# Boston Properties, Inc. Announces Third Quarter 1999 Results

October 25, 1999

**Reports FFO of $0.72 per Share**

BOSTON, MA, October 25, 1999 - Boston Properties, Inc. (NYSE: BXP) today reported results for the third quarter and nine months ended September 30, 1999.

Funds from Operations (FFO) for the quarter ended September 30, 1999 were $50.2 million, or $0.74 per share basic and $0.72 per share diluted, compared to FFO of $41.1 million, or $0.65 per share basic and $0.64 per share diluted, for the quarter ended September 30, 1998. This represents a 12.5% year-to-year increase in diluted FFO per share. The weighted average number of basic and diluted shares outstanding totaled 67,900,734 and 81,485,166, respectively, for the quarter ended September 30, 1999 and 63,467,722 and 63,991,255, respectively, for the same quarter last year.

FFO for the nine months ended September 30, 1999 were $144.6 million, or $2.20 per share basic and $2.15 per share diluted, compared to FFO of $109.5 million, or $1.82 per share basic and $1.80 per share diluted, for the nine months ended September 30, 1998. This represents a 19.4% year-to-year increase in diluted FFO per share. The weighted average number of basic and diluted shares outstanding totaled 65,672,095 and 76,674,436, respectively, for the nine months ended September 30, 1999 and 60,101,500 and, 60,743,896, respectively, for the same period last year.

Revenues were $202.2 million for the quarter and $581.5 million for the nine months ended September 30, 1999, compared to revenues of $140.2 million and $343.8 million for the same periods in 1998. Net income available to common shareholders was $27.4 million for the quarter and $79.6 million for the nine months ended September 30, 1999, compared to $25.3 million and $74.9 million for the same periods in 1998. Net income per share available to common shareholders for the quarter ended September 30, 1999 and 1998 was $0.40 per share basic and diluted. Income per share before extraordinary gain for the nine months ended September 30, 1999 was $1.21 per share basic and $1.20 per share diluted, compared to $1.19 per share basic and $1.17 per share diluted for the same period last year.

The reported results are unaudited and there can be no assurance that the results will not vary from the final information for the quarter ended September 30, 1999. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made.

As of September 30, 1999, the Company's portfolio consisted of 132 properties comprised of more than 35.3 million square feet, including 10 properties under development totaling 3.5 million square feet. The overall occupancy rate for the properties in service as of September 30, 1999 was 97.8%.

Additional highlights of the third quarter include:

- Acquisition of 206 Carnegie Center, a 161,763 net rentable square foot Class A office building in Princeton, New Jersey for $27.0 million on July 9, 1999. The property is currently 100% leased.
- Acquisition of the leasehold interest and ground rent credits at 5 Times Square in New York, New York for approximately $152.5 million. The development will consist of a 37-floor, 1.1 million square foot office tower that has been 100% pre-leased to Ernst & Young.
- Acquisition of The Gateway, two Class A office buildings with 487,453 net rentable square feet and two development sites for approximately $117.6 million on August 31, 1999, in South San Francisco, California. The two office buildings are currently 96.0% leased.
- Closing of mortgage financing secured by Eight Cambridge Center in the amount of $29.0 million at a rate of 7.73% and maturing in July 2010.
- Closing of mortgage financing secured by The Gateway in the amount of $75.0 million at a rate of LIBOR + 1.60% and maturing in September 2000.
- Closing of a construction loan secured by the 111 Huntington Avenue development in the amount of $203.0 million at a rate of LIBOR + 2.00% and maturing in September 2002.
- Closing of a construction loan secured by the Orbital Sciences Phase I development in the amount of $27.0 million at a rate of LIBOR + 1.65% and maturing in August 2002.

Boston Properties is a fully integrated, self-administered and self-managed real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of Class A office, industrial and hotel properties. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in the Northeast Corridor from Virginia to Greater Boston and in Greater San Francisco.

To receive Boston Properties' latest news and corporate developments via fax at no cost, please call 1-800-PRO-INFO; use company code BXP. Visit the Company's web site at http://www.bostonproperties.com. Also see http://www.frbinc.com.

This press release contains forward-looking statements within the meaning of the Federal securities laws. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy. Acquisitions that are pursued by Boston Properties may not be consummated for a variety of reasons, including a failure to reach agreement with the selling party regarding the acquisition price or other terms of a contribution or acquisition agreement. Agreements that the Company enters into may be terminated for a variety of reasons, including a failure by the Company or the other party to fulfill all conditions required for consummation of the agreements.

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