hampshire Avenue	CBD Washington DC	1	315,371	98.5%	50.35	N	CBD
1330 Connecticut Avenue	CBD Washington DC	1	252,136	100.0%	58.13	N	CBD
Sumner Square	CBD Washington DC	1	208,892	100.0%	45.77	Y	CBD
Annapolis Junction (50% ownership)	Anne Arundel County MD	1	117,599	100.0%	143.98	Y	S
One Preserve Parkway	Montgomery County MD	1	183,734	83.9%	35.92	N	S
2600 Tower Oaks Boulevard	Montgomery County MD	1	178,865	66.5%	36.06	N	S
Wisconsin Place Office	Montgomery County MD	1	299,186	99.0%	48.93	N	S
Democracy Tower	Fairfax County VA	1	235,436	100.0%	50.93	N	S
Kingstowne One	Fairfax County VA	1	151,195	83.5%	37.74	Y	S
Kingstowne Two	Fairfax County VA	1	156,251	98.2%	39.41	Y	S
Kingstowne Retail	Fairfax County VA	1	88,288	100.0%	33.05	Y	S
One Freedom Square	Fairfax County VA	1	430,793	87.6%	42.99	Y	S
Two Freedom Square	Fairfax County VA	1	421,142	96.7%	44.07	N	S
One Reston Overlook	Fairfax County VA	1	319,439	99.1%	33.23	N	S
Two Reston Overlook	Fairfax County VA	1	134,615	100.0%	31.52	N	S
One and Two Discovery Square	Fairfax County VA	2	366,990	100.0%	40.59	N	S
New Dominion Technology Park - Building One	Fairfax County VA	1	235,201	100.0%	33.40	Y	S
New Dominion Technology Park - Building Two	Fairfax County VA	1	257,400	100.0%	39.07	Y	S
Reston Corporate Center	Fairfax	2	261,046	100.0%	36.36	N	S

	South of Market	County VA						
		Fairfax						
		County VA	3	647,670	100.0%	48.18	N	S
	12290 Sunrise Valley	Fairfax						
		County VA	1	182,424	100.0%	37.00	N	S
			<u>34</u>	<u>9,037,236</u>	<u>96.6%</u>	<u>\$ 49.18</u>		
Office/Technical								
(2)	6601 Springfield Center Drive	Fairfax						
		County VA	1	26,388	100.0%	\$ 10.81	N	S
	7435 Boston Boulevard	Fairfax						
		County VA	1	103,557	100.0%	20.62	N	S
	7451 Boston Boulevard	Fairfax						
		County VA	1	47,001	100.0%	23.43	N	S
	7450 Boston Boulevard	Fairfax						
		County VA	1	62,402	100.0%	20.48	N	S
	7374 Boston Boulevard	Fairfax						
		County VA	1	57,321	100.0%	16.00	N	S
	8000 Grainger Court	Fairfax						
		County VA	1	88,775	100.0%	20.31	N	S
	7500 Boston Boulevard	Fairfax						
		County VA	1	79,971	100.0%	15.97	N	S
	7501 Boston Boulevard	Fairfax						
		County VA	1	75,756	100.0%	25.34	N	S
	7601 Boston Boulevard	Fairfax						
		County VA	1	103,750	100.0%	14.44	N	S
	7375 Boston Boulevard	Fairfax						
		County VA	1	26,865	100.0%	20.66	N	S
	8000 Corporate Court	Fairfax						
		County VA	1	52,539	100.0%	20.55	N	S
	7300 Boston Boulevard	Fairfax						
		County VA	1	32,000	100.0%	29.08	N	S
			<u>12</u>	<u>756,325</u>	<u>100.0%</u>	<u>\$ 19.54</u>		
		Total						
		Washington,						
		DC:	46	9,793,561	96.8%	\$ 46.81		
		Total In-						
		Service						
		Properties:	142	39,734,911	92.1%	\$ 54.64		

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.  
(2) Property held for redevelopment.  
(3) Not included in Same Property analysis.



TOP 20 TENANTS LISTING AND PORTFOLIO TENANT DIVERSIFICATION

TOP 20 TENANTS BY SQUARE FEET LEASED

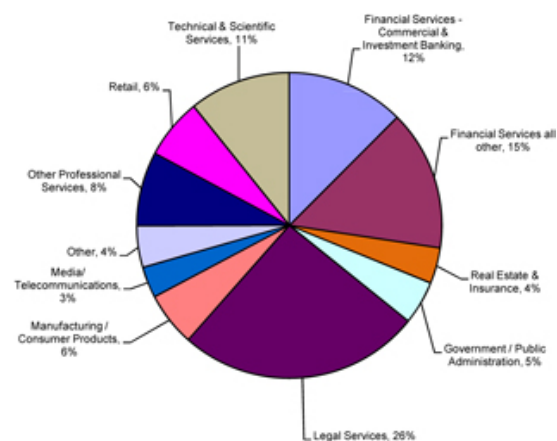
	Tenant	Sq. Ft.	% of Portfolio
1	US Government	1,913,876(1)	4.81%
2	Citibank	1,066,624(2)	2.68%
3	Bank of America	886,381(3)	2.23%
4	Wellington Management	707,568	1.78%
5	Kirkland & Ellis	639,683(4)	1.61%
6	Biogen Idec	592,885	1.49%
7	Genentech	568,097	1.43%
8	Ropes & Gray	528,931	1.33%
9	O'Melveny & Myers	511,659	1.29%
10	Lockheed Martin	499,342	1.26%
11	Weil Gotshal Manges	490,065(5)	1.23%
12	Shearman & Sterling	472,808	1.19%
13	Manufacturers Investment (Manulife)	469,050	1.18%
14	Microsoft	411,024	1.03%
15	State Street Bank and Trust	408,552	1.03%
16	Parametric Technology	380,987	0.96%
17	Finnegan Henderson Farabow	362,405(6)	0.91%
18	Ann (fka Ann Taylor Corp.)	357,276	0.90%
19	Mass Financial Services	301,668	0.76%
20	Bingham McCutchen	301,385	0.76%
	Total % of Portfolio Square Feet		29.84%
	Total % of Portfolio Revenue		31.68%

Notable Signed Deals (7)

Tenant	Property	Sq. Ft.
Defense Intelligence Agency (US Government)	12300 & 12310 Sunrise Valley	523,000
Biogen Idec	17 Cambridge Center	195,000
Morrison & Foerster	250 West 55th Street	184,000
McDermott Will & Emery	500 North Capitol (8)	173,000

- (1) Includes 92,620 & 104,874 square feet of space in properties in which Boston Properties has a 51% & 50% interest, respectively.
- (2) Includes 10,080 & 2,761 square feet of space in properties in which Boston Properties has a 60% and 51% interest, respectively.
- (3) Includes 50,887 square feet of space in a property in which Boston Properties has a 60% interest.
- (4) Includes 248,021 square feet of space in a property in which Boston Properties has a 51% interest.
- (5) Includes 449,871 square feet of space in a property in which Boston Properties has a 60% interest.
- (6) Includes 292,548 square feet of space in a property in which Boston Properties has a 25% interest.
- (7) Represents leases signed with occupancy commencing in the future.
- (8) All space is in a property in which Boston Properties has a 30% interest.

TENANT DIVERSIFICATION (GROSS RENT) \*



\* The classification of the Company's tenants is based on the U.S. Government's North American Industry Classification System (NAICS), which has replaced the Standard Industrial Classification (SIC) system.

**Boston Properties, Inc.**

**First Quarter 2012**

**IN-SERVICE OFFICE PROPERTIES**

**Lease Expirations (1) (2) (3) (4)**

<u>Year of Lease Expiration</u>	<u>Rentable Square Footage Subject to Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases p.s.f.</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups -p.s.f.</u>	<u>Percentage of Total Square Feet</u>
2012	1,438,824	\$ 75,787,632	\$ 52.67	\$ 75,826,724	\$ 52.70	3.96%
2013	1,754,488	77,029,457	43.90	77,710,642	44.29	4.82%
2014	3,617,316	153,910,385	42.55	164,695,831	45.53	9.94%
2015	3,042,865	151,761,633	49.87	160,459,164	52.73	8.37%
2016	3,253,590	164,090,846	50.43	169,394,478	52.06	8.94%
2017	3,576,482	225,993,411	63.19	240,024,090	67.11	9.83%
2018	915,571	63,370,200	69.21	68,432,704	74.74	2.52%
2019	3,056,616	175,026,985	57.26	189,306,282	61.93	8.40%
2020	3,092,263	186,793,442	60.41	205,311,119	66.40	8.50%
2021	2,305,318	127,374,663	55.25	155,330,773	67.38	6.34%
Thereafter	7,272,058	418,915,960	57.61	496,469,043	68.27	19.99%

**Occupancy By Location (5)**

<u>Location</u>	<u>CBD</u>		<u>Suburban</u>		<u>Total</u>	
	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Boston	95.1%	94.3%	82.5%	82.2%	90.4%	88.9%
New York	97.7%	96.7%	n/a	n/a	97.7%	96.7%
Princeton	n/a	n/a	75.5%	79.9%	75.5%	79.9%
San Francisco	92.2%	92.4%	76.3%	78.2%	87.1%	88.1%
Washington, DC	97.3%	97.9%	95.9%	94.6%	96.6%	96.0%
Total Portfolio	<u>96.0%</u>	<u>95.6%</u>	<u>85.1%</u>	<u>86.0%</u>	<u>92.1%</u>	<u>91.9%</u>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 132,801 square feet of leased premises in properties under development.
- (5) Includes approximately 1,900,000 square feet of retail space.

**Boston Properties, Inc.**

**First Quarter 2012**

**IN-SERVICE OFFICE/TECHNICAL PROPERTIES**

**Lease Expirations (1) (2) (3)**

<u>Year of Lease Expiration</u>	<u>Rentable Square Footage Subject to Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases p.s.f.</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups -p.s.f.</u>	<u>Percentage of Total Square Feet</u>
2012	214,345	\$ 3,671,796	\$ 17.13	\$ 3,698,583	\$ 17.26	13.77%
2013	12,399	245,277	19.78	247,377	19.95	0.80%
2014	302,782	6,114,359	20.19	6,246,372	20.63	19.45%
2015	174,624	4,164,352	23.85	4,231,036	24.23	11.22%
2016	275,223	20,790,395	75.54	20,952,796	76.13	17.68%
2017	—	—	—	—	—	0.00%
2018	—	—	—	—	—	0.00%
2019	—	—	—	—	—	0.00%
2020	263,457	5,248,869	19.92	5,248,869	19.92	16.93%
2021	57,321	917,136	16.00	917,136	16.00	3.68%
Thereafter	130,000	2,559,644	19.69	2,819,644	21.69	8.35%

**Occupancy By Location**

<u>Location</u>	<u>CBD</u>		<u>Suburban</u>		<u>Total</u>	
	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Boston	100.0%	100.0%	76.2%	61.9%	85.4%	75.5%
New York	n/a	n/a	n/a	n/a	n/a	n/a
Princeton	n/a	n/a	n/a	n/a	n/a	n/a
San Francisco	n/a	n/a	100.0%	n/a	100.0%	n/a
Washington, DC	n/a	n/a	100.0%	100.0%	100.0%	100.0%
Total Portfolio	<u>100.0%</u>	<u>100.0%</u>	<u>91.1%</u>	<u>84.2%</u>	<u>92.8%</u>	<u>87.2%</u>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE RETAIL PROPERTIES**

**Lease Expirations (1) (2) (3)(4)**

Year of Lease Expiration	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Current Annualized Revenues Under Expiring Leases p.s.f.	Annualized Revenues Under Expiring Leases with future step-ups	Annualized Revenues Under Expiring Leases with future step-ups - p.s.f.	Percentage of Total Square Feet
2012	66,894	\$ 3,477,433	\$ 51.98	\$ 3,465,656	\$ 51.81	3.71%
2013	86,682	7,502,431	86.55	7,595,069	87.62	4.81%
2014	59,329	5,682,390	95.78	5,788,132	97.56	3.29%
2015	105,893	12,908,042	121.90	13,792,848	130.25	5.87%
2016	178,811	26,283,485	146.99	27,450,080	153.51	9.91%
2017	163,483	22,279,270	136.28	22,794,727	139.43	9.06%
2018	234,912	10,817,612	46.05	11,301,838	48.11	13.02%
2019	55,478	4,240,850	76.44	4,683,174	84.41	3.08%
2020	128,692	5,374,808	41.76	8,065,479	62.67	7.13%
2021	115,835	6,446,094	55.65	7,987,521	68.96	6.42%
Thereafter	607,847	36,741,175	60.44	46,417,809	76.36	33.70%

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 11,177 square feet of leased premises in properties under development.

**Boston Properties, Inc.**

**First Quarter 2012**

**GRAND TOTAL OF ALL  
IN-SERVICE PROPERTIES**

**Lease Expirations (1) (2) (3) (4)**

<u>Year of Lease Expiration</u>	<u>Rentable Square Footage Subject to Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases</u>	<u>Current Annualized Revenues Under Expiring Leases p.s.f.</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups</u>	<u>Annualized Revenues Under Expiring Leases with future step-ups - p.s.f.</u>	<u>Percentage of Total Square Feet</u>
2012	1,720,063	\$ 82,936,861	\$ 48.22	\$ 82,990,962	\$ 48.25	4.33%
2013	1,853,569	84,777,165	45.74	85,553,088	46.16	4.66%
2014	3,979,427	165,707,135	41.64	176,730,335	44.41	10.01%
2015	3,323,382	168,834,027	50.80	178,483,047	53.71	8.36%
2016	3,707,624	211,164,726	56.95	217,797,354	58.74	9.33%
2017	3,739,965	248,272,682	66.38	262,818,817	70.27	9.41%
2018	1,150,483	74,187,811	64.48	79,734,542	69.31	2.90%
2019	3,112,094	179,267,835	57.60	193,989,456	62.33	7.83%
2020	3,484,412	197,417,119	56.66	218,625,467	62.74	8.77%
2021	2,478,474	134,737,892	54.36	164,235,430	66.26	6.24%
Thereafter	8,009,905	458,216,780	57.21	545,706,497	68.13	20.16%

**Occupancy By Location**

<u>Location</u>	<u>CBD</u>		<u>Suburban</u>		<u>Total</u>	
	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Boston	95.3%	94.6%	82.0%	80.3%	90.1%	88.0%
New York	97.7%	96.7%	n/a	n/a	97.7%	96.7%
Princeton	n/a	n/a	75.5%	79.9%	75.5%	79.9%
San Francisco	92.2%	92.4%	76.7%	78.2%	87.2%	88.1%
Washington, DC	97.3%	97.9%	96.5%	95.2%	96.8%	96.3%
Total Portfolio	96.0%	95.6%	85.6%	85.8%	92.1%	91.7%

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 143,978 square feet of leased premises in properties under development.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE BOSTON REGION PROPERTIES**

**Lease Expirations - Boston Region (1) (2) (3)**

Year of Lease Expiration	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	475,962	\$ 18,365,911	\$ 38.59	\$ 18,415,060	\$ 38.69	30,000	\$ 457,500	\$15.25	\$ 457,500	\$15.25
2013	701,076	29,880,477	42.62	30,036,534	42.84	—	—	—	—	—
2014	1,205,176	47,617,236	39.51	47,983,130	39.81	67,362	1,669,479	24.78	1,669,479	24.78
2015	1,469,358	64,222,579	43.71	66,331,817	45.14	—	—	—	—	—
2016	870,867	33,393,520	38.35	34,846,253	40.01	241,823	20,070,821	83.00	20,160,910	83.37
2017	615,071	23,684,841	38.51	26,168,768	42.55	—	—	—	—	—
2018	229,564	10,785,300	46.98	11,825,090	51.51	—	—	—	—	—
2019	915,204	40,235,320	43.96	43,153,015	47.15	—	—	—	—	—
2020	202,911	9,496,854	46.80	10,319,949	50.86	183,486	3,971,623	21.65	3,971,623	21.65
2021	675,974	22,928,747	33.92	25,291,500	37.41	—	—	—	—	—
Thereafter	3,683,652	182,529,644	49.55	215,543,902	58.51	130,000	2,559,644	19.69	2,819,644	21.69

Year of Lease Expiration	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	3,151	\$ 1,155,752	\$366.79	\$ 1,264,952	\$401.44(4)	509,113	\$ 19,979,163	\$39.24	\$ 20,137,512	\$39.55
2013	36,443	4,642,499	127.39	4,677,699	128.36	737,519	34,522,976	46.81	34,714,233	47.07
2014	22,192	2,803,328	126.32	2,818,972	127.03	1,294,730	52,090,043	40.23	52,471,580	40.53
2015	32,319	4,902,632	151.70	4,895,927	151.49	1,501,677	69,125,212	46.03	71,227,744	47.43
2016	17,313	2,221,449	128.31	2,293,253	132.46	1,130,003	55,685,789	49.28	57,300,416	50.71(5)
2017	45,499	2,711,790	59.60	2,877,413	63.24	660,570	26,396,632	39.96	29,046,180	43.97
2018	173,845	7,528,244	43.30	7,693,109	44.25	403,409	18,313,544	45.40	19,518,199	48.38
2019	16,026	2,243,196	139.97	2,429,580	151.60	931,230	42,478,517	45.62	45,582,595	48.95
2020	92,818	3,788,146	40.81	6,014,313	64.80	479,215	17,256,624	36.01	20,305,885	42.37
2021	37,719	2,044,859	54.21	2,611,824	69.24	713,693	24,973,606	34.99	27,903,324	39.10
Thereafter	323,116	14,728,148	45.58	17,619,573	54.53	4,136,768	199,817,435	48.30	235,983,118	57.05

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Excluding kiosks with one square foot at the Prudential Center, current and future expiring rents would be \$133.38 per square foot and \$133.38 per square foot, respectively, in 2012.
- (5) Includes 225,532 square feet of research/laboratory space. Excluding the research/laboratory space, current and future expiring rents would be \$39.63 per square foot and \$41.43 per square foot, respectively, in 2016.

## IN-SERVICE BOSTON REGION PROPERTIES

## Quarterly Lease Expirations - Boston Region (1) (2) (3)

Lease Expiration by Quarter	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	94,998	\$ 4,212,252	\$ 44.34	\$ 4,212,252	\$ 44.34	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	134,504	4,472,095	33.25	4,472,095	33.25	—	—	—	—	—
Q3 2012	54,190	1,736,981	32.05	1,736,981	32.05	30,000	457,500	15.25	457,500	15.25
Q4 2012	192,270	7,944,582	41.32	7,993,731	41.58	—	—	—	—	—
Total 2012	475,962	\$ 18,365,911	\$ 38.59	\$ 18,415,060	\$ 38.69	30,000	\$ 457,500.00	\$ 15.25	\$ 457,500.00	\$ 15.25
Q1 2013	107,452	\$ 3,077,647	\$ 28.64	\$ 3,119,579	\$ 29.03	—	\$ —	\$ —	\$ —	\$ —
Q2 2013	196,086	8,257,995	42.11	8,333,013	42.50	—	—	—	—	—
Q3 2013	131,347	5,511,596	41.96	5,548,722	42.24	—	—	—	—	—
Q4 2013	266,191	13,033,240	48.96	13,035,220	48.97	—	—	—	—	—
Total 2013	701,076	\$ 29,880,477	\$ 42.62	\$ 30,036,534	\$ 42.84	—	\$ —	\$ —	\$ —	\$ —

Lease Expiration by Quarter	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	94,998	\$ 4,212,252	\$ 44.34	\$ 4,212,252	\$ 44.34(4)
Q2 2012	1,109	269,548	243.06	269,548	243.06	135,613	4,741,644	34.96	4,741,644	34.96
Q3 2012	250	519,200	2,076.80	568,400	2,273.60	84,440	2,713,681	32.14	2,762,881	32.72
Q4 2012	1,792	367,004	204.80	427,004	238.28	194,062	8,311,586	42.83	8,420,735	43.39
Total 2012	3,151	\$ 1,155,752	\$ 366.79	\$ 1,264,952	\$ 401.44 (5)	509,113	\$ 19,979,163	\$ 39.24	\$ 20,137,512	\$ 39.55
Q1 2013	15,192	\$ 2,519,289	\$ 165.83	\$ 2,519,289	\$ 165.83	122,644	\$ 5,596,935	\$ 45.64	\$ 5,638,867	\$ 45.98
Q2 2013	8,362	209,875	25.10	209,875	25.10	204,448	8,467,869	41.42	8,542,888	41.79
Q3 2013	51	40,320	790.59	57,120	1,120.00	131,398	5,551,916	42.25	5,605,842	42.66
Q4 2013	12,838	1,873,015	145.90	1,891,415	147.33	279,029	14,906,256	53.42	14,926,635	53.49
Total 2013	36,443	\$ 4,642,499	\$ 127.39	\$ 4,677,699	\$ 128.36	737,519	\$ 34,522,976	\$ 46.81	\$ 34,714,233	\$ 47.07

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Represents leases that were occupied as of and expired on 3/31/2012.
- (5) Excluding kiosks with one square foot at the Prudential Center, current and future expiring rents would be \$133.38 per square foot and \$133.38 per square foot, respectively, in 2012.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE NEW YORK REGION PROPERTIES**

**Lease Expirations - New York Region (1) (2) (3) (4)**

Year of Lease Expiration	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	302,802	\$ 27,874,455	\$ 92.06	\$ 27,874,455	\$ 92.06	—	\$ —	\$ —	\$ —	\$ —
2013	50,660	4,266,760	84.22	4,269,283	84.27	—	—	—	—	—
2014	176,727	18,876,816	106.81	21,274,567	120.38	—	—	—	—	—
2015	241,715	31,481,543	130.24	34,684,887	143.49	—	—	—	—	—
2016	695,040	60,366,203	86.85	60,954,495	87.70	—	—	—	—	—
2017	1,393,377	127,104,037	91.22	134,603,899	96.60	—	—	—	—	—
2018	246,959	29,642,070	120.03	30,985,290	125.47	—	—	—	—	—
2019	1,007,726	83,848,724	83.21	89,437,049	88.75	—	—	—	—	—
2020	1,342,413	102,166,048	76.11	111,305,105	82.91	—	—	—	—	—
2021	495,664	49,418,545	99.70	62,835,216	126.77	—	—	—	—	—
Thereafter	1,963,056	150,880,201	76.86	173,707,272	88.49	—	—	—	—	—

Year of Lease Expiration	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	1,312	\$ 127,622	\$ 97.27	\$ 128,410	\$ 97.87	304,114	\$ 28,002,077	\$ 92.08	\$ 28,002,865	\$ 92.08
2013	1,682	182,508	108.51	187,195	111.29	52,342	4,449,268	85.00	4,456,478	85.14
2014	11,018	1,402,380	127.28	1,456,813	132.22	187,745	20,279,196	108.01	22,731,380	121.08
2015	9,988	4,585,611	459.11	5,355,658	536.21	251,703	36,067,155	143.29	40,040,545	159.08
2016	103,626	21,193,260	204.52	22,198,441	214.22	798,666	81,559,463	102.12	83,152,936	104.11
2017	78,027	17,562,508	225.08	17,760,231	227.62	1,471,404	144,666,545	98.32	152,364,129	103.55
2018	—	—	—	—	—	246,959	29,642,070	120.03	30,985,290	125.47
2019	3,877	360,892	93.09	438,396	113.08	1,011,603	84,209,616	83.24	89,875,445	88.84
2020	4,928	234,636	47.61	549,771	111.56	1,347,341	102,400,684	76.00	111,854,876	83.02
2021	2,056	238,267	115.89	308,064	149.84	497,720	49,656,812	99.77	63,143,279	126.87
Thereafter	109,095	14,947,924	137.02	19,324,010	177.13	2,072,151	165,828,126	80.03	193,031,282	93.16

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 143,978 square feet of leased premises in properties under development.



**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE NEW YORK REGION PROPERTIES**

**Quarterly Lease Expirations - New York Region (1) (2) (3)**

Lease Expiration by Quarter	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	60,847	3,956,025	65.02	3,956,025	65.02	—	—	—	—	—
Q3 2012	216,529	21,686,855	100.16	21,686,855	100.16	—	—	—	—	—
Q4 2012	25,426	2,231,576	87.77	2,231,576	87.77	—	—	—	—	—
<b>Total 2012</b>	<b>302,802</b>	<b>\$27,874,455</b>	<b>\$ 92.06</b>	<b>\$ 27,874,455</b>	<b>\$ 92.06</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
Q1 2013	3,950	\$ 317,673	\$ 80.42	\$ 317,673	\$ 80.42	—	\$ —	\$ —	\$ —	\$ —
Q2 2013	12,202	1,100,943	90.23	1,103,466	90.43	—	—	—	—	—
Q3 2013	17,809	1,487,936	83.55	1,487,936	83.55	—	—	—	—	—
Q4 2013	16,699	1,360,208	81.45	1,360,208	81.45	—	—	—	—	—
<b>Total 2013</b>	<b>50,660</b>	<b>\$ 4,266,760</b>	<b>\$ 84.22</b>	<b>\$ 4,269,283</b>	<b>\$ 84.27</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

Lease Expiration by Quarter	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	243	51,251	210.91	51,251	210.91	61,090	4,007,275	65.60	4,007,275	65.60
Q3 2012	350	25,096	71.70	25,096	71.70	216,879	21,711,951	100.11	21,711,951	100.11
Q4 2012	719	51,275	71.31	52,063	72.41	26,145	2,282,851	87.32	2,283,639	87.35
<b>Total 2012</b>	<b>1,312</b>	<b>\$ 127,622</b>	<b>\$ 97.27</b>	<b>\$ 128,410</b>	<b>\$ 97.87</b>	<b>304,114</b>	<b>\$28,002,077</b>	<b>\$ 92.08</b>	<b>\$ 28,002,865</b>	<b>\$ 92.08</b>
Q1 2013	—	\$ —	\$ —	\$ —	\$ —	3,950	\$ 317,673	\$ 80.42	\$ 317,673	\$ 80.42
Q2 2013	—	—	—	—	—	12,202	1,100,943	90.23	1,103,466	90.43
Q3 2013	—	—	—	—	—	17,809	1,487,936	83.55	1,487,936	83.55
Q4 2013	1,682	182,508	108.51	187,195	111.29	18,381	1,542,716	83.93	1,547,403	84.18
<b>Total 2013</b>	<b>1,682</b>	<b>\$ 182,508</b>	<b>\$108.51</b>	<b>\$ 187,195</b>	<b>\$111.29</b>	<b>52,342</b>	<b>\$ 4,449,268</b>	<b>\$ 85.00</b>	<b>\$ 4,456,478</b>	<b>\$ 85.14</b>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.  
(2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.  
(3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.

## IN-SERVICE PRINCETON REGION PROPERTIES

## Lease Expirations - Princeton Region (1) (2) (3)

Year of Lease Expiration	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	26,283	\$ 738,517	\$28.10	\$ 1,015,292	\$38.63	—	\$ —	\$ —	\$ —	\$ —
2013	232,854	7,767,893	33.36	7,806,807	33.53	—	—	—	—	—
2014	676,176	22,814,391	33.74	23,133,482	34.21	—	—	—	—	—
2015	206,561	6,702,920	32.45	6,943,980	33.62	—	—	—	—	—
2016	79,160	2,647,703	33.45	2,721,646	34.38	—	—	—	—	—
2017	168,347	5,799,808	34.45	6,067,656	36.04	—	—	—	—	—
2018	18,927	578,819	30.58	635,600	33.58	—	—	—	—	—
2019	195,526	5,867,904	30.01	6,736,574	34.45	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—	—
2021	58,125	1,782,783	30.67	1,970,548	33.90	—	—	—	—	—
Thereafter	168,957	6,029,926	35.69	6,730,232	39.83	—	—	—	—	—

Year of Lease Expiration	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	—	\$ —	\$ —	\$ —	\$ —	26,283	\$ 738,517	\$28.10	\$ 1,015,292	\$38.63
2013	—	—	—	—	—	232,854	7,767,893	33.36	7,806,807	33.53
2014	—	—	—	—	—	676,176	22,814,391	33.74	23,133,482	34.21
2015	—	—	—	—	—	206,561	6,702,920	32.45	6,943,980	33.62
2016	—	—	—	—	—	79,160	2,647,703	33.45	2,721,646	34.38
2017	—	—	—	—	—	168,347	5,799,808	34.45	6,067,656	36.04
2018	—	—	—	—	—	18,927	578,819	30.58	635,600	33.58
2019	—	—	—	—	—	195,526	5,867,904	30.01	6,736,574	34.45
2020	—	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	58,125	1,782,783	30.67	1,970,548	33.90
Thereafter	—	—	—	—	—	168,957	6,029,926	35.69	6,730,232	39.83

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE PRINCETON REGION PROPERTIES**

**Quarterly Lease Expirations - Princeton Region (1) (2) (3)**

Lease Expiration by Quarter	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	13,158	266,422	20.25	543,196	41.28	—	—	—	—	—
Q3 2012	10,870	443,490	40.80	443,490	40.80	—	—	—	—	—
Q4 2012	2,255	28,605	12.69	28,605	12.69	—	—	—	—	—
<b>Total 2012</b>	<b>26,283</b>	<b>\$ 738,517</b>	<b>\$28.10</b>	<b>\$ 1,015,292</b>	<b>\$38.63</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
Q1 2013	69,530	\$2,628,445	\$37.80	\$ 2,628,445	\$37.80	—	\$ —	\$ —	\$ —	\$ —
Q2 2013	47,657	1,418,947	29.77	1,432,009	30.05	—	—	—	—	—
Q3 2013	8,244	257,079	31.18	263,766	31.99	—	—	—	—	—
Q4 2013	107,423	3,463,422	32.24	3,482,587	32.42	—	—	—	—	—
<b>Total 2013</b>	<b>232,854</b>	<b>\$7,767,893</b>	<b>\$33.36</b>	<b>\$ 7,806,807</b>	<b>\$33.53</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

Lease Expiration by Quarter	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	—	—	—	—	—	13,158	266,422	20.25	543,196	41.28
Q3 2012	—	—	—	—	—	10,870	443,490	40.80	443,490	40.80
Q4 2012	—	—	—	—	—	2,255	28,605	12.69	28,605	12.69
<b>Total 2012</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>26,283</b>	<b>\$ 738,517</b>	<b>\$28.10</b>	<b>\$ 1,015,292</b>	<b>\$38.63</b>
Q1 2013	—	\$ —	\$ —	\$ —	\$ —	69,530	\$2,628,445	\$37.80	\$ 2,628,445	\$37.80
Q2 2013	—	—	—	—	—	47,657	1,418,947	29.77	1,432,009	30.05
Q3 2013	—	—	—	—	—	8,244	257,079	31.18	263,766	31.99
Q4 2013	—	—	—	—	—	107,423	3,463,422	32.24	3,482,587	32.42
<b>Total 2013</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>232,854</b>	<b>\$7,767,893</b>	<b>\$33.36</b>	<b>\$ 7,806,807</b>	<b>\$33.53</b>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE SAN FRANCISCO REGION PROPERTIES**

**Lease Expirations - San Francisco Region (1) (2) (3)**

Year of Lease Expiration	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	136,798	\$ 6,426,772	\$46.98	\$ 6,139,940	\$44.88	8,900	\$ 150,624	\$16.92	\$ 150,624	\$16.92
2013	518,501	14,618,048	28.19	14,846,195	28.63	4,920	93,252	18.95	95,352	19.38
2014	508,700	21,271,309	41.82	21,957,088	43.16	7,400	111,000	15.00	119,880	16.20
2015	531,115	21,176,572	39.87	22,448,686	42.27	8,400	147,230	17.53	156,379	18.62
2016	1,090,483	46,655,376	42.78	47,634,416	43.68	—	—	—	—	—
2017	485,641	18,863,872	38.84	20,670,349	42.56	—	—	—	—	—
2018	82,856	5,428,722	65.52	5,494,307	66.31	—	—	—	—	—
2019	92,776	4,126,729	44.48	4,534,070	48.87	—	—	—	—	—
2020	469,990	27,187,819	57.85	29,099,131	61.91	—	—	—	—	—
2021	135,592	5,797,102	42.75	7,003,506	51.65	—	—	—	—	—
Thereafter	142,831	6,835,445	47.86	7,629,791	53.42	—	—	—	—	—

Year of Lease Expiration	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	57,966	\$ 1,881,366	\$32.46	\$ 1,759,601	\$30.36	203,664	\$ 8,458,761	\$41.53	\$ 8,050,164	\$39.53
2013	40,358	2,257,433	55.94	2,300,693	57.01	563,779	16,968,734	30.10	17,242,240	30.58
2014	14,066	810,063	57.59	822,115	58.45	530,166	22,192,373	41.86	22,899,083	43.19
2015	34,639	1,936,515	55.91	1,996,904	57.65	574,154	23,260,317	40.51	24,601,969	42.85
2016	31,596	1,539,871	48.74	1,582,674	50.09	1,122,079	48,195,247	42.95	49,217,089	43.86
2017	14,960	855,405	57.18	947,414	63.33	500,601	19,719,277	39.39	21,617,763	43.18
2018	16,919	846,748	50.05	902,390	53.34	99,775	6,275,471	62.90	6,396,697	64.11
2019	5,642	303,353	53.77	346,965	61.50	98,418	4,430,082	45.01	4,881,034	49.59
2020	13,451	467,743	34.77	509,112	37.85	483,441	27,655,562	57.21	29,608,243	61.24
2021	15,458	903,576	58.45	984,740	63.70	151,050	6,700,678	44.36	7,988,247	52.88
Thereafter	4,786	278,754	58.24	302,684	63.24	147,617	7,114,199	48.19	7,932,475	53.74

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE SAN FRANCISCO REGION PROPERTIES**

**Quarterly Lease Expirations - San Francisco Region (1) (2) (3)**

Lease Expiration by Quarter	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	5,644	\$ 434,183	\$ 76.93	\$ 434,183	\$ 76.93	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	22,869	1,038,414	45.41	1,000,242	43.74	3,400	62,112	18.27	62,112	18.27
Q3 2012	69,448	3,077,136	44.31	2,675,904	38.53	5,500	88,512	16.09	88,512	16.09
Q4 2012	38,837	1,877,039	48.33	2,029,611	52.26	—	—	—	—	—
<b>Total 2012</b>	<b>136,798</b>	<b>\$ 6,426,772</b>	<b>\$ 46.98</b>	<b>\$ 6,139,940</b>	<b>\$ 44.88</b>	<b>8,900</b>	<b>\$150,624.00</b>	<b>\$16.92</b>	<b>\$ 150,624.00</b>	<b>\$ 16.92</b>
Q1 2013	55,540	\$ 2,450,218	\$ 44.12	\$ 2,457,906	\$ 44.25	—	\$ —	\$ —	\$ —	\$ —
Q2 2013	19,689	656,828	33.36	685,106	34.80	—	—	—	—	—
Q3 2013	44,640	2,155,065	48.28	2,169,125	48.59	4,920	93,252	18.95	95,352	19.38
Q4 2013	398,632	9,355,938	23.47	9,534,058	23.92	—	—	—	—	—
<b>Total 2013</b>	<b>518,501</b>	<b>\$14,618,048</b>	<b>\$ 28.19</b>	<b>\$ 14,846,195</b>	<b>\$ 28.63</b>	<b>4,920</b>	<b>\$ 93,252.00</b>	<b>\$18.95</b>	<b>\$ 95,352.00</b>	<b>\$19.38</b>

Lease Expiration by Quarter	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	5,644	\$ 434,183	\$76.93	\$ 434,183	\$76.93(4)
Q2 2012	4,228	225,990	53.45	225,990	53.45	30,497	1,326,516	43.50	1,288,344	42.24
Q3 2012	9,969	800,178	80.27	800,178	80.27	84,917	3,965,826	46.70	3,564,594	41.98
Q4 2012	43,769	855,198	19.54	733,433	16.76	82,606	2,732,236	33.08	2,763,043	33.45
<b>Total 2012</b>	<b>57,966</b>	<b>\$ 1,881,366</b>	<b>\$ 32.46</b>	<b>\$ 1,759,601</b>	<b>\$ 30.36</b>	<b>203,664</b>	<b>\$ 8,458,761</b>	<b>\$41.53</b>	<b>\$ 8,050,164</b>	<b>\$39.53</b>
Q1 2013	15,543	\$ 837,056	\$ 53.85	\$ 850,968	\$ 54.75	71,083	\$ 3,287,274	\$46.25	\$ 3,308,874	46.55
Q2 2013	740	76,371	103.20	77,465	104.68	20,429	733,199	35.89	762,571	37.33
Q3 2013	12,345	695,023	56.30	695,023	56.30	61,905	2,943,339	47.55	2,959,500	47.81
Q4 2013	11,730	648,983	55.33	677,237	57.74	410,362	10,004,921	24.38	10,211,295	24.88
<b>Total 2013</b>	<b>40,358</b>	<b>\$ 2,257,433</b>	<b>\$ 55.94</b>	<b>\$ 2,300,693</b>	<b>\$ 57.01</b>	<b>563,779</b>	<b>\$16,968,734</b>	<b>\$30.10</b>	<b>\$ 17,242,240</b>	<b>\$30.58</b>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Represents leases that were occupied as of and expired on March 31, 2012.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE WASHINGTON, DC REGION PROPERTIES**

**Lease Expirations - Washington, DC Region (1) (2) (3)**

Year of Lease Expiration	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	496,979	\$22,381,977	\$45.04	\$ 22,381,977	\$45.04(4)	175,445	\$ 3,063,672	\$17.46	\$ 3,090,459	\$17.61
2013	251,397	20,496,279	81.53	20,751,823	82.55(4)	7,479	152,025	20.33	152,025	20.33
2014	1,050,537	43,330,633	41.25	50,347,565	47.93	228,020	4,333,880	19.01	4,457,013	19.55
2015	594,116	28,178,019	47.43	30,049,794	50.58	166,224	4,017,122	24.17	4,074,657	24.51
2016	518,040	21,028,044	40.59	23,237,668	44.86	33,400	719,574	21.54	791,886	23.71
2017	914,046	50,540,853	55.29	52,513,420	57.45	—	—	—	—	—
2018	337,265	16,935,288	50.21	19,492,417	57.80	—	—	—	—	—
2019	845,384	40,948,309	48.44	45,445,574	53.76	—	—	—	—	—
2020	1,076,949	47,942,720	44.52	54,586,934	50.69	79,971	1,277,245	15.97	1,277,245	15.97
2021	939,963	47,447,485	50.48	58,230,003	61.95	57,321	917,136	16.00	917,136	16.00
Thereafter	1,313,562	72,640,745	55.30	92,857,847	70.69	—	—	—	—	—

Year of Lease Expiration	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	4,465	\$ 312,694	\$70.03	\$ 312,694	\$70.03	676,889	\$25,758,343	\$38.05	\$ 25,785,130	\$38.09
2013	8,199	419,991	51.22	429,482	52.38	267,075	21,068,295	78.89	21,333,331	79.88
2014	12,053	666,619	55.31	690,233	57.27	1,290,610	48,331,132	37.45	55,494,811	43.00
2015	28,947	1,483,283	51.24	1,544,358	53.35	789,287	33,678,424	42.67	35,668,809	45.19
2016	26,276	1,328,906	50.57	1,375,712	52.36	577,716	23,076,524	39.94	25,405,266	43.98
2017	24,997	1,149,567	45.99	1,209,669	48.39	939,043	51,690,420	55.05	53,723,089	57.21
2018	44,148	2,442,620	55.33	2,706,339	61.30	381,413	19,377,908	50.81	22,198,756	58.20
2019	29,933	1,333,408	44.55	1,468,235	49.05	875,317	42,281,717	48.30	46,913,809	53.60
2020	17,495	884,283	50.54	992,284	56.72	1,174,415	50,104,249	42.66	56,856,464	48.41
2021	60,602	3,259,391	53.78	4,082,893	67.37	1,057,886	51,624,012	48.80	63,230,032	59.77
Thereafter	170,850	6,786,349	39.72	9,171,543	53.68	1,484,412	79,427,094	53.51	102,029,389	68.73

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 114,740 square feet of Sensitive Compartmented Information Facility (SCIF) space. Excluding the SCIF space from 2012 and 2013, the current and future expiring rental rate would be \$35.30 per square foot and \$35.34 per square foot, respectively, for 2012 and \$42.21 per square foot and \$43.28 per square foot, respectively, for 2013.

**Boston Properties, Inc.**  
**First Quarter 2012**

**IN-SERVICE WASHINGTON, DC REGION PROPERTIES**

**Quarterly Lease Expirations - Washington, DC Region (1) (2) (3)**

Lease Expiration by Quarter	OFFICE					OFFICE/TECHNICAL				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	58,177	\$ 2,478,528	\$ 42.60	\$ 2,478,528	\$ 42.60	—	\$ —	\$ —	\$ —	\$ —
Q2 2012	251,963	10,591,443	42.04	10,591,443	42.04	39,796	285,258	7.17	285,258	7.17
Q3 2012	84,343	4,031,847	47.80	4,031,847	47.80	52,050	1,002,843	19.27	1,002,843	19.27
Q4 2012	102,496	5,280,159	51.52	5,280,159	51.52	83,599	1,775,571	21.24	1,802,358	21.56
<b>Total 2012</b>	<b>496,979</b>	<b>\$22,381,977</b>	<b>\$ 45.04</b>	<b>\$ 22,381,977</b>	<b>\$ 45.04</b>	<b>175,445</b>	<b>\$ 3,063,672</b>	<b>\$ 17.46</b>	<b>\$ 3,090,459</b>	<b>\$ 17.61</b>
Q1 2013	87,651	\$ 3,597,986	\$ 41.05	\$ 3,696,440	\$ 42.17	7,479	\$ 152,025	\$ 20.33	\$ 152,025	\$ 20.33
Q2 2013	119,037	12,440,334	104.51	12,544,846	105.39	—	—	—	—	—
Q3 2013	14,879	686,694	46.15	706,312	47.47	—	—	—	—	—
Q4 2013	29,830	3,771,265	126.43	3,804,225	127.53	—	—	—	—	—
<b>Total 2013</b>	<b>251,397</b>	<b>\$20,496,279</b>	<b>\$ 81.53</b>	<b>\$ 20,751,823</b>	<b>\$ 82.55</b>	<b>7,479</b>	<b>\$ 152,025</b>	<b>\$ 20.33</b>	<b>\$ 152,025</b>	<b>\$ 20.33</b>

Lease Expiration by Quarter	Retail					Total Property Types				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
Q1 2012	—	\$ —	\$ —	\$ —	\$ —	58,177	\$ 2,478,528	\$ 42.60	\$ 2,478,528	\$ 42.60(4)
Q2 2012	—	—	—	—	—	291,759	10,876,701	37.28	10,876,701	37.28
Q3 2012	—	—	—	—	—	136,393	5,034,690	36.91	5,034,690	36.91
Q4 2012	4,465	312,694	70.03	312,694	70.03	190,560	7,368,423	38.67	7,395,210	38.81
<b>Total 2012</b>	<b>4,465</b>	<b>\$ 312,694</b>	<b>\$ 70.03</b>	<b>\$ 312,694</b>	<b>\$ 70.03</b>	<b>676,889</b>	<b>\$ 25,758,343</b>	<b>\$ 38.05</b>	<b>\$ 25,785,130</b>	<b>\$ 38.09</b>
Q1 2013	—	\$ —	\$ —	\$ —	\$ —	95,130	\$ 3,750,011	\$ 39.42	\$ 3,848,465	\$ 40.45
Q2 2013	8,199	419,991	51.22	429,482	52.38	127,236	12,860,325	101.07	12,974,328	101.97
Q3 2013	—	—	—	—	—	14,879	686,694	46.15	706,312	47.47
Q4 2013	—	—	—	—	—	29,830	3,771,265	126.43	3,804,225	127.53
<b>Total 2013</b>	<b>8,199</b>	<b>\$ 419,991</b>	<b>\$ 51.22</b>	<b>\$ 429,482</b>	<b>\$ 52.38</b>	<b>267,075</b>	<b>\$ 21,068,295</b>	<b>\$ 78.89</b>	<b>\$ 21,333,331</b>	<b>\$ 79.88</b>

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Represents leases that were occupied as of and expired on March 31, 2012.

Boston Properties, Inc.

First Quarter 2012

CBD PROPERTIES

Lease Expirations (1) (2) (3) (4)

Year of Lease Expiration	Boston					San Francisco				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	108,175	\$ 6,829,516	\$ 63.13	\$ 6,938,716	\$ 64.14(5)	175,349	\$ 7,589,038	\$43.28	\$ 7,173,913	\$40.91
2013	384,335	23,177,732	60.31	23,222,235	60.42	233,183	11,370,233	48.76	11,494,935	49.30
2014	1,030,812	43,768,592	42.46	43,956,033	42.64	296,978	13,683,259	46.07	14,041,161	47.28
2015	911,621	51,128,812	56.09	51,903,895	56.94	302,736	14,091,291	46.55	14,672,362	48.47
2016	554,067	36,469,836	65.82	36,973,133	66.73(6)	974,692	44,313,723	45.46	44,921,637	46.09
2017	227,137	13,370,731	58.87	15,114,364	66.54	249,062	11,938,569	47.93	12,439,704	49.95
2018	317,593	15,823,548	49.82	16,539,691	52.08	99,775	6,275,471	62.90	6,396,697	64.11
2019	636,431	30,543,140	47.99	32,560,632	51.16	98,418	4,430,082	45.01	4,881,034	49.59
2020	295,729	13,285,000	44.92	16,334,262	55.23	469,281	27,023,456	57.58	28,864,082	61.51
2021	389,405	17,662,122	45.36	20,375,278	52.32	151,050	6,700,678	44.36	7,988,247	52.88
Thereafter	3,251,831	168,479,325	51.81	200,814,514	61.75	147,617	7,114,199	48.19	7,932,475	53.74

Year of Lease Expiration	New York					Washington, DC				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	304,114	\$ 28,002,077	\$ 92.08	\$ 28,002,865	\$ 92.08	148,047	\$ 6,570,081	\$44.38	\$ 6,570,081	\$44.38
2013	52,342	4,449,268	85.00	4,456,478	85.14	63,290	3,307,854	52.27	3,383,585	53.46
2014	187,745	20,279,196	108.01	22,731,380	121.08	626,277	26,073,291	41.63	32,363,676	51.68
2015	251,703	36,067,155	143.29	40,040,545	159.08	313,330	18,203,916	58.10	19,213,736	61.32
2016	798,666	81,559,463	102.12	83,152,936	104.11	63,655	3,188,231	50.09	3,462,095	54.39
2017	1,471,404	144,666,545	98.32	152,364,129	103.55	790,866	45,265,449	57.24	46,814,944	59.19
2018	246,959	29,642,070	120.03	30,985,290	125.47	93,634	6,028,636	64.39	6,688,469	71.43
2019	1,011,603	84,209,616	83.24	89,875,445	88.84	418,909	23,695,247	56.56	27,280,018	65.12
2020	1,347,341	102,400,684	76.00	111,854,876	83.02	429,090	21,346,567	49.75	24,921,139	58.08
2021	497,720	49,656,812	99.77	63,143,279	126.87	548,871	30,558,174	55.67	37,813,859	68.89
Thereafter	2,072,151	165,828,126	80.03	193,031,282	93.16	789,353	51,697,146	65.49	67,134,667	85.05

Year of Lease Expiration	Princeton					Other				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	—	\$ —	\$ —	\$ —	\$ —	—	\$ —	\$ —	\$ —	\$ —
2013	—	—	—	—	—	—	—	—	—	—
2014	—	—	—	—	—	—	—	—	—	—
2015	—	—	—	—	—	—	—	—	—	—
2016	—	—	—	—	—	—	—	—	—	—
2017	—	—	—	—	—	—	—	—	—	—
2018	—	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—	—
Thereafter	—	—	—	—	—	—	—	—	—	—

- (1) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 143,978 square feet of leased premises in properties under development.
- (5) Excluding kiosks with one square foot at the Prudential Center, current and future expiring rents would be \$56.32 per square foot and \$56.32 per square foot, respectively, in 2012.
- (6) Includes 225,532 square feet of research/laboratory space. Excluding the research/laboratory space, current and future expiring rents would be \$50.80 per square foot and \$52.36 per square foot, respectively, in 2016.



**Boston Properties, Inc.**  
**First Quarter 2012**

**SUBURBAN PROPERTIES**

**Lease Expirations (1) (2) (3)**

Year of Lease Expiration	Boston					San Francisco				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	400,938	\$ 13,149,647	\$32.80	\$ 13,198,796	\$32.92	28,315	\$ 869,724	\$30.72	\$ 876,252	\$30.95
2013	353,184	11,345,244	32.12	11,491,998	32.54	330,596	5,598,501	16.93	5,747,305	17.38
2014	263,918	8,321,452	31.53	8,515,547	32.27	233,188	8,509,114	36.49	8,857,922	37.99
2015	590,056	17,996,400	30.50	19,323,849	32.75	271,418	9,169,026	33.78	9,929,607	36.58
2016	575,936	19,215,953	33.36	20,327,283	35.29	147,387	3,881,524	26.34	4,295,453	29.14
2017	433,433	13,025,900	30.05	13,931,816	32.14	251,539	7,780,708	30.93	9,178,059	36.49
2018	85,816	2,489,996	29.02	2,978,508	34.71	—	—	—	—	—
2019	294,799	11,935,377	40.49	13,021,963	44.17	—	—	—	—	—
2020	183,486	3,971,623	21.65	3,971,623	21.65	14,160	632,106	44.64	744,161	52.55
2021	324,288	7,311,484	22.55	7,528,046	23.21	—	—	—	—	—
Thereafter	884,937	31,338,111	35.41	35,168,604	39.74	—	—	—	—	—

Year of Lease Expiration	New York					Washington, DC				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	—	\$ —	\$ —	\$ —	\$ —	528,842	\$ 19,188,262	\$36.28	\$ 19,215,049	\$36.33(4)
2013	—	—	—	—	—	203,785	17,760,441	87.15	17,949,746	88.08(4)
2014	—	—	—	—	—	664,333	22,257,841	33.50	23,131,135	34.82
2015	—	—	—	—	—	475,957	15,474,508	32.51	16,455,073	34.57
2016	—	—	—	—	—	514,061	19,888,293	38.69	21,943,171	42.69
2017	—	—	—	—	—	148,177	6,424,971	43.36	6,908,145	46.62
2018	—	—	—	—	—	287,779	13,349,271	46.39	15,510,287	53.90
2019	—	—	—	—	—	456,408	18,586,470	40.72	19,633,791	43.02
2020	—	—	—	—	—	745,325	28,757,682	38.58	31,935,325	42.85
2021	—	—	—	—	—	509,015	21,065,838	41.39	25,416,173	49.93
Thereafter	—	—	—	—	—	695,059	27,729,948	39.90	34,894,722	50.20

Year of Lease Expiration	Princeton					Other				
	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot	Rentable Square Footage Subject to Expiring Leases	Current Annualized Revenues Under Expiring Leases	Per Square Foot	Annualized Revenues Under Expiring Leases with future step-ups	Per Square Foot
2012	26,283	\$ 738,517	\$28.10	\$ 1,015,292	\$38.63	—	\$ —	\$ —	\$ —	\$ —
2013	232,854	7,767,893	33.36	7,806,807	33.53	—	—	—	—	—
2014	676,176	22,814,391	33.74	23,133,482	34.21	—	—	—	—	—
2015	206,561	6,702,920	32.45	6,943,980	33.62	—	—	—	—	—
2016	79,160	2,647,703	33.45	2,721,646	34.38	—	—	—	—	—
2017	168,347	5,799,808	34.45	6,067,656	36.04	—	—	—	—	—
2018	18,927	578,819	30.58	635,600	33.58	—	—	—	—	—
2019	195,526	5,867,904	30.01	6,736,574	34.45	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—	—
2021	58,125	1,782,783	30.67	1,970,548	33.90	—	—	—	—	—
Thereafter	168,957	6,029,926	35.69	6,730,232	39.83	—	—	—	—	—

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- (2) Includes 100% of unconsolidated joint venture properties. Does not include properties owned by the Value-Added Fund, residential units and hotel.
- (3) Does not include data for leases expiring in a particular year when leases for the same space have already been signed with replacement tenants with future commencement dates. In those cases, the data is included in the year in which the future lease expires.
- (4) Includes 114,740 square feet of Sensitive Compartmented Information Facility (SCIF) space. Excluding the SCIF space from 2012 and 2013, the current and future expiring rental rate would be \$32.68 per square foot and \$32.73 per square foot, respectively, for 2012 and \$35.45 per square foot and \$37.20 per square foot, respectively, for 2013.

**Boston Properties, Inc.**

**First Quarter 2012**

**HOTEL PERFORMANCE**

**Cambridge Center Marriott**

	<u>First Quarter 2012</u>	<u>First Quarter 2011</u>	<u>Percent Change</u>
Occupancy	75.3%	69.2%	8.8%
Average Daily Rate	\$ 182.66	\$ 174.05	4.9%
Revenue per available room	\$ 137.58	\$ 120.43	14.2%

**RESIDENTIAL PERFORMANCE**

**Residences on The Avenue  
located at 2221 I Street, NW, Washington, DC**

	<u>First Quarter 2012</u>	<u>First Quarter 2011</u>	<u>Percent Change</u>
Average Rental Rate (1)	\$ 3,201	N/A	N/A
Average Rental Rate Per Occupied Square Foot (1)	\$ 3.92	N/A	N/A
Physical Occupancy (1) (2)	87.2%	N/A	N/A
Economic Occupancy (2)	76.2%	N/A	N/A
Net Operating Income (in thousands) (3)	\$ 1,273	N/A	N/A

**The Lofts at Atlantic Wharf  
Boston, MA**

	<u>First Quarter 2012</u>	<u>First Quarter 2011</u>	<u>Percent Change</u>
Average Rental Rate (4)	\$ 3,664	N/A	N/A
Average Rental Rate Per Occupied Square Foot (4)	\$ 4.14	N/A	N/A
Physical Occupancy (4) (2)	93.0%	N/A	N/A
Economic Occupancy (2)	87.2%	N/A	N/A
Net Operating Income (in thousands) (5)	\$ 493	N/A	N/A

(1) Excludes 49,528 square feet of retail space which is 100% occupied.

(2) For disclosures related to our definition of Physical and Economic Occupancy, see page 52.

(3) Includes 49,528 square feet of retail space, which had revenue of approximately \$863,000 for the quarter ended March 31, 2012.

(4) Excludes 8,994 square feet of retail space which is 61% occupied.

(5) Includes 8,994 square feet of retail space, which had revenue of approximately \$37,000 for the quarter ended March 31, 2012.

**Boston Properties, Inc.**  
**First Quarter 2012**

**OCCUPANCY ANALYSIS**

**Same Property Occupancy<sup>(1)</sup> - By Location**

<u>Location</u>	<u>CBD</u>		<u>Suburban</u>		<u>Total</u>	
	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Boston	96.4%	94.6%	86.5%	84.6%	92.4%	90.6%
New York	97.7%	98.4%	n/a	n/a	97.7%	98.4%
Princeton	n/a	n/a	75.5%	79.9%	75.5%	79.9%
San Francisco	92.2%	92.4%	74.1%	78.2%	86.8%	88.1%
Washington, DC	97.6%	97.9%	96.5%	95.1%	96.9%	96.3%
Total Portfolio	<u>96.4%</u>	<u>96.3%</u>	<u>87.1%</u>	<u>87.2%</u>	<u>92.9%</u>	<u>92.8%</u>

**Same Property Occupancy<sup>(1)</sup> - By Type of Property**

	<u>CBD</u>		<u>Suburban</u>		<u>Total</u>	
	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Total Office Portfolio	96.4%	96.2%	86.8%	87.4%	92.9%	93.0%
Total Office/Technical Portfolio	100.0%	100.0%	90.9%	85.5%	92.6%	88.3%
Total Portfolio	<u>96.4%</u>	<u>96.3%</u>	<u>87.1%</u>	<u>87.2%</u>	<u>92.9%</u>	<u>92.8%</u>

(1) For disclosures related to our definition of Same Property, see page 51.

**Boston Properties, Inc.**  
**First Quarter 2012**

**SAME PROPERTY PERFORMANCE**

**Office, Office/Technical and Hotel Properties**

	<u>Office</u>	<u>Office/Technical</u>	<u>Hotel (1)</u>	<u>Total</u>
Number of Properties	115	18	1	134
Square feet	34,532,047	1,526,739	332,455	36,391,241
Percent of properties in-service	90.4%	98.1%	100.0%	90.8%
Occupancy @ 03/31/2011	93.0%	88.3%	—	92.8%
Occupancy @ 03/31/2012	92.9%	92.6%	—	92.9%
Percent change from 1st quarter 2012 over 1st quarter 2011 (2):				
Rental revenue	1.5%	5.7%	14.6%	
Operating expenses and real estate taxes	5.3%	0.6%	6.3%	
Consolidated Net Operating Income (3) - excluding hotel				(0.2%)(2)
Consolidated Net Operating Income (3) - Hotel				243.1%(2)
Net Operating Income - BXP's share of unconsolidated joint ventures (3) (4)				1.3%(2)
Portfolio Net Operating Income (3)				0.2%
Rental revenue - cash basis	1.4%	6.3%	14.1%	
Consolidated Net Operating Income (3) - cash basis (5) excluding hotel	0.7%	9.0%		1.0%(2)
Consolidated Net Operating Income (3) - cash basis (5) - Hotel				229.0%(2)
Net Operating Income - cash basis (5) - BXP's share of unconsolidated joint ventures				8.3%(2)
Portfolio Net Operating Income (3) - cash basis (5)				2.1%

**Same Property Lease Analysis - quarter ended March 31, 2012**

	<u>Office</u>	<u>Office/Technical</u>	<u>Total</u>
Vacant space available @ 1/1/2012 (sf)	2,691,910	112,247	2,804,157
Square footage of leases expiring or terminated 1/1/2012-3/31/2012	721,462	31,060	752,522
Total space for lease (sf)	<u>3,413,372</u>	<u>143,307</u>	<u>3,556,679</u>
New tenants (sf)	663,841	—	663,841
Renewals (sf)	287,346	31,060	318,406
Total space leased (sf)	<u>951,187</u>	<u>31,060</u>	<u>982,247</u>
Space available @ 3/31/2012 (sf)	<u>2,462,185</u>	<u>112,247</u>	<u>2,574,432</u>
Net (increase)/decrease in available space (sf)	229,725	—	229,725
2nd generation Average lease term (months)	113	12	110
2nd generation Average free rent (days)	200	—	194
2nd generation TI/Comm PSF	\$ 53.78	\$ 0.55	\$ 52.08
Increase (decrease) in 2nd generation gross rents (6)	18.29%	3.27%	18.08%
Increase (decrease) in 2nd generation net rents (6)	25.47%	4.05%	25.12%

- (1) Includes revenue and expenses from retail tenants at the hotel property.
- (2) See page 44 for a quantitative reconciliation of Same Property Net Operating Income (NOI) by reportable segment.
- (3) For a quantitative reconciliation of NOI to net income available to common shareholders, see page 43. For disclosures relating to our use of Portfolio NOI and Consolidated NOI, see page 51.
- (4) For disclosures related to the calculation of NOI from unconsolidated joint ventures, see page 17.
- (5) For a quantitative reconciliation of NOI to NOI on a cash basis, see page 43.
- (6) Represents change in rents on a "cash to cash" basis (actual rent at time of expiration vs. initial rent of new lease) and for only 2nd generation space after eliminating any space vacant for more than 12 months. The total footage being weighted is 852,546 square feet.

**Boston Properties, Inc.**  
**First Quarter 2012**

**Reconciliation of Net Operating Income to Net Income**

	For the three months ended	
	March 31, 2012	March 31, 2011
	(in thousands)	
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 40,813
Net income attributable to noncontrolling interests:		
Noncontrolling interest in discontinued operations - common units of the Operating Partnership	1,942	(61)
Noncontrolling interest - common units of the Operating Partnership	6,089	6,090
Noncontrolling interest - redeemable preferred units of the Operating Partnership	801	823
Noncontrolling interests in property partnerships	546	529
Net income	74,010	48,194
Add:		
Loss from discontinued operations	156	497
Interest expense	103,237	98,525
Depreciation and amortization	109,673	109,237
Transaction costs	2,104	72
General and administrative expense	27,619	24,643
Subtract:		
Gains from early extinguishments of debt	(767)	—
Gains from investments in securities	(801)	(373)
Gain on forgiveness of debt from discontinued operations	(17,807)	—
Income from unconsolidated joint ventures	(11,721)	(7,976)
Interest and other income	(1,646)	(974)
Development and management services income	(8,149)	(7,428)
Consolidated Net Operating Income	275,908	264,417
Net Operating Income from unconsolidated joint ventures (BXP's share) (1)	55,883	58,164
Combined Net Operating Income	331,791	322,581
Subtract:		
Net Operating Income from Value-Added Fund (BXP's share)	(1,388)	(1,238)
Portfolio Net Operating Income	\$ 330,403	\$ 321,343
Same Property Net Operating Income	306,390	305,799
Net operating income from non Same Properties (2)	20,626	13,541
Termination income	3,387	2,003
Portfolio Net Operating Income	\$ 330,403	\$ 321,343
Same Property Net Operating Income	306,390	305,799
Less straight-line rent and fair value lease revenue	(33,117)	(34,845)
Add straight-line ground rent expense	3,274	—
Same Property Net Operating Income - cash basis	\$ 276,547	\$ 270,954

(1) For disclosures related to the calculation of Net Operating Income from unconsolidated joint ventures, see page 17.

(2) Pages 20-22 indicate by footnote the properties which are not included as part of Same Property Net Operating Income.



**Boston Properties, Inc.**

**First Quarter 2012**

**LEASING ACTIVITY**

**All In-Service Properties - quarter ended March 31, 2012**

	<u>Office</u>	<u>Office/Technical</u>	<u>Total</u>
Vacant space available @ 1/1/2012 (sf)	3,258,905	112,247	3,371,152
Property dispositions/ assets taken out of service (sf)	(347,665)	—	(347,665)
Property acquisitions (sf)	—	—	—
Assets placed in-service (sf)	7,693	—	7,693
Leases expiring or terminated 1/1/2012-3/31/2012 (sf)	1,175,306	31,060	1,206,366
Total space for lease (sf)	<u>4,094,239</u>	<u>143,307</u>	<u>4,237,546</u>
New tenants (sf)	765,890	—	765,890
Renewals (sf)	293,332	31,060	324,392
Total space leased (sf)	<u>1,059,222</u>	<u>31,060</u>	<u>1,090,282(1)</u>
Space available @ 3/31/2012 (sf)	<u>3,035,017</u>	<u>112,247</u>	<u>3,147,264</u>
Net (increase)/decrease in available space (sf)	223,888	—	223,888
2nd generation Average lease term (months)	111	12	108
2nd generation Average free rent (days)	196	—	190
2nd generation TI/Comm PSF	\$ 52.66	\$ 0.55	\$ 51.03
Increase (decrease) in 2nd generation gross rents (2)	18.06%	3.27%	17.86%
Increase (decrease) in 2nd generation net rents (3)	25.20%	4.05%	24.86%

	<u>All leases 1st Generation</u>	<u>All leases 2nd Generation</u>	<u>Incr (decr) in 2nd gen. gross cash rents (2)</u>	<u>Incr (decr) in 2nd gen. net cash rents (3)</u>	<u>Total Leased (4)</u>	<u>Total square feet of leases executed in the quarter (5)</u>
Boston	84,389	479,481	-16.03%	-23.33%	563,870	312,722
New York	2,866	114,091	117.51%	168.57%	116,957	163,254
Princeton	—	102,357	1.74%	0.48%	102,357	3,043
San Francisco	—	146,759	-16.02%	-24.20%	146,759	109,314
Washington, DC	9,920	150,419	9.26%	10.90%	160,339	163,695
	<u>97,175</u>	<u>993,107</u>	<u>17.86%</u>	<u>24.86%</u>	<u>1,090,282</u>	<u>752,028</u>

- (1) Details of 1st and 2nd generation space is located in chart below.
- (2) Represents increase (decrease) in gross rent (total base rent and expense reimbursements), comparing the change in rent at lease expiration vs. initial rent of the new lease for 2nd generation space that has been vacant for less than twelve months. The total footage being weighted is 872,909.
- (3) Represents increase (decrease) in net rent (base rent less base year expense), comparing the rent at lease expiration vs. initial rent of the new lease for 2nd generation space that has been vacant for less than twelve months. The total footage being weighted is 872,909.
- (4) Represents leases for which rental revenue has commenced in accordance with GAAP during the quarter.
- (5) Represents leases executed in the quarter for which the GAAP impact may be recognized in the current or future quarters, including properties currently under development. The total square feet of leases executed in the current quarter and recognized in the current quarter is 139,266.

**Boston Properties, Inc.**  
**First Quarter 2012**

**HISTORICALLY GENERATED CAPITAL EXPENDITURES,  
TENANT IMPROVEMENT COSTS AND LEASING COMMISSIONS**

**Historical Capital Expenditures**

(in thousands)

	<u>Q1 2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Recurring capital expenditures	\$ 1,796	\$ 29,334	\$ 13,988	\$ 27,813
Planned non-recurring capital expenditures associated with acquisition properties	6,245	4,358	395	865
Hotel improvements, equipment upgrades and replacements	187	4,010(1)	2,262(2)	1,515
	<u>\$ 8,228</u>	<u>\$ 37,702</u>	<u>\$ 16,645</u>	<u>\$ 30,193</u>

**2nd Generation Tenant Improvements and Leasing Commissions**

	<u>Q1 2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Office</b>				
Square feet	962,047	4,116,436	4,765,440	3,545,251
Tenant improvements and lease commissions PSF	\$ 52.66	\$ 30.32	\$ 35.77	\$ 32.59
<b>Office/Technical</b>				
Square feet	31,060	184,849	149,617	115,848
Tenant improvements and lease commissions PSF	\$ 0.55	\$ 23.97	\$ 2.14	\$ 0.13
Average tenant improvements and lease commissions PSF	<u>\$ 51.03</u>	<u>\$ 30.05</u>	<u>\$ 34.74</u>	<u>\$ 31.56</u>

- (1) Includes approximately \$1,845 of retail tenant improvements.  
(2) Includes approximately \$1,091 of costs related to a façade project at Cambridge Center Marriott.



**Boston Properties, Inc.**  
**First Quarter 2012**

**ACQUISITIONS/DISPOSITIONS**

*as of March 31, 2012*

**ACQUISITIONS**

*For the period from January 1, 2012 through March 31, 2012*

<u>Property</u>	<u>Date Acquired</u>	<u>Square Feet</u>	<u>Initial Investment</u>	<u>Anticipated Future Investment</u>	<u>Total Investment</u>	<u>Percentage Leased</u>
453 Ravendale Drive	March 1, 2012	29,620	\$ 6,650,000	\$ —	\$ 6,650,000	100%
100 Federal Street	March 13, 2012	1,264,421	615,600,000	—	615,600,000	94%
<b>Total Acquisitions</b>		<u>1,294,041</u>	<u>\$622,250,000</u>	<u>\$ —</u>	<u>\$622,250,000</u>	<u>94%</u>

**DISPOSITIONS**

*For the period from January 1, 2012 through March 31, 2012*

<u>Property</u>	<u>Date Disposed</u>	<u>Square Feet</u>	<u>Gross Sales Price</u>	<u>Book Gain</u>
Montvale Center	January 31, 2012	123,392	\$25,000,000	\$17,807,000(1)
<b>Total Dispositions</b>		<u>123,392</u>	<u>\$25,000,000</u>	<u>\$17,807,000</u>

- (1) On January 31, 2012, the servicer of the non-recourse mortgage loan collateralized by the Company's Montvale Center property located in Gaithersburg, Maryland foreclosed on the property. The Company was not current on making debt service payments and was accruing interest at the default interest rate of 9.93% per annum. The loan was originally scheduled to mature on June 6, 2012. As a result of the foreclosure, the mortgage loan totaling \$25.0 million was extinguished and the related obligations were satisfied with the transfer of the real estate and working capital to the servicer. The transaction resulted in a gain on forgiveness of debt of approximately \$17.8 million. The operating results of the property through the date of foreclosure have been classified as discontinued operations on a historical basis for all periods presented.

**Boston Properties, Inc.**  
**First Quarter 2012**

**VALUE CREATION PIPELINE - CONSTRUCTION IN PROGRESS (1)**  
*as of March 31, 2012*

Construction Properties	Initial Occupancy	Estimated Stabilization Date	Location	# of Buildings	Square feet	Investment to Date (2)	Estimated Total Investment (2)	Total Construction Loan (2)	Amount Drawn at 3/31/2012 (2)	Estimated Future Equity Requirement (2)	Percentage Leased (3)	Percentage Placed in Service (4)
<b>Office</b>												
510 Madison Avenue	Q2 2011	Q3 2013	New York, NY	1	347,000	\$ 363,792,136	\$ 375,000,000	\$ —	\$ —	\$ 11,207,864	51%	55%
12310 Sunrise Valley (Patriots Park) (5)	Q2 2012	Q2 2012	Reston, VA	1	267,531	62,137,613	67,000,000	—	—	4,862,387	100%	0%
Annapolis Junction Lot 6 (50% ownership)	Q3 2012	Q3 2013	Annapolis, MD	1	120,000	9,636,675	14,000,000	9,500,000	4,856,356	—	49%	0%
500 North Capitol (30% ownership)	Q4 2012	Q4 2013	Washington, DC	1	232,000	21,249,737	36,540,000	32,100,000	14,827,823	—	74%	0%
12300 Sunrise Valley (Patriots Park) (6)	Q2 2013	Q2 2013	Reston, VA	1	255,951	23,241,327	64,000,000	—	—	40,758,673	100%	0%
17 Cambridge Center	Q3 2013	Q3 2013	Cambridge, MA	1	195,191	27,594,021	86,300,000	—	—	58,705,979	100%	0%
250 West 55th Street (7)	Q2 2014	Q4 2015	New York, NY	1	989,000	582,132,608	1,050,000,000	—	—	467,867,392	19%	0%
<b>Total Office Properties under Construction</b>				<b>7</b>	<b>2,406,673</b>	<b>\$ 1,089,784,116</b>	<b>\$ 1,692,840,000</b>	<b>\$ 41,600,000</b>	<b>\$ 19,684,179</b>	<b>\$ 583,402,295</b>	<b>54%</b>	<b>18%</b>
<b>Residential</b>												
Reston Town Center Residential	Q4 2013	Q4 2015	Reston, VA	1	420,000	\$ 30,184,188	\$ 137,250,000	\$ —	\$ —	\$ 107,065,812	N/A	N/A
<b>Total Residential Properties under Construction</b>				<b>1</b>	<b>420,000</b>	<b>\$ 30,184,188</b>	<b>\$ 137,250,000</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 107,065,812</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Properties under Construction</b>				<b>8</b>	<b>2,826,673</b>	<b>\$ 1,119,968,305</b>	<b>\$ 1,830,090,000</b>	<b>\$ 41,600,000</b>	<b>\$ 19,684,179</b>	<b>\$ 690,468,107</b>	<b>54%</b>	<b>18%</b>

**PROJECTS PLACED IN-SERVICE DURING 2012**

Total Projects placed in Service	Initial In Service Date	Estimated Stabilization Date	Location	# of Buildings	Square feet	Investment to Date (2)	Estimated Total Investment (2)	Debt (2)	Drawn at 3/31/2012(2)	Estimated Future Equity Requirement (2)	Percentage Leased (3)	Percentage Placed in Service (4)
				—	—	\$ —	\$ —	\$ —	\$ —	\$ —	—	—

**IN-SERVICE PROPERTIES HELD FOR RE-DEVELOPMENT**

Sub Market	# of Buildings	Existing Square Feet	Leased %	Annualized Revenue Per Leased SF (8)	Encumbered with secured debt (Y/N)	Central Business District (CBD) or Suburban (S)	Estimated Future SF (9)
6601 Springfield Center Drive	1	26,388	100.0%	\$ 10.81	N	S	386,000
North First Business Park	5	190,636	75.8%	14.72	N	S	683,000
601 Massachusetts Avenue (formerly 635 Massachusetts Avenue)	1	211,000	100.0%	28.31	N	CBD	450,000
<b>Total Properties held for Re-Development</b>	<b>7</b>	<b>428,024</b>	<b>89.2%</b>	<b>\$ 21.96</b>			<b>1,519,000</b>

- (1) A project is classified as Construction in Progress when construction or supply contracts have been signed, physical improvements have commenced or a lease has been signed.
- (2) Represents the Company's share. Includes net revenue and interest carry during lease up period and acquisition expenses.
- (3) Represents percentage leased as of April 27, 2012 and excludes residential space.
- (4) Represents the portion of the project which no longer qualifies for capitalization of interest in accordance with GAAP.
- (5) The Company commenced redevelopment of 12310 Sunrise Drive on July 5, 2011 and expects to have it available for occupancy during the second quarter of 2012. Project cost includes the incremental costs related to redevelopment and excludes original investment in the asset.
- (6) The Company commenced redevelopment of 12300 Sunrise Drive on January 3, 2012 and expects to have it available for occupancy during the second quarter of 2013. Project cost includes the incremental costs related to redevelopment and excludes original investment in the asset.
- (7) Investment to Date excludes approximately \$24.8 million of cost that were expensed in prior periods in connection with the suspension of development activities. Estimated Total Investment includes approximately \$230 million of interest capitalization.
- (8) For disclosures relating to our definition of Annualized Revenue, see page 51.
- (9) The incremental square footage increase in Estimated Future SF is included in Approximate Developable Square Feet of Value Creation Pipeline - Owned Land Parcels on page 49.

**Boston Properties, Inc.**  
**First Quarter 2012**

**VALUE CREATION PIPELINE - OWNED LAND PARCELS**

*as of March 31, 2012*

<u>Location</u>	<u>Acreage</u>	<u>Approximate Developable Square Feet</u>
San Jose, CA (1) (2)	44.0	2,409,364
Reston, VA (1)	36.3	1,253,886
Waltham, MA	25.4	1,150,000
Gaithersburg, MD	27.0	850,000
Springfield, VA (1)	17.8	773,612
Dulles, VA	76.6	760,000
Rockville, MD	58.1	759,000
Boston, MA	1.0	450,000
Marlborough, MA	50.0	400,000
Annapolis, MD (50% ownership)	20.0	300,000
Washington, DC (1)	1.0	239,000
Andover, MA	10.0	110,000
New York, NY (50% ownership) (3)	0.2	TBD
	<u>367.4</u>	<u>9,454,862</u>

**VALUE CREATION PIPELINE - LAND PURCHASE OPTIONS**

*as of March 31, 2012*

<u>Location</u>	<u>Acreage</u>	<u>Approximate Developable Square Feet</u>
Princeton, NJ (4)	143.1	1,780,000
Cambridge, MA (5)	—	250,000
	<u>143.1</u>	<u>2,030,000</u>

- (1) Excludes the existing square footage related to sites being held for future re-development included on page 48.
- (2) Includes an additional 460,000 of developable square footage at our 3200 Zanker Road project.
- (3) The venture owns five lots with air rights and developable square footage remains to be determined.
- (4) Option to purchase at a fixed price of \$30.50 per square foot plus annual non-refundable option payments of \$125,000.
- (5) Includes 50,000 square feet of development rights for office / lab space and the option to purchase 200,000 square feet of residential rights.

**Definitions**

This section contains an explanation of certain non-GAAP financial measures we provide in other sections of this document, as well as the reasons why management believes these measures provide useful information to investors about the Company's financial condition or results of operations. Additional detail can be found in the Company's most recent annual report on Form 10-K and quarterly report on Form 10-Q, as well as other documents filed with or furnished to the SEC from time to time.

**Funds from Operations**

Pursuant to the revised definition of Funds from Operations adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"), we calculate Funds from Operations, or "FFO," by adjusting net income attributable to Boston Properties, Inc. (computed in accordance with GAAP, including non-recurring items) for gains (or losses) from sales of properties, impairment losses on depreciable real estate of consolidated real estate, impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures, real estate related depreciation and amortization, and after adjustment for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure. The use of FFO, combined with the required primary GAAP presentations, has been fundamentally beneficial in improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more meaningful. Management generally considers FFO to be a useful measure for reviewing our comparative operating and financial performance because, by excluding gains and losses related to sales of previously depreciated operating real estate assets, impairment losses and real estate asset depreciation and amortization (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help one compare the operating performance of a company's real estate between periods or as compared to different companies. Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently.

FFO should not be considered as an alternative to net income attributable to Boston Properties, Inc. (determined in accordance with GAAP) as an indication of our performance. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and is not a measure of liquidity or an indicator of our ability to make cash distributions. We believe that to further understand our performance, FFO should be compared with our reported net income attributable to Boston Properties, Inc. and considered in addition to cash flows determined in accordance with GAAP, as presented in our consolidated financial statements.

**Funds Available for Distribution (FAD)**

In addition to FFO, we present Funds Available for Distribution (FAD) by (1) adding to FFO non-real estate depreciation, fair value interest adjustment, losses from early extinguishments of debt, ASC 470-20 (formerly known as FSP APB 14-1) interest expense adjustment, non-cash stock-based compensation expense, and partners' share of joint venture 2nd generation tenant improvement and leasing commissions, (2) eliminating the effects of straight-line rent and fair value lease revenue, (3) subtracting: recurring capital expenditures; hotel improvements, equipment upgrades and replacements; and second generation tenant improvement and leasing commissions (included in the period in which the lease commences); and (4) subtracting non-cash termination income. Although our FAD may not be comparable to that of other REITs and real estate companies, we believe it provides a meaningful indicator of our ability to fund cash needs and to make cash distributions to equity owners. In addition, we believe that to further understand our liquidity, FAD should be compared with our cash flows determined in accordance with GAAP, as presented in our consolidated financial statements. FAD does not represent cash generated from operating activities determined in accordance with GAAP, and FAD should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, as an alternative to net cash flows from operating activities (determined in accordance with GAAP), or as a measure of our liquidity.

**Total Consolidated Debt to Total Consolidated Market Capitalization Ratio**

Total consolidated debt to total consolidated market capitalization ratio, defined as total consolidated debt as a percentage of the market value of our outstanding equity securities plus our total consolidated debt, is a measure of leverage commonly used by analysts in the REIT sector. Total consolidated market capitalization is the sum of (A) our total consolidated indebtedness outstanding plus (B) the market value of our outstanding equity securities calculated using the closing price per share of common stock of the Company multiplied by the sum of (1) outstanding shares of common stock of the Company, (2) outstanding common units of limited partnership interest in Boston Properties Limited Partnership (excluding common units held by the Company), (3) common units issuable upon conversion of all outstanding Series Two Preferred Units of partnership interest in Boston Properties Limited Partnership and (4) common units issuable upon conversion of all outstanding LTIP Units, assuming all conditions have been met for the conversion of the LTIP Units. The calculation of total consolidated market capitalization does not include OPP Units because, unlike other LTIP Units, they are not earned until certain thresholds are achieved. We are presenting this ratio because our degree of leverage could affect our ability to obtain additional financing for working capital, capital expenditures, acquisitions, development or other general corporate purposes. Investors should understand that our total consolidated debt to total consolidated market capitalization ratio is in part a function of the market price of the common stock of the Company, and as such will fluctuate with changes in such price and does not necessarily reflect our capacity to incur additional debt to finance our activities or our ability to manage our existing debt obligations. However, for a company like ours, whose assets are primarily income-producing real estate, the total consolidated debt to total consolidated market capitalization ratio may provide investors with an alternate indication of leverage, so long as it is evaluated along with the ratio of indebtedness to other measures of asset value used by financial analysts and other financial ratios, as well as the various components of our outstanding indebtedness.

**Total Combined Debt to Total Combined Market Capitalization Ratio**

Total combined debt to total combined market capitalization ratio, defined as total combined debt (which equals our total consolidated debt plus our share of unconsolidated joint venture debt) as a percentage of the market value of our outstanding equity securities plus our total combined debt, is an alternative measure of leverage used by some analysts in the REIT sector. Total combined market capitalization is the sum of (A) our total combined debt plus (B) the market value of our outstanding equity securities calculated using the closing price per share of common stock of the Company multiplied by the sum of (1) outstanding shares of common stock of the Company, (2) outstanding common units of limited partnership interest in Boston Properties Limited Partnership (excluding common units held by the Company), (3) common units issuable upon conversion of all outstanding Series Two Preferred Units of partnership interest in Boston Properties Limited Partnership and (4) common units issuable upon conversion of all outstanding LTIP Units, assuming all conditions have been met for the conversion of the LTIP Units. The calculation of total combined market capitalization does not include OPP Units because, unlike other LTIP Units, they are not earned until certain thresholds are achieved.

We present this ratio because, following our acquisitions of the General Motors Building, Two Grand Central Tower, 125 West 55th Street and 540 Madison Avenue through unconsolidated joint ventures in June and August 2008, our share of unconsolidated joint venture debt increased significantly compared to prior periods when the amount of assets held through unconsolidated joint ventures was significantly smaller. In light of the difference between our total consolidated debt and our total combined debt, we believe that also presenting our total combined debt to total combined market capitalization may provide investors with a more complete picture of our leverage. Investors should understand that our total combined debt to total combined market capitalization ratio is in part a function of the market price of the common stock of the Company, and as such will fluctuate with changes in such price and does not necessarily reflect our capacity to incur additional debt to finance our activities or our ability to manage our existing debt obligations. The total combined debt to total combined market capitalization ratio should be evaluated along with the ratio of indebtedness to other measures of asset value used by financial analysts and other financial ratios, as well as the various components of our outstanding indebtedness.

*Definitions*

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**Consolidated Net Operating Income (NOI)**

Consolidated NOI is a non-GAAP financial measure equal to net income attributable to Boston Properties, Inc., the most directly comparable GAAP financial measure, plus net income attributable to noncontrolling interests, corporate general and administrative expense, transaction costs, depreciation and amortization, interest expense and loss from discontinued operations, less interest and other income, development and management services income, income from unconsolidated joint ventures, gain on forgiveness of debt from discontinued operations, gains from investments in securities and gains from early extinguishment of debt. In some cases we also present Consolidated NOI on a cash basis, which is Consolidated NOI after eliminating the effects of straight-lining of rent and fair value lease revenue. We use Consolidated NOI internally as a performance measure and believe Consolidated NOI provides useful information to investors regarding our financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level. Therefore, we believe Consolidated NOI is a useful measure for evaluating the operating performance of our real estate assets. Our management also uses Consolidated NOI to evaluate regional property level performance and to make decisions about resource allocations. Further, we believe Consolidated NOI is useful to investors as a performance measure because, when compared across periods, Consolidated NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unleveraged basis, providing perspective not immediately apparent from net income. Consolidated NOI excludes certain components from net income in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset and is often incurred at the corporate level as opposed to the property level. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. Consolidated NOI presented by us may not be comparable to Consolidated NOI reported by other REITs that define Consolidated NOI differently. We believe that in order to facilitate a clear understanding of our operating results, Consolidated NOI should be examined in conjunction with net income as presented in our consolidated financial statements. Consolidated NOI should not be considered as an alternative to net income as an indication of our performance or to cash flows as a measure of our liquidity or ability to make distributions.

**Combined Net Operating Income (NOI)**

Combined NOI is a non-GAAP financial measure equal to Consolidated NOI plus our share of net operating income from unconsolidated joint ventures. In some cases we also present Combined NOI on a cash basis, which is Combined NOI after eliminating the effects of straight-lining of rent and fair value lease revenue. In addition to Consolidated NOI, we use Combined NOI internally as a performance measure and believe Combined NOI provides useful information to investors regarding our financial condition and results of operations because it includes the impact of our unconsolidated joint ventures, which have become significant. Therefore, we believe Combined NOI is a useful measure for evaluating the operating performance of all of our real estate assets, including those held by our unconsolidated joint ventures. Our management also uses Combined NOI to evaluate regional property level performance and to make decisions about resource allocations. Further, like Consolidated NOI, we believe Combined NOI is useful to investors as a performance measure because, when compared across periods, Combined NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unleveraged basis, providing perspective not immediately apparent from net income. Combined NOI presented by us may not be comparable to Combined NOI reported by other REITs that define Combined NOI differently. We believe that in order to facilitate a clear understanding of our operating results, Combined NOI should be examined in conjunction with net income as presented in our consolidated financial statements. Combined NOI should not be considered as an alternative to net income as an indication of our performance or to cash flows as a measure of our liquidity or ability to make distributions.

**Portfolio Net Operating Income (NOI)**

Portfolio NOI is a non-GAAP financial measure equal to Combined NOI less our share of net operating income from the Value-Added Fund in recognition of the fact that we do not include non-core office properties held by the fund in the Company's portfolio information tables or other portfolio level statistics because they have deficiencies in property characteristics which provide opportunity to create value. In some cases we also present Portfolio NOI on a cash basis, which is Portfolio NOI after eliminating the effects of straight-lining of rent and fair value lease revenue. In addition to Consolidated NOI and Combined NOI, we use Portfolio NOI internally as a performance measure and believe Portfolio NOI provides useful information to investors regarding our financial condition and results of operations because it includes the impact of our unconsolidated joint ventures, which have become significant, but excludes the impact of the Value-Added Fund. Therefore, we believe Portfolio NOI is a useful measure for evaluating the operating performance of our active portfolio, including both consolidated assets and those held by our unconsolidated joint ventures. Our management also uses Portfolio NOI to evaluate regional property level performance and to make decisions about resource allocations. Further, like Consolidated NOI and Combined NOI, we believe Portfolio NOI is useful to investors as a performance measure because, when compared across periods, Portfolio NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unleveraged basis, providing perspective not immediately apparent from net income. Portfolio NOI presented by us may not be comparable to Portfolio NOI reported by other REITs that define Portfolio NOI differently. We believe that in order to facilitate a clear understanding of our operating results, Portfolio NOI should be examined in conjunction with net income as presented in our consolidated financial statements. Portfolio NOI should not be considered as an alternative to net income as an indication of our performance or to cash flows as a measure of our liquidity or ability to make distributions.

**In-Service Properties**

We treat a property as being "in-service" upon the earlier of (i) lease-up and completion of tenant improvements or (ii) one year after cessation of major construction activity under GAAP. The determination as to when a property should be treated as "in-service" involves a degree of judgment and is made by management based on the relevant facts and circumstances of the particular property. For portfolio operating and occupancy statistics we specify a single date for treating a property as "in-service" which is generally later than the date the property is placed in-service for GAAP. Under GAAP a property may be placed in service in stages as construction is completed and the property is held available for occupancy. In accordance with GAAP, when a portion of a property has been substantially completed and occupied or held available for occupancy, we cease capitalization on that portion, though we may not treat the property as being "in-service," and continue to capitalize only those costs associated with the portion still under construction. In-service properties include properties held by our unconsolidated joint ventures (other than the Value-Added Fund). In-service properties exclude hotel and residential properties.

**Same Properties**

In our analysis of NOI, particularly to make comparisons of NOI between periods meaningful, it is important to provide information for properties that were in-service and owned by us throughout each period presented. We refer to properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by us through the end of the latest period presented as "Same Properties." "Same Properties" therefore exclude properties placed in-service, acquired, repositioned, or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired or treated as "in-service" for that property to be included in "Same Properties." Pages 20-22 indicate by footnote the "In-Service Properties" which are not included in "Same Properties." "Same Properties NOI" includes our share of net operating income from unconsolidated joint ventures (other than the Value-Added Fund).

**Annualized Revenue**

Rental obligations at the end of the reporting period, including contractual base rents, percentage rent and reimbursements from tenants under existing leases, multiplied by twelve. These annualized amounts exclude rent abatements.

**Future Annualized Revenue**

Rental obligations including the sum of (i) contractual base rents at lease expiration and (ii) percentage rent and reimbursements from tenants at the end of the current reporting period, multiplied by twelve. These annualized amounts exclude rent abatements.

*Definitions*

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**Average Rental Rates**

Average Rental Rates are calculated by the Company as rental revenue in accordance with GAAP, divided by the weighted average number of occupied units.

**Economic Occupancy**

Economic Occupancy is defined as total possible revenue less vacancy loss as a percentage of total possible revenue. Total possible revenue is determined by valuing occupied units at contract rates and vacant units at Market Rents. Vacancy loss is determined by valuing vacant units at current Market Rents. By measuring vacant units at their Market Rents, Economic Occupancy takes into account the fact that units of different sizes and locations within a residential property have different economic impacts on a residential property's total possible gross revenue.

**Market Rents**

Market Rents used by the Company in calculating Economic Occupancy are based on the current market rates set by the managers of the Company's residential properties based on their experience in renting their residential property's units and publicly available market data. Trends in market rents for a region as reported by others could vary. Market Rents for a period are based on the average Market Rents during that period and do not reflect any impact for cash concessions.

**Physical Occupancy**

Physical occupancy is defined as the number of occupied units divided by the total number of units, expressed as a percentage.

news



800 Boylston Street  
Boston, MA 02199

**AT THE COMPANY**

Michael Walsh  
Senior Vice President, Finance  
(617) 236-3410

Arista Joyner  
Investor Relations Manager  
(617) 236-3343

**BOSTON PROPERTIES ANNOUNCES**  
**FIRST QUARTER 2012 RESULTS**

**Reports diluted FFO per share of \$1.12**

**Reports diluted EPS of \$0.43**

**BOSTON, MA, May 1, 2012 – Boston Properties, Inc. (NYSE: BXP)**, a real estate investment trust, reported results today for the first quarter ended March 31, 2012.

Funds from Operations (FFO) for the quarter ended March 31, 2012 were \$166.9 million, or \$1.13 per share basic and \$1.12 per share diluted. This compares to FFO for the quarter ended March 31, 2011 of \$160.0 million, or \$1.13 per share basic and \$1.12 per share diluted. The weighted average number of basic and diluted shares outstanding totaled 148,343,382 and 150,140,431, respectively, for the quarter ended March 31, 2012 and 142,094,867 and 143,965,007, respectively, for the quarter ended March 31, 2011.

The Company's reported FFO of \$1.12 per share diluted was within the guidance previously provided of \$1.12-\$1.14 per share. The Company's reported FFO included the following items, among others, that were not contemplated at the time the previous guidance was issued: compensation expense of (\$0.03) per share associated with the resignation of the Company's Chief Operating Officer, transaction costs of (\$0.01) per share and an adjustment to ground rent expense of (\$0.02) per share, as well as the acquisition of 100 Federal Street adding \$0.01 per share, operating expense savings of \$0.03 per share and \$0.02 per share from better than expected performance from the Company's hotel, unconsolidated joint ventures and third-party fee income.

Net income available to common shareholders was \$64.6 million for the quarter ended March 31, 2012, compared to \$40.8 million for the quarter ended March 31, 2011. Net income available to common shareholders per share (EPS) for the quarter ended March 31, 2012 was \$0.44 basic and \$0.43 on a diluted basis. This compares to EPS for the first quarter of 2011 of \$0.29 basic and \$0.29 on a diluted basis.



The reported results are unaudited and there can be no assurance that the results will not vary from the final information for the quarter ended March 31, 2012. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made.

As of March 31, 2012, the Company's portfolio consisted of 153 properties, comprised primarily of Class A office space, one hotel, three residential properties and three retail properties, aggregating approximately 43.3 million square feet, including eight properties under construction totaling 2.8 million square feet. In addition, the Company has structured parking for vehicles containing approximately 15.2 million square feet. The overall percentage of leased space for the 142 properties in service (excluding the two in-service residential properties and the hotel) as of March 31, 2012 was 92.1%.

Significant events during the first quarter included:

- On January 3, 2012, the Company commenced the redevelopment of 12300 Sunrise Valley Drive, a Class A office project with approximately 256,000 net rentable square feet located in Reston, Virginia. The Company will capitalize incremental costs during the redevelopment. The property is 100% pre-leased.
- On January 10, 2012, the Company announced that holders of the 2.875% Exchangeable Senior Notes due 2037 (the "Notes") of its Operating Partnership had the right to surrender their Notes for purchase by the Operating Partnership (the "Put Right") on February 15, 2012. On January 10, 2012, the Company also announced that the Operating Partnership issued a notice of redemption to the holders of the Notes to redeem, on February 20, 2012 (the "Redemption Date"), all of the Notes outstanding on the Redemption Date. Holders of an aggregate of \$242,735,000 of the Notes exercised the Put Right and on February 20, 2012, the Company redeemed the remaining \$333,459,000 of outstanding Notes at a redemption price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest thereon.
- On January 25, 2012, the Company's Compensation Committee approved outperformance awards (the "2012 OPP Awards") under the Company's 1997 Stock Option and Incentive Plan to officers and employees of the Company. Recipients of 2012 OPP Awards will share in a maximum outperformance pool of \$40.0 million if the total return to shareholders, including both share appreciation and dividends, exceeds absolute and relative hurdles over a three-year measurement period from February 7, 2012 to February 6, 2015. Earned awards are subject to two-years of time-based vesting after the performance measurement date. Under the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") 718 "Compensation – Stock Compensation" the 2012 OPP Awards have an aggregate value of approximately \$7.7 million, which amount will be amortized into earnings over the five-year plan period under the graded vesting method. The Company recognized approximately \$0.5 million of compensation expense associated with the 2012 OPP Awards during the first quarter of 2012.

- On January 31, 2012, the servicer of the non-recourse mortgage loan collateralized by the Company's Montvale Center property located in Gaithersburg, Maryland foreclosed on the property. The Company was not current on making debt service payments and was accruing interest at the default interest rate of 9.93% per annum. The loan was originally scheduled to mature on June 6, 2012. As a result of the foreclosure, the mortgage loan totaling \$25.0 million was extinguished and the related obligations were satisfied with the transfer of the real estate and working capital to the servicer. The transaction resulted in a gain on forgiveness of debt of approximately \$17.8 million. The operating results of the property through the date of foreclosure have been classified as discontinued operations on a historical basis for all periods presented.
- On February 13, 2012, E. Mitchell Norville announced that he would resign as Executive Vice President, Chief Operating Officer of the Company effective on February 29, 2012. In connection with his resignation, Mr. Norville entered into a separation agreement with the Company. The Company recognized approximately \$4.5 million of expense during the first quarter of 2012 in connection with Mr. Norville's resignation.
- On March 1, 2012, the Company acquired 453 Ravendale Drive located in Mountain View, California for a purchase price of approximately \$6.7 million in cash. 453 Ravendale Drive is an approximately 30,000 net rentable square foot Office/Technical property that is currently 100% leased.
- On March 12, 2012, the Company used available cash to repay the mortgage loan collateralized by its Bay Colony Corporate Center property located in Waltham, Massachusetts totaling \$143.9 million. The mortgage financing bore interest at a fixed rate of 6.53% per annum and was scheduled to mature on June 11, 2012. There was no prepayment penalty. The Company recognized a gain on early extinguishment of debt totaling approximately \$0.9 million related to the acceleration of the remaining balance of the historical fair value debt adjustment.
- On March 13, 2012, the Company acquired 100 Federal Street in Boston, Massachusetts for an aggregate investment of approximately \$615.0 million in cash. In connection with the transaction, the Company entered into a long-term lease with an affiliate of Bank of America for approximately 735,000 square feet. 100 Federal Street is an approximately 1,264,000 net rentable square foot, 37-story Class A office tower that is currently 94% leased. The Company projects this property's annualized 2012 Unleveraged FFO Return to be 6.1% and annualized 2012 Unleveraged Cash Return to be 5.0%. The calculation of these returns and related disclosures are presented on the accompanying table entitled "Projected Annualized 2012 Returns on Operating Property Acquisition." There can be no assurance that actual returns will not differ materially from these projections.

- During the first quarter of 2012, the Company utilized its “at the market” (“ATM”) stock offering program to issue an aggregate of 1,048,800 shares of its common stock for gross proceeds of approximately \$110.5 million and net proceeds of approximately \$109.3 million. During the second quarter of 2012 through April 9, 2012, the Company issued an additional 421,600 shares of its common stock for gross proceeds of approximately \$44.3 million and net proceeds of approximately \$43.8 million. The Company’s ATM stock offering program provides the Company with the ability to sell from time to time up to an aggregate of \$600.0 million of its common stock through sales agents for a three-year period. As of May 1, 2012, approximately \$400.3 million remained available for issuance under this ATM program.

Transactions completed subsequent to March 31, 2012:

- On April 2, 2012, the Company used available cash to repay the mortgage loan collateralized by its One Freedom Square property located in Reston, Virginia totaling \$65.1 million. The mortgage financing bore interest at a fixed rate of 7.75% per annum and was scheduled to mature on June 30, 2012. There was no prepayment penalty.
- On April 30, 2012, the Company completed and placed in-service 510 Madison Avenue, a Class A office project with approximately 347,000 net rentable square feet located in New York City. The property is 51% leased.
- On May 1, 2012, the Company entered into an agreement to sell its Bedford Business Park properties located in Bedford, Massachusetts for approximately \$62.8 million in cash. Bedford Business Park is comprised of two Office/Technical buildings and one Class A office building aggregating approximately 470,000 net rentable square feet. The sale is subject to the satisfaction of customary closing conditions and, although there can be no assurance that the sale will be consummated on the terms currently contemplated or at all, it is expected to close by the end of the second quarter of 2012.

**EPS and FFO per Share Guidance:**

The Company's guidance for the second quarter and full year 2012 for EPS (diluted) and FFO per share (diluted) is set forth and reconciled below. Except as described below, the estimates reflect management's view of current and future market conditions, including assumptions with respect to rental rates, occupancy levels and the earnings impact of the events referenced in this release and otherwise referenced during the conference call referred to below. The primary changes to the Company's previously issued full year 2012 FFO guidance include an increase of \$0.18 per share due to the acquisition of 100 Federal Street, a (\$0.02) per share reduction due to the pending sale of Bedford Business Park, a reduction of (\$0.03) per share reflecting the full-year impact of shares previously issued under the Company's ATM program, a reduction of (\$0.06) per share reflecting the items described above that reduced first quarter FFO and an improvement in the Company's same store projections. The estimates do not include possible future gains or losses or the impact on operating results from other possible future property acquisitions or dispositions, other possible capital markets activity or possible future impairment charges. EPS estimates may be subject to fluctuations as a result of several factors, including changes in the recognition of depreciation and amortization expense and any gains or losses associated with disposition activity. The Company is not able to assess at this time the potential impact of these factors on projected EPS. By definition, FFO does not include real estate-related depreciation and amortization, impairment losses or gains or losses associated with disposition activities. There can be no assurance that the Company's actual results will not differ materially from the estimates set forth below.

	Second Quarter 2012			Full Year 2012		
	Low	-	High	Low	-	High
Projected EPS (diluted)	\$0.68	-	\$0.70	\$2.02	-	\$2.12
Add:						
Projected Company Share of Real Estate Depreciation and Amortization	0.78	-	0.78	3.14	-	3.14
Less:						
Projected Company Share of Gains on Sales/Transfers of Real Estate	0.23	-	0.23	0.33	-	0.33
Projected FFO per Share (diluted)	\$1.23	-	\$1.25	\$4.83	-	\$4.93

Boston Properties will host a conference call on Wednesday, May 2, 2012 at 10:00 AM Eastern Time, open to the general public, to discuss the first quarter 2012 results, the 2012 projections and related assumptions, and other related matters that may be of interest to investors. The number to call for this interactive teleconference is (877) 706-4503 (Domestic) or (281) 913-8731 (International) and entering the passcode 68597663. A replay of the conference call will be available through May 16, 2012, by dialing (855) 859-2056 (Domestic) or (404) 537-3406 (International) and entering the passcode 68597663. There will also be a live audio webcast of the call which may be accessed on the Company's website at [www.bostonproperties.com](http://www.bostonproperties.com) in the Investor Relations section. Shortly after the call a replay of the webcast will be available in the Investor Relations section of the Company's website and archived for up to twelve months following the call.

Additionally, a copy of Boston Properties' first quarter 2012 "Supplemental Operating and Financial Data" and this press release are available in the Investor Relations section of the Company's website at [www.bostonproperties.com](http://www.bostonproperties.com).

Boston Properties is a fully integrated, self-administered and self-managed real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of Class A office space, one hotel, three residential properties and three retail properties. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets – Boston, New York, Princeton, San Francisco and Washington, DC.

*This press release contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words "assumes," "believes," "estimates," "expects," "guidance," "intends," "plans," "projects" and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties' control and could materially affect actual results, performance or achievements. These factors include, without limitation, the Company's ability to satisfy the closing conditions to the pending transactions described above, the ability to enter into new leases or renew leases on favorable terms, dependence on tenants' financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate acquisitions, the uncertainties of investing in new markets, the costs and availability of financing, the effectiveness of our interest rate hedging contracts, the ability of our joint venture partners to satisfy their obligations, the effects of local, national and international economic and market conditions (including the impact of the European sovereign debt issues), the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company's accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. Boston Properties does not undertake a duty to update or revise any forward-looking statement, including its guidance for the second quarter and full fiscal year 2012, whether as a result of new information, future events or otherwise.*

Financial tables follow.

**BOSTON PROPERTIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	March 31, 2012	December 31, 2011
	(in thousands, except for share amounts) (unaudited)	
<b>ASSETS</b>		
Real estate	\$ 12,937,143	\$ 12,303,965
Construction in progress	870,006	818,685
Land held for future development	268,030	266,822
Less: accumulated depreciation	(2,722,605)	(2,642,986)
Total real estate	11,352,574	10,746,486
Cash and cash equivalents	591,196	1,823,208
Cash held in escrows	30,697	40,332
Investments in securities	11,193	9,548
Tenant and other receivables, net of allowance for doubtful accounts of \$1,370 and \$1,766, respectively	68,275	79,838
Related party notes receivable	281,177	280,442
Interest receivable from related party notes receivable	95,126	89,854
Accrued rental income, net of allowance of \$2,631 and \$2,515, respectively	541,153	522,675
Deferred charges, net	500,957	445,403
Prepaid expenses and other assets	73,132	75,458
Investments in unconsolidated joint ventures	667,377	669,722
Total assets	<u>\$ 14,212,857</u>	<u>\$ 14,782,966</u>
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Mortgage notes payable	\$ 2,946,760	\$ 3,123,267
Unsecured senior notes, net of discount	3,865,369	3,865,186
Unsecured exchangeable senior notes, net of discount	1,148,497	1,715,685
Unsecured line of credit	—	—
Accounts payable and accrued expenses	165,441	155,139
Dividends and distributions payable	92,615	91,901
Accrued interest payable	97,997	69,105
Other liabilities	324,826	293,515
Total liabilities	<u>8,641,505</u>	<u>9,313,798</u>
Commitments and contingencies	—	—
Noncontrolling interest:		
Redeemable preferred units of the Operating Partnership	51,537	55,652
Equity:		
Stockholders' equity attributable to Boston Properties, Inc.		
Excess stock, \$.01 par value, 150,000,000 shares authorized, none issued or outstanding	—	—
Preferred stock, \$.01 par value, 50,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$.01 par value, 250,000,000 shares authorized, 149,463,241 and 148,186,511 shares issued and 149,384,341 and 148,107,611 shares outstanding at March 31, 2012 and December 31, 2011, respectively	1,494	1,481
Additional paid-in capital	5,050,547	4,936,457
Dividends in excess of earnings	(70,609)	(53,080)
Treasury common stock, at cost	(2,722)	(2,722)
Accumulated other comprehensive loss	(15,558)	(16,138)
Total stockholders' equity attributable to Boston Properties, Inc.	4,963,152	4,865,998
Noncontrolling interests:		
Common units of the Operating Partnership	557,930	548,581
Property partnerships	(1,267)	(1,063)
Total equity	<u>5,519,815</u>	<u>5,413,516</u>
Total liabilities and equity	<u>\$ 14,212,857</u>	<u>\$ 14,782,966</u>

**BOSTON PROPERTIES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	Three months ended March 31,	
	2012	2011
(in thousands, except for per share amounts)		
<b>Revenue</b>		
Rental		
Base rent	\$ 357,701	\$ 338,925
Recoveries from tenants	52,568	45,849
Parking and other	22,428	19,064
Total rental revenue	432,697	403,838
Hotel revenue	6,816	5,948
Development and management services	8,149	7,428
Total revenue	447,662	417,214
<b>Expenses</b>		
Operating		
Rental	157,506	139,630
Hotel	6,099	5,739
General and administrative	27,619	24,643
Transaction costs	2,104	72
Depreciation and amortization	109,673	109,237
Total expenses	303,001	279,321
Operating income	144,661	137,893
<b>Other income (expense)</b>		
Income from unconsolidated joint ventures	11,721	7,976
Interest and other income	1,646	974
Gains from investments in securities	801	373
Gains from early extinguishments of debt	767	—
Interest expense	(103,237)	(98,525)
Income from continuing operations	56,359	48,691
<b>Discontinued operations</b>		
Loss from discontinued operations	(156)	(497)
Gain on forgiveness of debt from discontinued operations	17,807	—
Net income	74,010	48,194
<b>Net income attributable to noncontrolling interests</b>		
Noncontrolling interests in property partnership	(546)	(529)
Noncontrolling interest - redeemable preferred units of the Operating Partnership	(801)	(823)
Noncontrolling interest - common units of the Operating Partnership	(6,089)	(6,090)
Noncontrolling interest in discontinued operations - common units of the Operating Partnership	(1,942)	61
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 40,813
<b>Basic earnings per common share attributable to Boston Properties, Inc.:</b>		
Income from continuing operations	\$ 0.33	\$ 0.29
Discontinued operations	0.11	—
Net income	\$ 0.44	\$ 0.29
Weighted average number of common shares outstanding	148,343	142,095
<b>Diluted earnings per common share attributable to Boston Properties, Inc.:</b>		
Income from continuing operations	\$ 0.33	\$ 0.29
Discontinued operations	0.10	—
Net income	\$ 0.43	\$ 0.29
Weighted average number of common and common equivalent shares outstanding	148,746	142,504

**BOSTON PROPERTIES, INC.**  
**FUNDS FROM OPERATIONS (1)**  
(Unaudited)

	Three months ended	
	March 31,	
	2012	2011
	(in thousands, except for per share amounts)	
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 40,813
Add:		
Noncontrolling interest in discontinued operations - common units of the Operating Partnership	1,942	(61)
Noncontrolling interest - common units of the Operating Partnership	6,089	6,090
Noncontrolling interest - redeemable preferred units of the Operating Partnership	801	823
Noncontrolling interests in property partnerships	546	529
Loss from discontinued operations	156	497
Less:		
Gain on forgiveness of debt from discontinued operations	17,807	—
Income from continuing operations	56,359	48,691
Add:		
Real estate depreciation and amortization (2)	132,490	136,104
Less:		
Loss from discontinued operations	156	497
Noncontrolling interests in property partnership's share of funds from operations	1,010	993
Noncontrolling interest - redeemable preferred units of the Operating Partnership	801	823
Funds from operations (FFO) attributable to the Operating Partnership	186,882	182,482
Less:		
Noncontrolling interest - common units of the Operating Partnership's share of funds from operations	19,939	22,502
Funds from operations attributable to Boston Properties, Inc.	<u>\$ 166,943</u>	<u>\$ 159,980</u>
Boston Properties, Inc.'s percentage share of funds from operations - basic	<u>89.33%</u>	<u>87.67%</u>
Weighted average shares outstanding - basic	<u>148,343</u>	<u>142,095</u>
FFO per share basic	<u>\$ 1.13</u>	<u>\$ 1.13</u>
Weighted average shares outstanding - diluted	<u>150,140</u>	<u>143,965</u>
FFO per share diluted	<u>\$ 1.12</u>	<u>\$ 1.12</u>



- (1) Pursuant to the revised definition of Funds from Operations adopted by the Board of Governors of the National Association of Real Estate Investment Trusts (“NAREIT”), we calculate Funds from Operations, or “FFO,” by adjusting net income (loss) attributable to Boston Properties, Inc. (computed in accordance with GAAP, including non-recurring items) for gains (or losses) from sales of properties, impairment losses on depreciable real estate of consolidated real estate, impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures, real estate related depreciation and amortization, and after adjustment for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure. The use of FFO, combined with the required primary GAAP presentations, has been fundamentally beneficial in improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more meaningful. Management generally considers FFO to be a useful measure for reviewing our comparative operating and financial performance because, by excluding gains and losses related to sales of previously depreciated operating real estate assets, impairment losses and real estate asset depreciation and amortization (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help one compare the operating performance of a company’s real estate between periods or as compared to different companies.

Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently.

FFO should not be considered as an alternative to net income attributable to Boston Properties, Inc. (determined in accordance with GAAP) as an indication of our performance. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and is not a measure of liquidity or an indicator of our ability to make cash distributions. We believe that to further understand our performance, FFO should be compared with our reported net income attributable to Boston Properties, Inc. and considered in addition to cash flows in accordance with GAAP, as presented in our consolidated financial statements.

- (2) Real estate depreciation and amortization consists of depreciation and amortization from the Consolidated Statements of Operations of \$109,673 and \$109,237, our share of unconsolidated joint venture real estate depreciation and amortization of \$23,121 and \$27,065, and depreciation and amortization from discontinued operations of \$64 and \$191, less corporate-related depreciation and amortization of \$368 and \$389 for the three months ended March 31, 2012 and 2011, respectively.

**BOSTON PROPERTIES, INC.**  
**PROJECTED ANNUALIZED 2012 RETURNS ON**  
**OPERATING PROPERTY ACQUISITION**  
**FOR THE NINE MONTHS ENDING DECEMBER 31, 2012**  
(dollars in thousands)

	<b>100 Federal Street</b>
Base rent and recoveries from tenants	\$ 42,532
Straight-line rent	2,288
Fair value lease revenue	2,756
Parking and other	1,200
<b>Total rental revenue</b>	<b>48,776</b>
Operating Expenses	20,820
Revenue less Operating Expenses	27,956
Depreciation and amortization	20,823
<b>Net income</b>	<b>\$ 7,133</b>
Add:	
Depreciation and amortization	20,823
<b>Unleveraged FFO (1)</b>	<b>\$ 27,956</b>
Less:	
Straight-line rent	(2,288)
Fair value lease revenue	(2,756)
<b>Unleveraged Cash</b>	<b>\$ 22,912</b>
Investment	\$ 615,000
Estimated closing and other costs	600
<b>Total Unleveraged Investment</b>	<b>\$ 615,600</b>
<b>Annualized Unleveraged FFO Return (1)</b>	<b>6.1%</b>
<b>Annualized Unleveraged Cash Return (2)</b>	<b>5.0%</b>

- (1) Pursuant to the revised definition of Funds from Operations adopted by the Board of Governors of the National Association of Real Estate Investment Trusts (“NAREIT”), we calculate Funds from Operations, or “FFO,” by adjusting net income (loss) (computed in accordance with GAAP, including non-recurring items) for gains (or losses) from sales of properties, impairment losses on depreciable real estate of consolidated real estate, impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures, real estate related depreciation and amortization, and after adjustment for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure. Unleveraged FFO excludes, among other items, interest expense, which may vary depending on the level of corporate debt or property-specific debt. Annualized Unleveraged FFO Return is also a non-GAAP financial measure that is determined by dividing (A) Unleveraged FFO (based on annualizing the projected results for the nine months ending December 31, 2012) by (B) the Company’s Total Unleveraged Investment. Management believes projected Annualized Unleveraged FFO Return is a useful measure in the real estate industry when determining the appropriate purchase price for a property or estimating a property’s value. When evaluating acquisition opportunities, management considers, among other factors, projected Annualized Unleveraged FFO Return because it excludes, among other items, interest expense (which may vary depending on the level of corporate debt or property-specific debt), as well as depreciation and amortization expense (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates). Other factors that management considers include its cost of capital and available financing alternatives. Other companies may compute FFO, Unleveraged FFO and Annualized Unleveraged FFO Return differently and these are not indicators of a real estate asset’s capacity to generate cash flow.
- (2) Annualized Unleveraged Cash Return is a non-GAAP financial measure that is determined by dividing (A) Unleveraged Cash (based on annualizing the projected results for the nine months ending December 31, 2012) by (B) the Company’s Total Unleveraged Investment. Other real estate companies may calculate this return differently. Management believes that projected Annualized Unleveraged Cash Return is also a useful measure of a property’s value when used in addition to Annualized Unleveraged FFO Return because, by eliminating the effect of straight-lining of rent and the treatment of in-place above- and below-market leases, it enables an investor to assess the projected cash on cash return from the property over the forecasted period.

Management is presenting these projected returns and related calculations to assist investors in analyzing the Company’s acquisition. Management does not intend to present this data for any other purpose, for any other period or for its other properties, and is not intending for these measures to otherwise provide information to investors about the Company’s financial condition or results of operations. The Company does not undertake a duty to update any of these projections. There can be no assurance that actual returns will not differ materially from these projections.

**BOSTON PROPERTIES, INC.**  
**PORTFOLIO LEASING PERCENTAGES**

	% Leased by Location	
	March 31, 2012	December 31, 2011
Boston	90.1%	87.1%
New York	97.7%	97.8%
Princeton	75.5%	75.8%
San Francisco	87.2%	87.9%
Washington, DC	96.8%	96.9%
Total Portfolio	92.1%	91.3%

	% Leased by Type	
	March 31, 2012	December 31, 2011
Class A Office Portfolio	92.1%	91.3%
Office/Technical Portfolio	92.8%	92.6%
Total Portfolio	92.1%	91.3%

On May 1, 2012, Boston Properties, Inc. (the "Company"), a real estate investment trust, reported results for the first quarter ended March 31, 2012.

*Results for the quarter ended March 31, 2012 (unaudited)*

Funds from Operations (FFO) for the quarter ended March 31, 2012 were \$166.9 million, or \$1.13 per share basic and \$1.12 per share diluted. This compares to FFO for the quarter ended March 31, 2011 of \$160.0 million, or \$1.13 per share basic and \$1.12 per share diluted. The weighted average number of basic and diluted shares outstanding totaled 148,343,382 and 150,140,431, respectively, for the quarter ended March 31, 2012 and 142,094,867 and 143,965,007, respectively, for the quarter ended March 31, 2011.

Net income available to common shareholders was \$64.6 million for the quarter ended March 31, 2012, compared to \$40.8 million for the quarter ended March 31, 2011. Net income available to common shareholders per share (EPS) for the quarter ended March 31, 2012 was \$0.44 basic and \$0.43 on a diluted basis. This compares to EPS for the first quarter of 2011 of \$0.29 basic and \$0.29 on a diluted basis.

The reported results are unaudited and there can be no assurance that the results will not vary from the final information for the quarter ended March 31, 2012. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made.

As of March 31, 2012, the Company's portfolio consisted of 153 properties, comprised primarily of Class A office space, one hotel, three residential properties and three retail properties, aggregating approximately 43.3 million square feet, including eight properties under construction totaling 2.8 million square feet. In addition, the Company has structured parking for vehicles containing approximately 15.2 million square feet. The overall percentage of leased space for the 142 properties in service (excluding the two in-service residential properties and the hotel) as of March 31, 2012 was 92.1%.

Significant events during the first quarter included:

- On January 3, 2012, the Company commenced the redevelopment of 12300 Sunrise Valley Drive, a Class A office project with approximately 256,000 net rentable square feet located in Reston, Virginia. The Company will capitalize incremental costs during the redevelopment. The property is 100% pre-leased.
- On January 10, 2012, the Company announced that holders of the 2.875% Exchangeable Senior Notes due 2037 (the "Notes") of its Operating Partnership had the right to surrender their Notes for purchase by the Operating Partnership (the "Put Right") on February 15, 2012. On January 10, 2012, the Company also announced that the Operating Partnership issued a notice of redemption to the holders of the Notes to redeem, on February 20, 2012 (the "Redemption Date"), all of the Notes outstanding on the Redemption Date. Holders of an aggregate of \$242,735,000 of the Notes exercised the Put Right and on February 20, 2012, the Company redeemed the remaining \$333,459,000 of outstanding Notes at a redemption price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest thereon.
- On January 25, 2012, the Company's Compensation Committee approved outperformance awards (the "2012 OPP Awards") under the Company's 1997 Stock Option and Incentive Plan to officers and employees of the Company. Recipients of 2012 OPP Awards will share in a maximum outperformance pool of \$40.0 million if the total return to shareholders, including both share appreciation and dividends, exceeds absolute and relative hurdles over a three-year measurement period from February 7, 2012 to February 6, 2015. Earned awards are subject to two-years of time-based vesting after the performance measurement date. Under the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") 718 "Compensation – Stock Compensation" the 2012 OPP Awards have an aggregate value of approximately \$7.7 million, which amount will be amortized into earnings over the five-year plan period under the graded vesting method. The Company recognized approximately \$0.5 million of compensation expense associated with the 2012 OPP Awards during the first quarter of 2012.
- On January 31, 2012, the servicer of the non-recourse mortgage loan collateralized by the Company's Montvale Center property located in Gaithersburg, Maryland foreclosed on the property. The Company was not current on making debt service payments and was accruing interest at the default interest rate of 9.93% per annum. The loan was originally scheduled to mature on June 6, 2012. As a result of the foreclosure, the mortgage loan totaling \$25.0 million was extinguished and the related obligations were satisfied with the transfer of the real estate and working capital to the servicer. The transaction resulted in a gain on forgiveness of debt of approximately \$17.8 million. The operating results of the property through the date of foreclosure have been classified as discontinued operations on a historical basis for all periods presented.
- On February 13, 2012, E. Mitchell Norville announced that he would resign as Executive Vice President, Chief Operating Officer of the Company effective on February 29, 2012. In connection with his resignation, Mr. Norville entered into a separation agreement with the Company. The Company recognized approximately \$4.5 million of expense during the first quarter of 2012 in connection with Mr. Norville's resignation.

- On March 1, 2012, the Company acquired 453 Ravendale Drive located in Mountain View, California for a purchase price of approximately \$6.7 million in cash. 453 Ravendale Drive is an approximately 30,000 net rentable square foot Office/Technical property that is currently 100% leased.
- On March 12, 2012, the Company used available cash to repay the mortgage loan collateralized by its Bay Colony Corporate Center property located in Waltham, Massachusetts totaling \$143.9 million. The mortgage financing bore interest at a fixed rate of 6.53% per annum and was scheduled to mature on June 11, 2012. There was no prepayment penalty. The Company recognized a gain on early extinguishment of debt totaling approximately \$0.9 million related to the acceleration of the remaining balance of the historical fair value debt adjustment.
- On March 13, 2012, the Company acquired 100 Federal Street in Boston, Massachusetts for an aggregate investment of approximately \$615.0 million in cash. In connection with the transaction, the Company entered into a long-term lease with an affiliate of Bank of America for approximately 735,000 square feet. 100 Federal Street is an approximately 1,264,000 net rentable square foot, 37-story Class A office tower that is currently 94% leased.
- During the first quarter of 2012, the Company utilized its “at the market” (“ATM”) stock offering program to issue an aggregate of 1,048,800 shares of its common stock for gross proceeds of approximately \$110.5 million and net proceeds of approximately \$109.3 million. During the second quarter of 2012 through April 9, 2012, the Company issued an additional 421,600 shares of its common stock for gross proceeds of approximately \$44.3 million and net proceeds of approximately \$43.8 million. The Company’s ATM stock offering program provides the Company with the ability to sell from time to time up to an aggregate of \$600.0 million of its common stock through sales agents for a three-year period. As of May 1, 2012, approximately \$400.3 million remained available for issuance under this ATM program.

Transactions completed subsequent to March 31, 2012:

- On April 2, 2012, the Company used available cash to repay the mortgage loan collateralized by its One Freedom Square property located in Reston, Virginia totaling \$65.1 million. The mortgage financing bore interest at a fixed rate of 7.75% per annum and was scheduled to mature on June 30, 2012. There was no prepayment penalty.

- On April 30, 2012, the Company completed and placed in-service 510 Madison Avenue, a Class A office project with approximately 347,000 net rentable square feet located in New York City. The property is 51% leased.
- On May 1, 2012, the Company entered into an agreement to sell its Bedford Business Park properties located in Bedford, Massachusetts for approximately \$62.8 million in cash. Bedford Business Park is comprised of two Office/Technical buildings and one Class A office building aggregating approximately 470,000 net rentable square feet. The sale is subject to the satisfaction of customary closing conditions and, although there can be no assurance that the sale will be consummated on the terms currently contemplated or at all, it is expected to close by the end of the second quarter of 2012.



*These selected financial results and related information of the Company contain forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words “assumes,” “believes,” “estimates,” “expects,” “guidance,” “intends,” “plans,” “projects” and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties’ control and could materially affect actual results, performance or achievements. These factors include, without limitation, the Company’s ability to satisfy the closing conditions to the pending transactions described above, the ability to enter into new leases or renew leases on favorable terms, dependence on tenants’ financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate acquisitions, the uncertainties of investing in new markets, the costs and availability of financing, the effectiveness of our interest rate hedging contracts, the ability of our joint venture partners to satisfy their obligations, the effects of local, national and international economic and market conditions (including the impact of the European sovereign debt issues), the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company’s accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company’s filings with the Securities and Exchange Commission. Boston Properties does not undertake a duty to update or revise any forward-looking statement whether as a result of new information, future events or otherwise.*

Financial tables follow.

**BOSTON PROPERTIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	March 31, 2012	December 31, 2011
	(in thousands, except for share amounts) (unaudited)	
<b><u>ASSETS</u></b>		
Real estate	\$12,937,143	\$12,303,965
Construction in progress	870,006	818,685
Land held for future development	268,030	266,822
Less: accumulated depreciation	<u>(2,722,605)</u>	<u>(2,642,986)</u>
Total real estate	11,352,574	10,746,486
Cash and cash equivalents	591,196	1,823,208
Cash held in escrows	30,697	40,332
Investments in securities	11,193	9,548
Tenant and other receivables, net of allowance for doubtful accounts of \$1,370 and \$1,766, respectively	68,275	79,838
Related party notes receivable	281,177	280,442
Interest receivable from related party notes receivable	95,126	89,854
Accrued rental income, net of allowance of \$2,631 and \$2,515, respectively	541,153	522,675
Deferred charges, net	500,957	445,403
Prepaid expenses and other assets	73,132	75,458
Investments in unconsolidated joint ventures	667,377	669,722
Total assets	<u>\$14,212,857</u>	<u>\$14,782,966</u>
<b><u>LIABILITIES AND EQUITY</u></b>		
Liabilities:		
Mortgage notes payable	\$ 2,946,760	\$ 3,123,267
Unsecured senior notes, net of discount	3,865,369	3,865,186
Unsecured exchangeable senior notes, net of discount	1,148,497	1,715,685
Unsecured line of credit	—	—
Accounts payable and accrued expenses	165,441	155,139
Dividends and distributions payable	92,615	91,901
Accrued interest payable	97,997	69,105
Other liabilities	324,826	293,515
Total liabilities	<u>8,641,505</u>	<u>9,313,798</u>
Commitments and contingencies	—	—
Noncontrolling interest:		
Redeemable preferred units of the Operating Partnership	51,537	55,652
Equity:		
Stockholders' equity attributable to Boston Properties, Inc.		
Excess stock, \$.01 par value, 150,000,000 shares authorized, none issued or outstanding	—	—
Preferred stock, \$.01 par value, 50,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$.01 par value, 250,000,000 shares authorized, 149,463,241 and 148,186,511 shares issued and 149,384,341 and 148,107,611 shares outstanding at March 31, 2012 and December 31, 2011, respectively	1,494	1,481
Additional paid-in capital	5,050,547	4,936,457
Dividends in excess of earnings	(70,609)	(53,080)
Treasury common stock, at cost	(2,722)	(2,722)
Accumulated other comprehensive loss	(15,558)	(16,138)
Total stockholders' equity attributable to Boston Properties, Inc.	4,963,152	4,865,998
Noncontrolling interests:		
Common units of the Operating Partnership	557,930	548,581
Property partnerships	(1,267)	(1,063)
Total equity	<u>5,519,815</u>	<u>5,413,516</u>
Total liabilities and equity	<u>\$14,212,857</u>	<u>\$14,782,966</u>

**BOSTON PROPERTIES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	Three months ended March 31,	
	2012	2011
(in thousands, except for per share amounts)		
<b>Revenue</b>		
Rental		
Base rent	\$ 357,701	\$ 338,925
Recoveries from tenants	52,568	45,849
Parking and other	22,428	19,064
Total rental revenue	432,697	403,838
Hotel revenue	6,816	5,948
Development and management services	8,149	7,428
Total revenue	447,662	417,214
<b>Expenses</b>		
Operating		
Rental	157,506	139,630
Hotel	6,099	5,739
General and administrative	27,619	24,643
Transaction costs	2,104	72
Depreciation and amortization	109,673	109,237
Total expenses	303,001	279,321
Operating income	144,661	137,893
<b>Other income (expense)</b>		
Income from unconsolidated joint ventures	11,721	7,976
Interest and other income	1,646	974
Gains from investments in securities	801	373
Gains from early extinguishments of debt	767	—
Interest expense	(103,237)	(98,525)
Income from continuing operations	56,359	48,691
<b>Discontinued operations</b>		
Loss from discontinued operations	(156)	(497)
Gain on forgiveness of debt from discontinued operations	17,807	—
Net income	74,010	48,194
<b>Net income attributable to noncontrolling interests</b>		
Noncontrolling interests in property partnership	(546)	(529)
Noncontrolling interest—redeemable preferred units of the Operating Partnership	(801)	(823)
Noncontrolling interest—common units of the Operating Partnership	(6,089)	(6,090)
Noncontrolling interest in discontinued operations—common units of the Operating Partnership	(1,942)	61
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 40,813
<b>Basic earnings per common share attributable to Boston Properties, Inc.:</b>		
Income from continuing operations	\$ 0.33	\$ 0.29
Discontinued operations	0.11	—
Net income	\$ 0.44	\$ 0.29
Weighted average number of common shares outstanding	148,343	142,095
<b>Diluted earnings per common share attributable to Boston Properties, Inc.:</b>		
Income from continuing operations	\$ 0.33	\$ 0.29
Discontinued operations	0.10	—
Net income	\$ 0.43	\$ 0.29
Weighted average number of common and common equivalent shares outstanding	148,746	142,504

**BOSTON PROPERTIES, INC.**  
**FUNDS FROM OPERATIONS (1)**  
(Unaudited)

	Three months ended March 31,	
	2012	2011
	(in thousands, except for per share amounts)	
Net income attributable to Boston Properties, Inc.	\$ 64,632	\$ 40,813
Add:		
Noncontrolling interest in discontinued operations—common units of the Operating Partnership	1,942	(61)
Noncontrolling interest—common units of the Operating Partnership	6,089	6,090
Noncontrolling interest—redeemable preferred units of the Operating Partnership	801	823
Noncontrolling interests in property partnerships	546	529
Loss from discontinued operations	156	497
Less:		
Gain on forgiveness of debt from discontinued operations	17,807	—
Income from continuing operations	56,359	48,691
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Noncontrolling interests in property partnership's share of funds from operations	1,010	993
Noncontrolling interest—redeemable preferred units of the Operating Partnership	801	823
Funds from operations (FFO) attributable to the Operating Partnership	186,882	182,482
Less:		
Noncontrolling interest—common units of the Operating Partnership's share of funds from operations	19,939	22,502
Funds from operations attributable to Boston Properties, Inc.	\$166,943	\$159,980
Boston Properties, Inc.'s percentage share of funds from operations—basic	89.33%	87.67%
Weighted average shares outstanding—basic	148,343	142,095
FFO per share basic	\$ 1.13	\$ 1.13
Weighted average shares outstanding—diluted	150,140	143,965
FFO per share diluted	\$ 1.12	\$ 1.12

- (1) Pursuant to the revised definition of Funds from Operations adopted by the Board of Governors of the National Association of Real Estate Investment Trusts (“NAREIT”), we calculate Funds from Operations, or “FFO,” by adjusting net income (loss) attributable to Boston Properties, Inc. (computed in accordance with GAAP, including non-recurring items) for gains (or losses) from sales of properties, impairment losses on depreciable real estate of consolidated real estate, impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures, real estate related depreciation and amortization, and after adjustment for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure. The use of FFO, combined with the required primary GAAP presentations, has been fundamentally beneficial in improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more meaningful. Management generally considers FFO to be a useful measure for reviewing our comparative operating and financial performance because, by excluding gains and losses related to sales of previously depreciated operating real estate assets, impairment losses and real estate asset depreciation and amortization (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help one compare the operating performance of a company’s real estate between periods or as compared to different companies.

Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently.

FFO should not be considered as an alternative to net income attributable to Boston Properties, Inc. (determined in accordance with GAAP) as an indication of our performance. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and is not a measure of liquidity or an indicator of our ability to make cash distributions. We believe that to further understand our performance, FFO should be compared with our reported net income attributable to Boston Properties, Inc. and considered in addition to cash flows in accordance with GAAP, as presented in our consolidated financial statements.

- (2) Real estate depreciation and amortization consists of depreciation and amortization from the Consolidated Statements of Operations of \$109,673 and \$109,237, our share of unconsolidated joint venture real estate depreciation and amortization of \$23,121 and \$27,065, and depreciation and amortization from discontinued operations of \$64 and \$191, less corporate-related depreciation and amortization of \$368 and \$389 for the three months ended March 31, 2012 and 2011, respectively.

**BOSTON PROPERTIES, INC.**  
**PORTFOLIO LEASING PERCENTAGES**

	<u>% Leased by Location</u>	
	<u>March 31, 2012</u>	<u>December 31, 2011</u>
Boston	90.1%	87.1%
New York	97.7%	97.8%
Princeton	75.5%	75.8%
San Francisco	87.2%	87.9%
Washington, DC	96.8%	96.9%
Total Portfolio	<u>92.1%</u>	<u>91.3%</u>

	<u>% Leased by Type</u>	
	<u>March 31, 2012</u>	<u>December 31, 2011</u>
Class A Office Portfolio	92.1%	91.3%
Office/Technical Portfolio	92.8%	92.6%
Total Portfolio	<u>92.1%</u>	<u>91.3%</u>