

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

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): **July 31, 2018**

BOSTON PROPERTIES, INC.
BOSTON PROPERTIES LIMITED PARTNERSHIP

(Exact Name of Registrants As Specified in its Charter)

| | | | |
|--|--|--|---|
| Boston Properties, Inc. | Delaware (State or Other Jurisdiction of Incorporation) | 1-13087 (Commission File Number) | 04-2473675 (IRS Employer Identification No.) |
| Boston Properties Limited Partnership | Delaware (State or Other Jurisdiction of Incorporation) | 0-50209 (Commission File Number) | 04-3372948 (IRS Employer Identification No.) |

800 Boylston Street, Suite 1900, Boston, Massachusetts 02199

(Address of Principal Executive Offices) (Zip Code)

(617) 236-3300

(Registrants' telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Boston Properties, Inc.:

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Boston Properties Limited Partnership:

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 July 31, 2018, Boston Properties, Inc. (the "Company"), the general partner of Boston Properties Limited Partnership, issued a press release announcing its financial results for the second quarter of 2018. 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 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 June 30, 2018. |
| *99.2 | Press release dated July 31, 2018. |

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

BOSTON PROPERTIES, INC.

By:

/s/ MICHAEL E. LABELLE

Michael E. LaBelle
Executive Vice President, Chief Financial Officer
and Treasurer

BOSTON PROPERTIES LIMITED PARTNERSHIP

By: Boston Properties, Inc., its General Partner

By:

/s/ MICHAEL E. LABELLE

Michael E. LaBelle
Executive Vice President, Chief Financial Officer
and Treasurer

Date: July 31, 2018



bxp Boston
Properties

Supplemental Operating and Financial Data
for the Quarter Ended June 30, 2018

THE COMPANY

Boston Properties, Inc. ("Boston Properties," "BXP" or the "Company"), a self-administered and self-managed real estate investment trust (REIT), is one of the largest owners, managers, and developers of Class A office properties in the United States, with a significant presence in five markets: Boston, Los Angeles, New York, 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. Boston Properties is a fully integrated real estate company, organized as a real estate investment trust, that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of primarily Class A office space totaling 50.2 million square feet and consisting of 166 office properties (including nine properties under construction/redevelopment), six residential properties (including three properties under construction), five retail properties and one hotel. 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, successful mixed-use complexes, suburban office centers and build-to-suit projects for a diverse array of creditworthy tenants.

FORWARD-LOOKING STATEMENTS

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," "budgeted," "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 that 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, national and international 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. These forward-looking statements speak only as of the date of issuance of this report and are not guarantees of future results, performance or achievements. 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.

NON-GAAP FINANCIAL MEASURES

This Supplemental package includes non-GAAP financial measures, which are accompanied by what the Company considers the most directly comparable financial measures calculated and presented in accordance with GAAP. Quantitative reconciliations of the differences between the most directly comparable GAAP financial measures and the non-GAAP financial measures presented are provided within this Supplemental package. Definitions of these non-GAAP financial measures and statements 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, and, if applicable, the other purposes for which management uses the measures, can be found in the Definitions section of this Supplemental starting on page 46.

The Company also presents "BXP's Share" of certain of these measures, which are non-GAAP financial measures that are calculated as the consolidated amount calculated in accordance with GAAP, plus the Company's share of the amount from the Company's unconsolidated joint ventures (calculated based upon the Company's percentage ownership interest), minus the Company's partners' share of the amount from the Company's consolidated joint ventures (calculated based upon the partners' percentage ownership interests and, in some cases, after priority allocations). Management believes that presenting "BXP's Share" of these measures provides useful information to investors regarding the Company's financial condition and/or results of operations because the Company has several significant joint ventures and presenting various financial measures in this manner can help investors better understand the Company's financial condition and/or results of operations after taking into account its economic interest in these joint ventures. The Company cautions investors that the ownership percentages used in calculating "BXP's Share" of these measures may not completely and accurately depict all of the legal and economic implications of holding an interest in a consolidated or unconsolidated joint venture. For example, in addition to partners' interests in profits and capital, venture agreements vary in the allocation of rights regarding decision making (both routine and major decisions), distributions, transferability of interests, liquidations and other matters. Moreover, in some cases, the Company exercises significant influence over, but does not control, the joint venture, in which case GAAP requires that the Company account for the joint venture entity using the equity method of accounting and the Company does not consolidate it for financial reporting purposes. As a result, presentations of "BXP's Share" of a financial measure should not be considered a substitute for, and should only be considered together with and as a supplement to, the Company's financial information presented in accordance with GAAP. Unless noted otherwise, reconciliations of "BXP's Share" of these financial measures can be found in the Reconciliations section of this Supplemental package starting on page 50.

GENERAL INFORMATION

| | | | |
|--|--|---|---|
| Corporate Headquarters 800 Boylston Street Suite 1900 Boston, MA 02199 (t) 617.236.3300 (f) 617.236.3311 | Trading Symbol BXP Stock Exchange Listing New York Stock Exchange | Investor Relations Boston Properties, Inc. 800 Boylston Street, Suite 1900 Boston, MA 02199 (t) 617.236.3822 (f) 617.236.3311 investorrelations@bostonproperties.com www.bostonproperties.com | Inquires Inquiries should be directed to Michael E. LaBelle Executive Vice President, Chief Financial Officer at 617.236.3352 or mlabelle@bostonproperties.com Sara Buda Vice President, Investor Relations at 617.236.3429 or sbuda@bostonproperties.com |
|--|--|---|---|

(Cover photo: Salesforce Tower, San Francisco, CA)

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SNAPSHOT

(as of June 30, 2018)

| | |
|---|--|
| Fiscal Year-End | December 31 |
| Total Properties (includes unconsolidated joint ventures) | 178 |
| Total Square Feet (includes unconsolidated joint ventures) | 50.2 million |
| Common shares outstanding, plus common units and LTIP units (other than unearned Multi-Year Long-Term Incentive Program (MYLTIP) Units) on an as-converted basis ¹ | 172.2 million |
| Closing Price, at the end of the quarter | \$125.42 per share |
| Dividend - Quarter/Annualized | \$0.80/\$3.20 per share |
| Dividend Yield | 2.55% |
| Consolidated Market Capitalization ¹ | \$32.5 billion |
| BXP's Share of Market Capitalization ^{1, 2} | \$32.0 billion |
| Senior Debt Ratings | A- (S&P); BBB+ (Fitch); Baa1 (Moody's) |

STRATEGY

Boston Properties' primary business objective is to maximize return on investment in an effort to provide its investors with the greatest possible total return in all points of the economic cycle. To achieve this objective, the Company maintains consistent strategies that include the following:

- to maintain a keen focus on select markets that exhibit the strongest economic growth and investment characteristics over time - currently Boston, New York, San Francisco, Washington, DC and Los Angeles;
- to invest in the highest quality buildings (primarily office) with unique amenities and locations that are able to maintain high occupancy and achieve premium rental rates through economic cycles;
- in our core markets, to maintain scale and a full-service real estate capability (leasing, development, construction and property management) to ensure we (1) see all relevant investment deal flow, (2) maintain an ability to execute on all types of real estate opportunities, such as acquisitions, dispositions, repositioning and development, throughout the real estate investment cycle and (3) provide superior service to our tenants;
- to be astute in market timing for investment decisions by acquiring properties in times of opportunity, developing into economic growth and selling assets at attractive prices, resulting in continuous portfolio refreshment;
- to ensure a strong balance sheet to maintain consistent access to capital and the resultant ability to make opportunistic investments; and
- to foster a culture and reputation of integrity and fair dealing, making us the counterparty of choice for tenants and real estate industry participants and the employer of choice for talented real estate professionals.

MANAGEMENT

Board of Directors

| | |
|----------------------|--|
| Joel I. Klein | Lead Independent Director |
| Owen D. Thomas | Chief Executive Officer |
| Douglas T. Linde | President |
| Kelly A. Ayotte | |
| Bruce W. Duncan | |
| Karen E. Dykstra | |
| Carol B. Einiger | Chair of Compensation Committee |
| Dr. Jacob A. Frenkel | |
| Matthew J. Lustig | Chair of Nominating & Corporate Governance Committee |
| Martin Turchin | |
| David A. Twardock | Chair of Audit Committee |

Chairman Emeritus

Mortimer B. Zuckerman

Management

| | |
|--------------------|---|
| Owen D. Thomas | Chief Executive Officer |
| Douglas T. Linde | President |
| Raymond A. Ritchey | Senior Executive Vice President |
| Michael E. LaBelle | Executive Vice President, Chief Financial Officer and Treasurer |
| Peter D. Johnston | Executive Vice President, Washington, DC Region |
| Bryan J. Koop | Executive Vice President, Boston Region |
| Robert E. Pester | Executive Vice President, San Francisco Region |
| John F. Powers | Executive Vice President, New York Region |
| Frank D. Burt | Senior Vice President, General Counsel |
| Michael R. Walsh | Senior Vice President, Chief Accounting Officer |

TIMING OF EARNINGS ANNOUNCEMENTS

Quarterly results for the next four quarters will be announced according to the following schedule:

| | |
|----------------------|------------------------------|
| Third Quarter, 2018 | Tentatively October 30, 2018 |
| Fourth Quarter, 2018 | Tentatively January 29, 2019 |
| First Quarter, 2019 | Tentatively April 30, 2019 |
| Second Quarter, 2019 | Tentatively July 30, 2019 |

¹ For additional detail, see page 25.

² For the Company's definitions and related disclosures, see the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

GUIDANCE

The Company's guidance for the third quarter 2018 and full year 2018 for diluted earnings per common share attributable to Boston Properties, Inc. common shareholders (EPS) and diluted funds from operations (FFO) per common share attributable to Boston Properties, Inc. common shareholders 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, the timing of the lease-up of available space and development deliveries and the earnings impact of the events referenced in the earnings release issued on July 31, 2018 and otherwise referenced during the Company's conference call scheduled for August 1, 2018. 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 on depreciable real estate or gains or losses associated with disposition activities. For a complete definition of FFO and statements of the reasons why management believes it provides useful information to investors, see page 48. There can be no assurance that the Company's actual results will not differ materially from the estimates set forth below.

| | Third Quarter 2018 | | Full Year 2018 | |
|--|--------------------|---------|----------------|---------|
| | Low | High | Low | High |
| Projected EPS (diluted) | \$ 0.73 | \$ 0.75 | \$ 3.48 | \$ 3.53 |
| Add: | | | | |
| Projected Company share of real estate depreciation and amortization | 0.88 | 0.88 | 3.55 | 3.55 |
| Less: | | | | |
| Projected Company share of gains on sales of real estate | — | — | 0.67 | 0.67 |
| Projected FFO per share (diluted) | \$ 1.61 | \$ 1.63 | \$ 6.36 | \$ 6.41 |

ASSUMPTIONS

(dollars in thousands)

| | Full Year 2018 | |
|--|----------------|--------------|
| | Low | High |
| Operating property activity: | | |
| Average In-service portfolio occupancy | 90.0% | 92.0% |
| Increase in BXP's Share of Same Property net operating income (excluding termination income) | 1.0% | 2.5% |
| Increase in BXP's Share of Same Property net operating income - cash (excluding termination income) | 0.5% | 2.5% |
| BXP's Share of Non Same Properties' incremental contribution to net operating income over prior year (excluding asset sales) | \$ 46,000 | \$ 50,000 |
| BXP's Share of incremental net operating income related to asset sales over prior year | \$ (9,000) | \$ (9,000) |
| BXP's Share of straight-line rent and fair value lease revenue (non-cash revenue) | \$ 75,000 | \$ 85,000 |
| Hotel net operating income | \$ 13,000 | \$ 15,000 |
| Termination income | \$ 4,000 | \$ 8,000 |
| Other revenue (expense): | | |
| Development and management services revenue | \$ 37,000 | \$ 42,000 |
| General and administrative expense | \$ (121,000) | \$ (118,000) |
| Net interest expense | \$ (375,000) | \$ (363,000) |
| Noncontrolling interest: | | |
| Noncontrolling interest in property partnerships' share of FFO | \$ (140,000) | \$ (130,000) |

(unaudited and in thousands, except ratios and per share amounts)

| | Three Months Ended | |
|--|--------------------|---------------|
| | 30-Jun-18 | 31-Mar-18 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 176,021 |
| Net income attributable to Boston Properties, Inc. per share - diluted | \$ 0.83 | \$ 1.14 |
| FFO attributable to Boston Properties, Inc. common shareholders ¹ | \$ 244,441 | \$ 230,563 |
| Diluted FFO per share ¹ | \$ 1.58 | \$ 1.49 |
| Dividends per common share | \$ 0.80 | \$ 0.80 |
| Funds available for distribution to common shareholders and common unitholders (FAD) ² | \$ 190,496 | \$ 143,333 |
| Selected items: | | |
| Revenue | \$ 664,484 | \$ 661,151 |
| BXP's Share of revenue ³ | \$ 619,370 | \$ 612,482 |
| BXP's Share of straight-line rent ³ | \$ 19,561 | \$ 22,662 |
| BXP's Share of fair value lease revenue ^{3,4} | \$ 4,640 | \$ 4,289 |
| BXP's Share of termination income ³ | \$ 715 | \$ 1,360 |
| Ground rent expense | \$ 3,586 | \$ 3,558 |
| Capitalized interest | \$ 17,621 | \$ 17,378 |
| Capitalized wages | \$ 4,771 | \$ 4,529 |
| Capitalized internal leasing and external legal costs | \$ 1,498 | \$ 1,690 |
| Income from unconsolidated joint ventures | \$ 769 | \$ 461 |
| BXP's share of funds from operations (FFO) from unconsolidated joint ventures ⁵ | \$ 10,081 | \$ 9,905 |
| Net income attributable to noncontrolling interests in property partnerships | \$ 14,400 | \$ 17,234 |
| FFO attributable to noncontrolling interests in property partnerships ⁶ | \$ 32,826 | \$ 35,455 |
| Balance Sheet items: | | |
| Above-market rents (included within Prepaid Expenses and Other Assets) | \$ 20,818 | \$ 22,861 |
| Below-market rents (included within Other Liabilities) | \$ 82,497 | \$ 90,632 |
| Accrued rental income liability (included within Other Liabilities) | \$ 44,897 | \$ 40,140 |
| Accrued ground rent expense, net liability (included within Prepaid Expenses and Other Assets and Other Liabilities) | \$ 47,061 | \$ 46,058 |
| Ratios: | | |
| Interest Coverage Ratio (excluding capitalized interest) ⁷ | 4.18 | 4.12 |
| Interest Coverage Ratio (including capitalized interest) ⁷ | 3.49 | 3.42 |
| Fixed Charge Coverage Ratio ⁷ | 3.00 | 2.77 |
| BXP's Share of Net Debt/BXP's Share of EBITDA ⁸ | 6.61 | 6.80 |
| Change in BXP's Share of Same Store Net Operating Income (NOI) (excluding termination income) ⁹ | — % | 1.7 % |
| Change in BXP's Share of Same Store NOI (excluding termination income) - cash ⁹ | (3.3)% | (1.0)% |
| FAD Payout Ratio ² | 72.38 % | 96.17 % |
| Operating Margins [(rental revenue - rental expense)/rental revenue] | 62.8 % | 62.5 % |
| Occupancy of In-Service Properties | 90.4 % | 90.5 % |
| Capitalization: | | |
| Consolidated Debt | \$ 10,721,878 | \$ 10,339,313 |
| BXP's Share of Debt ¹⁰ | \$ 10,163,690 | \$ 9,753,366 |
| Consolidated Market Capitalization | \$ 32,523,717 | \$ 31,756,442 |
| Consolidated Debt/Consolidated Market Capitalization | 32.97 % | 32.56 % |
| BXP's Share of Market Capitalization ¹⁰ | \$ 31,965,529 | \$ 31,170,495 |
| BXP's Share of Debt/BXP's Share of Market Capitalization ¹⁰ | 31.80 % | 31.29 % |

¹ For a quantitative reconciliation of FFO attributable to Boston Properties, Inc. common shareholders and Diluted FFO per share, see page 6.

² For a quantitative reconciliation of FAD, see page 7. FAD Payout Ratio equals distributions to common shareholders and unitholders (excluding any special distributions) divided by FAD.

³ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

⁴ 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.

⁵ For a quantitative reconciliation for the three months ended June 30, 2018, see page 33.

⁶ For a quantitative reconciliation for the three months ended June 30, 2018, see page 31.

⁷ For a quantitative reconciliation for the three months ended June 30, 2018 and March 31, 2018, see page 29.

⁸ For a quantitative reconciliation for the three months ended June 30, 2018 and March 31, 2018, see page 28.

⁹ For a quantitative reconciliation for the three months ended June 30, 2018, see page 10.

¹⁰ For a quantitative reconciliation for June 30, 2018, see page 25.

(unaudited and in thousands)

| | 30-Jun-18 | 31-Mar-18 |
|---|----------------------|----------------------|
| ASSETS | | |
| Real estate | \$ 20,152,578 | \$ 19,849,252 |
| Construction in progress | 1,163,040 | 1,262,886 |
| Land held for future development | 210,902 | 204,506 |
| Less accumulated depreciation | (4,745,590) | (4,674,838) |
| Total real estate | 16,780,930 | 16,641,806 |
| Cash and cash equivalents | 472,555 | 294,571 |
| Cash held in escrows | 254,505 | 160,558 |
| Investments in securities | 30,063 | 29,353 |
| Tenant and other receivables, net | 63,660 | 73,401 |
| Accrued rental income, net | 912,652 | 888,907 |
| Deferred charges, net | 678,319 | 681,369 |
| Prepaid expenses and other assets | 85,972 | 147,256 |
| Investments in unconsolidated joint ventures | 682,507 | 666,718 |
| Total assets | \$ 19,961,163 | \$ 19,583,939 |
| LIABILITIES AND EQUITY | | |
| Liabilities: | | |
| Mortgage notes payable, net | \$ 2,972,052 | \$ 2,974,930 |
| Unsecured senior notes, net | 7,251,578 | 7,249,383 |
| Unsecured line of credit | — | 115,000 |
| Unsecured term loan, net | 498,248 | — |
| Accounts payable and accrued expenses | 327,067 | 355,002 |
| Dividends and distributions payable | 139,263 | 139,218 |
| Accrued interest payable | 96,844 | 96,176 |
| Other liabilities | 462,869 | 470,140 |
| Total liabilities | 11,747,921 | 11,399,849 |
| Commitments and contingencies | — | — |
| Equity: | | |
| Stockholders' equity attributable to Boston Properties, Inc.: | | |
| Excess stock, \$0.01 par value, 150,000,000 shares authorized, none issued or outstanding | — | — |
| Preferred stock, \$0.01 par value, 50,000,000 shares authorized; 5.25% Series B cumulative redeemable preferred stock, \$0.01 par value, liquidation preference \$2,500 per share, 92,000 shares authorized, 80,000 shares issued and outstanding at June 30, 2018 and March 31, 2018 | 200,000 | 200,000 |
| Common stock, \$0.01 par value, 250,000,000 shares authorized, 154,490,429 and 154,441,203 issued and 154,411,529 and 154,362,303 outstanding at June 30, 2018 and March 31, 2018, respectively | 1,544 | 1,544 |
| Additional paid-in capital | 6,391,460 | 6,384,147 |
| Dividends in excess of earnings | (649,747) | (654,879) |
| Treasury common stock at cost, 78,900 shares at June 30, 2018 and March 31, 2018 | (2,722) | (2,722) |
| Accumulated other comprehensive loss | (47,695) | (49,062) |
| Total stockholders' equity attributable to Boston Properties, Inc. | 5,892,840 | 5,879,028 |
| Noncontrolling interests: | | |
| Common units of the Operating Partnership | 621,221 | 619,347 |
| Property partnerships | 1,699,181 | 1,685,715 |
| Total equity | 8,213,242 | 8,184,090 |
| Total liabilities and equity | \$ 19,961,163 | \$ 19,583,939 |

(unaudited and in thousands, except per share amounts)

| | Three Months Ended | |
|---|--------------------|------------|
| | 30-Jun-18 | 31-Mar-18 |
| Revenue | | |
| Rental | Rental | |
| Base rent | \$ 516,439 | \$ 519,507 |
| Recoveries from tenants | 95,259 | 95,118 |
| Parking and other | 26,904 | 26,134 |
| Total rental revenue | 638,602 | 640,759 |
| Hotel revenue | 14,607 | 9,102 |
| Development and management services | 9,305 | 8,405 |
| Direct reimbursements of payroll and related costs from management services contracts | 1,970 | 2,885 |
| Total revenue | 664,484 | 661,151 |
| Expenses | | |
| Operating | 122,164 | 123,936 |
| Real estate taxes | 115,626 | 116,393 |
| Demolition costs | — | — |
| Hotel operating | 8,741 | 8,073 |
| General and administrative ¹ | 28,468 | 35,894 |
| Payroll and related costs from management services contracts | 1,970 | 2,885 |
| Transaction costs | 474 | 21 |
| Depreciation and amortization | 156,417 | 165,797 |
| Total expenses | 433,860 | 452,999 |
| Operating income | 230,624 | 208,152 |
| Other income (expense) | | |
| Income from unconsolidated joint ventures | 769 | 461 |
| Interest and other income | 2,579 | 1,648 |
| Gains (losses) from investments in securities ¹ | 505 | (126) |
| Interest expense | (92,204) | (90,220) |
| Income before gains on sales of real estate | 142,273 | 119,915 |
| Gains on sales of real estate | 18,292 | 96,397 |
| Net income | 160,565 | 216,312 |
| Net income attributable to noncontrolling interests | | |
| Noncontrolling interest in property partnerships | (14,400) | (17,234) |
| Noncontrolling interest - common units of the Operating Partnership ² | (14,859) | (20,432) |
| Net income attributable to Boston Properties, Inc. | 131,306 | 178,646 |
| Preferred dividends | (2,625) | (2,625) |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 176,021 |

INCOME PER SHARE OF COMMON STOCK (EPS)

| | | |
|--|---------|---------|
| Net income attributable to Boston Properties, Inc. per share - basic | \$ 0.83 | \$ 1.14 |
| Net income attributable to Boston Properties, Inc. per share - diluted | \$ 0.83 | \$ 1.14 |

¹ General and administrative expense includes \$(0.5) million and \$0.1 million and gains (losses) from investments in securities include \$0.5 million and \$(0.1) million for the three months ended June 30, 2018 and March 31, 2018, respectively, related to the Company's deferred compensation plan.

² For additional detail, see page 6.

(unaudited and dollars in thousands, except per share amounts)

| | Three Months Ended | |
|--|--------------------|------------|
| | 30-Jun-18 | 31-Mar-18 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 176,021 |
| Add: | | |
| Preferred dividends | 2,625 | 2,625 |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 20,432 |
| Noncontrolling interests in property partnerships | 14,400 | 17,234 |
| Less: | | |
| Gains on sales of real estate | 18,292 | 96,397 |
| Income before gains on sales of real estate | 142,273 | 119,915 |
| Add: | | |
| Depreciation and amortization | 156,417 | 165,797 |
| Noncontrolling interests in property partnerships' share of depreciation and amortization | (18,426) | (18,221) |
| BXP's share of depreciation and amortization from unconsolidated joint ventures | 9,312 | 9,444 |
| Corporate-related depreciation and amortization | (406) | (405) |
| Less: | | |
| Noncontrolling interests in property partnerships | 14,400 | 17,234 |
| Preferred dividends | 2,625 | 2,625 |
| FFO attributable to the Operating Partnership common unitholders (including Boston Properties, Inc.) (Basic FFO) | 272,145 | 256,671 |
| Less: | | |
| Noncontrolling interest - common units of the Operating Partnership's share of FFO | 27,704 | 26,108 |
| FFO attributable to Boston Properties, Inc. common shareholders | \$ 244,441 | \$ 230,563 |
| Boston Properties, Inc.'s percentage share of Basic FFO | 89.82% | 89.83% |
| Noncontrolling interest's - common unitholders percentage share of Basic FFO | 10.18% | 10.17% |
| Basic FFO per share | \$ 1.58 | \$ 1.49 |
| Weighted average shares outstanding - basic | 154,415 | 154,385 |
| Diluted FFO per share | \$ 1.58 | \$ 1.49 |
| Weighted average shares outstanding - diluted | 154,571 | 154,705 |

RECONCILIATION TO DILUTED FFO

| | Three Months Ended | |
|--|--------------------|------------|
| | 30-Jun-18 | 31-Mar-18 |
| Basic FFO | \$ 272,145 | \$ 256,671 |
| Add: | | |
| Effect of dilutive securities - stock-based compensation | — | — |
| Diluted FFO | 272,145 | 256,671 |
| Less: | | |
| Noncontrolling interest - common units of the Operating Partnership's share of diluted FFO | 27,678 | 26,060 |
| Boston Properties, Inc.'s share of Diluted FFO | \$ 244,467 | \$ 230,611 |

RECONCILIATION OF SHARES/UNITS FOR DILUTED FFO

| | Three Months Ended | |
|---|--------------------|-----------|
| | 30-Jun-18 | 31-Mar-18 |
| Shares/units for Basic FFO | 171,916 | 171,867 |
| Add: | | |
| Effect of dilutive securities - stock-based compensation (shares/units) | 156 | 320 |
| Shares/units for Diluted FFO | 172,072 | 172,187 |
| Less: | | |
| Noncontrolling interest - common units of the Operating Partnership's share of Diluted FFO (shares/units) | 17,501 | 17,482 |
| Boston Properties, Inc.'s share of shares/units for Diluted FFO | 154,571 | 154,705 |
| Boston Properties, Inc.'s percentage share of Diluted FFO | 89.83% | 89.85% |

¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

(dollars in thousands)

| | Three Months Ended | |
|--|--------------------|------------|
| | 30-Jun-18 | 31-Mar-18 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 176,021 |
| Add: | | |
| Preferred dividends | 2,625 | 2,625 |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 20,432 |
| Noncontrolling interests in property partnerships | 14,400 | 17,234 |
| Less: | | |
| Gains on sales of real estate | 18,292 | 96,397 |
| Income before gains on sales of real estate | 142,273 | 119,915 |
| Add: | | |
| Depreciation and amortization | 156,417 | 165,797 |
| Noncontrolling interests in property partnerships' share of depreciation and amortization | (18,426) | (18,221) |
| BXP's share of depreciation and amortization from unconsolidated joint ventures | 9,312 | 9,444 |
| Corporate-related depreciation and amortization | (406) | (405) |
| Less: | | |
| Noncontrolling interests in property partnerships | 14,400 | 17,234 |
| Preferred dividends | 2,625 | 2,625 |
| Basic FFO | 272,145 | 256,671 |
| Add: | | |
| BXP's Share of lease transaction costs that qualify as rent inducements ^{1, 2} | 586 | 386 |
| BXP's Share of hedge amortization ¹ | 1,435 | 1,435 |
| Straight-line ground rent expense adjustment ³ | 1,003 | 852 |
| Stock-based compensation | 8,471 | 14,772 |
| Non-real estate depreciation | 406 | 405 |
| Unearned portion of capitalized fees from consolidated joint ventures | 991 | 889 |
| Less: | | |
| BXP's Share of straight-line rent ¹ | 19,561 | 22,662 |
| BXP's Share of fair value lease revenue ^{1, 4} | 4,640 | 4,289 |
| BXP's Share of non-cash termination income adjustment (fair value lease amounts) ¹ | — | — |
| BXP's Share of 2nd generation tenant improvements and leasing commissions ¹ | 56,720 | 84,769 |
| BXP's Share of maintenance capital expenditures ^{1, 5} | 12,378 | 19,980 |
| Hotel improvements, equipment upgrades and replacements | 1,242 | 377 |
| Funds available for distribution to common shareholders and common unitholders (FAD) (A) | \$ 190,496 | \$ 143,333 |
| Distributions to common shareholders and unitholders (excluding any special distributions) (B) | 137,886 | 137,841 |
| FAD Payout Ratio ¹ (B÷A) | 72.38% | 96.17% |

¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

² Consists of lease transaction costs that qualify as rent inducements in accordance with GAAP. Lease transaction costs are generally included in 2nd generation tenant improvements and leasing commissions in the period the lease commences.

³ Includes the straight-line impact of the Company's 99-year ground and air rights lease related to the Company's 100 Clarendon Street garage and Back Bay Transit Station. The Company has allocated contractual ground lease payments aggregating approximately \$34.4 million, which it expects to incur by the end of 2021 with no payments thereafter. The Company is recognizing these amounts on a straight-line basis over the 99-year term of the ground and air rights lease, see page 3.

⁴ 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.

⁵ Maintenance capital expenditures do not include planned capital expenditures related to acquisitions and repositioning capital expenditures.

(in thousands)

| | Three Months Ended | |
|---|--------------------|------------|
| | 30-Jun-18 | 30-Jun-17 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 133,709 |
| Preferred dividends | 2,625 | 2,625 |
| Net income attributable to Boston Properties, Inc. | 131,306 | 136,334 |
| Net income attributable to noncontrolling interests: | | |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 15,473 |
| Noncontrolling interest in property partnerships | 14,400 | 15,203 |
| Net income | 160,565 | 167,010 |
| Gains on sales of real estate | (18,292) | (3,767) |
| Income before gains on sales of real estate | 142,273 | 163,243 |
| Add: | | |
| Interest expense | 92,204 | 95,143 |
| Depreciation and amortization expense | 156,417 | 151,919 |
| Transaction costs | 474 | 299 |
| Payroll and related costs from management services contracts | 1,970 | — |
| General and administrative expense | 28,468 | 27,141 |
| Less: | | |
| Gains from early extinguishments of debt | — | 14,354 |
| Gains from investments in securities | 505 | 730 |
| Interest and other income | 2,579 | 1,504 |
| Income from unconsolidated joint ventures | 769 | 3,108 |
| Direct reimbursements of payroll and related costs from management services contracts | 1,970 | — |
| Development and management services revenue | 9,305 | 7,365 |
| Net Operating Income (NOI) | 406,678 | 410,684 |
| Add: | | |
| BXP's share of NOI from unconsolidated joint ventures ¹ | 16,227 | 16,213 |
| Less: | | |
| Partners' share of NOI from consolidated joint ventures (after priority allocations) ² | 44,507 | 46,074 |
| BXP's Share of NOI | 378,398 | 380,823 |
| Less: | | |
| Termination income | 718 | 13,601 |
| BXP's share of termination income from unconsolidated joint ventures ¹ | (3) | 404 |
| Add: | | |
| Partners' share of termination income from consolidated joint ventures ² | — | 2,506 |
| BXP's Share of NOI (excluding termination income) (A) | \$ 377,683 | \$ 369,324 |
| Net Operating Income (NOI) | \$ 406,678 | \$ 410,684 |
| Less: | | |
| Termination income | 718 | 13,601 |
| NOI from non Same Properties (excluding termination income) ³ | 9,412 | 238 |
| Same Property NOI (excluding termination income) | 396,548 | 396,845 |
| Less: | | |
| Partners' share of NOI from consolidated joint ventures (excluding termination income and after priority allocations) ² | 44,507 | 43,568 |
| Add: | | |
| Partners' share of NOI from non Same Properties from consolidated joint ventures (excluding termination income and after priority allocations) ³ | 121 | (886) |
| BXP's share of NOI from unconsolidated joint ventures (excluding termination income) ¹ | 16,230 | 15,809 |
| Less: | | |
| BXP's share of NOI from non Same Properties from unconsolidated joint ventures (excluding termination income) ³ | 287 | — |
| BXP's Share of Same Property NOI (excluding termination income) | \$ 368,105 | \$ 368,200 |

¹ For a quantitative reconciliation for the three months ended June 30, 2018, see page 54.

² For a quantitative reconciliation for the three months ended June 30, 2018, see page 52.

³ Pages 19-22 indicate by footnote the properties that are not included as part of Same Property NOI. In addition, Same Properties exclude properties that were sold prior to June 30, 2018 and therefore are no longer a part of the Company's property portfolio.

Reconciliation of net income attributable to Boston Properties, Inc. common shareholders to BXP's Share of same property net operating income (NOI) - cash

(in thousands)

| | Three Months Ended | |
|--|--------------------|------------|
| | 30-Jun-18 | 30-Jun-17 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 133,709 |
| Preferred dividends | 2,625 | 2,625 |
| Net income attributable to Boston Properties, Inc. | 131,306 | 136,334 |
| Net income attributable to noncontrolling interests: | | |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 15,473 |
| Noncontrolling interest in property partnerships | 14,400 | 15,203 |
| Net income | 160,565 | 167,010 |
| Gains on sales of real estate | (18,292) | (3,767) |
| Income before gains on sales of real estate | 142,273 | 163,243 |
| Add: | | |
| Interest expense | 92,204 | 95,143 |
| Depreciation and amortization expense | 156,417 | 151,919 |
| Transaction costs | 474 | 299 |
| Payroll and related costs from management services contracts | 1,970 | — |
| General and administrative expense | 28,468 | 27,141 |
| Less: | | |
| Gains from early extinguishments of debt | — | 14,354 |
| Gains from investments in securities | 505 | 730 |
| Interest and other income | 2,579 | 1,504 |
| Income from unconsolidated joint ventures | 769 | 3,108 |
| Direct reimbursements of payroll and related costs from management services contracts | 1,970 | — |
| Development and management services revenue | 9,305 | 7,365 |
| Net Operating Income (NOI) | 406,678 | 410,684 |
| Less: | | |
| Straight-line rent | 19,972 | 3,060 |
| Fair value lease revenue | 6,092 | 5,464 |
| Termination income | 718 | 13,601 |
| Add: | | |
| Straight-line ground rent expense adjustment ¹ | 887 | 929 |
| Lease transaction costs that qualify as rent inducements ² | 521 | 115 |
| NOI - cash (excluding termination income) | 381,304 | 389,603 |
| Less: | | |
| NOI - cash from non Same Properties (excluding termination income) ³ | 10,207 | (105) |
| Same Property NOI - cash (excluding termination income) | 371,097 | 389,708 |
| Less: | | |
| Partners' share of NOI - cash from consolidated joint ventures (excluding termination income and after priority allocations) ⁴ | 39,865 | 45,314 |
| Add: | | |
| Partners' share of NOI - cash from non Same Properties from consolidated joint ventures (excluding termination income and after priority allocations) ³ | 189 | (882) |
| BXP's share of NOI - cash from unconsolidated joint ventures (excluding termination income) ⁵ | 13,516 | 13,105 |
| Less: | | |
| BXP's share of NOI - cash from non Same Properties from unconsolidated joint ventures (excluding termination income) ³ | 25 | — |
| BXP's Share of Same Property NOI - cash (excluding termination income) | \$ 344,912 | \$ 356,617 |

¹ In light of the front-ended, uneven rental payments required by the Company's 99-year ground and air rights lease for the 100 Clarendon Street garage and Back Bay Transit Station in Boston, MA, and to make period-to-period comparisons more meaningful to investors, the adjustment does not include the straight-line impact of approximately \$116 and \$(531) for the three months ended June 30, 2018 and 2017, respectively. As of June 30, 2018, the Company has remaining lease payments aggregating approximately \$26.1 million, all of which it expects to incur by the end of 2021 with no payments thereafter. Under GAAP, the Company is recognizing expense of \$(87) per quarter on a straight-line basis over the term of the lease. However, unlike more traditional ground and air rights leases, the timing and amounts of the rental payments by the Company correlate to the uneven timing and funding by the Company of capital expenditures related to improvements at Back Bay Transit Station. As a result, the amounts excluded from the adjustment each quarter through 2021 may vary significantly.

² Consists of lease transaction costs that qualify as rent inducements in accordance with GAAP. Lease transaction costs are generally included in 2nd generation tenant improvements and leasing commissions in the Company's FAD calculation on page 7.

³ Pages 19-22 indicate by footnote the properties that are not included as part of Same Property NOI. In addition, Same Properties exclude properties that were sold prior to June 30, 2018 and therefore are no longer a part of the Company's property portfolio.

⁴ For a quantitative reconciliation for the three months ended June 30, 2018, see page 52.

⁵ For a quantitative reconciliation for the three months ended June 30, 2018, see page 54.

(dollars in thousands)

| | Office ¹ | | | | Hotel & Residential | | | |
|--|--|------------|-------------|----------|--|------------|-------------|----------|
| | Three Months Ended | | \$ | % | Three Months Ended | | \$ | % |
| | 30-Jun-18 | 30-Jun-17 | Change | Change | 30-Jun-18 | 30-Jun-17 | Change | Change |
| Rental Revenue | \$ 616,611 | \$ 623,443 | | | \$ 18,877 | \$ 17,585 | | |
| Less: Termination income | 718 | 13,599 | | | — | — | | |
| Rental revenue (excluding termination income) ² | 615,893 | 609,844 | \$ 6,049 | 1.0 % | 18,877 | 17,585 | \$ 1,292 | 7.3 % |
| Less: Operating expenses and real estate taxes | 227,913 | 220,545 | 7,368 | 3.3 % | 10,309 | 10,039 | 270 | 2.7 % |
| NOI (excluding termination income) ^{2, 3} | \$ 387,980 | \$ 389,299 | \$ (1,319) | (0.3)% | \$ 8,568 | \$ 7,546 | \$ 1,022 | 13.5 % |
| Rental revenue (excluding termination income) ² | \$ 615,893 | \$ 609,844 | \$ 6,049 | 1.0 % | \$ 18,877 | \$ 17,585 | \$ 1,292 | 7.3 % |
| Less: Straight-line rent and fair value lease revenue | 26,859 | 8,171 | 18,688 | 228.7 % | — | 10 | (10) | (100.0)% |
| Add: Lease transaction costs that qualify as rent inducements ⁴ | 521 | 115 | 406 | 353.0 % | — | — | — | — % |
| Subtotal | 589,555 | 601,788 | (12,233) | (2.0)% | 18,877 | 17,575 | 1,302 | 7.4 % |
| Less: Operating expenses and real estate taxes | 227,913 | 220,545 | 7,368 | 3.3 % | 10,309 | 10,039 | 270 | 2.7 % |
| Add: Straight-line ground rent expense ⁵ | 887 | 929 | (42) | (4.5)% | — | — | — | — % |
| NOI - cash (excluding termination income) ^{2, 3} | \$ 362,529 | \$ 382,172 | \$ (19,643) | (5.1)% | \$ 8,568 | \$ 7,536 | \$ 1,032 | 13.7 % |
| | | | | | | | | |
| | Consolidated Total ¹ | | | | BXP's share of Unconsolidated Joint Ventures | | | |
| | Three Months Ended | | \$ | % | Three Months Ended | | \$ | % |
| | 30-Jun-18 | 30-Jun-17 | Change | Change | 30-Jun-18 | 30-Jun-17 | Change | Change |
| Rental Revenue | \$ 635,488 | \$ 641,028 | | | \$ 26,167 | \$ 26,097 | | |
| Less: Termination income | 718 | 13,599 | | | (3) | 404 | | |
| Rental revenue (excluding termination income) ² | 634,770 | 627,429 | \$ 7,341 | 1.2 % | 26,170 | 25,693 | \$ 477 | 1.9 % |
| Less: Operating expenses and real estate taxes | 238,222 | 230,584 | 7,638 | 3.3 % | 10,227 | 9,884 | 343 | 3.5 % |
| NOI (excluding termination income) ^{2, 3} | \$ 396,548 | \$ 396,845 | \$ (297) | (0.1)% | \$ 15,943 | \$ 15,809 | \$ 134 | 0.8 % |
| Rental revenue (excluding termination income) ² | \$ 634,770 | \$ 627,429 | \$ 7,341 | 1.2 % | \$ 26,170 | \$ 25,693 | \$ 477 | 1.9 % |
| Less: Straight-line rent and fair value lease revenue | 26,859 | 8,181 | 18,678 | 228.3 % | 2,517 | 2,927 | (410) | (14.0)% |
| Add: Lease transaction costs that qualify as rent inducements ⁴ | 521 | 115 | 406 | 353.0 % | 65 | 223 | (158) | (70.9)% |
| Subtotal | \$ 608,432 | \$ 619,363 | (10,931) | (1.8)% | 23,718 | 22,989 | 729 | 3.2 % |
| Less: Operating expenses and real estate taxes | 238,222 | 230,584 | 7,638 | 3.3 % | 10,227 | 9,884 | 343 | 3.5 % |
| Add: Straight-line ground rent expense ⁵ | 887 | 929 | (42) | (4.5)% | — | — | — | — % |
| NOI - cash (excluding termination income) ^{2, 3} | \$ 371,097 | \$ 389,708 | \$ (18,611) | (4.8)% | \$ 13,491 | \$ 13,105 | \$ 386 | 2.9 % |
| | | | | | | | | |
| | Partners' share of Consolidated Joint Ventures | | | | BXP's Share ^{2, 6} | | | |
| | Three Months Ended | | \$ | % | Three Months Ended | | \$ | % |
| | 30-Jun-18 | 30-Jun-17 | Change | Change | 30-Jun-18 | 30-Jun-17 | Change | Change |
| Rental Revenue | \$ 70,359 | \$ 72,637 | | | \$ 591,296 | \$ 594,488 | | |
| Less: Termination income | — | 2,506 | | | 715 | 11,497 | | |
| Rental revenue (excluding termination income) ² | 70,359 | 70,131 | \$ 228 | 0.3 % | 590,581 | 582,991 | \$ 7,590 | 1.3 % |
| Less: Operating expenses and real estate taxes | 25,973 | 25,677 | 296 | 1.2 % | 222,476 | 214,791 | 7,685 | 3.6 % |
| NOI (excluding termination income) ^{2, 3} | \$ 44,386 | \$ 44,454 | \$ (68) | (0.2)% | \$ 368,105 | \$ 368,200 | \$ (95) | — % |
| Rental revenue (excluding termination income) ² | \$ 70,359 | \$ 70,131 | \$ 228 | 0.3 % | \$ 590,581 | \$ 582,991 | \$ 7,590 | 1.3 % |
| Less: Straight-line rent and fair value lease revenue | 4,710 | (1,742) | 6,452 | (370.4)% | 24,666 | 12,850 | 11,816 | 92.0 % |
| Add: Lease transaction costs that qualify as rent inducements ⁴ | — | — | — | — % | 586 | 338 | 248 | 73.4 % |
| Subtotal | 65,649 | 71,873 | (6,224) | (8.7)% | 566,501 | 570,479 | (3,978) | (0.7)% |
| Less: Operating expenses and real estate taxes | 25,973 | 25,677 | 296 | 1.2 % | 222,476 | 214,791 | 7,685 | 3.6 % |
| Add: Straight-line ground rent expense ⁵ | — | — | — | — % | 887 | 929 | (42) | (4.5)% |
| NOI - cash (excluding termination income) ^{2, 3} | \$ 39,676 | \$ 46,196 | \$ (6,520) | (14.1)% | \$ 344,912 | \$ 356,617 | \$ (11,705) | (3.3)% |

¹ Includes 100% share of consolidated joint ventures and excludes Salesforce Tower, which is not a Same Property.

² See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

³ For a quantitative reconciliation of net income attributable to Boston Properties, Inc. common shareholders to net operating income (NOI) (excluding termination income) and NOI - cash (excluding termination income), see pages 8-9.

⁴ Consists of lease transaction costs that qualify as rent inducements in accordance with GAAP. Lease transaction costs are generally included in 2nd generation tenant improvements and leasing commissions in the Company's FAD calculation on page 7.

⁵ Excludes the straight-line impact of approximately \$116 and \$(531) for the three months ended June 30, 2018 and 2017, respectively, in connection with the Company's 99-year ground and air rights lease at 100 Clarendon Street garage and Back Bay Transit Station. For additional information, see page 9.

⁶ BXP's Share represents consolidated plus the Company's share of unconsolidated joint ventures less the partners' share of consolidated joint ventures.

(dollars in thousands, except PSF amounts)

CAPITAL EXPENDITURES

| | Three Months Ended | |
|--|--------------------|-----------|
| | 30-Jun-18 | 31-Mar-18 |
| Maintenance capital expenditures | \$ 12,885 | \$ 20,970 |
| Planned capital expenditures associated with acquisition properties | — | — |
| Repositioning capital expenditures ¹ | 24,600 | 25,209 |
| Hotel improvements, equipment upgrades and replacements | 1,242 | 377 |
| Subtotal | 38,727 | 46,556 |
| Add: | | |
| BXP's share of maintenance capital expenditures from unconsolidated joint ventures (JVs) | 216 | 670 |
| BXP's share of planned capital expenditures associated with acquisition properties from unconsolidated JVs | 438 | 548 |
| BXP's share of repositioning capital expenditures from unconsolidated JVs ² | 639 | 481 |
| Less: | | |
| Partners' share of maintenance capital expenditures from consolidated JVs | 723 | 1,660 |
| Partners' share of planned capital expenditures associated with acquisition properties from consolidated JVs | — | — |
| Partners' share of repositioning capital expenditures from consolidated JVs | 6,349 | 8,493 |
| BXP's Share of Capital Expenditures ³ | \$ 32,948 | \$ 38,102 |

2nd GENERATION TENANT IMPROVEMENTS AND LEASING COMMISSIONS ⁴

| | Three Months Ended | |
|---|--------------------|-----------|
| | 30-Jun-18 | 31-Mar-18 |
| Square feet | 887,760 | 1,222,097 |
| Tenant improvements and lease commissions PSF | \$ 65.69 | \$ 71.27 |

¹ For the three months ended June 30, 2018, amount includes capital expenditures related to the repositioning activities designed to enhance revenue potential at 100 Federal Street (55% ownership) in Boston, MA, and 399 Park Avenue and 767 Fifth Avenue (the GM Building) (60% ownership) in New York City.

² Includes capital expenditures related to the repositioning activities designed to enhance revenue potential at Metropolitan Square in Washington, DC.

³ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

⁴ Includes 100% of unconsolidated joint ventures.

For the period from January 1, 2018 through June 30, 2018
(dollars in thousands)

ACQUISITIONS

| Property | Location | Date Acquired | Square Feet | Investment | | Leased (%) |
|--------------------|----------|---------------|-------------|------------|--------------------|------------|
| | | | | Initial | Anticipated Future | |
| None to date | | | | | | |
| Total Acquisitions | | | — | \$ — | \$ — | — |

DISPOSITIONS

| Property | Location | Date Disposed | Square Feet | Gross Sales Price | Net Cash Proceeds | Book Gain ² |
|---------------------------------|----------------|-----------------|-------------|-------------------|-------------------|------------------------|
| 500 E Street, S.W. ¹ | Washington, DC | January 9, 2018 | 262,202 | \$ 127,600 | \$ 116,120 | \$ 96,397 |
| 91 Hartwell Avenue | Lexington, MA | May 24, 2018 | 119,216 | 22,200 | 21,680 | 15,455 |
| Total Dispositions | | | 381,418 | \$ 149,800 | \$ 137,800 | \$ 111,852 |

¹ On January 9, 2018, the Company completed the sale of its 500 E Street, S.W. property located in Washington, DC for a net contract sale price of approximately \$118.6 million. After adjusting for outstanding lease-related costs assumed by the buyer, the gross sale price was approximately \$127.6 million.

² Excludes approximately \$2.8 million of gains on sales of real estate recognized during the six months ended June 30, 2018 related to gain amounts from sales of real estate occurring in prior years.

as of June 30, 2018
(dollars in thousands)

CONSTRUCTION IN PROGRESS ¹

| Construction Properties | Actual/Estimated | | Location | Square Feet | BXP's share | | | | | | | Net Operating Income (Loss) ⁵ (BXP's share) |
|---|-------------------|--------------------|-------------------|------------------|---------------------------------|---|-------------------|---------------------------|--|--------------------------------|---|--|
| | Initial Occupancy | Stabilization Date | | | Investment to Date ² | Estimated Total Investment ² | Total Financing | Amount Drawn at 6/30/2018 | Estimated Future Equity Requirement ² | Percentage Leased ³ | Percentage placed in-service ⁴ | |
| Office and Retail | | | | | | | | | | | | |
| Salesforce Tower (95% ownership) ⁶ | Q4 2017 | Q3 2019 | San Francisco, CA | 1,400,000 | \$ 1,027,613 | \$ 1,073,500 | \$ (25,389) | \$ (20,700) | \$ 50,576 | 98% | 28% | \$ 3,118 |
| The Hub on Causeway - Podium (50% ownership) | Q2 2019 | Q4 2019 | Boston, MA | 385,000 | 85,687 | 141,870 | 102,300 | 17,554 | — | 88% | —% | N/A |
| 145 Broadway | Q4 2019 | Q4 2019 | Cambridge, MA | 485,000 | 166,821 | 375,000 | — | — | 208,179 | 98% | —% | N/A |
| Dock 72 (50% ownership) | Q1 2019 | Q3 2020 | Brooklyn, NY | 670,000 | 131,944 | 204,900 | 125,000 | 47,707 | — | 33% | —% | N/A |
| 17Fifty Presidents Street | Q2 2020 | Q3 2020 | Reston, VA | 276,000 | 27,968 | 142,900 | — | — | 114,932 | 100% | —% | N/A |
| 6595 Springfield Center Drive (TSA Headquarters) | Q3 2020 | Q4 2020 | Springfield, VA | 634,000 | 78,009 | 313,700 | — | — | 235,691 | 98% | —% | N/A |
| 20 CityPoint | Q3 2019 | Q1 2021 | Waltham, MA | 211,000 | 31,263 | 97,000 | — | — | 65,737 | 52% | —% | N/A |
| 7750 Wisconsin Avenue (Marriott International Headquarters) (50% ownership) | Q3 2022 | Q3 2022 | Bethesda, MD | 740,000 | 46,046 | 211,100 | — | — | 165,054 | 100% | —% | N/A |
| Total Office Properties under Construction | | | | 4,801,000 | \$ 1,595,351 | \$ 2,559,970 | \$ 201,911 | \$ 44,561 | \$ 840,169 | 87% | 18% | \$ 3,118 |
| Residential | | | | | | | | | | | | |
| Proto Kendall Square (280 units) | Q2 2018 | Q2 2019 | Cambridge, MA | 152,000 | \$ 129,902 | \$ 140,170 | \$ — | \$ — | \$ 10,268 | 32% | 46% | \$ (151) |
| Proto Kendall Square - Retail | | | | 14,500 | — | — | — | — | — | 98% | —% | N/A |
| The Hub on Causeway - Residential (440 units) (50% ownership) | Q4 2019 | Q4 2021 | Boston, MA | 320,000 | 49,629 | 153,500 | 90,000 | — | 13,871 | N/A | —% | N/A |
| MacArthur Station Residences (402 units) ⁷ | Q2 2020 | Q4 2021 | Oakland, CA | 324,000 | 31,030 | 263,600 | — | — | 232,570 | N/A | —% | N/A |
| Total Residential Properties under Construction | | | | 810,500 | \$ 210,561 | \$ 557,270 | \$ 90,000 | \$ — | \$ 256,709 | 98% ⁸ | 33% | \$ (151) |
| Redevelopment Properties | | | | | | | | | | | | |
| 191 Spring Street | Q4 2017 | Q4 2018 | Lexington, MA | 171,000 | \$ 46,413 | \$ 53,920 | \$ — | \$ — | \$ 7,507 | 100% | 46% | \$ 459 |
| One Five Nine East 53rd (55% ownership) | Q4 2019 | Q4 2019 | New York, NY | 220,000 | 88,557 | 106,000 | — | — | 17,443 | —% | —% | N/A |
| Total Redevelopment Properties under Construction | | | | 391,000 | \$ 134,970 | \$ 159,920 | \$ — | \$ — | \$ 24,950 | 44% | 17% | \$ 459 |
| Total Properties Under Construction and Redevelopment | | | | 6,002,500 | \$ 1,940,882 | \$ 3,277,160 | \$ 291,911 | \$ 44,561 | \$ 1,121,828 | 83% ⁸ | 16% | \$ 3,426 |

PROJECTS FULLY PLACED IN-SERVICE DURING 2018

| | Actual/Estimated | | | Square feet | BXP's Share | | | | | Percentage Leased ³ | Net Operating Income (Loss) ⁵ |
|---|-------------------|--------------------|------------|----------------|---------------------------------|-------------------------------|-----------------|---------------------------|--|--------------------------------|--|
| | Initial Occupancy | Stabilization Date | Location | | Investment to Date ² | Estimated | Total Financing | Amount Drawn at 6/30/2018 | Estimated | | |
| | | | | | | Total Investment ² | | | Future Equity Requirement ² | | |
| Signature at Reston (508 units) | Q1 2018 | Q2 2020 | Reston, VA | 493,241 | \$ 212,368 | \$ 234,854 | \$ — | \$ — | \$ 22,486 | 35% | \$ (665) |
| Signature at Reston - Retail | | | | 24,606 | — | — | — | — | — | 81% | N/A |
| Total Projects Placed In-Service | | | | 517,847 | \$ 212,368 | \$ 234,854 | \$ — | \$ — | \$ 22,486 | 81%⁸ | \$ (665) |

¹ A project is classified as Construction in Progress when (1) construction or supply contracts have been signed, physical improvements have commenced or a lease has been signed and (2) capitalized interest has commenced.
² Includes income (loss) and interest carry on debt and equity investment.
³ Represents percentage leased as of July 27, 2018 including leases with future commencement dates.
⁴ Represents the portion of the project that no longer qualifies for capitalization of interest in accordance with GAAP.
⁵ Amounts represent Net Operating Income (Loss) for the three months ended June 30, 2018. See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.
⁶ Under the joint venture agreement, if the project is funded with 100% equity, the Company has agreed to fund 50% of its partner's equity requirement, in the form of preferred equity. The Company will fund an aggregate of approximately \$25.4 million at a per annum interest rate of LIBOR plus 3.0% and receive priority distributions from all distributions to its partner until the principal and interest are repaid in full. As of June 30, 2018, the Company had funded an aggregate of \$20.7 million.
⁷ Project is subject to a 99-year ground lease (including extension options) with an option to purchase in the future.
⁸ Excludes residential units.

as of June 30, 2018

OWNED LAND PARCELS

| Location | Approximate Developable Square Feet |
|--------------------------------|-------------------------------------|
| San Jose, CA ¹ | 2,199,000 |
| Rockville, MD | 759,000 |
| Waltham, MA | 605,000 |
| Reston, VA | 534,000 |
| Washington, DC (50% ownership) | 520,000 |
| Springfield, VA | 422,000 |
| Santa Clara, CA ¹ | 414,000 |
| Marlborough, MA | 400,000 |
| Dulles, VA | 310,000 |
| Annapolis, MD (50% ownership) | 300,000 |
| Gaithersburg, MD | 240,000 |
| Total | <u><u>6,703,000</u></u> |

VALUE CREATION PIPELINE - LAND PURCHASE OPTIONS

| Location | Approximate Developable Square Feet |
|---|-------------------------------------|
| Princeton, NJ | 1,650,000 |
| Boston, MA | 1,300,000 |
| Boston, MA (50% ownership) ² | 627,000 |
| Cambridge, MA | 623,000 |
| Brooklyn, NY (50% ownership) | 600,000 |
| Washington, DC | 482,000 |
| San Francisco, CA | TBD |
| Total | <u><u>5,282,000</u></u> |

¹ Excludes the existing square footage related to in-service properties being held for future re-development listed on pages 19-22.

² On July 27, 2018, the Company entered into a joint venture with the partner at its Hub on Causeway mixed-use development to acquire the air rights for the development of an approximately 627,000 net rentable square foot Class A office tower at the site to be known as 100 Causeway Street. The joint venture entered into a lease agreement with an affiliate of Verizon Communications, Inc.

for the three months ended June 30, 2018

ALL IN-SERVICE PROPERTIES

| Net (increase)/decrease in available space (SF) | Total |
|--|-----------|
| Vacant space available at the beginning of the period | 4,063,557 |
| Less: | |
| Property dispositions/properties taken out of service | 7,355 |
| Add: | |
| Properties acquired vacant space | — |
| Properties placed (and partially placed) in-service ¹ | 171,243 |
| Leases expiring or terminated during the period | 939,808 |
| Total space available for lease | 5,167,253 |
| 1st generation leases | 185,720 |
| 2nd generation leases with new tenants | 400,536 |
| 2nd generation lease renewals | 487,224 |
| Total space leased | 1,073,480 |
| Vacant space available for lease at the end of the period | 4,093,773 |
| Net (increase)/decrease in available space | (30,216) |

Second generation leasing information: ²

| | |
|--|---------|
| Leases commencing during the period (SF) | 887,760 |
| Weighted average lease term (months) | 110 |
| Weighted average free rent period (days) | 87 |
| Total transaction costs per square foot ³ | \$65.69 |
| Increase (decrease) in gross rents ⁴ | 4.34% |
| Increase (decrease) in net rents ⁵ | 6.13% |

| | All leases (SF) | | | Incr (decr) in 2nd generation cash rents | | Total square feet of leases executed in the quarter ⁷ |
|-------------------------------|-----------------|----------------|--------------------|--|------------------|--|
| | 1st generation | 2nd generation | total ⁶ | gross ⁴ | net ⁵ | |
| Boston | 4,293 | 225,697 | 229,990 | 26.77 % | 43.79 % | 235,964 |
| New York | — | 105,666 | 105,666 | (7.72)% | (12.21)% | 466,021 |
| Los Angeles and San Francisco | 157,300 | 195,885 | 353,185 | 26.07 % | 35.68 % | 368,405 |
| Washington, DC | 24,127 | 360,512 | 384,639 | (12.68)% | (17.95)% | 662,452 |
| Total / Weighted Average | 185,720 | 887,760 | 1,073,480 | 4.34 % | 6.13 % | 1,732,842 |

¹ Total square feet of properties placed (and partially placed) in-service in Q2 2018 consist of 151,313 square feet at Salesforce Tower and 19,930 square feet of Retail at Reston Signature Site.

² Second generation leases are defined as leases for space that had previously been leased by the Company. Of the 887,760 square feet of second generation leases that commenced in Q2 2018, leases for 524,650 square feet were signed in prior periods.

³ Total transaction costs include tenant improvements and leasing commissions and exclude free rent concessions.

⁴ Represents the increase/(decrease) in gross rent (base rent plus expense reimbursements) on the new vs. expired leases on the 705,451 square feet of second generation leases that had been occupied within the prior 12 months; excludes leases that management considers temporary because the tenant is not expected to occupy the space on a long-term basis (e.g., the tenant is occupying "swing space").

⁵ Represents the increase/(decrease) in net rent (gross rent less operating expenses) on the new vs. expired leases on the 705,451 square feet of second generation leases that had been occupied within the prior 12 months; excludes leases that management considers temporary because the tenant is not expected to occupy the space on a long-term basis (e.g., the tenant is occupying "swing space").

⁶ Represents leases for which rental revenue recognition commenced in accordance with GAAP during the quarter.

⁷ Represents leases executed in the quarter for which the Company either (1) commenced rental revenue recognition in such quarter or (2) will commence rental revenue recognition in subsequent quarters, in accordance with GAAP, and includes leases at properties currently under development. The total square feet of leases executed in the current quarter for which the Company recognized rental revenue in the current quarter is 363,110.

for the three months ended June 30, 2018
(dollars in thousands)

Rentable square footage of in-service properties by location and unit type ^{1,2}

| | Office | Retail | Residential | Hotel | Total |
|-------------------------------|------------|-----------|-------------|---------|------------|
| Boston | 12,888,056 | 910,965 | 77,480 | 330,000 | 14,206,501 |
| Los Angeles and San Francisco | 6,853,784 | 356,068 | — | — | 7,209,852 |
| New York | 11,197,764 | 385,244 | — | — | 11,583,008 |
| Washington, DC | 9,626,237 | 705,589 | 822,436 | — | 11,154,262 |
| Total | 40,565,841 | 2,357,866 | 899,916 | 330,000 | 44,153,623 |
| % of Total | 91.87% | 5.34% | 2.04% | 0.75% | 100.00% |

Rental revenue of in-service properties by unit type ¹

| | Parking and other | Office | Retail | Residential | Hotel ³ | Total |
|---|-------------------|------------|-----------|-------------|--------------------|------------|
| Consolidated | \$ 26,904 | \$ 555,719 | \$ 52,029 | \$ 4,036 | \$ 14,521 | \$ 653,209 |
| Less: | | | | | | |
| Partners' share from consolidated joint ventures ⁴ | 987 | 63,539 | 6,537 | — | — | 71,063 |
| Add: | | | | | | |
| BXP's share from unconsolidated joint ventures ⁵ | 2,323 | 23,204 | 927 | — | — | 26,454 |
| BXP's Share of Rental revenue ¹ | \$ 28,240 | \$ 515,384 | \$ 46,419 | \$ 4,036 | \$ 14,521 | \$ 608,600 |
| % of Total | 4.64% | 84.68% | 7.63% | 0.66% | 2.39% | 100.00% |

Percentage of BXP's Share of net operating income (NOI) (excluding termination income) by location ^{1,6}

| | CBD | Suburban | Total |
|-------------------------------|--------|----------|---------|
| Boston | 26.98% | 7.16% | 34.14% |
| Los Angeles and San Francisco | 15.00% | 3.35% | 18.35% |
| New York | 25.95% | 2.62% | 28.57% |
| Washington, DC | 7.78% | 11.16% | 18.94% |
| Total | 75.71% | 24.29% | 100.00% |

¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

² Includes 100% of the rentable square footage of the Company's In-Service Properties. For additional detail relating to the Company's In-Service Properties, see pages 19-22.

³ Excludes approximately \$86 of revenue from retail tenants that is included in Retail.

⁴ For additional detail, see page 52.

⁵ For additional detail, see page 54.

⁶ BXP's Share of Net Operating Income (NOI) (excluding termination income) is a non-GAAP financial measure. For a quantitative reconciliation of net income attributable to Boston Properties, Inc. common shareholders to BXP's Share of NOI (excluding termination income), see page 8.

(dollars in thousands)

RESULTS OF OPERATIONS

| | Residential ¹ | | Hotel | |
|---|--------------------------|-----------------|--------------------|-----------------|
| | Three Months Ended | | Three Months Ended | |
| | 30-Jun-18 | 31-Mar-18 | 30-Jun-18 | 31-Mar-18 |
| Rental Revenue | \$ 4,799 | \$ 4,159 | \$ 14,607 | \$ 9,102 |
| Operating expenses and real estate taxes | 2,913 | 2,272 | 8,741 | 8,073 |
| Net Operating Income (NOI) ² | <u>1,886</u> | <u>1,887</u> | <u>5,866</u> | <u>1,029</u> |
| Rental Revenue | \$ 4,799 | \$ 4,159 | \$ 14,607 | \$ 9,102 |
| Less: Straight line rent and fair value lease revenue | (41) | 8 | (6) | (6) |
| Subtotal | 4,840 | 4,151 | 14,613 | 9,108 |
| Less: Operating expenses and real estate taxes | 2,913 | 2,272 | 8,741 | 8,073 |
| NOI - cash basis ² | <u>\$ 1,927</u> | <u>\$ 1,879</u> | <u>\$ 5,872</u> | <u>\$ 1,035</u> |

RENTAL RATES AND OCCUPANCY - Year-over-Year

| | Three Months Ended | | Percent Change |
|---|--------------------|-----------|----------------|
| | 30-Jun-18 | 30-Jun-17 | |
| The Avant at Reston Town Center (359 units), Reston, VA ^{2,3} | | | |
| Average Monthly Rental Rate | \$ 2,421 | \$ 2,386 | 1.47 % |
| Average Rental Rate Per Occupied Square Foot | \$ 2.68 | \$ 2.64 | 1.52 % |
| Average Physical Occupancy | 97.03% | 95.90% | 1.18 % |
| Average Economic Occupancy | 95.56% | 94.50% | 1.12 % |
| The Lofts at Atlantic Wharf (86 units), Boston, MA ^{2,3} | | | |
| Average Monthly Rental Rate | \$ 4,237 | \$ 4,280 | (1.00)% |
| Average Rental Rate Per Occupied Square Foot | \$ 4.69 | \$ 4.71 | (0.42)% |
| Average Physical Occupancy | 92.25% | 95.40% | (3.30)% |
| Average Economic Occupancy | 91.88% | 96.90% | (5.18)% |
| Signature at Reston (508 units), Reston, VA ^{2,3} | | | |
| Average Monthly Rental Rate | \$ 2,233 | \$ — | N/A |
| Average Rental Rate Per Occupied Square Foot | \$ 2.41 | \$ — | N/A |
| Average Physical Occupancy | 13.89% | —% | N/A |
| Average Economic Occupancy | 7.02% | —% | N/A |
| Boston Marriott Cambridge (437 rooms), Cambridge, MA ^{3,4} | | | |
| Average Occupancy | 90.30% | 85.90% | 5.12 % |
| Average Daily Rate | \$ 317.95 | \$ 304.82 | 4.31 % |
| Revenue Per Available Room | \$ 287.20 | \$ 261.98 | 9.63 % |

¹ Includes retail space.

² See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

³ Excludes retail space.

⁴ The Company completed the renovation of all of the hotel's 437 rooms during the three months ended September 30, 2017.

as of June 30, 2018

| | Sub Market | Number of Buildings | Square Feet | Leased % ¹ | Annualized Rental Obligations Per Leased SF ² |
|--|----------------------------|---------------------|-------------|-----------------------|--|
| BOSTON | | | | | |
| Office | | | | | |
| 200 Clarendon Street | CBD Boston MA | 1 | 1,763,530 | 97.7% | \$ 63.69 |
| 100 Federal Street (55% ownership) | CBD Boston MA | 1 | 1,241,467 | 93.5% | 55.27 |
| 800 Boylston Street - The Prudential Center | CBD Boston MA | 1 | 1,235,538 | 96.8% | 61.68 |
| 111 Huntington Avenue - The Prudential Center | CBD Boston MA | 1 | 860,455 | 94.6% | 63.79 |
| Atlantic Wharf Office (55% ownership) | CBD Boston MA | 1 | 793,827 | 100.0% | 70.63 |
| Prudential Center (retail shops) ^{3, 4} | CBD Boston MA | 1 | 593,368 | 96.0% | 88.85 |
| 101 Huntington Avenue - The Prudential Center | CBD Boston MA | 1 | 506,476 | 94.3% | 49.66 |
| 888 Boylston Street - The Prudential Center ⁵ | CBD Boston MA | 1 | 363,320 | 92.8% | 70.29 |
| Star Market at the Prudential Center ³ | CBD Boston MA | 1 | 57,235 | 100.0% | 54.44 |
| Subtotal | | 9 | 7,415,216 | 96.1% | \$ 64.10 |
| 355 Main Street | East Cambridge MA | 1 | 265,342 | 100.0% | \$ 71.92 |
| 90 Broadway | East Cambridge MA | 1 | 223,771 | 96.6% | 55.13 |
| 255 Main Street | East Cambridge MA | 1 | 215,986 | 91.2% | 77.69 |
| 300 Binney Street | East Cambridge MA | 1 | 195,191 | 100.0% | 53.24 |
| 150 Broadway | East Cambridge MA | 1 | 177,226 | 100.0% | 48.16 |
| 105 Broadway | East Cambridge MA | 1 | 152,664 | 100.0% | 64.10 |
| 325 Main Street | East Cambridge MA | 1 | 115,361 | 100.0% | 50.43 |
| 250 Binney Street | East Cambridge MA | 1 | 67,362 | 100.0% | 44.05 |
| University Place | Mid-Cambridge MA | 1 | 195,282 | 100.0% | 48.76 |
| Subtotal | | 9 | 1,608,185 | 98.3% | \$ 59.01 |
| Bay Colony Corporate Center | Route 128 Mass Turnpike MA | 4 | 996,122 | 89.7% | \$ 41.83 |
| Reservoir Place | Route 128 Mass Turnpike MA | 1 | 526,985 | 96.5% | 36.53 |
| 140 Kendrick Street | Route 128 Mass Turnpike MA | 3 | 380,987 | 100.0% | 38.79 |
| Weston Corporate Center | Route 128 Mass Turnpike MA | 1 | 356,995 | 100.0% | 52.85 |
| Waltham Weston Corporate Center | Route 128 Mass Turnpike MA | 1 | 301,667 | 89.8% | 37.29 |
| 230 CityPoint | Route 128 Mass Turnpike MA | 1 | 296,306 | 93.5% | 37.92 |
| 200 West Street | Route 128 Mass Turnpike MA | 1 | 256,245 | 96.0% | 37.58 |
| 10 CityPoint | Route 128 Mass Turnpike MA | 1 | 241,199 | 96.8% | 50.91 |
| 77 CityPoint | Route 128 Mass Turnpike MA | 1 | 209,707 | 100.0% | 47.46 |
| 1265 Main Street (50% ownership) ⁶ | Route 128 Mass Turnpike MA | 1 | 114,969 | 100.0% | 44.28 |
| Reservoir Place North ⁵ | Route 128 Mass Turnpike MA | 1 | 73,258 | —% | — |
| 195 West Street | Route 128 Mass Turnpike MA | 1 | 63,500 | 100.0% | 41.37 |
| Quorum Office Park | Route 128 Northwest MA | 2 | 267,527 | 90.0% | 19.84 |
| Lexington Office Park | Route 128 Northwest MA | 2 | 166,693 | 71.3% | 29.36 |
| 201 Spring Street | Route 128 Northwest MA | 1 | 106,300 | 100.0% | 41.50 |
| 33 Hayden Avenue | Route 128 Northwest MA | 1 | 80,872 | 100.0% | 40.83 |
| 32 Hartwell Avenue | Route 128 Northwest MA | 1 | 69,154 | 100.0% | 28.57 |
| 164 Lexington Road | Route 128 Northwest MA | 1 | 64,140 | —% | — |
| 100 Hayden Avenue | Route 128 Northwest MA | 1 | 55,924 | 100.0% | 42.77 |
| 181 Spring Street | Route 128 Northwest MA | 1 | 55,793 | 100.0% | 39.50 |
| 92 Hayden Avenue | Route 128 Northwest MA | 1 | 31,100 | 100.0% | 41.26 |
| 17 Hartwell Avenue | Route 128 Northwest MA | 1 | 30,000 | 100.0% | 44.66 |
| The Point ³ | Route 128 Northwest MA | 1 | 16,300 | 84.7% | 57.73 |
| Subtotal | | 30 | 4,761,743 | 91.5% | \$ 40.15 |
| Boston Office Total: | | 48 | 13,785,144 | 94.8% | \$ 55.46 |
| Residential | | | | | |
| The Lofts at Atlantic Wharf (86 units) | CBD Boston MA | 1 | 87,097 | | |
| Boston Residential Total: | | 1 | 87,097 | | |
| Hotel | | | | | |
| Boston Marriott Cambridge (437 rooms) | East Cambridge MA | 1 | 334,260 | | |
| Boston Hotel Total: | | 1 | 334,260 | | |
| Boston Total: | | 50 | 14,206,501 | | |

as of June 30, 2018

| | Sub Market | Number of Buildings | Square Feet | Leased % ¹ | Annualized Rental Obligations Per Leased SF ² |
|--|-----------------------------|---------------------|-------------|-----------------------|--|
| LOS ANGELES AND SAN FRANCISCO | | | | | |
| Office | | | | | |
| Colorado Center (50% ownership) ⁶ | West Los Angeles CA | 6 | 1,117,506 | 87.7% | \$ 59.73 |
| Subtotal | | 6 | 1,117,506 | 87.7% | \$ 59.73 |
| Embarcadero Center Four | CBD San Francisco CA | 1 | 939,425 | 87.8% | \$ 71.49 |
| Embarcadero Center One | CBD San Francisco CA | 1 | 832,926 | 83.8% | 63.35 |
| Embarcadero Center Two | CBD San Francisco CA | 1 | 791,208 | 96.2% | 69.75 |
| Embarcadero Center Three | CBD San Francisco CA | 1 | 781,900 | 90.2% | 62.67 |
| 680 Folsom Street | CBD San Francisco CA | 2 | 524,793 | 100.0% | 61.51 |
| 535 Mission Street | CBD San Francisco CA | 1 | 307,235 | 100.0% | 76.36 |
| 690 Folsom Street | CBD San Francisco CA | 1 | 26,080 | 100.0% | 74.03 |
| Subtotal | | 8 | 4,203,567 | 91.5% | \$ 67.07 |
| 601 and 651 Gateway | South San Francisco CA | 2 | 506,279 | 100.0% | \$ 43.04 |
| 611 Gateway | South San Francisco CA | 1 | 260,197 | 34.9% | 41.82 |
| Mountain View Research Park | Mountain View CA | 15 | 542,289 | 100.0% | 48.71 |
| 2440 West El Camino Real | Mountain View CA | 1 | 141,392 | 100.0% | 68.03 |
| 453 Ravendale Drive | Mountain View CA | 1 | 29,620 | 60.8% | 42.83 |
| 3625-3635 Peterson Way ⁷ | Santa Clara CA | 1 | 218,366 | 100.0% | 23.11 |
| North First Business Park ⁷ | San Jose CA | 5 | 190,636 | 67.7% | 25.30 |
| Subtotal | | 26 | 1,888,779 | 87.1% | \$ 42.95 |
| Los Angeles and San Francisco Total: | | 40 | 7,209,852 | 89.8% | \$ 59.81 |
| NEW YORK | | | | | |
| Office | | | | | |
| 767 Fifth Avenue (The GM Building) (60% ownership) | Plaza District NY | 1 | 1,857,256 | 89.5% | \$ 151.85 |
| 399 Park Avenue | Park Avenue NY | 1 | 1,692,268 | 70.1% | 89.96 |
| 601 Lexington Avenue (55% ownership) | Park Avenue NY | 1 | 1,435,505 | 98.7% | 98.36 |
| 599 Lexington Avenue | Park Avenue NY | 1 | 1,062,481 | 96.2% | 90.76 |
| Times Square Tower (55% ownership) | Times Square NY | 1 | 1,248,215 | 97.8% | 78.26 |
| 250 West 55th Street | Times Square / West Side NY | 1 | 967,323 | 96.7% | 90.12 |
| 510 Madison Avenue | Fifth/Madison Avenue NY | 1 | 355,592 | 98.5% | 128.73 |
| 540 Madison Avenue (60% ownership) ⁶ | Fifth/Madison Avenue NY | 1 | 283,727 | 81.4% | 100.48 |
| Subtotal | | 8 | 8,902,367 | 90.2% | \$ 104.60 |
| One Tower Center | East Brunswick NJ | 1 | 412,997 | 35.1% | \$ 30.66 |
| Subtotal | | 1 | 412,997 | 35.1% | \$ 30.66 |
| 510 Carnegie Center | Princeton NJ | 1 | 234,160 | 100.0% | \$ 35.69 |
| 206 Carnegie Center | Princeton NJ | 1 | 161,763 | 100.0% | 33.47 |
| 210 Carnegie Center | Princeton NJ | 1 | 159,468 | 100.0% | 35.95 |
| 212 Carnegie Center | Princeton NJ | 1 | 151,547 | 60.6% | 35.27 |
| 214 Carnegie Center | Princeton NJ | 1 | 148,942 | 59.2% | 37.70 |
| 506 Carnegie Center | Princeton NJ | 1 | 140,312 | 32.3% | 40.17 |
| 508 Carnegie Center | Princeton NJ | 1 | 134,433 | 100.0% | 35.20 |
| 202 Carnegie Center | Princeton NJ | 1 | 134,381 | 82.5% | 38.53 |
| 804 Carnegie Center | Princeton NJ | 1 | 130,000 | 100.0% | 37.10 |
| 504 Carnegie Center | Princeton NJ | 1 | 121,990 | 100.0% | 32.53 |
| 101 Carnegie Center | Princeton NJ | 1 | 121,620 | 100.0% | 36.86 |
| 502 Carnegie Center | Princeton NJ | 1 | 121,460 | 72.6% | 37.17 |
| 701 Carnegie Center | Princeton NJ | 1 | 120,000 | 100.0% | 40.02 |
| 104 Carnegie Center | Princeton NJ | 1 | 102,830 | 27.0% | 36.86 |
| 103 Carnegie Center ⁵ | Princeton NJ | 1 | 96,332 | 70.1% | 31.55 |
| 105 Carnegie Center | Princeton NJ | 1 | 69,955 | 48.6% | 33.89 |
| 302 Carnegie Center | Princeton NJ | 1 | 64,926 | 100.0% | 34.31 |
| 211 Carnegie Center | Princeton NJ | 1 | 47,025 | 100.0% | 34.11 |
| 201 Carnegie Center | Princeton NJ | — | 6,500 | 100.0% | 34.28 |
| Subtotal | | 18 | 2,267,644 | 81.8% | \$ 35.89 |
| New York Total: | | 27 | 11,583,008 | 86.6% | \$ 90.80 |

as of June 30, 2018

| | Sub Market | Number of Buildings | Square Feet | Leased % ¹ | Annualized Rental Obligations Per Leased SF ² |
|--|----------------------------|---------------------|-------------|-----------------------|--|
| WASHINGTON, DC | | | | | |
| Office | | | | | |
| Capital Gallery | Southwest Washington DC | 1 | 631,029 | 100.0% | \$ 61.36 |
| Metropolitan Square (20% ownership) ⁶ | East End Washington DC | 1 | 612,990 | 71.8% | 64.61 |
| 901 New York Avenue (25% ownership) ⁶ | East End Washington DC | 1 | 539,435 | 90.9% | 67.81 |
| 601 Massachusetts Avenue | East End Washington DC | 1 | 478,818 | 98.4% | 78.62 |
| Market Square North (50% ownership) ⁶ | East End Washington DC | 1 | 416,044 | 78.0% | 67.72 |
| 2200 Pennsylvania Avenue | CBD Washington DC | 1 | 458,831 | 100.0% | 92.86 |
| 1333 New Hampshire Avenue | CBD Washington DC | 1 | 316,091 | 83.6% | 55.92 |
| 1330 Connecticut Avenue | CBD Washington DC | 1 | 251,733 | 87.2% | 44.00 |
| Sumner Square | CBD Washington DC | 1 | 208,892 | 98.5% | 52.52 |
| 500 North Capitol Street, N.W. (30% ownership) ⁶ | Capitol Hill Washington DC | 1 | 230,860 | 100.0% | 71.00 |
| Subtotal | | 10 | 4,144,723 | 90.1% | \$ 67.74 |
| South of Market | Reston VA | 3 | 623,666 | 83.9% | \$ 58.13 |
| Fountain Square | Reston VA | 2 | 497,758 | 90.0% | 52.15 |
| One Freedom Square | Reston VA | 1 | 432,585 | 92.8% | 51.34 |
| Two Freedom Square | Reston VA | 1 | 421,757 | 85.0% | 50.14 |
| One and Two Discovery Square | Reston VA | 2 | 366,990 | 96.7% | 47.22 |
| One Reston Overlook | Reston VA | 1 | 319,519 | 100.0% | 41.20 |
| Reston Corporate Center | Reston VA | 2 | 261,046 | 100.0% | 42.37 |
| Democracy Tower | Reston VA | 1 | 259,441 | 98.4% | 55.06 |
| Fountain Square Retail ³ | Reston VA | 1 | 223,030 | 95.3% | 53.35 |
| Two Reston Overlook | Reston VA | 1 | 134,615 | 100.0% | 40.38 |
| Subtotal | | 15 | 3,540,407 | 92.3% | \$ 50.20 |
| Wisconsin Place Office | Montgomery County MD | 1 | 299,186 | 99.0% | \$ 55.72 |
| 2600 Tower Oaks Boulevard | Montgomery County MD | 1 | 179,421 | 50.2% | 29.59 |
| New Dominion Technology Park - Building Two | Herndon VA | 1 | 257,400 | 100.0% | 42.62 |
| New Dominion Technology Park - Building One | Herndon VA | 1 | 235,201 | 100.0% | 35.52 |
| Kingstowne Two | Springfield VA | 1 | 156,251 | 80.2% | 39.23 |
| Kingstowne One | Springfield VA | 1 | 151,483 | 83.3% | 37.53 |
| 7601 Boston Boulevard | Springfield VA | 1 | 114,028 | 100.0% | 19.00 |
| 7435 Boston Boulevard | Springfield VA | 1 | 103,557 | 83.4% | 23.37 |
| 8000 Grainger Court | Springfield VA | 1 | 88,775 | 100.0% | 21.50 |
| Kingstowne Retail ³ | Springfield VA | 1 | 88,288 | 97.1% | 36.59 |
| 7500 Boston Boulevard | Springfield VA | 1 | 79,971 | 100.0% | 16.85 |
| 7501 Boston Boulevard | Springfield VA | 1 | 75,756 | 100.0% | 29.56 |
| 7450 Boston Boulevard | Springfield VA | 1 | 62,402 | 100.0% | 16.25 |
| 7374 Boston Boulevard | Springfield VA | 1 | 57,321 | 100.0% | 18.33 |
| 8000 Corporate Court | Springfield VA | 1 | 52,539 | 100.0% | 14.85 |
| 7451 Boston Boulevard | Springfield VA | 1 | 45,615 | 67.4% | 26.75 |
| 7300 Boston Boulevard | Springfield VA | 1 | 32,000 | 100.0% | 17.00 |
| 7375 Boston Boulevard | Springfield VA | 1 | 26,865 | 100.0% | 26.40 |
| Annapolis Junction Building Seven (50% ownership) ⁶ | Anne Arundel County MD | 1 | 127,229 | 100.0% | 35.84 |
| Annapolis Junction Building Eight (50% ownership) ⁶ | Anne Arundel County MD | 1 | 125,685 | —% | — |
| Annapolis Junction Building Six (50% ownership) ⁶ | Anne Arundel County MD | 1 | 119,339 | 75.2% | 31.39 |
| Annapolis Junction Building One (50% ownership) ⁶ | Anne Arundel County MD | 1 | 117,599 | 44.2% | 95.10 |
| Subtotal | | 22 | 2,595,911 | 84.4% | \$ 35.69 |
| Washington, DC Office Total: | | 47 | 10,281,041 | 89.5% | \$ 53.84 |
| Residential | | | | | |
| Signature at Reston (508 units) ⁵ | Reston VA | 1 | 517,847 | | |
| The Avant at Reston Town Center (359 units) | Reston VA | 1 | 355,374 | | |
| Washington, DC Residential Total: | | 2 | 873,221 | | |
| Washington, DC Total: | | 49 | 11,154,262 | | |
| Total In-Service Properties: | | 166 | 44,153,623 | 90.4% ⁸ | \$ 64.95 ⁸ |

¹ Represents signed leases for which revenue recognition has commenced in accordance with GAAP.

² See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

³ This is a retail property.

⁴ Includes approximately 54,000 square feet of retail space, that was a part of 888 Boylston Street during development, that is excluded from the Same Property analysis.

⁵ Not included in the Same Property analysis.

⁶ This is an unconsolidated joint venture property.

⁷ Property held for redevelopment.

⁸ Excludes Hotel and Residential properties. For additional detail, see page 18.

as of June 30, 2018

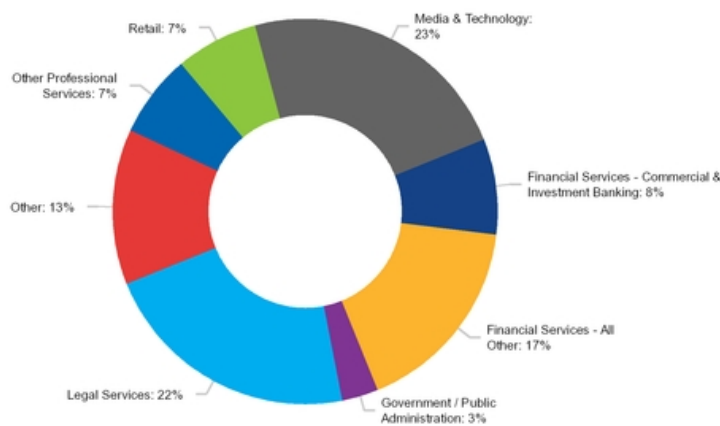
TOP 20 TENANTS

| No. | Tenant | BXP's Share of Annualized Rental Obligations ¹ |
|--|---------------------------------|---|
| 1 | Arnold & Porter Kaye Scholer | 3.24% |
| 2 | US Government | 2.13% |
| 3 | Biogen | 1.89% |
| 4 | Kirkland & Ellis | 1.80% |
| 5 | Shearman & Sterling | 1.70% |
| 6 | Ropes & Gray | 1.53% |
| 7 | Google | 1.41% |
| 8 | O'Melveny & Myers | 1.22% |
| 9 | Bank of America | 1.16% |
| 10 | Wellington Management | 1.15% |
| 11 | Weil Gotshal & Manges | 1.10% |
| 12 | Aramis (Estee Lauder) | 0.99% |
| 13 | Mass Financial Services | 0.95% |
| 14 | WeWork | 0.87% |
| 15 | Morrison & Foerster | 0.84% |
| 16 | Hunton Andrews Kurth | 0.83% |
| 17 | Smithsonian Institution | 0.79% |
| 18 | Starr Indemnity & Liability Co. | 0.78% |
| 19 | Citibank | 0.78% |
| 20 | Genentech | 0.78% |
| BXP's Share of Annualized Rental Obligations | | 25.94% |
| BXP's Share of Square Feet | | 21.91% |

NOTABLE SIGNED DEALS ²

| Tenant | Property | Square Feet |
|-------------------------------------|-------------------------------|-------------|
| salesforce.com ³ | Salesforce Tower | 886,000 |
| Fannie Mae | Reston Gateway | 850,000 |
| Marriott International ⁴ | 7750 Wisconsin Avenue | 733,000 |
| US Government | 6595 Springfield Center Drive | 625,000 |
| Akamai Technologies | 145 Broadway | 477,000 |
| Verizon | 100 Causeway Street | 440,000 |
| Wilmer Cutler Pickering Hale | 2100 Pennsylvania Avenue | 287,000 |

TENANT DIVERSIFICATION ¹



¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

² Represents leases signed as of July 27, 2018 with occupancy commencing in the future.

³ As of June 30, 2018, approximately 225,000 square feet has been placed in-service.

⁴ Subject to adjustment based on final building design, which is currently estimated to be approximately 740,000 rentable square feet, see page 13.

as of June 30, 2018

TOTAL IN-SERVICE OFFICE PROPERTIES ¹ - Quarter-over-Quarter

| Location | CBD | | Suburban | | Total | |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 30-Jun-18 | 31-Mar-18 | 30-Jun-18 | 31-Mar-18 | 30-Jun-18 | 31-Mar-18 |
| Boston | 96.5% | 96.5% | 91.5% | 91.7% | 94.8% | 94.8% |
| Los Angeles and San Francisco | 90.7% | 90.3% | 87.1% | 85.2% | 89.8% | 89.0% |
| New York | 90.2% | 89.7% | 74.6% | 75.0% | 86.6% | 86.3% |
| Washington, DC | 90.1% | 91.8% | 89.0% | 89.9% | 89.5% | 90.6% |
| Total Portfolio | 92.4% | 92.4% | 87.1% | 87.3% | 90.4% | 90.5% |

Quarter-over-Quarter



SAME PROPERTY OFFICE PROPERTIES ^{1,2} - Year-over-Year

| Location | CBD | | Suburban | | Total | |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 30-Jun-18 | 30-Jun-17 | 30-Jun-18 | 30-Jun-17 | 30-Jun-18 | 30-Jun-17 |
| Boston | 96.9% | 94.4% | 92.9% | 90.7% | 95.5% | 93.1% |
| Los Angeles and San Francisco | 90.7% | 91.0% | 87.1% | 88.7% | 89.8% | 90.4% |
| New York | 90.2% | 92.9% | 74.8% | 74.7% | 86.7% | 88.8% |
| Washington, DC | 90.1% | 90.8% | 89.0% | 90.6% | 89.5% | 90.7% |
| Total Portfolio | 92.4% | 92.7% | 87.6% | 87.7% | 90.7% | 90.9% |

Year-over-Year



¹ Represents signed leases for which revenue recognition has commenced in accordance with GAAP. Includes 100% of joint venture properties. Does not include residential units and hotel.

² See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

(in thousands, except percentages)

CONSOLIDATED DEBT

| | Aggregate Principal |
|---------------------------------------|----------------------|
| Mortgage Notes Payable | \$ 3,004,769 |
| Unsecured Line of Credit | — |
| Unsecured Term Loan | 500,000 |
| Unsecured Senior Notes, at face value | 7,300,000 |
| Outstanding Principal | 10,804,769 |
| Discount on Unsecured Senior Notes | (16,563) |
| Deferred Financing Costs, Net | (66,328) |
| Consolidated Debt | <u>\$ 10,721,878</u> |

MORTGAGE NOTES PAYABLE

| Property | Maturity Date | Interest Rate | | Outstanding Principal |
|--|------------------|---------------|--------|-----------------------|
| | | GAAP | Stated | |
| New Dominion Technology Park, Building One | January 15, 2021 | 7.84% | 7.69% | \$ 31,422 |
| University Place | August 1, 2021 | 6.99% | 6.94% | 6,545 |
| 601 Lexington Avenue (55% ownership) | April 10, 2022 | 4.79% | 4.75% | 666,802 |
| 767 Fifth Avenue (The GM Building) (60% ownership) | June 9, 2027 | 3.64% | 3.43% | 2,300,000 |
| Total | | | | <u>\$ 3,004,769</u> |

BOSTON PROPERTIES LIMITED PARTNERSHIP UNSECURED SENIOR NOTES ¹

| | Maturity Date | Effective Yield (on issue date) | Coupon | Outstanding Principal |
|----------------------------------|-------------------|---------------------------------|--------|-----------------------|
| 10 Year Unsecured Senior Notes | October 15, 2019 | 5.97% | 5.88% | \$ 700,000 |
| 10 Year Unsecured Senior Notes | November 15, 2020 | 5.71% | 5.63% | 700,000 |
| 10 Year Unsecured Senior Notes | May 15, 2021 | 4.29% | 4.13% | 850,000 |
| 11 Year Unsecured Senior Notes | February 1, 2023 | 3.95% | 3.85% | 1,000,000 |
| 10.5 Year Unsecured Senior Notes | September 1, 2023 | 3.28% | 3.13% | 500,000 |
| 10.5 Year Unsecured Senior Notes | February 1, 2024 | 3.92% | 3.80% | 700,000 |
| 7 Year Unsecured Senior Notes | January 15, 2025 | 3.35% | 3.20% | 850,000 |
| 10 Year Unsecured Senior Notes | February 1, 2026 | 3.77% | 3.65% | 1,000,000 |
| 10 Year Unsecured Senior Notes | October 1, 2026 | 3.50% | 2.75% | 1,000,000 |
| | | | | <u>\$ 7,300,000</u> |

CAPITALIZATION

| | Shares/Units Outstanding | Common Stock Equivalents | Equivalent Value ² |
|--|-----------------------------|-----------------------------|----------------------------------|
| Common Stock | 154,412 | 154,412 | \$ 19,366,353 |
| Common Operating Partnership Units | 17,824 | 17,824 | 2,235,486 |
| 5.25% Series B Cumulative Redeemable Preferred Stock (callable on or after March 27, 2018) | 80 | — | 200,000 |
| Total Equity | | <u>172,236</u> | <u>\$ 21,801,839</u> |
| Consolidated Debt (A) | | | \$ 10,721,878 |
| Add: BXP's share of unconsolidated joint venture debt ³ | | | 648,935 |
| Less: Partners' share of consolidated debt ⁴ | | | 1,207,123 |
| BXP's Share of Debt ⁵ (B) | | | <u>\$ 10,163,690</u> |
| Consolidated Market Capitalization (C) | | | \$ 32,523,717 |
| BXP's Share of Market Capitalization ⁵ (D) | | | <u>\$ 31,965,529</u> |
| Consolidated Debt/Consolidated Market Capitalization (A÷C) | | | 32.97% |
| BXP's Share of Debt/BXP's Share of Market Capitalization ⁵ (B÷D) | | | <u>31.80%</u> |

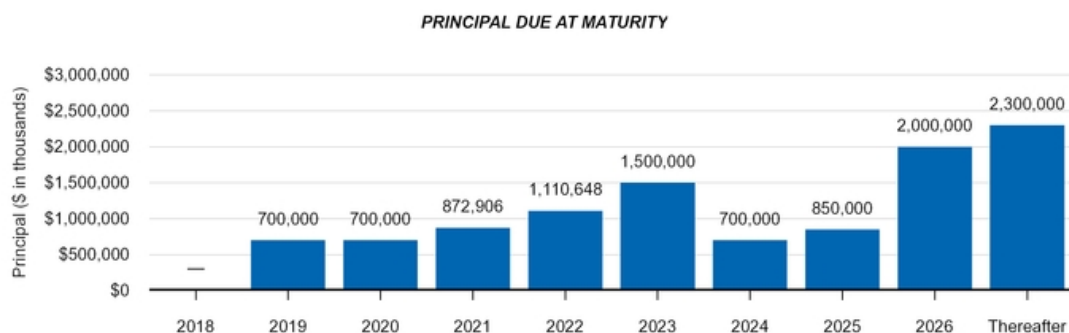
¹ All unsecured senior notes are rated A- (stable), BBB+ (stable) and Baa1 (stable) by S&P, Fitch and Moody's, respectively.

² Values based on June 29, 2018 closing price of \$125.42 per share of common stock, except the Series B Preferred Stock is valued at its fixed liquidation preference.

³ Amount is calculated based on the Company's percentage ownership interest in the unconsolidated joint venture entities. For additional detail, see page 32.

⁴ Amount is calculated based on the outside partners' percentage ownership interest in the consolidated joint venture entities. For additional detail, see page 30.

⁵ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

as of June 30, 2018
 (dollars in thousands)

UNSECURED CREDIT FACILITY - MATURES APRIL 24, 2022

| | Facility | Outstanding at June 30, 2018 | Letters of Credit | Remaining Capacity at June 30, 2018 |
|--------------------------|--------------|------------------------------|-------------------|-------------------------------------|
| Unsecured Line of Credit | \$ 1,500,000 | \$ — | \$ 1,610 | \$ 1,498,390 |
| Unsecured Term Loan | \$ 500,000 | \$ 500,000 | N/A | \$ — |

UNSECURED AND SECURED DEBT ANALYSIS

| | % of Total Debt | Weighted Average | | |
|-------------------|-----------------|------------------|-------------------------|------------------|
| | | Stated Rates | GAAP Rates ² | Maturity (years) |
| Unsecured Debt | 72.28% | 3.99% | 4.07% | 5.1 |
| Secured Debt | 27.72% | 3.78% | 3.95% | 7.7 |
| Consolidated Debt | 100.00% | 3.93% | 4.04% | 5.8 |

FLOATING AND FIXED RATE DEBT ANALYSIS

| | % of Total Debt | Weighted Average | | |
|--------------------|-----------------|------------------|-------------------------|------------------|
| | | Stated Rates | GAAP Rates ² | Maturity (years) |
| Floating Rate Debt | 4.65% | 2.88% | 2.98% | 3.8 |
| Fixed Rate Debt | 95.35% | 3.98% | 4.09% | 5.9 |
| Consolidated Debt | 100.00% | 3.93% | 4.04% | 5.8 |

¹ Excludes unconsolidated joint ventures. For information on BXP's share of unconsolidated joint venture debt, see page 32.

² The GAAP interest rate differs from the stated interest rate due to the inclusion of the amortization of financing charges and the effects of hedging transactions.

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 from time to time (the "Indenture"), 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 June 30, 2018 to show that the Company's Operating Partnership was in compliance with the terms of the Indenture, which has been filed with the SEC. Management is not presenting these ratios 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.

COVENANT RATIOS AND RELATED DATA

| | Test | Senior Notes Issued Prior to December 4, 2017 | Senior Notes issued On or After December 4, 2017 |
|---|--------------------|---|--|
| | | Actual | |
| Total Outstanding Debt/Total Assets ¹ | Less than 60% | 41.90% | 38.70% |
| Secured Debt/Total Assets | Less than 50% | 13.50% | 12.50% |
| Interest Coverage (Annualized Consolidated EBITDA to Annualized Interest Expense) | Greater than 1.50x | 4.25 | 4.25 |
| Unencumbered Assets/ Unsecured Debt | Greater than 150% | 265.70% | 288.70% |

¹ Capitalized Property Value for senior notes issued prior to December 4, 2017 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. Capitalized property value for senior notes issued on or after December 4, 2017 is determined for each property and is the greater of (a) annualized EBITDA capitalized at 7.0% and (b) the undepreciated book value as determined under GAAP.

(dollars in thousands)

Reconciliation of BXP's Share of EBITDAre and BXP's Share of EBITDAre – cash ¹

| | Three Months Ended | |
|---|--------------------|--------------|
| | 30-Jun-18 | 31-Mar-18 |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 176,021 |
| Add: | | |
| Preferred dividends | 2,625 | 2,625 |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 20,432 |
| Noncontrolling interest in property partnerships | 14,400 | 17,234 |
| Less: | | |
| Gains on sales of real estate | 18,292 | 96,397 |
| Income before gains on sales of real estate | 142,273 | 119,915 |
| Add: | | |
| Interest expense | 92,204 | 90,220 |
| Losses from early extinguishments of debt | — | — |
| Depreciation and amortization | 156,417 | 165,797 |
| Less: | | |
| Income from unconsolidated joint ventures | 769 | 461 |
| Add: | | |
| BXP's share of EBITDAre from unconsolidated joint ventures ² | 16,591 | 16,294 |
| EBITDAre ¹ | 406,716 | 391,765 |
| Less: | | |
| Partners' share of EBITDAre from consolidated joint ventures ³ | 43,964 | 46,693 |
| BXP's Share of EBITDAre ¹ (A) | 362,752 | 345,072 |
| Add: | | |
| Stock-based compensation expense | 8,471 | 14,772 |
| Straight-line ground rent expense adjustment | 1,003 | 852 |
| BXP's Share of lease transaction costs that qualify as rent inducements ¹ | 586 | 386 |
| Less: | | |
| BXP's Share of non-cash termination income adjustment (fair value lease amounts) ¹ | — | — |
| BXP's Share of straight-line rent ¹ | 19,561 | 22,662 |
| BXP's Share of fair value lease revenue ¹ | 4,640 | 4,289 |
| BXP's Share of EBITDAre – cash ¹ | \$ 348,611 | \$ 334,131 |
| | | |
| BXP's Share of EBITDAre (Annualized) ⁴ (A x 4) | \$ 1,451,008 | \$ 1,380,288 |

Reconciliation of BXP's Share of Net Debt ¹

| | 30-Jun-18 | 31-Mar-18 |
|---|-------------------|---------------|
| | Consolidated debt | \$ 10,721,878 |
| Add: | | |
| Special dividend payable | — | — |
| Less: | | |
| Cash and cash equivalents | 472,555 | 294,571 |
| Cash held in escrow for 1031 exchange | 137,217 | 115,440 |
| Net debt ¹ | 10,112,106 | 9,929,302 |
| Add: | | |
| BXP's share of unconsolidated joint venture debt ² | 648,935 | 622,207 |
| Partners' share of cash and cash equivalents from consolidated joint ventures | 112,619 | 107,306 |
| Less: | | |
| BXP's share of cash and cash equivalents from unconsolidated joint ventures | 80,836 | 71,515 |
| Partners' share of consolidated joint venture debt ³ | 1,207,123 | 1,208,154 |
| BXP's Share of Net Debt ¹ (B) | \$ 9,585,701 | \$ 9,379,146 |
| | | |
| BXP's Share of Net Debt to BXP's Share of EBITDAre (Annualized) [B ÷ (A x 4)] | 6.61 | 6.80 |

¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

² For disclosures related to the calculation of BXP's share from unconsolidated joint ventures for the three months ended June 30, 2018, see pages 32 and 53.

³ For disclosures related to the calculation of Partners' share from consolidated joint ventures for the three months ended June 30, 2018, see pages 30 and 52.

⁴ BXP's Share of EBITDAre is annualized and calculated as the product of such amount for the quarter multiplied by four (4).

(in thousands, except for ratio amounts)

INTEREST COVERAGE RATIO¹

| | Three Months Ended | |
|---|-----------------------|-----------------------|
| | 30-Jun-18 | 31-Mar-18 |
| BXP's Share of interest expense ¹ | \$ 87,576 | \$ 85,371 |
| Less: | | |
| BXP's Share of hedge amortization ¹ | 1,435 | 1,435 |
| BXP's Share of amortization of financing costs ¹ | 2,787 | 2,791 |
| Add: | | |
| Losses from early extinguishments of debt | — | — |
| Adjusted interest expense excluding capitalized interest (A) | 83,354 | 81,145 |
| Add: | | |
| BXP's Share of capitalized interest ¹ | 16,582 | 16,504 |
| Adjusted interest expense including capitalized interest (B) | <u>\$ 99,936</u> | <u>\$ 97,649</u> |
| BXP's Share of EBITDAre – cash ^{1,2} (C) | <u>\$ 348,611</u> | <u>\$ 334,131</u> |
| Interest Coverage Ratio (excluding capitalized interest) (C÷A) | 4.18 | 4.12 |
| Interest Coverage Ratio (including capitalized interest) (C÷B) | <u>3.49</u> | <u>3.42</u> |

FIXED CHARGE COVERAGE RATIO¹

| | Three Months Ended | |
|--|-----------------------|-----------------------|
| | 30-Jun-18 | 31-Mar-18 |
| BXP's Share of interest expense ¹ | \$ 87,576 | \$ 85,371 |
| Less: | | |
| BXP's Share of hedge amortization ¹ | 1,435 | 1,435 |
| BXP's Share of amortization of financing costs ¹ | 2,787 | 2,791 |
| Add: | | |
| Losses from early extinguishments of debt | — | — |
| BXP's Share of capitalized interest ¹ | 16,582 | 16,504 |
| BXP's Share of maintenance capital expenditures ¹ | 12,378 | 19,980 |
| Hotel improvements, equipment upgrades and replacements | 1,242 | 377 |
| Preferred dividends/distributions | 2,625 | 2,625 |
| Total Fixed Charges (A) | <u>\$ 116,181</u> | <u>\$ 120,631</u> |
| BXP's Share of EBITDAre – cash ^{1,2} (B) | <u>\$ 348,611</u> | <u>\$ 334,131</u> |
| Fixed Charge Coverage Ratio (B÷A) | <u>3.00</u> | <u>2.77</u> |

¹ See the Definitions and Reconciliations sections of this Supplemental package starting on page 46.

² For a qualitative reconciliation of BXP's Share of EBITDAre – cash, see page 28.

as of June 30, 2018
(unaudited and dollars in thousands)

BALANCE SHEET INFORMATION

| ASSETS | Norges Joint Ventures ¹ | | | Total Consolidated Joint Ventures |
|---|--|--|-------------------------------|--------------------------------------|
| | 767 Fifth Avenue (The GM Building) ¹ | Times Square Tower 601 Lexington Avenue / One Five Nine East 53rd 100 Federal Street Atlantic Wharf Office | Salesforce Tower ¹ | |
| Real estate, net | \$ 3,254,265 | \$ 2,169,619 | \$ 1,047,055 | \$ 6,470,939 |
| Cash and cash equivalents | 136,875 | 127,124 | 13,253 | 277,252 |
| Other assets | 290,516 | 326,449 | 34,396 | 651,361 |
| Total assets | \$ 3,681,656 | \$ 2,623,192 | \$ 1,094,704 | \$ 7,399,552 |
| LIABILITIES AND EQUITY | | | | |
| Liabilities: | | | | |
| Mortgage notes payable, net | \$ 2,268,736 | \$ 665,548 | \$ — | \$ 2,934,284 |
| Other liabilities | 144,498 | 72,870 | 53,507 | 270,875 |
| Total liabilities | 2,413,234 | 738,418 | 53,507 | 3,205,159 |
| Equity: | | | | |
| Boston Properties, Inc. | 762,260 | 716,186 | 1,016,675 | 2,495,121 |
| Noncontrolling interests | 506,162 | 1,168,588 | 24,522 | 1,699,272 ² |
| Total equity | 1,268,422 | 1,884,774 | 1,041,197 | 4,194,393 |
| Total liabilities and equity | \$ 3,681,656 | \$ 2,623,192 | \$ 1,094,704 | \$ 7,399,552 |
| BXP's nominal ownership percentage | 60% | 55% | 95% | |
| Partners' share of cash and cash equivalents ³ | \$ 54,750 | \$ 57,206 | \$ 663 | \$ 112,619 |
| Partners' share of consolidated debt ^{3,4} | \$ 907,626 | \$ 299,497 | \$ — | \$ 1,207,123 |

¹ Certain balances contain amounts that eliminate in consolidation.

² Amount excludes preferred shareholders' capital of approximately \$0.1 million.

³ Amounts represent the partners' share based on their respective ownership percentage.

⁴ Amounts adjusted for basis differentials.

for the three months ended June 30, 2018
(unaudited and dollars in thousands)

RESULTS OF OPERATIONS

| | Norges Joint Ventures | | | Total Consolidated Joint Ventures |
|--|---|---|-------------------------|--|
| | 767 Fifth Avenue (The GM Building) | 100 Federal Street Atlantic Wharf Office | Salesforce Tower | |
| Times Square Tower 601 Lexington Avenue / One Five Nine East 53rd | | | | |
| Revenue | | | | |
| Rent | \$ 53,503 | \$ 71,451 | \$ 5,704 | \$ 130,658 |
| Straight-line rent | 2,598 | 3,907 | (1,302) | 5,203 |
| Fair value lease revenue | 4,509 | 236 | — | 4,745 |
| Termination income | — | — | — | — |
| Base Rent | 60,610 | 75,594 | 4,402 | 140,606 |
| Recoveries from tenants | 11,898 | 14,980 | 1,874 | 28,752 |
| Parking and other | 731 | 1,527 | 145 | 2,403 |
| Total rental revenue | 73,239 | 92,101 | 6,421 | 171,761 |
| Expenses | | | | |
| Operating | 28,697 | 32,598 | 3,411 | 64,706 |
| Net Operating Income (NOI) | 44,542 | 59,503 | 3,010 | 107,055 |
| Other income (expense) | | | | |
| Development and management services revenue | 391 | 770 | 662 | 1,823 |
| Interest and other income | 514 | 466 | 50 | 1,030 |
| Interest expense | (20,530) | (6,497) | — | (27,027) |
| Depreciation and amortization expense | (23,377) | (20,154) | (1,300) | (44,831) |
| Total other income (expense) | (43,002) | (25,415) | (588) | (69,005) |
| Net income | \$ 1,540 | \$ 34,088 | \$ 2,422 | \$ 38,050 |

FUNDS FROM OPERATIONS (FFO)

| | | | |
|------------------------------------|-----|-----|-----|
| BXP's nominal ownership percentage | 60% | 55% | 95% |
|------------------------------------|-----|-----|-----|

| | Norges Joint Ventures | | | Total Consolidated Joint Ventures |
|--|---|---|-------------------------|--|
| | 767 Fifth Avenue (The GM Building) | 100 Federal Street Atlantic Wharf Office | Salesforce Tower | |
| Times Square Tower 601 Lexington Avenue / One Five Nine East 53rd | | | | |
| Reconciliation of Partners' share of FFO | | | | |
| Net income | \$ 1,540 | \$ 34,088 | \$ 2,422 | \$ 38,050 |
| Add: Depreciation and amortization expense | 23,377 | 20,154 | 1,300 | 44,831 |
| Entity FFO | \$ 24,917 | \$ 54,242 | \$ 3,722 | \$ 82,881 |
| Partners' NCI ¹ | \$ (16) | \$ 14,558 | \$ (142) | \$ 14,400 |
| Partners' share of depreciation and amortization expense after BXP's basis differential ¹ | 9,320 | 9,048 | 58 | 18,426 |
| Partners' share FFO ¹ | \$ 9,304 | \$ 23,606 | \$ (84) | \$ 32,826 |
| Reconciliation of BXP's share of FFO | | | | |
| BXP's share of net income adjusted for partners' NCI | \$ 1,556 | \$ 19,530 | \$ 2,564 | \$ 23,650 |
| Depreciation and amortization expense - BXP's basis difference | 76 | 49 | 139 | 264 |
| BXP's share of depreciation and amortization expense | 13,981 | 11,057 | 1,103 | 26,141 |
| BXP's share of FFO | \$ 15,613 | \$ 30,636 | \$ 3,806 | \$ 50,055 |

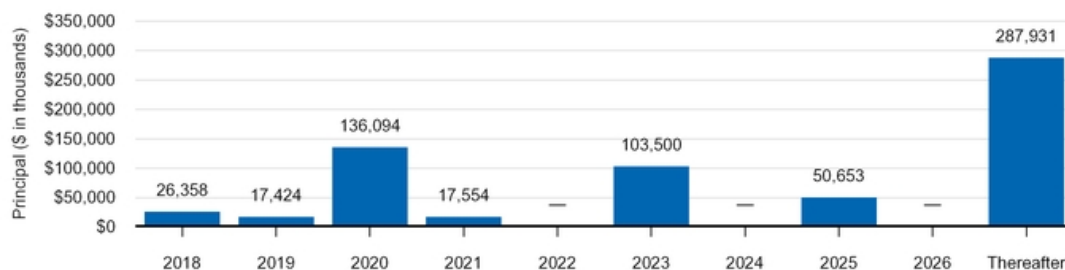
¹ Amounts represent the partners' share based on their respective ownership percentage and is adjusted for basis differentials and the allocations of management and other fees and interest to BXP.

as of June 30, 2018
(unaudited and dollars in thousands)

BALANCE SHEET INFORMATION

| Property | BXP's Nominal | | Mortgage/Construction Loans Payable, Net | Maturity Date | Interest Rate | |
|--|---------------|-------------------|---|-------------------|---------------|-------------------|
| | Ownership | Net Equity | | | Stated | GAAP ² |
| 540 Madison Avenue | 60.00% | \$ 66,385 | \$ 71,606 | June 5, 2023 | 3.14% | 3.42% |
| Colorado Center | 50.00% | 253,864 | 274,531 | August 9, 2027 | 3.56% | 3.58% |
| Dock 72 | 50.00% | 71,651 | 43,417 | December 18, 2020 | 4.24% | 5.39% |
| The Hub on Causeway - Podium | 50.00% | 72,900 | 16,019 | September 6, 2021 | 4.21% | 4.68% |
| The Hub on Causeway - Residential ³ | 50.00% | 38,958 | — | April 19, 2022 | N/A | N/A |
| The Hub on Causeway - Hotel Air Rights | 50.00% | 2,046 | — | — | —% | —% |
| 1001 6th Street | 50.00% | 42,646 | — | — | —% | —% |
| 7750 Wisconsin Avenue | 50.00% | 68,404 | — | — | —% | —% |
| Annapolis Junction | 50.00% | 17,597 | — | — | —% | —% |
| Annapolis Junction Building One ⁴ | 50.00% | — | 19,775 | March 31, 2018 | 7.67% | 7.85% |
| Annapolis Junction Building Six | 50.00% | — | 6,666 | November 17, 2018 | 4.24% | 4.42% |
| Annapolis Junction Building Seven and Eight | 50.00% | — | 17,813 | December 7, 2019 | 4.27% | 4.55% |
| 1265 Main Street | 50.00% | 4,413 | 19,484 | January 1, 2032 | 3.77% | 3.84% |
| Market Square North | 50.00% | (7,371) | 59,871 | October 1, 2020 | 4.85% | 4.91% |
| Wisconsin Place Parking Facility | 33.33% | 39,015 | — | — | —% | —% |
| 500 North Capitol Street, N.W. | 30.00% | (4,416) | 31,413 | June 6, 2023 | 4.15% | 4.20% |
| 901 New York Avenue | 25.00% | (12,824) | 55,960 | January 5, 2025 | 3.61% | 3.69% |
| Metropolitan Square | 20.00% | 4,628 | 32,380 | May 5, 2020 | 5.75% | 5.81% |
| | | 657,896 | | | | |
| Investments with deficit balances reflected within Other Liabilities | | 24,611 | | | | |
| Investment in Joint Ventures | | 682,507 | | | | |
| | | <u>\$ 682,507</u> | | | | |
| Mortgage/Construction Loans Payable, Net | | | <u>\$ 648,935</u> | | | |

PRINCIPAL DUE AT MATURITY (BXP's share)



FLOATING AND FIXED RATE DEBT ANALYSIS

| | % of Total Debt | Weighted Average | | |
|--------------------|-----------------|------------------|------------------------|------------------|
| | | Stated Rate | GAAP Rate ² | Maturity (years) |
| Floating Rate Debt | 27.01% | 4.18% | 4.67% | 3.1 |
| Fixed Rate Debt | 72.99% | 3.93% | 3.97% | 7.3 |
| Total Debt | 100.00% | 4.00% | 4.16% | 6.2 |

¹ Amounts represent the Company's share based on its ownership percentage.

² The GAAP interest rate differs from the stated interest rate due to the inclusion of the amortization of financing charges, which includes mortgage recording fees.

³ No amounts have been drawn under the \$180.0 million construction facility.

⁴ The joint venture has been in default of this loan since April 11, 2016. The cash flows generated from the property are insufficient to fund debt service payments and capital improvements necessary to lease and operate the property and the joint venture is not prepared to fund additional cash shortfalls at this time. Consequently, the joint venture is not current on making debt service payments and remains in default.

for the three months ended June 30, 2018
(unaudited and dollars in thousands)

RESULTS OF OPERATIONS

| | 540 Madison Avenue | Market Square North | Metropolitan Square | 901 New York Avenue | Wisconsin Place Parking Facility | Annapolis Junction ¹ | 500 North Capitol Street, N.W. | Colorado Center | 1265 Main Street | Other Joint Ventures ² | Total Unconsolidated Joint Ventures |
|---|--------------------|---------------------|---------------------|---------------------|----------------------------------|---------------------------------|--------------------------------|-----------------|------------------|-----------------------------------|-------------------------------------|
| Revenue | | | | | | | | | | | |
| Rent | \$ 5,492 | \$ 4,443 | \$ 5,805 | \$ 6,988 | \$ 22 | \$ 2,551 | \$ 2,860 | \$ 11,675 | \$ 994 | \$ 106 | \$ 40,936 |
| Straight-line rent | 34 | 184 | (99) | (3) | — | 66 | 8 | 2,506 | — | 524 | 3,220 |
| Fair value lease revenue | — | — | — | — | — | — | — | 96 | — | — | 96 |
| Termination income | — | — | (16) | — | — | — | — | — | — | — | (16) |
| Base rent | 5,526 | 4,627 | 5,690 | 6,985 | 22 | 2,617 | 2,868 | 14,277 | 994 | 630 | 44,236 |
| Recoveries from tenants | 572 | 885 | 1,247 | 1,278 | 323 | 495 | 1,281 | 584 | 306 | — | 6,971 |
| Parking and other | 8 | 206 | 688 | 403 | 942 | 55 | 125 | 2,612 | — | 286 | 5,325 |
| Total rental revenue | 6,106 | 5,718 | 7,625 | 8,666 | 1,287 | 3,167 | 4,274 | 17,473 | 1,300 | 916 | 56,532 |
| Expenses | | | | | | | | | | | |
| Operating | 3,263 | 2,359 | 3,587 | 3,474 | 660 | 1,589 | 1,432 | 5,849 | 310 | 345 | 22,868 |
| Net operating income/(loss) | 2,843 | 3,359 | 4,038 | 5,192 | 627 | 1,578 | 2,842 | 11,624 | 990 | 571 | 33,664 |
| Other income/(expense) | | | | | | | | | | | |
| Development and management services revenue | 42 | 2 | 1 | — | — | — | — | 10 | — | — | 55 |
| Interest and other income | 62 | 55 | 5 | 37 | — | 61 | 14 | 86 | — | 187 | 507 |
| Interest expense | (990) | (1,478) | (2,277) | (2,075) | — | (1,416) | (1,116) | (4,979) | (378) | — | (14,709) |
| Depreciation and amortization expense | (1,882) | (993) | (1,859) | (1,492) | (1,375) | (1,014) | (947) | (4,564) | (397) | (2) | (14,525) |
| Subtotal | (2,768) | (2,414) | (4,130) | (3,530) | (1,375) | (2,369) | (2,049) | (9,447) | (775) | 185 | (28,672) |
| Net income/(loss) | \$ 75 | \$ 945 | \$ (92) | \$ 1,662 | \$ (748) | \$ (791) | \$ 793 | \$ 2,177 | \$ 215 | \$ 756 | \$ 4,992 |
| | | | | | | | | | | | |
| BXP's nominal ownership percentage | 60% | 50% | 20% | 25% | 33.33% | 50% | 30% | 50% | 50% | 50% | |

Reconciliation of BXP's share of Funds from Operations (FFO)

| | | | | | | | | | | | |
|--|-----------------|---------------|---------------|---------------------|---------------|---------------|---------------|----------------------|---------------|---------------|------------------|
| BXP's share of net income/(loss) | \$ 45 | \$ 473 | \$ (18) | \$ 449 ³ | \$ (249) | \$ (396) | \$ 238 | \$ 1,089 | \$ 108 | \$ 378 | \$ 2,117 |
| Basis differential | | | | | | | | | | | |
| Straight-line rent | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 680 ⁴ | \$ — | \$ — | \$ 680 |
| Fair value lease revenue | — | — | — | — | — | — | — | 410 ⁴ | — | — | 410 |
| Depreciation and amortization expense | 160 | (43) | 4 | (13) | (10) | (30) | — | (2,498) ⁴ | (8) | — | (2,438) |
| Total basis differential ⁵ | 160 | (43) | 4 | (13) | (10) | (30) | — | (1,408) ⁴ | (8) | — | (1,348) |
| Income/(loss) from unconsolidated joint ventures | 205 | 430 | (14) | 436 ³ | (259) | (426) | 238 | (319) | 100 | 378 | 769 |
| Add: | | | | | | | | | | | |
| BXP's share of depreciation and amortization expense | 970 | 539 | 368 | 1,163 ³ | 466 | 537 | 284 | 4,778 | 206 | 1 | 9,312 |
| BXP's share of FFO | \$ 1,175 | \$ 969 | \$ 354 | \$ 1,599 | \$ 207 | \$ 111 | \$ 522 | \$ 4,459 | \$ 306 | \$ 379 | \$ 10,081 |

¹ Annapolis Junction includes four in-service properties and two undeveloped land parcels.

² Includes The Hub on Causeway, 1001 6th Street, Dock 72 and 7750 Wisconsin Avenue.

³ Reflects the allocation percentages pursuant to the achievement of specified investment return thresholds as provided for in the joint venture agreement.

⁴ The Company's purchase price allocation under ASC 805 for Colorado Center differs from the historical basis of the venture resulting in the majority of the basis differential for this venture.

⁵ Represents adjustments related to the carrying values and depreciation of certain of the Company's investment in unconsolidated joint ventures.

as of June 30, 2018

OFFICE

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Percentage of Total Square Feet |
|--------------------------|--|---|--------|--|--------|---------------------------------|
| | | \$ | \$/PSF | \$ | \$/PSF | |
| 2018 | 680,858 | 40,448,113 | 59.41 | 40,487,902 | 59.47 | 1.68% ⁴ |
| 2019 | 2,810,777 | 147,664,689 | 52.54 | 149,790,861 | 53.29 | 6.93% |
| 2020 | 4,024,531 | 243,178,509 | 60.42 | 252,343,272 | 62.70 | 9.92% |
| 2021 | 3,540,716 | 192,326,868 | 54.32 | 201,140,900 | 56.81 | 8.73% |
| 2022 | 4,057,786 | 257,602,387 | 63.48 | 264,693,572 | 65.23 | 10.00% |
| 2023 | 1,831,607 | 106,293,363 | 58.03 | 117,118,382 | 63.94 | 4.52% |
| 2024 | 3,160,654 | 185,942,586 | 58.83 | 203,449,330 | 64.37 | 7.79% |
| 2025 | 2,485,164 | 147,369,643 | 59.30 | 164,804,756 | 66.32 | 6.13% |
| 2026 | 2,629,013 | 198,792,192 | 75.61 | 218,410,531 | 83.08 | 6.48% |
| 2027 | 1,591,673 | 103,453,253 | 65.00 | 120,899,984 | 75.96 | 3.92% |
| Thereafter | 10,043,626 | 707,092,755 | 70.40 | 913,483,030 | 90.95 | 24.76% |

RETAIL

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Percentage of Total Square Feet |
|--------------------------|--|---|--------|--|--------|---------------------------------|
| | | \$ | \$/PSF | \$ | \$/PSF | |
| 2018 | 45,406 | 13,641,608 | 300.44 | 13,908,354 | 306.31 | 1.93% ⁴ |
| 2019 | 106,385 | 7,283,963 | 68.47 | 7,307,990 | 68.69 | 4.51% |
| 2020 | 177,797 | 11,086,324 | 62.35 | 11,008,507 | 61.92 | 7.54% |
| 2021 | 158,058 | 22,733,327 | 143.83 | 22,960,858 | 145.27 | 6.70% |
| 2022 | 250,151 | 19,360,273 | 77.39 | 19,909,065 | 79.59 | 10.61% |
| 2023 | 215,537 | 17,671,180 | 81.99 | 18,990,909 | 88.11 | 9.14% |
| 2024 | 116,415 | 10,694,606 | 91.87 | 12,091,721 | 103.87 | 4.94% |
| 2025 | 132,140 | 8,931,408 | 67.59 | 9,787,963 | 74.07 | 5.60% |
| 2026 | 111,329 | 14,085,666 | 126.52 | 16,319,631 | 146.59 | 4.72% |
| 2027 | 109,211 | 13,762,671 | 126.02 | 15,690,407 | 143.67 | 4.63% |
| Thereafter | 681,311 | 57,683,374 | 84.67 | 98,028,503 | 143.88 | 28.90% |

IN-SERVICE PROPERTIES

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Percentage of Total Square Feet |
|--------------------------|--|---|--------|--|--------|---------------------------------|
| | | \$ | \$/PSF | \$ | \$/PSF | |
| 2018 | 726,264 | 54,089,721 | 74.48 | 54,396,256 | 74.90 | 1.69% ⁴ |
| 2019 | 2,917,162 | 154,948,652 | 53.12 | 157,098,851 | 53.85 | 6.80% |
| 2020 | 4,202,328 | 254,264,833 | 60.51 | 263,351,779 | 62.67 | 9.79% |
| 2021 | 3,698,774 | 215,060,195 | 58.14 | 224,101,758 | 60.59 | 8.62% |
| 2022 | 4,307,937 | 276,962,660 | 64.29 | 284,602,637 | 66.06 | 10.04% |
| 2023 | 2,047,144 | 123,964,543 | 60.55 | 136,109,291 | 66.49 | 4.77% |
| 2024 | 3,277,069 | 196,637,192 | 60.00 | 215,541,051 | 65.77 | 7.63% |
| 2025 | 2,617,304 | 156,301,051 | 59.72 | 174,592,719 | 66.71 | 6.10% |
| 2026 | 2,740,342 | 212,877,858 | 77.68 | 234,730,162 | 85.66 | 6.38% |
| 2027 | 1,700,884 | 117,215,924 | 68.91 | 136,590,391 | 80.31 | 3.96% |
| Thereafter | 10,724,937 | 764,776,129 | 71.31 | 1,011,511,533 | 94.31 | 24.99% |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include 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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 192,184 | 8,898,092 | 46.30 | 8,901,907 | 46.32 ⁴ |
| 2019 | 685,011 | 32,875,362 | 47.99 | 33,034,408 | 48.22 |
| 2020 | 520,609 | 27,363,498 | 52.56 | 28,387,619 | 54.53 |
| 2021 | 1,048,502 | 43,429,200 | 41.42 | 44,087,460 | 42.05 |
| 2022 | 1,534,500 | 81,580,377 | 53.16 | 82,891,360 | 54.02 |
| 2023 | 700,932 | 37,925,578 | 54.11 | 41,242,135 | 58.84 |
| 2024 | 890,200 | 42,892,445 | 48.18 | 46,190,374 | 51.89 |
| 2025 | 1,163,679 | 68,614,736 | 58.96 | 74,819,889 | 64.30 |
| 2026 | 1,104,074 | 74,143,610 | 67.15 | 81,464,354 | 73.79 |
| 2027 | 522,255 | 27,532,192 | 52.72 | 31,677,505 | 60.66 |
| Thereafter | 3,811,436 | 208,188,452 | 54.62 | 245,000,560 | 64.28 |

RETAIL

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|---------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 9,468 | 1,528,025 | 161.39 | 1,528,025 | 161.39 ⁴ |
| 2019 | 7,016 | 1,459,764 | 208.06 | 1,463,122 | 208.54 |
| 2020 | 85,718 | 5,168,594 | 60.30 | 5,200,883 | 60.67 |
| 2021 | 37,303 | 2,563,585 | 68.72 | 2,671,266 | 71.61 |
| 2022 | 118,513 | 7,412,094 | 62.54 | 7,498,915 | 63.28 |
| 2023 | 80,259 | 7,907,104 | 98.52 | 8,336,516 | 103.87 |
| 2024 | 72,205 | 4,404,492 | 61.00 | 4,829,499 | 66.89 |
| 2025 | 30,224 | 3,767,685 | 124.66 | 4,111,572 | 136.04 |
| 2026 | 18,912 | 5,163,408 | 273.02 | 5,924,022 | 313.24 |
| 2027 | 64,268 | 10,637,926 | 165.52 | 12,016,242 | 186.97 |
| Thereafter | 336,864 | 17,312,943 | 51.39 | 20,439,511 | 60.68 |

TOTAL PROPERTY TYPES

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 201,652 | 10,426,117 | 51.70 | 10,429,932 | 51.72 ⁴ |
| 2019 | 692,027 | 34,335,126 | 49.62 | 34,497,530 | 49.85 |
| 2020 | 606,327 | 32,532,092 | 53.65 | 33,588,502 | 55.40 |
| 2021 | 1,085,805 | 45,992,785 | 42.36 | 46,758,726 | 43.06 |
| 2022 | 1,653,013 | 88,992,471 | 53.84 | 90,390,275 | 54.68 |
| 2023 | 781,191 | 45,832,682 | 58.67 | 49,578,651 | 63.47 |
| 2024 | 962,405 | 47,296,937 | 49.14 | 51,019,873 | 53.01 |
| 2025 | 1,193,903 | 72,382,421 | 60.63 | 78,931,461 | 66.11 |
| 2026 | 1,122,986 | 79,307,018 | 70.62 | 87,388,376 | 77.82 |
| 2027 | 586,523 | 38,170,118 | 65.08 | 43,693,747 | 74.50 |
| Thereafter | 4,148,300 | 225,501,395 | 54.36 | 265,440,071 | 63.99 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include 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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 57,947 | 2,982,981 | 51.48 | 2,982,981 | 51.48 ⁴ |
| Q3 2018 | 30,487 | 1,251,490 | 41.05 | 1,251,490 | 41.05 |
| Q4 2018 | 103,750 | 4,663,621 | 44.95 | 4,667,436 | 44.99 |
| Total 2018 | 192,184 | 8,898,092 | 46.30 | 8,901,907 | 46.32 |
| Q1 2019 | 113,803 | 5,106,867 | 44.87 | 5,106,867 | 44.87 |
| Q2 2019 | 188,283 | 9,070,449 | 48.17 | 9,072,871 | 48.19 |
| Q3 2019 | 181,231 | 8,424,942 | 46.49 | 8,499,043 | 46.90 |
| Q4 2019 | 201,694 | 10,273,104 | 50.93 | 10,355,627 | 51.34 |
| Total 2019 | 685,011 | 32,875,362 | 47.99 | 33,034,408 | 48.22 |

RETAIL

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|-----------|---|---------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 1,933 | 312,589 | 161.71 | 312,589 | 161.71 ⁴ |
| Q3 2018 | 2 | 104,000 | 51,999.96 | 104,000 | 51,999.96 |
| Q4 2018 | 7,533 | 1,111,436 | 147.54 | 1,111,436 | 147.54 |
| Total 2018 | 9,468 | 1,528,025 | 161.39 | 1,528,025 | 161.39 |
| Q1 2019 | 1,072 | 517,013 | 482.29 | 517,992 | 483.20 |
| Q2 2019 | — | — | — | — | — |
| Q3 2019 | 3,086 | 492,857 | 159.71 | 495,236 | 160.48 |
| Q4 2019 | 2,858 | 449,894 | 157.42 | 449,894 | 157.42 |
| Total 2019 | 7,016 | 1,459,764 | 208.06 | 1,463,122 | 208.54 |

TOTAL PROPERTY TYPES

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 59,880 | 3,295,571 | 55.04 | 3,295,571 | 55.04 ⁴ |
| Q3 2018 | 30,489 | 1,355,490 | 44.46 | 1,355,490 | 44.46 |
| Q4 2018 | 111,283 | 5,775,057 | 51.90 | 5,778,872 | 51.93 |
| Total 2018 | 201,652 | 10,426,117 | 51.70 | 10,429,932 | 51.72 |
| Q1 2019 | 114,875 | 5,623,880 | 48.96 | 5,624,859 | 48.97 |
| Q2 2019 | 188,283 | 9,070,449 | 48.17 | 9,072,871 | 48.19 |
| Q3 2019 | 184,317 | 8,917,799 | 48.38 | 8,994,279 | 48.80 |
| Q4 2019 | 204,552 | 10,722,998 | 52.42 | 10,805,520 | 52.83 |
| Total 2019 | 692,027 | 34,335,126 | 49.62 | 34,497,530 | 49.85 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include 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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 108,883 | 5,671,440 | 52.09 | 5,678,606 | 52.15 ⁴ |
| 2019 | 591,039 | 29,254,469 | 49.50 | 29,885,202 | 50.56 |
| 2020 | 839,849 | 54,291,673 | 64.64 | 59,285,284 | 70.59 |
| 2021 | 1,078,649 | 56,473,278 | 52.36 | 60,824,799 | 56.39 |
| 2022 | 839,173 | 48,712,459 | 58.05 | 52,987,503 | 63.14 |
| 2023 | 414,614 | 27,645,950 | 66.68 | 31,299,253 | 75.49 |
| 2024 | 517,522 | 30,032,166 | 58.03 | 34,306,092 | 66.29 |
| 2025 | 400,389 | 23,484,686 | 58.65 | 28,249,724 | 70.56 |
| 2026 | 280,908 | 20,526,100 | 73.07 | 23,185,319 | 82.54 |
| 2027 | 233,055 | 18,245,408 | 78.29 | 21,900,305 | 93.97 |
| Thereafter | 1,235,302 | 86,441,944 | 69.98 | 115,256,756 | 93.30 |

RETAIL

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 16,465 | 1,050,221 | 63.79 | 1,050,221 | 63.79 |
| 2019 | 7,817 | 384,459 | 49.18 | 385,776 | 49.35 |
| 2020 | 31,336 | 2,019,151 | 64.44 | 2,065,195 | 65.90 |
| 2021 | 22,163 | 1,476,135 | 66.60 | 1,533,065 | 69.17 |
| 2022 | 40,589 | 1,988,217 | 48.98 | 2,073,580 | 51.09 |
| 2023 | 44,234 | 2,637,318 | 59.62 | 2,758,567 | 62.36 |
| 2024 | 9,388 | 661,524 | 70.46 | 736,337 | 78.43 |
| 2025 | 22,934 | 1,523,986 | 66.45 | 1,692,014 | 73.78 |
| 2026 | 25,600 | 1,846,900 | 72.14 | 2,059,268 | 80.44 |
| 2027 | 5,056 | 329,520 | 65.17 | 391,023 | 77.34 |
| Thereafter | 63,486 | 3,004,791 | 47.33 | 3,991,733 | 62.88 |

TOTAL PROPERTY TYPES

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 125,348 | 6,721,661 | 53.62 | 6,728,827 | 53.68 ⁴ |
| 2019 | 598,856 | 29,638,928 | 49.49 | 30,270,978 | 50.55 |
| 2020 | 871,185 | 56,310,824 | 64.64 | 61,350,479 | 70.42 |
| 2021 | 1,100,812 | 57,949,413 | 52.64 | 62,357,864 | 56.65 |
| 2022 | 879,762 | 50,700,676 | 57.63 | 55,061,083 | 62.59 |
| 2023 | 458,848 | 30,283,268 | 66.00 | 34,057,820 | 74.22 |
| 2024 | 526,910 | 30,693,690 | 58.25 | 35,042,429 | 66.51 |
| 2025 | 423,323 | 25,008,672 | 59.08 | 29,941,738 | 70.73 |
| 2026 | 306,508 | 22,373,000 | 72.99 | 25,244,587 | 82.36 |
| 2027 | 238,111 | 18,574,928 | 78.01 | 22,291,328 | 93.62 |
| Thereafter | 1,298,788 | 89,446,735 | 68.87 | 119,248,489 | 91.82 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 15,939 | 727,580 | 45.65 | 727,580 | 45.65 ⁴ |
| Q3 2018 | 46,105 | 2,034,888 | 44.14 | 2,034,888 | 44.14 |
| Q4 2018 | 46,839 | 2,908,972 | 62.11 | 2,916,138 | 62.26 |
| Total 2018 | 108,883 | 5,671,440 | 52.09 | 5,678,606 | 52.15 |
| Q1 2019 | 25,166 | 1,526,863 | 60.67 | 1,599,165 | 63.54 |
| Q2 2019 | 61,362 | 3,255,815 | 53.06 | 3,274,894 | 53.37 |
| Q3 2019 | 144,414 | 7,727,382 | 53.51 | 7,806,687 | 54.06 |
| Q4 2019 | 360,097 | 16,744,409 | 46.50 | 17,204,456 | 47.78 |
| Total 2019 | 591,039 | 29,254,469 | 49.50 | 29,885,202 | 50.56 |

RETAIL

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | — | — | — | — | — |
| Q3 2018 | 7,123 | 413,225 | 58.01 | 413,225 | 58.01 |
| Q4 2018 | 9,342 | 636,996 | 68.19 | 636,996 | 68.19 |
| Total 2018 | 16,465 | 1,050,221 | 63.79 | 1,050,221 | 63.79 |
| Q1 2019 | 3,820 | 170,770 | 44.70 | 170,770 | 44.70 |
| Q2 2019 | 1,304 | 140,871 | 108.03 | 140,871 | 108.03 |
| Q3 2019 | 2,693 | 72,818 | 27.04 | 74,135 | 27.53 |
| Q4 2019 | — | — | — | — | — |
| Total 2019 | 7,817 | 384,459 | 49.18 | 385,776 | 49.35 |

TOTAL PROPERTY TYPES

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 15,939 | 727,580 | 45.65 | 727,580 | 45.65 ⁴ |
| Q3 2018 | 53,228 | 2,448,113 | 45.99 | 2,448,113 | 45.99 |
| Q4 2018 | 56,181 | 3,545,968 | 63.12 | 3,553,134 | 63.24 |
| Total 2018 | 125,348 | 6,721,661 | 53.62 | 6,728,827 | 53.68 |
| Q1 2019 | 28,986 | 1,697,633 | 58.57 | 1,769,935 | 61.06 |
| Q2 2019 | 62,666 | 3,396,686 | 54.20 | 3,415,765 | 54.51 |
| Q3 2019 | 147,107 | 7,800,200 | 53.02 | 7,880,822 | 53.57 |
| Q4 2019 | 360,097 | 16,744,409 | 46.50 | 17,204,456 | 47.78 |
| Total 2019 | 598,856 | 29,638,927 | 49.49 | 30,270,978 | 50.55 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 154,791 | 14,275,844 | 92.23 | 14,290,909 | 92.32 ⁴ |
| 2019 | 471,486 | 35,177,541 | 74.61 | 36,052,733 | 76.47 |
| 2020 | 1,165,327 | 90,995,404 | 78.09 | 91,504,828 | 78.52 |
| 2021 | 421,030 | 38,007,976 | 90.27 | 38,399,494 | 91.20 |
| 2022 | 1,037,731 | 97,576,189 | 94.03 | 96,444,228 | 92.94 |
| 2023 | 210,737 | 15,123,840 | 71.77 | 15,720,511 | 74.60 |
| 2024 | 1,099,493 | 77,889,699 | 70.84 | 84,189,384 | 76.57 |
| 2025 | 565,206 | 39,932,469 | 70.65 | 44,432,416 | 78.61 |
| 2026 | 867,569 | 73,123,421 | 84.29 | 77,624,007 | 89.47 |
| 2027 | 321,407 | 27,887,585 | 86.77 | 32,737,437 | 101.86 |
| Thereafter | 3,282,099 | 306,092,641 | 93.26 | 410,021,926 | 124.93 |

RETAIL

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|----------|---|----------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 13,475 | 10,644,357 | 789.93 | 10,911,103 | 809.73 |
| 2019 | — | — | — | — | — |
| 2020 | 14,562 | 805,215 | 55.30 | 591,366 | 40.61 |
| 2021 | 26,225 | 13,709,557 | 522.77 | 13,716,938 | 523.05 |
| 2022 | 50,923 | 7,363,046 | 144.59 | 7,617,187 | 149.58 |
| 2023 | 1,847 | 1,897,549 | 1,027.37 | 2,260,608 | 1,223.94 |
| 2024 | 9,325 | 4,037,969 | 433.03 | 4,773,795 | 511.94 |
| 2025 | 1,872 | 656,702 | 350.80 | 732,638 | 391.37 |
| 2026 | 33,223 | 4,713,971 | 141.89 | 5,767,336 | 173.59 |
| 2027 | 243 | 30,000 | 123.46 | 36,000 | 148.15 |
| Thereafter | 183,572 | 34,199,627 | 186.30 | 69,896,178 | 380.76 |

TOTAL PROPERTY TYPES

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|---------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 168,266 | 24,920,201 | 148.10 | 25,202,012 | 149.77 ⁴ |
| 2019 | 471,486 | 35,177,541 | 74.61 | 36,052,733 | 76.47 |
| 2020 | 1,179,889 | 91,800,619 | 77.80 | 92,096,194 | 78.05 |
| 2021 | 447,255 | 51,717,533 | 115.63 | 52,116,432 | 116.53 |
| 2022 | 1,088,654 | 104,939,235 | 96.39 | 104,061,415 | 95.59 |
| 2023 | 212,584 | 17,021,389 | 80.07 | 17,981,119 | 84.58 |
| 2024 | 1,108,818 | 81,927,668 | 73.89 | 88,963,179 | 80.23 |
| 2025 | 567,078 | 40,589,171 | 71.58 | 45,165,054 | 79.65 |
| 2026 | 900,792 | 77,837,392 | 86.41 | 83,391,343 | 92.58 |
| 2027 | 321,650 | 27,917,585 | 86.79 | 32,773,437 | 101.89 |
| Thereafter | 3,465,671 | 340,292,268 | 98.19 | 479,918,104 | 138.48 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|---------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 61,209 | 7,896,671 | 129.01 | 7,896,671 | 129.01 ⁴ |
| Q3 2018 | 47,997 | 3,303,036 | 68.82 | 3,303,036 | 68.82 |
| Q4 2018 | 45,585 | 3,076,138 | 67.48 | 3,091,203 | 67.81 |
| Total 2018 | 154,791 | 14,275,844 | 92.23 | 14,290,909 | 92.32 |
| Q1 2019 | 97,215 | 9,292,967 | 95.59 | 9,292,967 | 95.59 |
| Q2 2019 | 52,069 | 3,387,533 | 65.06 | 3,387,533 | 65.06 |
| Q3 2019 | 205,666 | 15,304,035 | 74.41 | 16,172,694 | 78.64 |
| Q4 2019 | 116,536 | 7,193,007 | 61.72 | 7,199,539 | 61.78 |
| Total 2019 | 471,486 | 35,177,541 | 74.61 | 36,052,733 | 76.47 |

RETAIL

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|----------|---|----------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | — | — | — | — | — |
| Q3 2018 | 6,200 | 1,558,316 | 251.34 | 1,558,316 | 251.34 |
| Q4 2018 | 7,275 | 9,086,041 | 1,248.94 | 9,352,787 | 1,285.61 |
| Total 2018 | 13,475 | 10,644,357 | 789.93 | 10,911,103 | 809.73 |
| Q1 2019 | — | — | — | — | — |
| Q2 2019 | — | — | — | — | — |
| Q3 2019 | — | — | — | — | — |
| Q4 2019 | — | — | — | — | — |
| Total 2019 | — | — | — | — | — |

TOTAL PROPERTY TYPES

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|---------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 61,209 | 7,896,671 | 129.01 | 7,896,671 | 129.01 ⁴ |
| Q3 2018 | 54,197 | 4,861,352 | 89.70 | 4,861,352 | 89.70 |
| Q4 2018 | 52,860 | 12,162,179 | 230.08 | 12,443,990 | 235.41 |
| Total 2018 | 168,266 | 24,920,202 | 148.10 | 25,202,012 | 149.77 |
| Q1 2019 | 97,215 | 9,292,967 | 95.59 | 9,292,967 | 95.59 |
| Q2 2019 | 52,069 | 3,387,533 | 65.06 | 3,387,533 | 65.06 |
| Q3 2019 | 205,666 | 15,304,035 | 74.41 | 16,172,694 | 78.64 |
| Q4 2019 | 116,536 | 7,193,007 | 61.72 | 7,199,539 | 61.78 |
| Total 2019 | 471,486 | 35,177,541 | 74.61 | 36,052,733 | 76.47 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|---------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | 2018 | 225,000 | 11,602,737 | 51.57 |
| 2019 | 1,063,241 | 50,357,317 | 47.36 | 50,818,518 | 47.80 |
| 2020 | 1,498,746 | 70,527,934 | 47.06 | 73,165,541 | 48.82 |
| 2021 | 992,535 | 54,416,414 | 54.83 | 57,829,147 | 58.26 |
| 2022 | 646,382 | 29,733,362 | 46.00 | 32,370,481 | 50.08 |
| 2023 | 505,324 | 25,597,995 | 50.66 | 28,856,483 | 57.10 |
| 2024 | 653,439 | 35,128,276 | 53.76 | 38,763,480 | 59.32 |
| 2025 | 355,890 | 15,337,752 | 43.10 | 17,302,727 | 48.62 |
| 2026 | 376,462 | 30,999,061 | 82.34 | 36,136,851 | 95.99 |
| 2027 | 514,956 | 29,788,068 | 57.85 | 34,584,737 | 67.16 |
| Thereafter | 1,714,789 | 106,369,718 | 62.03 | 143,203,788 | 83.51 |

RETAIL

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|--------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | 2018 | 5,998 | 419,005 | 69.86 |
| 2019 | 91,552 | 5,439,740 | 59.42 | 5,459,092 | 59.63 |
| 2020 | 46,181 | 3,093,364 | 66.98 | 3,151,063 | 68.23 |
| 2021 | 72,367 | 4,984,050 | 68.87 | 5,039,589 | 69.64 |
| 2022 | 40,126 | 2,596,916 | 64.72 | 2,719,383 | 67.77 |
| 2023 | 89,197 | 5,229,209 | 58.63 | 5,635,218 | 63.18 |
| 2024 | 25,497 | 1,590,621 | 62.38 | 1,752,090 | 68.72 |
| 2025 | 77,110 | 2,983,035 | 38.69 | 3,251,739 | 42.17 |
| 2026 | 33,594 | 2,361,387 | 70.29 | 2,569,005 | 76.47 |
| 2027 | 39,644 | 2,765,225 | 69.75 | 3,247,142 | 81.91 |
| Thereafter | 97,389 | 3,166,013 | 32.51 | 3,701,081 | 38.00 |

TOTAL PROPERTY TYPES

| Year of Lease Expiration | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|-----------------------------|--|--|---------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | 2018 | 230,998 | 12,021,742 | 52.04 |
| 2019 | 1,154,793 | 55,797,057 | 48.32 | 56,277,610 | 48.73 |
| 2020 | 1,544,927 | 73,621,298 | 47.65 | 76,316,604 | 49.40 |
| 2021 | 1,064,902 | 59,400,464 | 55.78 | 62,868,736 | 59.04 |
| 2022 | 686,508 | 32,330,278 | 47.09 | 35,089,864 | 51.11 |
| 2023 | 594,521 | 30,827,204 | 51.85 | 34,491,701 | 58.02 |
| 2024 | 678,936 | 36,718,897 | 54.08 | 40,515,570 | 59.68 |
| 2025 | 433,000 | 18,320,787 | 42.31 | 20,554,466 | 47.47 |
| 2026 | 410,056 | 33,360,448 | 81.36 | 38,705,856 | 94.39 |
| 2027 | 554,600 | 32,553,293 | 58.70 | 37,831,879 | 68.21 |
| Thereafter | 1,812,178 | 109,535,731 | 60.44 | 146,904,869 | 81.07 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include residential units.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

OFFICE

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 27,648 | 1,190,958 | 43.08 | 1,190,958 | 43.08 ⁴ |
| Q3 2018 | 79,271 | 4,312,651 | 54.40 | 4,323,101 | 54.54 |
| Q4 2018 | 118,081 | 6,099,128 | 51.65 | 6,102,421 | 51.68 |
| Total 2018 | 225,000 | 11,602,737 | 51.57 | 11,616,480 | 51.63 |
| Q1 2019 | 287,547 | 15,897,683 | 55.29 | 15,915,924 | 55.35 |
| Q2 2019 | 109,856 | 4,925,519 | 44.84 | 4,995,619 | 45.47 |
| Q3 2019 | 517,264 | 18,973,195 | 36.68 | 19,110,347 | 36.95 |
| Q4 2019 | 148,574 | 10,560,921 | 71.08 | 10,796,628 | 72.67 |
| Total 2019 | 1,063,241 | 50,357,317 | 47.36 | 50,818,518 | 47.80 |

RETAIL

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | — | — | — | — | — |
| Q3 2018 | 1,245 | 66,000 | 53.01 | 66,000 | 53.01 |
| Q4 2018 | 4,753 | 353,005 | 74.27 | 353,005 | 74.27 |
| Total 2018 | 5,998 | 419,005 | 69.86 | 419,005 | 69.86 |
| Q1 2019 | 46,364 | 2,740,649 | 59.11 | 2,740,649 | 59.11 |
| Q2 2019 | 2,207 | 174,343 | 79.00 | 174,343 | 79.00 |
| Q3 2019 | 21,365 | 973,185 | 45.55 | 986,609 | 46.18 |
| Q4 2019 | 21,616 | 1,551,563 | 71.78 | 1,557,490 | 72.05 |
| Total 2019 | 91,552 | 5,439,740 | 59.42 | 5,459,092 | 59.63 |

TOTAL PROPERTY TYPES

| Lease Expiration by Quarter | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
|--------------------------------|--|--|--------|---|--------------------|
| | | \$ | \$/PSF | \$ | \$/PSF |
| | | Q1 2018 | — | — | — |
| Q2 2018 | 27,648 | 1,190,958 | 43.08 | 1,190,958 | 43.08 ⁴ |
| Q3 2018 | 80,516 | 4,378,651 | 54.38 | 4,389,101 | 54.51 |
| Q4 2018 | 122,834 | 6,452,133 | 52.53 | 6,455,426 | 52.55 |
| Total 2018 | 230,998 | 12,021,742 | 52.04 | 12,035,485 | 52.10 |
| Q1 2019 | 333,911 | 18,638,332 | 55.82 | 18,656,573 | 55.87 |
| Q2 2019 | 112,063 | 5,099,863 | 45.51 | 5,169,962 | 46.13 |
| Q3 2019 | 538,629 | 19,946,379 | 37.03 | 20,096,956 | 37.31 |
| Q4 2019 | 170,190 | 12,112,484 | 71.17 | 12,354,118 | 72.59 |
| Total 2019 | 1,154,793 | 55,797,058 | 48.32 | 56,277,609 | 48.73 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include residential units.

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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

| Year of Lease Expiration | Boston | | | | | Los Angeles and San Francisco | | | | |
|--------------------------|--|---|--------|--|--------------------|--|---|--------|--|--------|
| | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
| | | \$ | \$/PSF | \$ | \$/PSF | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 117,908 | 7,445,384 | 63.15 | 7,447,012 | 63.16 ⁴ | 78,820 | 4,745,649 | 60.21 | 4,752,815 | 60.30 |
| 2019 | 275,253 | 18,098,408 | 65.75 | 18,145,844 | 65.92 | 157,157 | 10,166,260 | 64.69 | 10,338,215 | 65.78 |
| 2020 | 315,163 | 19,777,112 | 62.75 | 20,648,986 | 65.52 | 759,096 | 51,332,415 | 67.62 | 56,174,902 | 74.00 |
| 2021 | 416,452 | 24,441,348 | 58.69 | 24,398,485 | 58.59 | 725,950 | 47,164,610 | 64.97 | 50,997,384 | 70.25 |
| 2022 | 1,047,014 | 65,335,709 | 62.40 | 66,421,650 | 63.44 | 466,339 | 30,492,443 | 65.39 | 33,130,564 | 71.04 |
| 2023 | 466,287 | 33,285,228 | 71.38 | 36,075,093 | 77.37 | 340,897 | 23,061,544 | 67.65 | 25,863,609 | 75.87 |
| 2024 | 371,090 | 22,575,431 | 60.84 | 24,645,667 | 66.41 | 449,870 | 28,085,378 | 62.43 | 29,995,892 | 66.68 |
| 2025 | 693,074 | 47,631,270 | 68.72 | 52,150,287 | 75.24 | 361,101 | 21,663,525 | 59.99 | 25,545,025 | 70.74 |
| 2026 | 990,397 | 74,383,566 | 75.10 | 81,767,779 | 82.56 | 306,508 | 22,373,000 | 72.99 | 25,244,586 | 82.36 |
| 2027 | 336,877 | 28,344,520 | 84.14 | 31,809,281 | 94.42 | 238,111 | 18,574,928 | 78.01 | 22,291,327 | 93.62 |
| Thereafter | 3,584,508 | 201,283,940 | 56.15 | 240,685,786 | 67.15 | 1,298,788 | 89,446,735 | 68.87 | 119,248,489 | 91.82 |

| Year of Lease Expiration | New York | | | | | Washington, DC | | | | |
|--------------------------|--|---|--------|--|--------|--|---|--------|--|--------|
| | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
| | | \$ | \$/PSF | \$ | \$/PSF | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 139,041 | 23,841,284 | 171.47 | 24,108,030 | 173.39 | 46,012 | 2,748,763 | 59.74 | 2,762,506 | 60.04 |
| 2019 | 284,633 | 28,171,678 | 98.98 | 29,013,839 | 101.93 | 364,268 | 25,181,373 | 69.13 | 25,475,413 | 69.94 |
| 2020 | 857,058 | 80,256,957 | 93.64 | 80,241,486 | 93.62 | 452,295 | 25,945,296 | 57.36 | 26,918,679 | 59.52 |
| 2021 | 340,586 | 48,068,323 | 141.13 | 48,416,740 | 142.16 | 592,007 | 40,748,487 | 68.83 | 43,193,148 | 72.96 |
| 2022 | 1,020,618 | 102,528,120 | 100.46 | 101,556,933 | 99.51 | 137,747 | 8,761,734 | 63.61 | 9,357,866 | 67.94 |
| 2023 | 119,606 | 14,094,782 | 117.84 | 14,830,832 | 124.00 | 51,216 | 3,364,016 | 65.68 | 3,867,456 | 75.51 |
| 2024 | 694,601 | 67,110,114 | 96.62 | 73,593,775 | 105.95 | 197,597 | 13,409,901 | 67.86 | 15,074,412 | 76.29 |
| 2025 | 288,371 | 30,424,358 | 105.50 | 33,600,041 | 116.52 | 86,404 | 4,712,845 | 54.54 | 5,551,014 | 64.24 |
| 2026 | 715,852 | 71,662,406 | 100.11 | 76,462,989 | 106.81 | 324,548 | 28,861,480 | 88.93 | 33,426,778 | 102.99 |
| 2027 | 240,939 | 25,048,877 | 103.96 | 29,592,058 | 122.82 | 213,574 | 15,232,805 | 71.32 | 17,911,738 | 83.87 |
| Thereafter | 3,245,843 | 332,366,202 | 102.40 | 471,132,812 | 145.15 | 1,231,679 | 82,206,385 | 66.74 | 109,350,907 | 88.78 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed-in-service leased space. Does not include 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 square feet expiring on the last day of the current quarter.

as of June 30, 2018

| Year of Lease Expiration | Boston | | | | | Los Angeles and San Francisco | | | | |
|--------------------------|--|---|--------|--|--------------------|--|---|--------|--|--------|
| | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
| | | \$ | \$/PSF | \$ | \$/PSF | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 83,744 | 2,980,734 | 35.59 | 2,982,921 | 35.62 ⁴ | 46,528 | 1,976,013 | 42.47 | 1,976,013 | 42.47 |
| 2019 | 416,774 | 16,236,719 | 38.96 | 16,351,686 | 39.23 | 441,699 | 19,472,667 | 44.09 | 19,932,763 | 45.13 |
| 2020 | 291,164 | 12,754,980 | 43.81 | 12,939,517 | 44.44 | 112,089 | 4,978,410 | 44.41 | 5,175,577 | 46.17 |
| 2021 | 669,353 | 21,551,436 | 32.20 | 22,360,241 | 33.41 | 374,862 | 10,784,804 | 28.77 | 11,360,479 | 30.31 |
| 2022 | 605,999 | 23,656,763 | 39.04 | 23,968,625 | 39.55 | 413,423 | 20,208,233 | 48.88 | 21,930,519 | 53.05 |
| 2023 | 314,904 | 12,547,455 | 39.85 | 13,503,558 | 42.88 | 117,951 | 7,221,725 | 61.23 | 8,194,212 | 69.47 |
| 2024 | 591,315 | 24,721,506 | 41.81 | 26,374,206 | 44.60 | 77,040 | 2,608,312 | 33.86 | 5,046,536 | 65.51 |
| 2025 | 500,829 | 24,751,152 | 49.42 | 26,781,175 | 53.47 | 62,222 | 3,345,146 | 53.76 | 4,396,714 | 70.66 |
| 2026 | 132,589 | 4,923,452 | 37.13 | 5,620,597 | 42.39 | — | — | — | — | — |
| 2027 | 249,646 | 9,825,599 | 39.36 | 11,884,467 | 47.61 | — | — | — | — | — |
| Thereafter | 563,792 | 24,217,455 | 42.95 | 24,754,285 | 43.91 | — | — | — | — | — |

| Year of Lease Expiration | New York | | | | | Washington, DC | | | | |
|--------------------------|--|---|--------|--|--------|--|---|--------|--|--------|
| | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | | Rentable Square Footage Subject to Expiring Leases | Current Annualized Rental Obligations Under Expiring Leases | | Annualized Rental Obligations Under Expiring Leases with future step-ups | |
| | | \$ | \$/PSF | \$ | \$/PSF | | \$ | \$/PSF | \$ | \$/PSF |
| 2018 | 29,225 | 1,078,917 | 36.92 | 1,093,983 | 37.43 | 184,986 | 9,272,980 | 50.13 | 9,272,980 | 50.13 |
| 2019 | 186,853 | 7,005,863 | 37.49 | 7,038,894 | 37.67 | 790,525 | 30,615,684 | 38.73 | 30,802,196 | 38.96 |
| 2020 | 322,831 | 11,543,661 | 35.76 | 11,854,707 | 36.72 | 1,092,632 | 47,676,003 | 43.63 | 49,397,925 | 45.21 |
| 2021 | 106,669 | 3,649,210 | 34.21 | 3,699,692 | 34.68 | 472,895 | 18,651,976 | 39.44 | 19,675,589 | 41.61 |
| 2022 | 68,036 | 2,411,116 | 35.44 | 2,504,483 | 36.81 | 548,761 | 23,568,544 | 42.95 | 25,731,998 | 46.89 |
| 2023 | 92,978 | 2,926,607 | 31.48 | 3,150,288 | 33.88 | 543,305 | 27,463,188 | 50.55 | 30,624,245 | 56.37 |
| 2024 | 414,217 | 14,817,555 | 35.77 | 15,369,404 | 37.10 | 481,339 | 23,308,997 | 48.43 | 25,441,157 | 52.85 |
| 2025 | 278,707 | 10,164,814 | 36.47 | 11,565,013 | 41.50 | 346,596 | 13,607,942 | 39.26 | 15,003,452 | 43.29 |
| 2026 | 184,940 | 6,174,985 | 33.39 | 6,928,354 | 37.46 | 85,508 | 4,498,968 | 52.61 | 5,279,078 | 61.74 |
| 2027 | 80,711 | 2,868,708 | 35.54 | 3,181,379 | 39.42 | 341,026 | 17,320,487 | 50.79 | 19,920,141 | 58.41 |
| Thereafter | 219,828 | 7,926,066 | 36.06 | 8,785,292 | 39.96 | 580,499 | 27,329,345 | 47.08 | 37,553,962 | 64.69 |

¹ For the Company's definitions and related disclosures, see the Definitions section of this Supplemental package starting on page 46.

² Includes 100% of joint venture properties and partially placed in-service leased space. Does not include 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 square feet expiring on the last day of the current quarter.

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.

Equity Research Coverage

| | | |
|-------------------------------|--------------------------------------|-----------------------------|
| Argus Research Company | Jacob Kilstein | 646.747.5447 |
| Bank of America Merrill Lynch | Jeffrey Spector / Jamie Feldman | 646.855.1363 / 646.855.5808 |
| Barclays Capital | Ross Smotrich | 212.526.2306 |
| BMO Capital | John Kim | 212.885.4115 |
| BTIG | Tom Catherwood | 212.738.6140 |
| Citigroup Global Markets | Michael Bilerman / Emmanuel Korchman | 212.816.1383 / 212.816.1382 |
| D.A. Davidson & Co. | Barry Oxford | 212.240.9871 |
| Deutsche Bank Securities | Derek Johnston / Mike Hussein | 212.250.5683 / 212.250.7703 |
| Evercore ISI | Steve Sakwa / Robert Simone | 212.446.9462 / 212.446.9459 |
| Green Street Advisors | Jed Reagan | 949.640.8780 |
| Goldman Sachs | Andrew Rosivach | 212.902.2796 |
| Jefferies & Co. | Jonathan Petersen / Omotayo Okusanya | 212.284.1705 / 212.336.7076 |
| J.P. Morgan Securities | Anthony Paolone | 212.622.6682 |
| KeyBanc Capital Markets | Craig Mailman / Jordan Sadler | 917.368.2316 / 917.368.2280 |
| Mizuho Securities | Richard Anderson | 212.205.8445 |
| Morgan Stanley | Vikram Malhotra | 212.761.7064 |
| Morningstar | Brad Schwer | 312.244.7061 |
| RBC Capital Markets | Mike Carroll | 440.715.2649 |
| RW Baird | David Rodgers / Richard Schiller | 216.737.7341 / 312.609.5485 |
| Sandler O'Neill & Partners | Alexander Goldfarb / Daniel Santos | 212.466.7937 / 212.466.7927 |
| Stifel, Nicolaus & Company | John Guinee / Aaron Wolf | 443.224.1307 / 443.224.1206 |
| SunTrust Robinson Humphrey | Michael Lewis | 212.319.5659 |
| UBS Securities | Frank Lee | 415.352.5679 |
| Wells Fargo Securities | Blaine Heck | 443.263.6529 |

Debt Research Coverage

| | | |
|-------------------------------|---------------------------------|-----------------------------|
| Bank of America Merrill Lynch | Andrew Molloy | 646.855.6435 |
| Barclays | Peter Troisi | 212.412.3695 |
| J.P. Morgan Securities | Mark Streeter | 212.834.5086 |
| US Bank | Bill Stafford | 877.558.2605 |
| Wells Fargo | Thierry Perrein / Kevin McClure | 704.715.8455 / 704.410.3252 |

Rating Agencies

| | | |
|---------------------------|--------------------|--------------|
| Fitch Ratings | Stephen Boyd | 212.908.9153 |
| Moody's Investors Service | Ranjini Venkatesan | 212.553.3828 |
| Standard & Poor's | Anita Ogbara | 212.438.5077 |

This section contains definitions of certain non-GAAP financial measures and other terms that the Company uses in this supplemental report and, if applicable, the reasons why management believes these non-GAAP financial measures provide useful information to investors about the Company's financial condition and results of operations and the other purposes for which management uses the measures. 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 the Company files or furnishes to the SEC from time to time.

The Company also presents "**BXP's Share**" of certain of these measures, which are non-GAAP financial measures that are calculated as the consolidated amount calculated in accordance with GAAP, plus the Company's share of the amount from the Company's unconsolidated joint ventures (calculated based upon the Company's percentage ownership interest), minus the Company's partners' share of the amount from the Company's consolidated joint ventures (calculated based upon the partners' percentage ownership interests and, in some cases, after priority allocations). Management believes that presenting "BXP's Share" of these measures provides useful information to investors regarding the Company's financial condition and/or results of operations because the Company has several significant joint ventures and presenting various financial measures in this manner can help investors better understand the Company's financial condition and/or results of operations after taking into account its economic interest in these joint ventures. The Company cautions investors that the ownership percentages used in calculating "BXP's Share" of these measures may not completely and accurately depict all of the legal and economic implications of holding an interest in a consolidated or unconsolidated joint venture. For example, in addition to partners' interests in profits and capital, venture agreements vary in the allocation of rights regarding decision making (both routine and major decisions), distributions, transferability of interests, liquidations and other matters. Moreover, in some cases, the Company exercises significant influence over, but does not control, the joint venture, in which case GAAP requires that the Company account for the joint venture entity using the equity method of accounting and the Company does not consolidate it for financial reporting purposes. As a result, presentations of "BXP's Share" of a financial measure should not be considered a substitute for, and should only be considered together with and as a supplement to, the Company's financial information presented in accordance with GAAP. Unless noted otherwise, reconciliations of "BXP's Share" of these financial measures can be found in the Reconciliations section of this Supplemental package starting on page 50.

Annualized Rental Obligations

Annualized Rental Obligations is defined as monthly Rental Obligations, as of the last day of the reporting period, multiplied by twelve (12).

Average Economic Occupancy

Average Economic Occupancy is defined as (1) total possible revenue less vacancy loss divided by (2) total possible revenue, expressed as a percentage. Total possible revenue is determined by valuing average occupied units at contract rates and average 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, Average 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.

Average Monthly Rental Rates

Average Monthly Rental Rates are calculated by the Company as the average of the quotients obtained by dividing (A) rental revenue as determined in accordance with GAAP by (B) the number of occupied units for each month within the applicable fiscal period.

Average Physical Occupancy

Average Physical Occupancy is defined as (1) the average number of occupied units divided by (2) the total number of units, expressed as a percentage.

Debt to Market Capitalization Ratio

Consolidated Debt to Consolidated Market Capitalization Ratio is a measure of leverage commonly used by analysts in the REIT sector that equals the quotient of (A) the Company's Consolidated Debt divided by (B) the Company's Consolidated Market Capitalization, presented as a percentage. **Consolidated Market Capitalization** is the sum of (x) the Company's Consolidated Debt plus (y) the market value of the Company's outstanding equity securities calculated using the closing price per share of common stock of the Company, as reported by the New York Stock Exchange, 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 LTIP Units, assuming all conditions have been met for the conversion of the LTIP Units, (4) on and after February 6, 2015, which was the end of the performance period for 2012 OPP Units and thus the date earned, common units issuable upon conversion of 2012 OPP Units that were issued in the form of LTIP Units, (5) on and after February 4, 2016, which was the end of the performance period for 2013 MYLTIP Units and thus the date earned, common units issuable upon conversion of 2013 MYLTIP Units that were issued in the form of LTIP Units, (6) on and after February 3, 2017, which was the end of the performance period for 2014 MYLTIP Units and thus the date earned, common units issuable upon conversion of 2014 MYLTIP Units that were issued in the form of LTIP Units and (7) on and after February 4, 2018, which was the end of the performance period for 2015 MYLTIP Units and thus the date earned, common units issuable upon conversion of 2015 MYLTIP Units that were issued in the form of LTIP Units plus (C) outstanding shares of 5.25% Series B Cumulative Redeemable Preferred Stock multiplied by their fixed liquidation preference of \$2,500 per share. The calculation of Consolidated Market Capitalization does not include LTIP Units issued in the form of MYLTIP Awards unless and until certain performance thresholds are achieved and they are earned. Because their three-year performance periods have not yet ended, 2016, 2017 and 2018 MYLTIP Units are not included.

The Company also presents **BXP's Share of Market Capitalization**, which is calculated in a similar manner, except that BXP's Share of Debt is utilized instead of the Company's Consolidated Debt in both the numerator and the denominator. The Company presents these ratios because its degree of leverage could affect its ability to obtain additional financing for working capital, capital expenditures, acquisitions, development or other general corporate purposes and because different investors and lenders consider one or both of these ratios. Investors should understand that these ratios are, 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 the Company's capacity to incur additional debt to finance its activities or its ability to manage its existing debt obligations. However, for a company like Boston Properties, Inc., whose assets are primarily income-producing real estate, these ratios may provide investors with an alternate indication of leverage, so long as they are 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 the Company's outstanding indebtedness.

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre)

Pursuant to the definition of Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("Nareit"), the Company calculates Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate, or "EBITDAre," as net income (loss) attributable to Boston Properties, Inc. common shareholders, the most directly comparable GAAP financial measure, plus net income attributable to noncontrolling interests, interest expense, losses (gains) from early extinguishments of debt, depreciation and amortization expense, impairment loss and adjustments to reflect the Company's share of EBITDAre from unconsolidated joint ventures less gains on sales of real estate. EBITDAre is a non-GAAP financial measure. The Company uses EBITDAre internally as a performance measure and believes EBITDAre provides useful information to investors regarding its financial condition and results of operations at the corporate level because, when compared across periods, EBITDAre reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses and acquisition and development activities on an unleveraged basis, providing perspective not immediately apparent from net (loss) income attributable to Boston Properties, Inc. common shareholders.

In some cases the Company also presents (A) **BXP's Share of EBITDAre – cash**, which is BXP's Share of EBITDAre after eliminating the effects of straight-line rent, fair value lease revenue and non-cash termination income adjustment (fair value lease amounts) and adding straight-line ground rent expense, stock-based compensation expense and lease transaction costs that qualify as rent inducements, and (B) **Annualized EBITDAre**, which is EBITDAre for the applicable fiscal quarter ended multiplied by four (4). Presenting BXP's Share of EBITDAre – cash allows investors to compare EBITDAre across periods without taking into account the effect of certain non-cash rental revenues, ground rent expense and stock based compensation expense. Similar to depreciation and amortization, because of historical cost accounting, fair value lease revenue may distort operating performance measures at the property level. Additionally, presenting EBITDAre excluding the impact of straight-line rent provides investors with an alternative view of operating performance at the property level that more closely reflects rental revenue generated at the property level without regard to future contractual increases in rental rates. In addition, the Company's management believes that the presentation of Annualized EBITDAre provides useful information to investors regarding the Company's results of operations because it enables investors to more easily compare quarterly EBITDAre to EBITDAre from full fiscal years.

The Company's computation of EBITDAre may not be comparable to EBITDAre 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. The Company believes that in order to facilitate a clear understanding of its operating results, EBITDAre should be examined in conjunction with net income attributable to Boston Properties, Inc. common shareholders as presented in the Company's consolidated financial statements. EBITDAre should not be considered a substitute to net income attributable to Boston Properties, Inc. common shareholders in accordance with GAAP or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

Fixed Charge Coverage Ratio

Fixed Charge Coverage Ratio equals **BXP's Share of EBITDAre – cash** divided by **Total Fixed Charges**. BXP's Share of EBITDAre – cash is a non-GAAP financial measure equal to BXP's Share of EBITDAre after eliminating the effects of straight-line rent, fair value lease revenue and non-cash termination income adjustment (fair value lease amounts) and adding straight-line ground rent expense, stock-based compensation expense and lease transaction costs that qualify as rent inducements. Total Fixed Charges is also a non-GAAP financial measure equal to the sum of BXP's Share of interest expense, capitalized interest, hedge amortization, maintenance capital expenditures, losses from early extinguishment of debt, hotel improvements, equipment upgrades and replacements and preferred dividends/distributions. The Company believes that the presentation of its Fixed Charge Coverage Ratio provides investors with useful information about the Company's financial performance as it relates to overall financial flexibility and balance sheet management, and, although the Company's Fixed Charge Coverage Ratio is not a liquidity measure, as it does not include adjustments to reflect changes in working capital or the actual timing of the payment of income or expense items that are accrued in the period, the Company believes that its Fixed Charge Coverage Ratio provides investors with useful supplemental information regarding the Company's ability to service its existing fixed charges. Furthermore, the Company believes that the Fixed Charge Coverage Ratio is frequently used by analysts, rating agencies and other interested parties in the evaluation of the Company's performance as a REIT and, as a result, by presenting the Fixed Charge Coverage Ratio the Company assists these parties in their evaluations. The Company's calculation of its Fixed Charge Coverage Ratio may not be comparable to the ratios reported by other REITs or real estate companies that define the term differently and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

Funds Available for Distribution (FAD) and FAD Payout Ratio

In addition to FFO, the Company presents Funds Available for Distribution to common shareholders and common unitholders (FAD), which is a non-GAAP financial measure that is calculated by (1) adding to FFO lease transaction costs that qualify as rent inducements, non-real estate depreciation, non-cash losses (gains) from early extinguishments of debt, stock-based compensation expense, partners' share of consolidated and unconsolidated joint venture 2nd generation tenant improvement and leasing commissions (included in the period in which the lease commences) and unearned portion of capitalized fees, (2) eliminating the effects of straight-line rent, straight-line ground rent expense adjustment, hedge amortization and fair value lease revenue, and (3) subtracting maintenance capital expenditures, hotel improvements, equipment upgrades and replacements, 2nd generation tenant improvement and leasing commissions (included in the period in which the lease commences), non-cash termination income adjustment (fair value lease amounts) and impairments of non-depreciable real estate. The Company believes that the presentation of FAD provides useful information to investors regarding the Company's results of operations because FAD provides supplemental information regarding the Company's operating performance that would not otherwise be available and may be useful to investors in assessing the Company's operating performance. Additionally, although the Company does not consider FAD to be a liquidity measure, as it does not make adjustments to reflect changes in working capital or the actual timing of the payment of income or expense items that are accrued in the period, the Company believes that FAD may provide investors with useful supplemental information regarding the Company's ability to generate cash from its operating performance and the impact of the Company's operating performance on its ability to make distributions to its shareholders. Furthermore, the Company believes that FAD is frequently used by analysts, investors and other interested parties in the evaluation of its performance as a REIT and, as a result, by presenting FAD the Company is assisting these parties in their evaluation. FAD should not be considered as a substitute for net income (loss) attributable to Boston Properties, Inc.'s common shareholders determined in accordance with GAAP or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

FAD Payout Ratio is defined as distributions to common shareholders and unitholders (excluding any special distributions) divided by FAD.

Funds from Operations (FFO)

Pursuant to the revised definition of Funds from Operations adopted by the Board of Governors of Nareit, the Company calculates Funds from Operations, or "FFO," by adjusting net income (loss) attributable to Boston Properties, Inc. common shareholders (computed in accordance with GAAP) for gains (or losses) from sales of properties, impairment losses on depreciable real estate consolidated on the Company's balance sheet, impairment losses on its investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures and real estate-related depreciation and amortization. FFO is a non-GAAP financial measure, but the Company believes the presentation of FFO, combined with the presentation of required GAAP financial measures, has improved the understanding of operating results of REITs among the investing public and has helped make comparisons of REIT operating results more meaningful. Management generally considers FFO and FFO per share to be useful measures for understanding and comparing the Company's operating results 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 differ across owners of similar assets in similar condition based on historical cost accounting and useful life estimates), FFO and FFO per share can help investors compare the operating performance of a company's real estate across reporting periods and to the operating performance of other companies.

The Company's 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. In order to facilitate a clear understanding of the Company's operating results, FFO should be examined in conjunction with net income attributable to Boston Properties, Inc. common shareholders as presented in the Company's consolidated financial statements. FFO should not be considered as a substitute for net income attributable to Boston Properties, Inc. common shareholders (determined in accordance with GAAP) or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

In-Service Properties

The Company treats a property as being "in-service" upon the earlier of (1) lease-up and completion of tenant improvements or (2) one year after cessation of major construction activity as determined under GAAP. The determination as to when an entire 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, the Company specifies a single date for treating a property as "in-service," which is generally later than the date the property is partially placed in-service under 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 addition, under GAAP, when a portion of a property has been substantially completed and either occupied or held available for occupancy, the Company ceases capitalizing costs on that portion, even though it may not treat the property as being "in-service," and continues to capitalize only those costs associated with the portion still under construction. In-service properties include properties held by the Company's unconsolidated joint ventures.

Interest Coverage Ratio

Interest Coverage Ratio, calculated including and excluding capitalized interest, is a non-GAAP financial measure equal to **BXP's Share of EBITDAre – cash** divided by Adjusted interest expense. BXP's Share of EBITDAre – cash is a non-GAAP financial measure equal to BXP's Share of EBITDAre after eliminating the effects of straight-line rent, fair value lease revenue and non-cash termination income adjustment (fair value lease amounts) and adding straight-line ground rent expense, stock-based compensation expense and lease transaction costs that qualify as rent inducements. Adjusted interest expense excluding capitalized interest is equal to BXP's Share of interest expense less (1) BXP's Share of hedge amortization and (2) BXP's Share of amortization of financing costs plus losses from early extinguishment of debt. Adjusted interest expense including capitalized interest is calculated in the same manner but adds back BXP's Share of capitalized interest. The Company believes that the presentation of its Interest Coverage Ratio provides useful information about the Company's financial condition because it provides investors additional information on the Company's ability to meet its debt obligations and incur additional indebtedness. In addition, by analyzing interest coverage ratios over a period of time, trends may emerge that provide investors a better sense of whether a company's financial condition is improving or declining. The ratios may also be used to compare the financial condition of different companies, which can help when making an investment decision. The Company presents its Interest Coverage Ratio in two ways - including capitalized interest and excluding capitalized interest. GAAP requires the capitalization of interest expense during development. Therefore, for a company like Boston Properties, Inc. that is an active developer of real estate, presenting the Interest Coverage Ratio (excluding capitalized interest) provides an alternative measure of financial condition that may be more indicative of the Company's ability to meet its interest expense obligations and therefore its overall financial condition.

Market Rents

Market Rents used by the Company in calculating Average 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 therefore vary materially. Market Rents for a period are based on the average Market Rents during that period and do not reflect any impact for cash concessions.

Net Debt

Net Debt is equal to (A) the Company's consolidated debt plus special dividends payable (if any) less (B) cash and cash equivalents and cash held in escrow for potential Section 1031 like kind exchange(s). The Company believes that the presentation of Net Debt provides useful information to investors because the Company reviews Net Debt as part of the management of its overall financial flexibility, capital structure and leverage. In particular, Net Debt is an important component of the Company's ratio of **BXP's Share of Net Debt to BXP's Share of EBITDAre**. BXP's Share of Net Debt is calculated in a similar manner to Net Debt, except that BXP's Share of Debt and BXP's Share of cash are utilized instead of the Company's consolidated debt and cash in the calculation. The Company believes BXP's Share of Net Debt to BXP's Share of EBITDAre is useful to investors because it provides an alternative measure of the Company's financial flexibility, capital structure and leverage based on its percentage ownership interest in all of its assets. Furthermore, certain debt rating agencies, creditors and credit analysts monitor the Company's Net Debt as part of their assessments of its business. The Company may utilize a considerable portion of its cash and cash equivalents at any given time for purposes other than debt reduction. In addition, cash and cash equivalents and cash held in escrow for potential Section 1031 like kind exchange(s) may not be solely controlled by the Company. The deduction of these items from consolidated debt in the calculation of Net Debt therefore should not be understood to mean that these items are available exclusively for debt reduction at any given time.

Net Operating Income (NOI)

Net operating income (NOI) is a non-GAAP financial measure equal to net income attributable to Boston Properties, Inc. common shareholders, the most directly comparable GAAP financial measure, plus (1) preferred dividends, net income attributable to noncontrolling interests, corporate general and administrative expense, payroll and related costs from management services contracts, transaction costs, depreciation and amortization expense and interest expense, less (2) gains on sales of real estate, development and management services revenue, direct reimbursements of payroll and related costs from management services contracts, income from unconsolidated joint ventures, interest and other income, gains (losses) from investments in securities and gains (losses) from early extinguishments of debt. In some cases, the Company also presents (1) **NOI – cash**, which is NOI after eliminating the effects of straight-line rent, fair value lease revenue, straight-line ground rent expense adjustment and lease transaction costs that qualify as rent inducements in accordance with GAAP, (2) **NOI and NOI – cash, in each case excluding termination income**.

The Company uses these measures internally as performance measures and believes they provide useful information to investors regarding the Company's results of operations and financial condition because, when compared across periods, they reflect 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. 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. Similarly, interest expense may be incurred at the property level even though the financing proceeds may be used at the corporate level (e.g., used for other investment activity). In addition, depreciation and amortization expense because of historical cost accounting and useful life estimates, may distort operating performance measures at the property level. Presenting NOI – cash allows investors to compare NOI performance across periods without taking into account the effect of certain non-cash rental revenues and ground rent expenses. Similar to depreciation and amortization expense, fair value lease revenues, because of historical cost accounting, may distort operating performance measures at the property level. Additionally, presenting NOI excluding the impact of the straight-lining of rent provides investors with an alternative view of operating performance at the property level that more closely reflects net cash generated at the property level on an unleveraged basis. Presenting NOI measures that exclude termination income provides investors with additional information regarding operating performance at a property level that allows them to compare operating performance between periods without taking into account termination income, which can distort the results for any given period because they generally represent multiple months or years of a tenant's rental obligations that are paid in a lump sum in connection with a negotiated early termination of the tenant's lease and are not reflective of the core ongoing operating performance of the Company's properties.

Rental Obligations

Rental Obligations is defined as the contractual base rents (but excluding percentage rent) and budgeted reimbursements from tenants under existing leases. These amounts exclude rent abatements.

Rental Revenue (excluding termination income)

Rental Revenue (excluding termination income) is used internally by the Company as a performance measure and provides investors with additional information regarding operating performance at a property level that allows them to compare operating performance between periods without taking into account termination income, which can distort the results for any given period because they generally represent multiple months or years of a tenant's rental obligations that are paid in a lump sum in connection with a negotiated early termination of the tenant's lease and are not reflective of the core ongoing operating performance of the Company's properties.

Same Properties

In the Company's 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 the Company throughout each period presented. The Company refers to properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by the Company 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 19 - 22 indicate by footnote the "In-Service Properties" that are not included in "Same Properties."

(unaudited and in thousands)

BXP's Share of select items

| | Three Months Ended | |
|--|--------------------|------------|
| | 30-Jun-18 | 31-Mar-18 |
| Revenue | \$ 664,484 | \$ 661,151 |
| Partners' share of revenue from consolidated joint ventures (JVs) | (71,599) | (75,009) |
| BXP's share of revenue from unconsolidated JVs | 26,485 | 26,340 |
| BXP's Share of revenue | \$ 619,370 | \$ 612,482 |
| Straight-line rent | \$ 19,972 | \$ 27,101 |
| Partners' share of straight-line rent from consolidated JVs | (2,732) | (6,046) |
| BXP's share of straight-line rent from unconsolidated JVs | 2,321 | 1,607 |
| BXP's Share of straight-line rent | \$ 19,561 | \$ 22,662 |
| Fair value lease revenue ¹ | \$ 6,092 | \$ 5,590 |
| Partners' share of fair value lease revenue from consolidated JVs ¹ | (1,910) | (1,753) |
| BXP's share of fair value lease revenue from unconsolidated JVs ¹ | 458 | 452 |
| BXP's Share of fair value lease revenue ¹ | \$ 4,640 | \$ 4,289 |
| Lease termination income | \$ 718 | \$ 1,362 |
| Partners' share of termination income from consolidated JVs | — | (2) |
| BXP's share of termination income from unconsolidated JVs | (3) | — |
| BXP's Share of termination income | \$ 715 | \$ 1,360 |
| Non-cash termination income adjustment (fair value lease amounts) | \$ — | \$ — |
| Partners' share of non-cash termination income adjustment (fair value lease amounts) from consolidated JVs | — | — |
| BXP's share of non-cash termination income adjustment (fair value lease amounts) from unconsolidated JVs | — | — |
| BXP's Share of non-cash termination income adjustment (fair value lease amounts) | \$ — | \$ — |
| Hedge amortization | \$ 1,579 | \$ 1,579 |
| Partners' share of hedge amortization from consolidated JVs | (144) | (144) |
| BXP's share of hedge amortization from unconsolidated JVs | — | — |
| BXP's Share of hedge amortization | \$ 1,435 | \$ 1,435 |
| Depreciation and amortization | \$ 156,417 | \$ 165,797 |
| Noncontrolling interests in property partnerships' share of depreciation and amortization | (18,426) | (18,221) |
| BXP's share of depreciation and amortization from unconsolidated JVs | 9,312 | 9,444 |
| BXP's Share of depreciation and amortization | \$ 147,303 | \$ 157,020 |
| Lease transaction costs that qualify as rent inducements ² | \$ 521 | \$ 316 |
| Partners' share of lease transaction costs that qualify as rent inducements from consolidated JVs ² | — | — |
| BXP's share of lease transaction costs that qualify as rent inducements from unconsolidated JVs ² | 65 | 70 |
| BXP's Share of lease transaction costs that qualify as rent inducements ² | \$ 586 | \$ 386 |
| 2nd generation tenant improvements and leasing commissions | \$ 56,779 | \$ 84,685 |
| Partners' share of 2nd generation tenant improvements and leasing commissions from consolidated JVs | (979) | (1,124) |
| BXP's share of 2nd generation tenant improvements and leasing commissions from unconsolidated JVs | 920 | 1,208 |
| BXP's Share of 2nd generation tenant improvements and leasing commissions | \$ 56,720 | \$ 84,769 |

BXP's Share of select items (continued)

| | Three Months Ended | |
|--|--------------------|-----------|
| | 30-Jun-18 | 31-Mar-18 |
| Maintenance capital expenditures ³ | \$ 12,885 | \$ 20,970 |
| Partners' share of maintenance capital expenditures from consolidated JVs ³ | (723) | (1,660) |
| BXP's share of maintenance capital expenditures from unconsolidated JVs ³ | 216 | 670 |
| BXP's Share of maintenance capital expenditures ³ | \$ 12,378 | \$ 19,980 |
| Interest expense | \$ 92,204 | \$ 90,220 |
| Partners' share of interest expense from consolidated JVs | (11,138) | (11,238) |
| BXP's share of interest expense from unconsolidated JVs | 6,510 | 6,389 |
| BXP's Share of interest expense | \$ 87,576 | \$ 85,371 |
| Capitalized interest | \$ 17,621 | \$ 17,378 |
| Partners' share of capitalized interest from consolidated JVs | (1,055) | (886) |
| BXP's share of capitalized interest from unconsolidated JVs | 16 | 12 |
| BXP's Share of capitalized interest | \$ 16,582 | \$ 16,504 |
| Amortization of financing costs | \$ 3,060 | \$ 3,058 |
| Partners' share of amortization of financing costs from consolidated JVs | (382) | (382) |
| BXP's share of amortization of financing costs from unconsolidated JVs | 109 | 115 |
| BXP's Share of amortization of financing costs | \$ 2,787 | \$ 2,791 |

¹ 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.

² Consists of lease transaction costs that qualify as rent inducements in accordance with GAAP. Lease transaction costs are generally included in 2nd generation tenant improvements and leasing commissions in the period the lease commences.

³ Maintenance capital expenditures do not include planned capital expenditures related to acquisitions and repositioning capital expenditures.

for the three months ended June 30, 2018
(unaudited and dollars in thousands)

| CONSOLIDATED JOINT VENTURES | Norges Joint Ventures | | | Total Consolidated Joint Ventures |
|---|---------------------------------------|--|------------------|--------------------------------------|
| | 767 Fifth Avenue (The GM Building) | Times Square Tower 601 Lexington Avenue / One Five Nine East 53rd 100 Federal Street Atlantic Wharf Office | Salesforce Tower | |
| Revenue | | | | |
| Rent | \$ 53,503 | \$ 71,451 | \$ 5,704 | \$ 130,658 |
| Straight-line rent | 2,598 | 3,907 | (1,302) | 5,203 |
| Fair value lease revenue | 4,509 | 236 | — | 4,745 |
| Termination income | — | — | — | — |
| Base Rent | 60,610 | 75,594 | 4,402 | 140,606 |
| Recoveries from tenants | 11,898 | 14,980 | 1,874 | 28,752 |
| Parking and other | 731 | 1,527 | 145 | 2,403 |
| Total rental revenue | 73,239 | 92,101 | 6,421 | 171,761 |
| Expenses | | | | |
| Operating | 28,697 | 32,598 | 3,411 | 64,706 |
| Net Operating Income (NOI) | 44,542 | 59,503 | 3,010 | 107,055 |
| Other income (expense) | | | | |
| Development and management services revenue | 391 | 770 | 662 | 1,823 |
| Interest and other income | 514 | 466 | 50 | 1,030 |
| Interest expense | (20,530) | (6,497) | — | (27,027) |
| Depreciation and amortization expense | (23,377) | (20,154) | (1,300) | (44,831) |
| Total other income (expense) | (43,002) | (25,415) | (588) | (69,005) |
| Net income | \$ 1,540 | \$ 34,088 | \$ 2,422 | \$ 38,050 |
| BXP's nominal ownership percentage | 60.00% | 55.00% | 95.00% | |
| Partners' share of NOI (after priority allocations) ¹ | \$ 17,817 | \$ 26,798 | \$ (108) | \$ 44,507 |
| BXP's share of NOI (after priority allocations) | \$ 26,725 | \$ 32,705 | \$ 3,118 | \$ 62,548 |
| Unearned portion of capitalized fees ² | \$ 128 | \$ 866 | \$ (3) | \$ 991 |
| Partners' share of select items¹ | | | | |
| Partners' share hedge amortization | \$ 144 | \$ — | \$ — | \$ 144 |
| Partners' share of amortization of financing costs | \$ 346 | \$ 36 | \$ — | \$ 382 |
| Partners' share of capitalized interest | \$ 256 | \$ 799 | \$ — | \$ 1,055 |
| Partners' share of management and other fees | \$ 662 | \$ 786 | \$ 12 | \$ 1,460 |
| Partners' share of basis differential and other adjustments | \$ (30) | \$ 17 | \$ (7) | \$ (20) |
| Partners' share of priority allocations | \$ — | \$ (21) | \$ 258 | \$ 237 |
| Reconciliation of Partners' share of EBITDAre¹ | | | | |
| Partners' NCI | \$ (16) | \$ 14,558 | \$ (142) | \$ 14,400 |
| Add: | | | | |
| Partners' share of interest expense | 8,214 | 2,924 | — | 11,138 |
| Partners' share of depreciation and amortization expense after BXP's basis differential | 9,320 | 9,048 | 58 | 18,426 |
| Partners' share of EBITDAre | \$ 17,518 | \$ 26,530 | \$ (84) | \$ 43,964 |
| Reconciliation of Partners' share of Net Operating Income (Loss) (NOI)¹ | | | | |
| Rental revenue | \$ 29,296 | \$ 41,446 | \$ 321 | \$ 71,063 |
| Less: Termination income | — | — | — | — |
| Rental revenue (excluding termination income) | 29,296 | 41,446 | 321 | 71,063 |
| Less: Operating expenses | 11,479 | 14,669 | 171 | 26,319 |
| Priority allocations | — | (21) | 258 | 237 |
| NOI (excluding termination income and after priority allocations) | \$ 17,817 | \$ 26,798 | \$ (108) | \$ 44,507 |
| Rental revenue (excluding termination income) | \$ 29,296 | \$ 41,446 | \$ 321 | \$ 71,063 |
| Less: Straight-line rent | 1,039 | 1,758 | (65) | 2,732 |
| Fair value lease revenue | 1,804 | 106 | — | 1,910 |
| Add: Lease transaction costs that qualify as rent inducements | — | — | — | — |
| Subtotal | 26,453 | 39,582 | 386 | 66,421 |
| Less: Operating expenses | 11,479 | 14,669 | 171 | 26,319 |
| Priority allocations | — | (21) | 258 | 237 |
| NOI - cash (excluding termination income and after priority allocations) | \$ 14,974 | \$ 24,934 | \$ (43) | \$ 39,865 |

Reconciliation of Partners' share of Revenue ¹

| | | | | | | | | |
|--|----|---------------|----|---------------|----|------------|----|---------------|
| Rental revenue | \$ | 29,296 | \$ | 41,446 | \$ | 321 | \$ | 71,063 |
| Add: Development and management services revenue | | <u>156</u> | | <u>347</u> | | <u>33</u> | | <u>536</u> |
| Revenue | \$ | <u>29,452</u> | \$ | <u>41,793</u> | \$ | <u>354</u> | \$ | <u>71,599</u> |

¹ Amounts represent the partners' share based on their respective ownership percentage.

² Capitalized fees are eliminated in consolidation and recognized over the life of the asset as depreciation and amortization are added back to the Company's net income.

for the three months ended June 30, 2018
(unaudited and dollars in thousands)

UNCONSOLIDATED JOINT VENTURES

| | 540 Madison Avenue | Market Square North | Metropolitan Square | 901 New York Avenue | Wisconsin Place Parking Facility | Annapolis Junction ¹ | 500 North Capitol Street, N.W. | Colorado Center | 1265 Main Street | Other Joint Ventures ² | Total Unconsolidated Joint Ventures |
|---|--------------------|---------------------|---------------------|---------------------|----------------------------------|---------------------------------|--------------------------------|-----------------|------------------|-----------------------------------|-------------------------------------|
| Revenue | | | | | | | | | | | |
| Rental | \$ 5,492 | \$ 4,443 | \$ 5,805 | \$ 6,988 | \$ 22 | \$ 2,551 | \$ 2,860 | \$ 11,675 | \$ 994 | \$ 106 | \$ 40,936 |
| Straight-line rent | 34 | 184 | (99) | (3) | — | 66 | 8 | 2,506 | — | 524 | 3,220 |
| Fair value lease revenue | — | — | — | — | — | — | — | 96 | — | — | 96 |
| Termination income | — | — | (16) | — | — | — | — | — | — | — | (16) |
| Base rent | 5,526 | 4,627 | 5,690 | 6,985 | 22 | 2,617 | 2,868 | 14,277 | 994 | 630 | 44,236 |
| Recoveries from tenants | 572 | 885 | 1,247 | 1,278 | 323 | 495 | 1,281 | 584 | 306 | — | 6,971 |
| Parking and other | 8 | 206 | 688 | 403 | 942 | 55 | 125 | 2,612 | — | 286 | 5,325 |
| Total rental revenue | 6,106 | 5,718 | 7,625 | 8,666 | 1,287 | 3,167 | 4,274 | 17,473 | 1,300 | 916 | 56,532 |
| Expenses | | | | | | | | | | | |
| Operating | 3,263 | 2,359 | 3,587 | 3,474 | 660 | 1,589 | 1,432 | 5,849 | 310 | 345 | 22,868 |
| Net operating income/(loss) | 2,843 | 3,359 | 4,038 | 5,192 | 627 | 1,578 | 2,842 | 11,624 | 990 | 571 | 33,664 |
| Other income/(expense) | | | | | | | | | | | |
| Development and management services revenue | 42 | 2 | 1 | — | — | — | — | 10 | — | — | 55 |
| Interest and other income | 62 | 55 | 5 | 37 | — | 61 | 14 | 86 | — | 187 | 507 |
| Interest expense | (990) | (1,478) | (2,277) | (2,075) | — | (1,416) | (1,116) | (4,979) | (378) | — | (14,709) |
| Depreciation and amortization expense | (1,882) | (993) | (1,859) | (1,492) | (1,375) | (1,014) | (947) | (4,564) | (397) | (2) | (14,525) |
| Total other income/(expense) | (2,768) | (2,414) | (4,130) | (3,530) | (1,375) | (2,369) | (2,049) | (9,447) | (775) | 185 | (28,672) |
| Net income/(loss) | \$ 75 | \$ 945 | \$ (92) | \$ 1,662 | \$ (748) | \$ (791) | \$ 793 | \$ 2,177 | \$ 215 | \$ 756 | \$ 4,992 |
| BXP's nominal ownership percentage | 60% | 50% | 20% | 25% | 33.33% | 50% | 30% | 50% | 50% | 50% | |

BXP's share of select items

| | | | | | | | | | | | |
|--|-------|-------|-------|--------------------|------|-------|------|-------|------|------|--------|
| BXP's share of amortization of financing costs | \$ 35 | \$ 10 | \$ 5 | \$ 22 ³ | \$ — | \$ 17 | \$ 4 | \$ 13 | \$ 3 | \$ — | \$ 109 |
| BXP's share of capitalized interest | \$ — | \$ — | \$ 16 | \$ — ³ | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 16 |
| BXP's share of non-cash termination income adjustment (fair value lease amounts) | \$ — | \$ — | \$ — | \$ — ³ | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |

Reconciliation of BXP's share of EBITDAre

| | | | | | | | | | | | |
|--|-----------------|-----------------|---------------|---------------------|---------------|---------------|---------------|-----------------|---------------|---------------|------------------|
| Income/(loss) from unconsolidated joint ventures | \$ 205 | \$ 430 | \$ (14) | \$ 436 ³ | \$ (259) | \$ (426) | \$ 238 | \$ (319) | \$ 100 | \$ 378 | \$ 769 |
| Add: | | | | | | | | | | | |
| BXP's share of interest expense | 594 | 739 | 455 | 1,000 | — | 708 | 335 | 2,490 | 189 | — | 6,510 |
| BXP's share of depreciation and amortization expense | 970 | 539 | 368 | 1,163 ³ | 466 | 537 | 284 | 4,778 | 206 | 1 | 9,312 |
| BXP's share of EBITDAre | \$ 1,769 | \$ 1,708 | \$ 809 | \$ 2,599 | \$ 207 | \$ 819 | \$ 857 | \$ 6,949 | \$ 495 | \$ 379 | \$ 16,591 |

**UNCONSOLIDATED JOINT
VENTURES**

| Reconciliation of BXP's share of Net Operating Income/(Loss) | 540 Madison Avenue | Market Square North | Metropolitan Square | 901 New York Avenue | Wisconsin Place Parking Facility | Annapolis Junction ¹ | 500 North Capitol Street, N.W. | Colorado Center | 1265 Main Street | Other Joint Ventures ² | Total Unconsolidated Joint Ventures |
|--|--------------------|---------------------|---------------------|-----------------------|----------------------------------|---------------------------------|--------------------------------|-----------------|------------------|-----------------------------------|-------------------------------------|
| BXP's share of rental revenue | \$ 3,664 | \$ 2,859 | \$ 1,525 | \$ 4,176 ³ | \$ 429 | \$ 1,584 | \$ 1,282 | \$ 9,827 | \$ 650 | \$ 458 | \$ 26,454 |
| BXP's share of operating expenses | 1,958 | 1,180 | 717 | 1,674 ³ | 220 | 795 | 430 | 2,925 | 155 | 173 | 10,227 |
| BXP's share of net operating income/(loss) | 1,706 | 1,679 | 808 | 2,502 ³ | 209 | 789 | 852 | 6,902 | 495 | 285 | 16,227 |
| Less: | | | | | | | | | | | |
| BXP's share of termination income | — | — | (3) | — ³ | — | — | — | — | — | — | (3) |
| BXP's share of net operating income/(loss) (excluding termination income) | 1,706 | 1,679 | 811 | 2,502 ³ | 209 | 789 | 852 | 6,902 | 495 | 285 | 16,230 |
| Less: | | | | | | | | | | | |
| BXP's share of straight-line rent | 20 | 92 | (20) | (1) ³ | — | 33 | 2 | 1,933 | — | 262 | 2,321 |
| BXP's share of fair value lease revenue | — | — | — | — ³ | — | — | — | 458 | — | — | 458 |
| Add: | | | | | | | | | | | |
| BXP's share of lease transaction costs that qualify as rent inducements | — | 10 | — | 55 ³ | — | — | — | — | — | — | 65 |
| BXP's share of net operating income/(loss) - cash (excluding termination income) | \$ 1,686 | \$ 1,597 | \$ 831 | \$ 2,558 ³ | \$ 209 | \$ 756 | \$ 850 | \$ 4,511 | \$ 495 | \$ 23 | \$ 13,516 |

Reconciliation of BXP's share of Revenue

| | | | | | | | | | | | |
|--|----------|----------|----------|----------|--------|----------|----------|----------|--------|--------|-----------|
| BXP's share of rental revenue | \$ 3,664 | \$ 2,859 | \$ 1,525 | \$ 4,176 | \$ 429 | \$ 1,584 | \$ 1,282 | \$ 9,827 | \$ 650 | \$ 458 | \$ 26,454 |
| Add: | | | | | | | | | | | |
| BXP's share of development and management services revenue | 25 | 1 | — | — | — | — | — | 5 | — | — | 31 |
| BXP's share of revenue | \$ 3,689 | \$ 2,860 | \$ 1,525 | \$ 4,176 | \$ 429 | \$ 1,584 | \$ 1,282 | \$ 9,832 | \$ 650 | \$ 458 | \$ 26,485 |

¹ Annapolis Junction includes four in-service properties and two undeveloped land parcels.

² Includes The Hub on Causeway, 1001 6th Street, Dock 72 and 7750 Wisconsin Avenue.

³ Reflects the allocation percentages pursuant to the achievement of specified investment return thresholds as provided for in the joint venture agreement.

⁴ The Company's purchase price allocation under ASC 805 for Colorado Center differs from the historical basis of the venture resulting in the majority of the basis differential for this venture.

(unaudited and in thousands, except per share amounts)

| | Three Months Ended |
|--|---------------------------|
| | 30-Jun-17 |
| Revenue | |
| Rental | |
| Base rent | \$ 520,542 |
| Recoveries from tenants | 89,163 |
| Parking and other | 26,462 |
| Total rental revenue | 636,167 |
| Hotel revenue | 13,375 |
| Development and management services | 7,365 |
| Total revenue | 656,907 |
| Expenses | |
| Operating | |
| Rental | 230,454 |
| Hotel | 8,404 |
| General and administrative | 27,141 |
| Transaction costs | 299 |
| Depreciation and amortization | 151,919 |
| Total expenses | 418,217 |
| Operating income | 238,690 |
| Other income (expense) | |
| Income from unconsolidated joint ventures | 3,108 |
| Interest and other income | 1,504 |
| Gains from investments in securities | 730 |
| Gains from early extinguishments of debt | 14,354 |
| Interest expense | (95,143) |
| Income before gains on sales of real estate | 163,243 |
| Gains on sales of real estate | 3,767 |
| Net income | 167,010 |
| Net income attributable to noncontrolling interests | |
| Noncontrolling interest in property partnerships | (15,203) |
| Noncontrolling interest - common units of the Operating Partnership | (15,473) |
| Net income attributable to Boston Properties, Inc. | 136,334 |
| Preferred dividends | (2,625) |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 133,709 |
| INCOME PER SHARE OF COMMON STOCK (EPS) | |
| Net income attributable to Boston Properties, Inc. per share - basic | \$ 0.87 |
| Net income attributable to Boston Properties, Inc. per share - diluted | \$ 0.87 |

**BOSTON PROPERTIES ANNOUNCES
SECOND QUARTER 2018 RESULTS**

Exceeds Top Ends of its Guidance Ranges and Increases Full Year 2018 Projections

BOSTON, MA, July 31, 2018 - Boston Properties, Inc. (NYSE: BXP), a real estate investment trust and one of the largest owners, managers and developers of Class A office properties in the United States, reported results today for the second quarter ended June 30, 2018.

Financial highlights for the quarter include:

- Net income attributable to common shareholders of \$128.7 million, or \$0.83 per diluted share, compared to \$133.7 million, or \$0.87 per diluted share, for the quarter ended June 30, 2017.
- Funds from Operations (FFO) of \$244.4 million, or \$1.58 per diluted share. This compares to FFO of \$257.9 million, or \$1.67 per diluted share, for the quarter ended June 30, 2017.
 - FFO of \$1.58 per diluted share was \$0.04 per share greater than the mid-point of the Company's previous guidance of \$1.53 - \$1.55 per diluted share, primarily due to:
 - \$0.02 per share of greater than projected portfolio operations; \$0.01 per share resulting from greater than projected development and management services revenue; and \$0.01 per share of lower than projected interest expense.
- The Company also increased its guidance for full year 2018 EPS and FFO per share as follows:
 - Projected EPS (diluted) for 2018 of \$3.48 - \$3.53 per share, an increase of \$0.18 per share from the mid-point of its most recent guidance; and
 - Projected FFO per share (diluted) for 2018 of \$6.36 - \$6.41 per share, an increase of \$0.07 per share from the mid-point of its most recent guidance.

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- Recent business highlights include:
 - Acquired Santa Monica Business Park in Santa Monica, California, a 47-acre office park consisting of 21 buildings totaling approximately 1.2 million net rentable square feet, in a joint venture with Canada Pension Plan Investment Board.
 - Established a joint venture to acquire a development site at 3 Hudson Boulevard in New York City that can accommodate the future development of a Class A office tower with up to 2.0 million net rentable square feet.
 - Signed a 440,000 square foot lease with an affiliate of Verizon Communications, Inc. and commenced development of The Hub on Causeway - Office development project located at 100 Causeway Street in Boston, Massachusetts, a 627,000 square foot, Class A office tower with the Company's 50/50 joint venture partner Delaware North. Under the lease agreement, Verizon will lease approximately 70% of the office tower for a term of 20 years.

At June 30, 2018, the Company's portfolio consisted of 178 properties aggregating approximately 50.2 million square feet, including twelve properties under construction/redevelopment totaling approximately 6.0 million square feet. The overall percentage of leased space for the 162 properties in-service (excluding the Company's three residential properties and hotel) as of June 30, 2018 was 90.4%.

The reported results are unaudited and there can be no assurance that these reported results will not vary from the final information for the quarter ended June 30, 2018. In the opinion of management, the Company has made all adjustments considered necessary for a fair statement of these reported results.

Significant events during the second quarter included:

Development activities

- On June 7, 2018, the Company completed and fully placed in-service its Signature at Reston development project comprised of 508 apartment units and retail space aggregating approximately 518,000 square feet located in Reston, Virginia. The retail space totaling approximately 25,000 net rentable square feet is approximately 81% leased and the residential units are currently approximately 35% leased.
- On June 20, 2018, the Company partially placed in-service its Proto Kendall Square development project comprised of 280 apartment units and retail space aggregating approximately 167,000 square feet located in Cambridge, Massachusetts. The retail space totaling approximately 15,000 net rentable square feet is approximately 98% leased and the residential units are currently approximately 32% leased.

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Acquisition and disposition activities

- On May 24, 2018, the Company completed the sale of its 91 Hartwell Avenue property located in Lexington, Massachusetts for a gross sale price of approximately \$22.2 million. Net cash proceeds totaled approximately \$21.7 million, resulting in a gain on sale of real estate totaling approximately \$15.5 million. 91 Hartwell Avenue is an approximately 119,000 net rentable square foot Class A office property.

Capital markets activities

- On April 19, 2018, a joint venture in which the Company has a 50% interest obtained construction financing with a total commitment of \$180.0 million collateralized by its Hub on Causeway - Residential development project. The construction financing bears interest at a variable rate equal to LIBOR plus 2.00% per annum and matures on April 19, 2022, with two, one-year extension options, subject to certain conditions. The joint venture has not yet drawn any funds under the loan. The Hub on Causeway - Residential is an approximately 320,000 square foot project comprised of 440 residential units located in Boston, Massachusetts.
- On April 24, 2018, the Company's Operating Partnership exercised its option to draw \$500.0 million on its unsecured delayed draw term loan facility. The unsecured term loan totaling \$500.0 million bears interest at a variable rate equal to LIBOR plus 0.90% per annum based on the Company's Operating Partnership's current credit rating and matures on April 24, 2022.
- On April 27, 2018, a joint venture in which the Company has a 60% interest refinanced the mortgage loan collateralized by its 540 Madison Avenue property located in New York City totaling \$120.0 million. The mortgage loan bears interest at a variable rate equal to LIBOR plus 1.10% per annum and matures on June 5, 2023. The previous mortgage loan bore interest at a variable rate equal to LIBOR plus 1.50% per annum and was scheduled to mature on June 5, 2018. 540 Madison Avenue is an approximately 284,000 net rentable square foot Class A office property.

Transactions completed subsequent to June 30, 2018:

- On July 13, 2018, the Company entered into a joint venture with a third party to acquire a development site at 3 Hudson Boulevard that, upon the future acquisition of additional available development rights, can accommodate a Class A office tower with up to 2.0 million net rentable square feet located on the entire square block between 11th Avenue and Hudson Boulevard Park from West 34th Street to West 35th Street in New York City. The Company owns a 25% interest in and will be the managing member of the joint venture. The acquisition includes improvements consisting of excavation work and foundation elements that are currently being constructed on the site. The Company contributed cash totaling approximately \$45.6 million at closing and will contribute in the future approximately \$62.2 million for its initial capital contribution, a portion of which will fund the remaining costs to complete the foundation elements to grade for the future office building. In addition, the Company has provided \$80.0 million of mortgage financing to the joint venture which bears

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interest at a variable rate equal to LIBOR plus 3.50% per annum and matures on July 13, 2023, with extension options, subject to certain conditions.

- On July 19, 2018, the Company completed the acquisition of Santa Monica Business Park in the Ocean Park neighborhood of Santa Monica, California for a purchase price of approximately \$627.5 million, including \$11.5 million of seller funded leasing costs after the effective date of the purchase and sale agreement. Santa Monica Business Park is a 47-acre office park consisting of 21 buildings totaling approximately 1.2 million net rentable square feet. Approximately 70% of the rentable square footage is subject to a ground lease with 80 years remaining, including renewal periods. The ground lease provides the Company with the right to purchase the land underlying the properties in 2028 with subsequent purchase rights every 15 years. The property is 94% leased. The acquisition was completed in a joint venture with Canada Pension Plan Investment Board, which invested approximately \$147.4 million for a 45% ownership interest in the joint venture. Boston Properties will provide customary operating, property management and leasing services to, and invested approximately \$180.1 million in the joint venture. The acquisition was completed with \$300.0 million of financing. The mortgage financing bears interest at a variable rate equal to LIBOR plus 1.28% per annum and matures on July 19, 2025. At closing, the borrower under the loan entered into interest rate swap contracts with notional amounts aggregating \$300.0 million through April 1, 2025, resulting in a fixed rate of approximately 4.063% per annum through the expiration of the interest rate swap contracts.
- On July 27, 2018, the Company entered into a joint venture with its partner at The Hub on Causeway mixed-use development to acquire the air rights for the development of an approximately 627,000 net rentable square foot Class A office tower at the site to be known as 100 Causeway Street. The joint venture entered into a lease agreement with an affiliate of Verizon Communications, Inc. under which Verizon will lease approximately 70% of the office tower for a term of 20 years. With the execution of the lease, the joint venture commenced development of the project. The Company will serve as co-development manager for the project and will own a 50% interest in the joint venture. The Company's share of the total project cost is estimated to be approximately \$270 million.

EPS and FFO per Share Guidance:

The Company's guidance for the third quarter and full year 2018 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 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 on depreciable real estate 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.

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As set forth below, the Company has updated its projected EPS (diluted) for the full year 2018 to \$3.48 - \$3.53 per share from \$3.28 - \$3.37 per share. This is an increase of \$0.18 per share at the mid-point of the Company's guidance consisting of \$0.11 per share related to gains on sales of real estate recorded in the second quarter of 2018, \$0.03 per share of better than expected portfolio operations, \$0.03 per share of additional development and management services revenue, and \$0.02 per share of lower interest expense, offset by (\$0.01) per share related to the sale of 91 Hartwell Avenue in the second quarter of 2018.

In addition, the Company has updated its projected guidance for FFO per share (diluted) for the full year 2018 to \$6.36 - \$6.41 per share from \$6.27 - \$6.36 per share. This is an increase of \$0.07 per share at the mid-point consisting of \$0.03 per share of better than expected portfolio operations, \$0.03 per share of additional development and management services revenue, and \$0.02 per share of lower interest expense, offset by (\$0.01) per share related to the sale of 91 Hartwell Avenue in the second quarter of 2018.

| | Third Quarter 2018 | | Full Year 2018 | |
|--|--------------------|---------|----------------|---------|
| | Low | High | Low | High |
| Projected EPS (diluted) | \$ 0.73 | \$ 0.75 | \$ 3.48 | \$ 3.53 |
| Add: | | | | |
| Projected Company Share of Real Estate Depreciation and Amortization | 0.88 | 0.88 | 3.55 | 3.55 |
| Less: | | | | |
| Projected Company Share of Gains on Sales of Real Estate | — | — | 0.67 | 0.67 |
| Projected FFO per Share (diluted) | \$ 1.61 | \$ 1.63 | \$ 6.36 | \$ 6.41 |

Boston Properties will host a conference call on Wednesday, August 1, 2018 at 10:00 AM Eastern Time, open to the general public, to discuss the second quarter 2018 results, the 2018 projections and related assumptions, and other 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 6696808. A replay of the conference call will be available through August 22, 2018, by dialing (855) 859-2056 (Domestic) or (404) 537-3406 (International) and entering the passcode 6696808. There will also be a live audio webcast of the call which may be accessed on the Company's website at 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' second quarter 2018 "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.

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Boston Properties is a fully integrated real estate company, organized as a real estate investment trust, that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of primarily Class A office space totaling 50.2 million square feet and consisting of 166 office properties (including nine properties under construction), six residential properties (including three properties under construction), five retail properties and one hotel. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets - Boston, Los Angeles, New York, 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," "budgeted," "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 Company's 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, 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 third quarter and full fiscal year 2018, whether as a result of new information, future events or otherwise.

Financial tables follow.

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BOSTON PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

| | June 30, 2018 | December 31, 2017 |
|--|--|----------------------|
| | (in thousands, except for share and par value amounts) | |
| ASSETS | | |
| Real estate, at cost | \$ 20,152,578 | \$ 19,622,379 |
| Construction in progress | 1,163,040 | 1,269,338 |
| Land held for future development | 210,902 | 204,925 |
| Less: accumulated depreciation | (4,745,590) | (4,589,634) |
| Total real estate | 16,780,930 | 16,507,008 |
| Cash and cash equivalents | 472,555 | 434,767 |
| Cash held in escrows | 254,505 | 70,602 |
| Investments in securities | 30,063 | 29,161 |
| Tenant and other receivables, net | 63,660 | 92,186 |
| Accrued rental income, net | 912,652 | 861,575 |
| Deferred charges, net | 678,319 | 679,038 |
| Prepaid expenses and other assets | 85,972 | 77,971 |
| Investments in unconsolidated joint ventures | 682,507 | 619,925 |
| Total assets | <u>\$ 19,961,163</u> | <u>\$ 19,372,233</u> |
| LIABILITIES AND EQUITY | | |
| Liabilities: | | |
| Mortgage notes payable, net | \$ 2,972,052 | \$ 2,979,281 |
| Unsecured senior notes, net | 7,251,578 | 7,247,330 |
| Unsecured line of credit | — | 45,000 |
| Unsecured term loan, net | 498,248 | — |
| Accounts payable and accrued expenses | 327,067 | 331,500 |
| Dividends and distributions payable | 139,263 | 139,040 |
| Accrued interest payable | 96,844 | 83,646 |
| Other liabilities | 462,869 | 443,980 |
| Total liabilities | <u>11,747,921</u> | <u>11,269,777</u> |
| Equity: | | |
| Stockholders' equity attributable to Boston Properties, Inc.: | | |
| Excess stock, \$0.01 par value, 150,000,000 shares authorized, none issued or outstanding | — | — |
| Preferred stock, \$0.01 par value, 50,000,000 shares authorized; 5.25% Series B cumulative redeemable preferred stock, \$0.01 par value, liquidation preference \$2,500 per share, 92,000 shares authorized, 80,000 shares issued and outstanding at June 30, 2018 and December 31, 2017 | 200,000 | 200,000 |
| Common stock, \$0.01 par value, 250,000,000 shares authorized, 154,490,429 and 154,404,186 issued and 154,411,529 and 154,325,286 outstanding at June 30, 2018 and December 31, 2017, respectively | 1,544 | 1,543 |
| Additional paid-in capital | 6,391,460 | 6,377,908 |
| Dividends in excess of earnings | (649,747) | (712,343) |
| Treasury common stock at cost, 78,900 shares at June 30, 2018 and December 31, 2017 | (2,722) | (2,722) |
| Accumulated other comprehensive loss | (47,695) | (50,429) |
| Total stockholders' equity attributable to Boston Properties, Inc. | 5,892,840 | 5,813,957 |
| Noncontrolling interests: | | |
| Common units of the Operating Partnership | 621,221 | 604,739 |
| Property partnerships | 1,699,181 | 1,683,760 |
| Total equity | <u>8,213,242</u> | <u>8,102,456</u> |
| Total liabilities and equity | <u>\$ 19,961,163</u> | <u>\$ 19,372,233</u> |

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

| | Three months ended June 30, | | Six months ended June 30, | |
|---|-----------------------------|------------|---------------------------|--------------|
| | 2018 | 2017 | 2018 | 2017 |
| (in thousands, except for per share amounts) | | | | |
| Revenue | | | | |
| Rental | | | | |
| Base rent | \$ 516,439 | \$ 520,542 | \$ 1,035,946 | \$ 1,024,104 |
| Recoveries from tenants | 95,259 | 89,163 | 190,377 | 178,327 |
| Parking and other | 26,904 | 26,462 | 53,038 | 52,072 |
| Total rental revenue | 638,602 | 636,167 | 1,279,361 | 1,254,503 |
| Hotel revenue | 14,607 | 13,375 | 23,709 | 20,795 |
| Development and management services | 9,305 | 7,365 | 17,710 | 13,837 |
| Direct reimbursements of payroll and related costs from management services contracts | 1,970 | — | 4,855 | — |
| Total revenue | 664,484 | 656,907 | 1,325,635 | 1,289,135 |
| Expenses | | | | |
| Operating | | | | |
| Rental | 237,790 | 230,454 | 478,119 | 458,741 |
| Hotel | 8,741 | 8,404 | 16,814 | 15,495 |
| General and administrative | 28,468 | 27,141 | 64,362 | 58,527 |
| Payroll and related costs from management services contracts | 1,970 | — | 4,855 | — |
| Transaction costs | 474 | 299 | 495 | 333 |
| Depreciation and amortization | 156,417 | 151,919 | 322,214 | 311,124 |
| Total expenses | 433,860 | 418,217 | 886,859 | 844,220 |
| Operating income | 230,624 | 238,690 | 438,776 | 444,915 |
| Other income (expense) | | | | |
| Income from unconsolidated joint ventures | 769 | 3,108 | 1,230 | 6,192 |
| Interest and other income | 2,579 | 1,504 | 4,227 | 2,118 |
| Gains from investments in securities | 505 | 730 | 379 | 1,772 |
| Gains from early extinguishments of debt | — | 14,354 | — | 14,354 |
| Interest expense | (92,204) | (95,143) | (182,424) | (190,677) |
| Income before gains on sales of real estate | 142,273 | 163,243 | 262,188 | 278,674 |
| Gains on sales of real estate | 18,292 | 3,767 | 114,689 | 3,900 |
| Net income | 160,565 | 167,010 | 376,877 | 282,574 |
| Net income attributable to noncontrolling interests | | | | |
| Noncontrolling interests in property partnerships | (14,400) | (15,203) | (31,634) | (19,627) |
| Noncontrolling interest—common units of the Operating Partnership | (14,859) | (15,473) | (35,311) | (26,933) |
| Net income attributable to Boston Properties, Inc. | 131,306 | 136,334 | 309,932 | 236,014 |
| Preferred dividends | (2,625) | (2,625) | (5,250) | (5,250) |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 133,709 | \$ 304,682 | \$ 230,764 |
| Basic earnings per common share attributable to Boston Properties, Inc. common shareholders: | | | | |
| Net income | \$ 0.83 | \$ 0.87 | \$ 1.97 | \$ 1.50 |
| Weighted average number of common shares outstanding | 154,415 | 154,177 | 154,400 | 154,019 |
| Diluted earnings per common share attributable to Boston Properties, Inc. common shareholders: | | | | |
| Net income | \$ 0.83 | \$ 0.87 | \$ 1.97 | \$ 1.50 |
| Weighted average number of common and common equivalent shares outstanding | 154,571 | 154,331 | 154,638 | 154,273 |

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

| | Three months ended June 30, | | Six months ended June 30, | |
|--|--|------------|---------------------------|------------|
| | 2018 | 2017 | 2018 | 2017 |
| | (in thousands, except for per share amounts) | | | |
| Net income attributable to Boston Properties, Inc. common shareholders | \$ 128,681 | \$ 133,709 | \$ 304,682 | \$ 230,764 |
| Add: | | | | |
| Preferred dividends | 2,625 | 2,625 | 5,250 | 5,250 |
| Noncontrolling interest - common units of the Operating Partnership | 14,859 | 15,473 | 35,311 | 26,933 |
| Noncontrolling interests in property partnerships | 14,400 | 15,203 | 31,634 | 19,627 |
| Less: | | | | |
| Gains on sales of real estate | 18,292 | 3,767 | 114,689 | 3,900 |
| Income before gains on sales of real estate | 142,273 | 163,243 | 262,188 | 278,674 |
| Add: | | | | |
| Depreciation and amortization | 156,417 | 151,919 | 322,214 | 311,124 |
| Noncontrolling interests in property partnerships' share of depreciation and amortization | (18,426) | (19,327) | (36,647) | (40,742) |
| Company's share of depreciation and amortization from unconsolidated joint ventures | 9,312 | 9,629 | 18,756 | 18,670 |
| Corporate-related depreciation and amortization | (406) | (486) | (811) | (1,011) |
| Less: | | | | |
| Noncontrolling interests in property partnerships | 14,400 | 15,203 | 31,634 | 19,627 |
| Preferred dividends | 2,625 | 2,625 | 5,250 | 5,250 |
| Funds from operations (FFO) attributable to the Operating Partnership common unitholders (including Boston Properties, Inc.) | 272,145 | 287,150 | 528,816 | 541,838 |
| Less: | | | | |
| Noncontrolling interest - common units of the Operating Partnership's share of funds from operations | 27,704 | 29,269 | 53,812 | 55,593 |
| Funds from operations attributable to Boston Properties, Inc. common shareholders | \$ 244,441 | \$ 257,881 | \$ 475,004 | \$ 486,245 |
| Boston Properties, Inc.'s percentage share of funds from operations - basic | 89.82% | 89.81% | 89.82% | 89.74% |
| Weighted average shares outstanding - basic | 154,415 | 154,177 | 154,400 | 154,019 |
| FFO per share basic | \$ 1.58 | \$ 1.67 | \$ 3.08 | \$ 3.16 |
| Weighted average shares outstanding - diluted | 154,571 | 154,331 | 154,638 | 154,273 |
| FFO per share diluted | \$ 1.58 | \$ 1.67 | \$ 3.07 | \$ 3.15 |

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- (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. common shareholders (computed in accordance with GAAP) for gains (or losses) from sales of properties, impairment losses on depreciable real estate consolidated on our balance sheet, impairment losses on our investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures and real estate-related depreciation and amortization. FFO is a non-GAAP financial measure, but we believe the presentation of FFO, combined with the presentation of required GAAP financial measures, has improved the understanding of operating results of REITs among the investing public and has helped make comparisons of REIT operating results more meaningful. Management generally considers FFO and FFO per share to be useful measures for understanding and comparing our operating results 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 differ across owners of similar assets in similar condition based on historical cost accounting and useful life estimates), FFO and FFO per share can help investors compare the operating performance of a company's real estate across reporting periods and to the operating performance of other 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.

In order to facilitate a clear understanding of the Company's operating results, FFO should be examined in conjunction with net income attributable to Boston Properties, Inc. common shareholders as presented in the Company's consolidated financial statements. FFO should not be considered as a substitute for net income attributable to Boston Properties, Inc. common shareholders (determined in accordance with GAAP) or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

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BOSTON PROPERTIES, INC.
PORTFOLIO LEASING PERCENTAGES

| | % Leased by Location | |
|-------------------------------|----------------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Boston | 94.8% | 94.1% |
| Los Angeles and San Francisco | 89.8% | 89.3% |
| New York | 86.6% | 86.9% |
| Washington, DC | 89.5% | 91.3% |
| Total Portfolio | 90.4% | 90.7% |

AT THE COMPANY

Michael LaBelle
Executive Vice President,
Chief Financial Officer and Treasurer
(617) 236-3352

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