


Investor Materials
Q1 2017

Boston Properties



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. Please refer to the Appendix for information on how to identify these statements, as well as risks and uncertainties that could cause the Company's actual results to differ materially from those expressed or implied by the forward-looking statements.

Use of Non-GAAP Financial Measures and Other Definitions

This presentation contains certain non-GAAP financial measures within the meaning of Regulation G and other terms that have particular definitions when used by the Company. The Company's definitions may differ from those used by other companies and, therefore, may not be comparable. The definitions of these terms and, if applicable, the reasons for their use and reconciliations to the most directly comparable GAAP measures, are included in the Appendix.

Projections

This presentation includes projections for 2017 diluted earnings per common share ("EPS") and diluted funds from operations ("FFO") that were previously provided in the Company's most recent earnings release on April 25, 2017. The Company has not updated or reaffirmed any of these projections since such date and are not doing so by including them in this presentation.

Except as otherwise expressly indicated, all data is as of March 31, 2017.

Quick Facts

bxp Boston Properties

Preeminent Developer and Owner of Class A Office Properties in the U.S.

48.2M
Square Feet[1,2]

1970
Founded

1997
IPO

175
Properties

$32.0B
BXP's Share of Market Capitalization[3]

$2.3 Billion
BXP's Share of Annualized Revenue[3]

$1.3B
BXP's Share of Annualized EBITDA[3]

TSR Outperformance Since IPO[2]
3.7x S&P 500
2.2x REIT Index[4]

3.4%
Average 5-Year Dividend Yield

7.2 Years
Average Lease Term

4.5M
Square Feet Currently under Development/Redevelopment[1,2]

S&P 500 Investment Grade Company

90.4%
Leased (In-Service Properties)

[1]Includes 100% of consolidated and unconsolidated properties.
[2]Data as of May 31, 2017.
[3]See Appendix.
[4]FTSE NAREIT All REITs (FNAR)

Boston Properties' Strategy

Select Markets	Premier Properties	Robust Operating & Development Platform	Financial Strength	Experience & Integrity
Focused on supply constrained markets with the strongest economic growth and investment characteristics over time.	Maintain high occupancy and achieve premium rental rates through economic cycles by focusing on space and place.	Integrated leasing, development, construction and property management. Development delivers attractive risk-adjusted investment returns and modernizes our portfolio.	Strong balance sheet and superior access to capital minimizes debt costs and maximizes our ability to make opportunistic investments.	Reputation of integrity and fair dealing makes us a counterparty of choice for real estate industry participants.

Managing our Business in the Current Environment

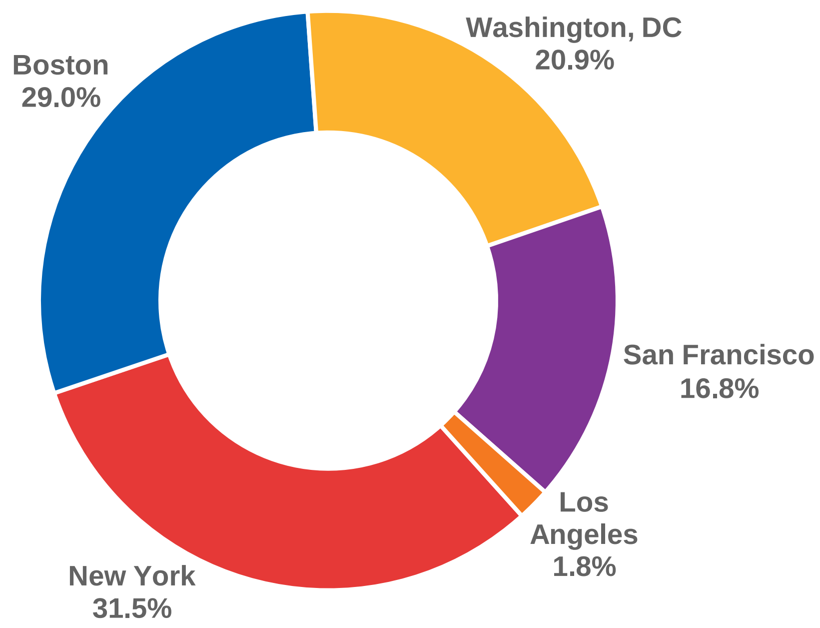
Boston Properties

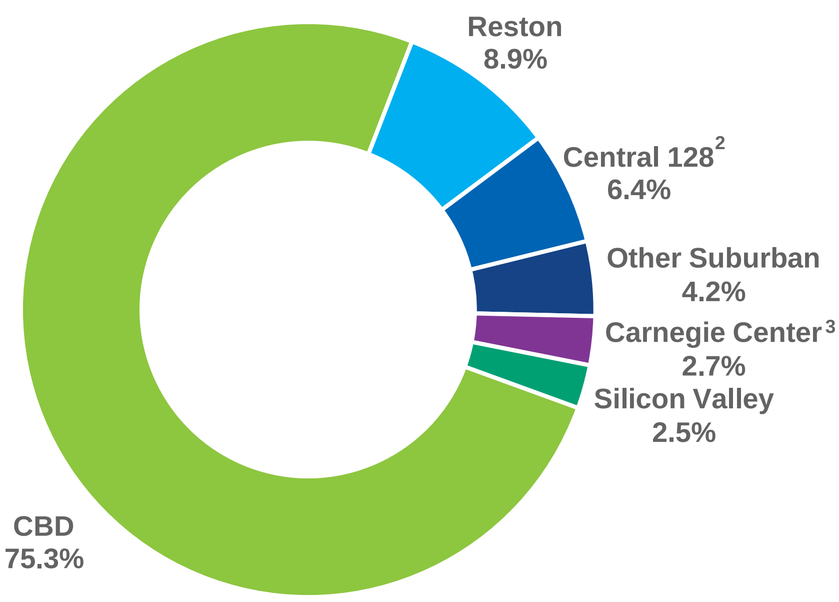
Investment Strategy	Balance Sheet Strategy	Leasing Strategy
• Actively pursue new development opportunities • Seek acquisition opportunities with value-add characteristics • Selectively sell assets to recycle capital	• Maintain strong balance sheet with conservative leverage position (6.6x—BXP's Share of Net Debt to BXP's Share of EBITDA[1]) • Improve leverage ratio and borrowing capacity through increased EBITDA from our development deliveries over the next three years	• Development pipeline—61% pre-leased and delivering through 2020[2] • Enhance revenue through leasing of high-value vacancy and capturing upside of near-term roll-over • Increase occupancy from 90% to 93% • Proactively manage future lease roll-over

[1]See Appendix.
[2]Represents percentage pre-leased as of May 31, 2017, including leases with future commencement dates; and excluding residential units.

Geographically Diversified Across the Strongest U.S. Markets

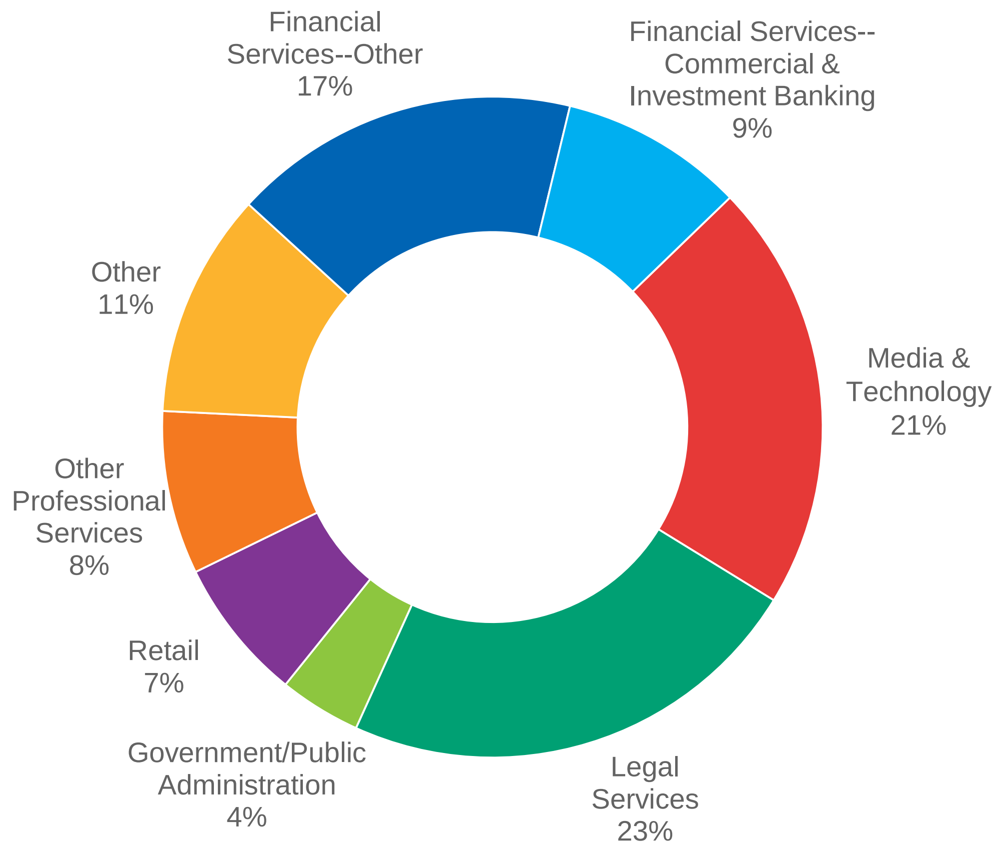
BXP's Share of NOI[1]





[1]Excluding termination income. See Appendix.
[2]Includes properties located in Waltham, Lexington and Needham, Massachusetts.
[3]Carnegie Center is located in Princeton, New Jersey.

Diversified Tenant Base



Top 20 Tenants	% of BXP's Share of Annualized Rental Obligations[2]
Arnold & Porter Kaye Scholer	3.23%
US Government	2.75%
Citibank	2.31%
Biogen	1.94%
Shearman & Sterling[1]	1.83%
Ropes & Gray[1]	1.56%
Kirkland & Ellis[1]	1.42%
O'Melveny & Myers[1]	1.29%
Wellington Management	1.21%
Bank of America	1.16%
Google	1.07%
Weil Gotshal & Manges[1]	1.06%
Aramis (Estee Lauder)	1.02%
Mass Financial Services	0.90%
Microsoft	0.86%
Morrison & Foerster[1]	0.85%
Morgan Lewis & Bockius[1]	0.85%
Hunton & Williams	0.84%
Starr Indemnity & Liability Co.	0.82%
Smithsonian Institution	0.78%
Total	**27.75%**
BXP's Share[2] of Square Feet	**23.47%**

[1]Top 50 law firms by gross revenue for 2016 according to the May 2017 issue of *The American Lawyer*.
[2]See Appendix.

Consistently Recycling Capital

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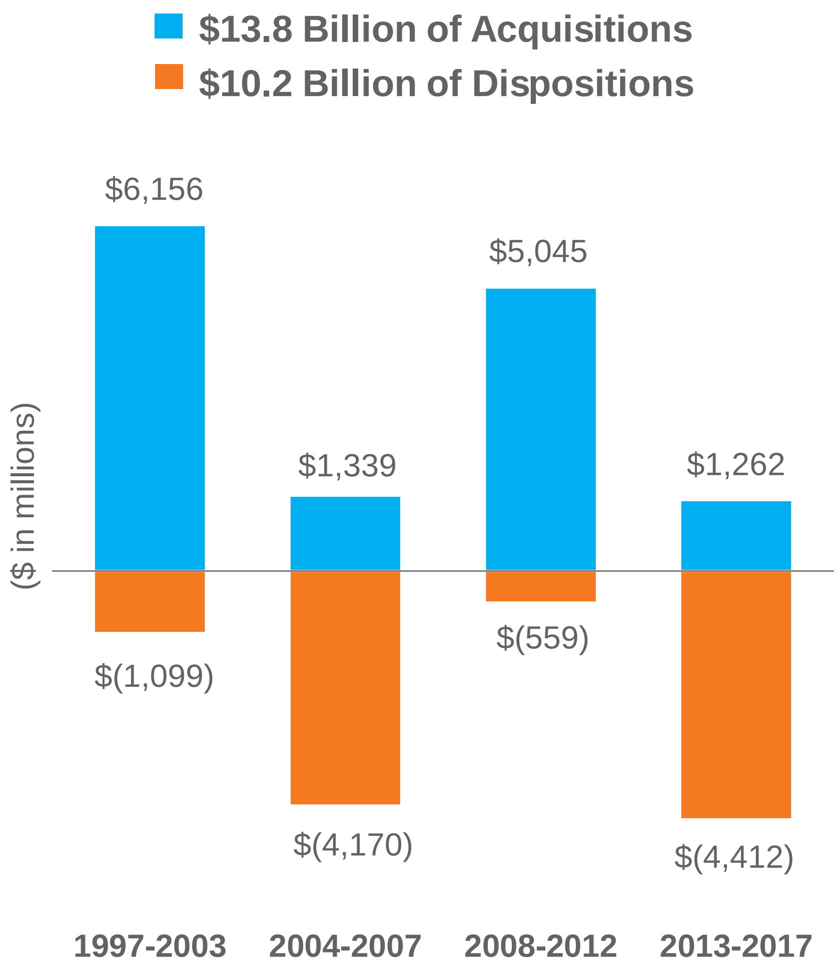
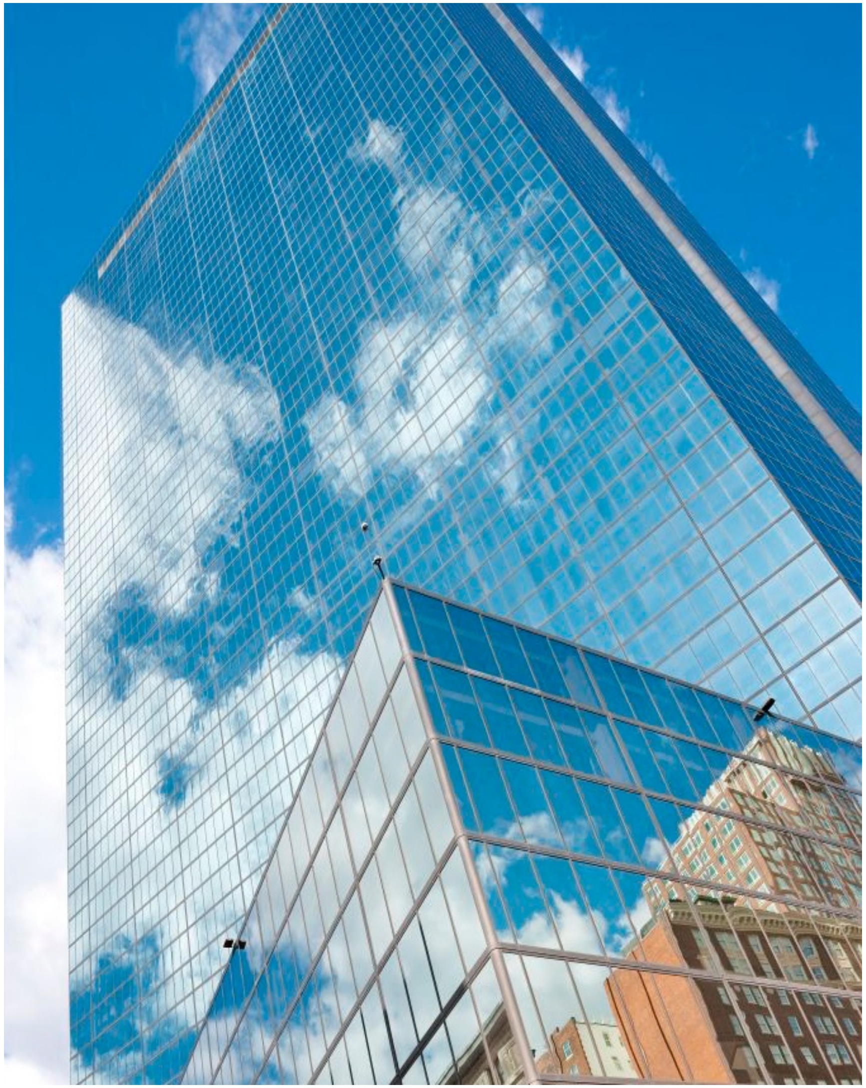




200 Clarendon Street

Data as of May 31, 2017.

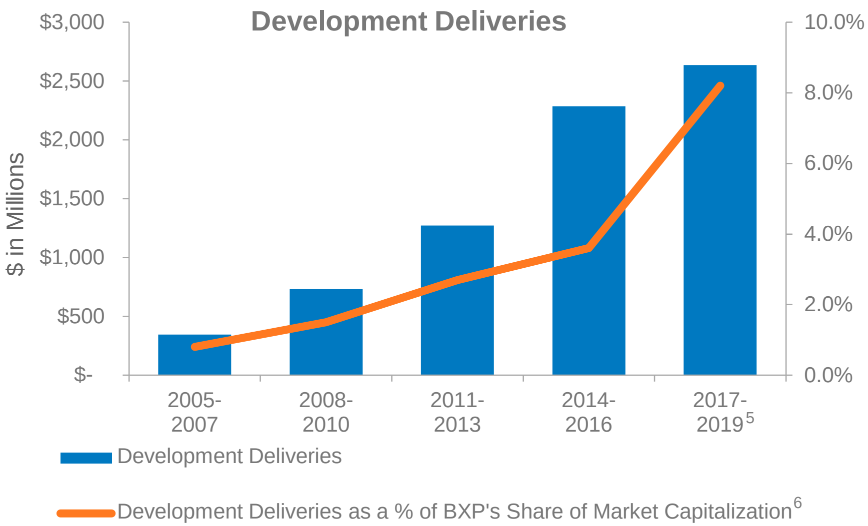
Preeminent Developer with Robust Development Pipeline

Deliveries: 2011 through 2016

- $3.6 billion of investment
- 6.3 million[2] square feet
- 7.1% BXP's Share of Annualized NOI—cash return[4]

Active pipeline:

- $2.6 billion[1] of total budgeted costs
- 4.5 million[2] square feet—61% pre-leased[3]
- 7.2% projected weighted-average stabilized unleveraged cash return



Salesforce Tower

[1]Represents BXP's Share of development costs, including income (loss) and interest carry during development as of May 31, 2017. For additional information, refer to the *"Active Development Pipeline"* page of this presentation.
[2]Includes 100% of consolidated and unconsolidated properties as of May 31, 2017.
[3]Represents percentage pre-leased as of May 31, 2017, including leases with future commencement dates and excluding residential units.
[4]Includes pro forma for 250 West 55th Street and 601 Massachusetts Avenue lease-up to stabilization.
[5]Includes projects placed in-service in Q1 2017.
[6]See Appendix.

Active Development Pipeline

Project Name	Location	Square Feet	BXP's Ownership Percentage	Estimated Total Cost (BXP's Share)[1]	Estimated Cost PSF (BXP's Share)[1]	Percent Leased[2]	Actual/Est. Initial Occupancy
OFFICE							
888 Boylston Street	Boston, MA	425,000	100%	$271,500,000	$639	84%	Q3 2016
Salesforce Tower	San Francisco, CA	1,400,000	95%	$1,073,500,000	$807	69%	Q1 2018
The Hub on Causeway	Boston, MA	385,000	50%	$141,870,000	$737	42%	Q1 2019
Dock 72	Brooklyn, NY	670,000	50%	$204,900,000	$612	33%	Q2 2018
145 Broadway	Cambridge, MA	480,000	100%	$375,000,000	$781	99%	Q4 2019
Total Office Properties under Construction		***3,360,000***	***89%***	***$2,066,770,000***	***$747***	***65%***	
RESIDENTIAL							
Proto at Cambridge (274 units)	Cambridge, MA	164,000	100%	$140,170,000	$855	--	Q2 2018
Signature at Reston (508 Units)	Reston, VA	490,000	100%	$234,854,000	$456	--	Q1 2018
Signature at Reston - Retail	Reston, VA	24,600	100%	--	--	81%	
Total Residential Properties under Construction		***678,600***	***100%***	***$375,024,000***	***$553***	***59%***	
REDEVELOPMENT							
Reservoir Place North	Waltham, MA	73,000	100%	$24,510,000	$336	--	Q1 2018
191 Spring Street	Lexington, MA	160,000	100%	$53,920,000	$337	49%	Q4 2017
One Five Nine East 53rd Street[3]	New York, NY	220,000	55%	$106,000,000	$876	--	Q4 2018
Total Properties under Redevelopment		***453,000***	***74%***	***$184,430,000***	***$521***	***17%***	
Total Office and Residential Properties Under Construction and Redevelopment		**4,491,600**	**90%**	**$2,626,224,000**	**$679**	**61%**	

[1]Represents BXP's Share. Includes income (loss) and interest carry during development.
[2]Represents percentage leased as of May 31, 2017, including leases with future commencement dates and excluding residential units.
[3]Formerly, the low-rise portion of 601 Lexington Avenue.

Potential Near-Term Development Starts

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The Hub on Causeway--Residential

Reston Town Center Office Block 5

MacArthur Transit Village

Project Name	Location	Estimated Square Feet
20 CityPoint	Waltham, MA	200,000
The Hub on Causeway—Residential (50% ownership)	Boston, MA	320,000
2100 Pennsylvania Avenue[1]	Washington, DC	482,000
7750 Wisconsin Avenue—Marriott HQ (50% ownership)[2]	Bethesda, MA	720,000
17Fifty Presidents Street	Reston, VA	274,000
Springfield Metro Center—Phase I	Springfield, VA	625,000
MacArthur Transit Village	Oakland, CA	324,000
Entitled Future Development Pipeline		**2,945,000**

[1]Consists of projects in the permitting/entitlement process. Actual amounts may differ materially depending on the outcome of permitting/entitlement.
[2]There can be no assurance that the Company will be successful in entering a joint venture arrangement on the expected schedule or at all. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.

Future Development Pipeline Drives Future Growth

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Back Bay Station

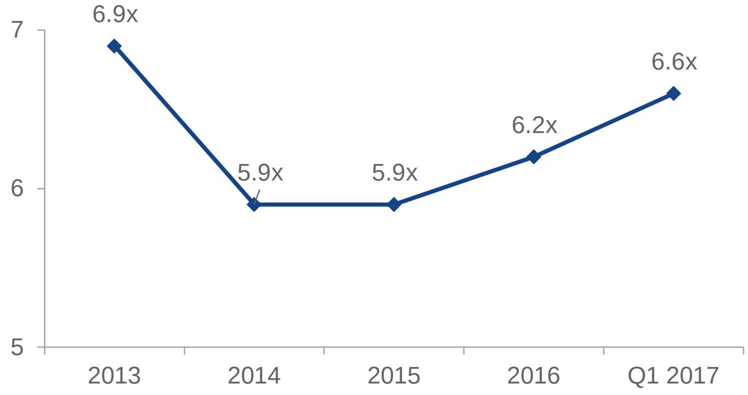
The Station on North First

Project Name	Location	Estimated Square Feet
Back Bay Station[1]	Boston, MA	1,300,000
The Hub on Causeway—Office (50% ownership)	Boston, MA	525,000
North Parcel at Kendall Center	Cambridge, MA	624,000
CityPoint Master Plan[1]	Waltham, MA	1,450,000
MTA[1]	New York, NY	850,000
Brooklyn Navy Yard—Phase II (50% ownership)[1]	Brooklyn, NY	1,000,000
Peterson Way[1]	Santa Clara, CA	630,000
Fourth and Harrison[1]	San Francisco, CA	850,000
The Station on North First	San Jose, CA	1,550,000
Reston Town Center—Phase III[1]	Reston, VA	3,000,000
1001 6th Street, NW (50% ownership)	Washington, DC	520,000
Future Development Pipeline		**12,299,000**

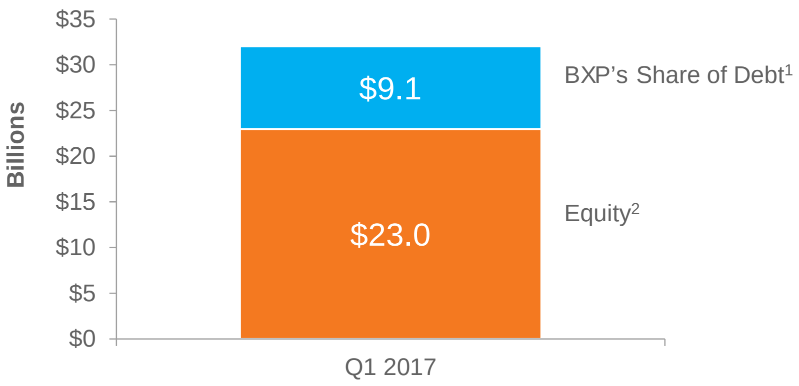
[1]Consists of projects in the permitting/entitlement process. Actual amounts may differ materially depending on the outcome of permitting/entitlement.

Conservative Leverage Provides Balance Sheet Capacity

BXP's Share of Net Debt to BXP's Share of EBITDA[1]



BXP's Share of Market Capitalization[1]

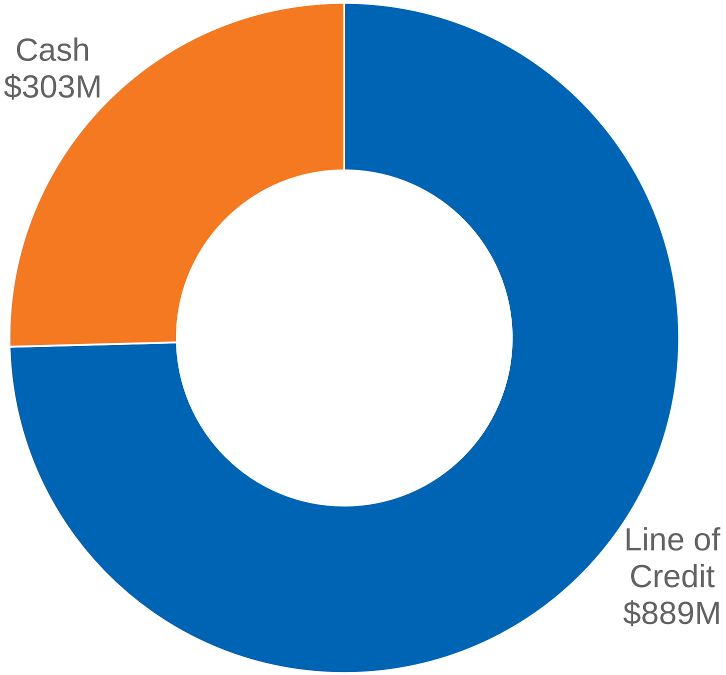


	2014	2015	2016	Q1 2017
BXP's Share of Debt to BXP's Share of Market Capitalization[1]	29.1%	27.5%	29.2%	28.3%
Fixed Charge Coverage Ratio[1]	2.4x	2.6x	2.8x	2.8x
FAD Payout Ratio[1]	64.8%	77.1%	71.4%	72.5%

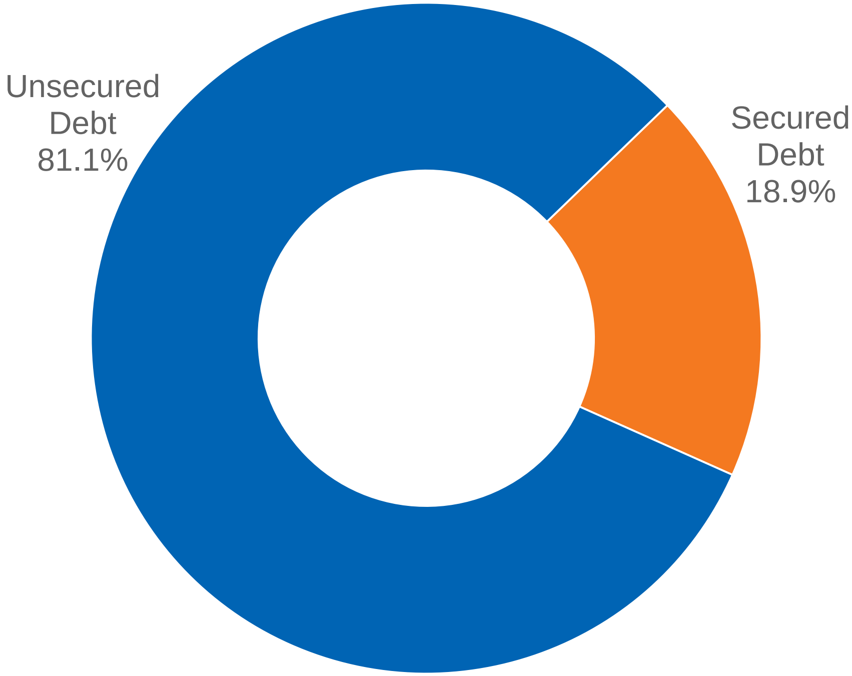
[1]See Appendix.
[2]Consists of Common Stock, Operating Partnership Units and $200M of Preferred Stock.
2013-2016 data as of December 31 for applicable year.

Substantial Liquidity and Access to Debt Markets

Liquidity
$1.2 Billion[1]

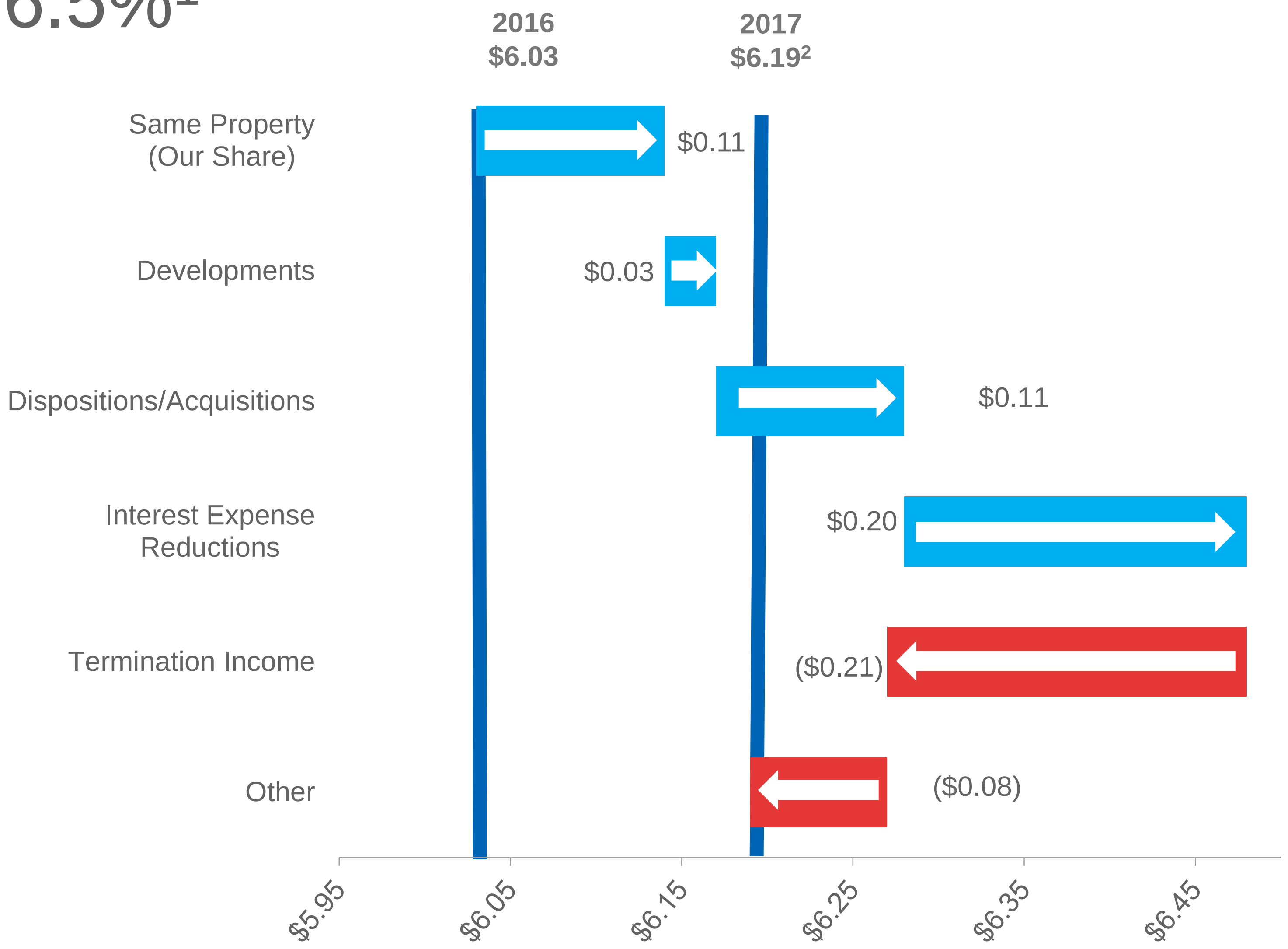


BXP's Share of Debt
$9.1 Billion[2]



[1]On April 24, 2017, the Company amended and restated its line of credit agreement by increasing the total commitment for the line of credit from $1.0 billion to $1.5 billion, and adding a $500.0 million delayed draw term loan facility that is available for drawing on until April 24, 2018. As of May 31, 2017, the Company had $345.3 million of cash, $285.0 million of outstanding borrowings and $6.0 million letters of credit outstanding with the ability to borrow approximately $1.7 billion under these facilities.
[2]See Appendix.

Projected 2017 FFO Growth of 6.5%[1]



[1]The projected increase is based on the midpoint of the guidance range for 2017 diluted FFO per share compared to diluted FFO per share for 2016, and excludes termination income for 2016 and 2017.
[2]Represents the midpoint of the guidance range for 2017 diluted FFO per share issued on April 25, 2017. See Appendix.

Leasing and Development NOI Growth Drivers

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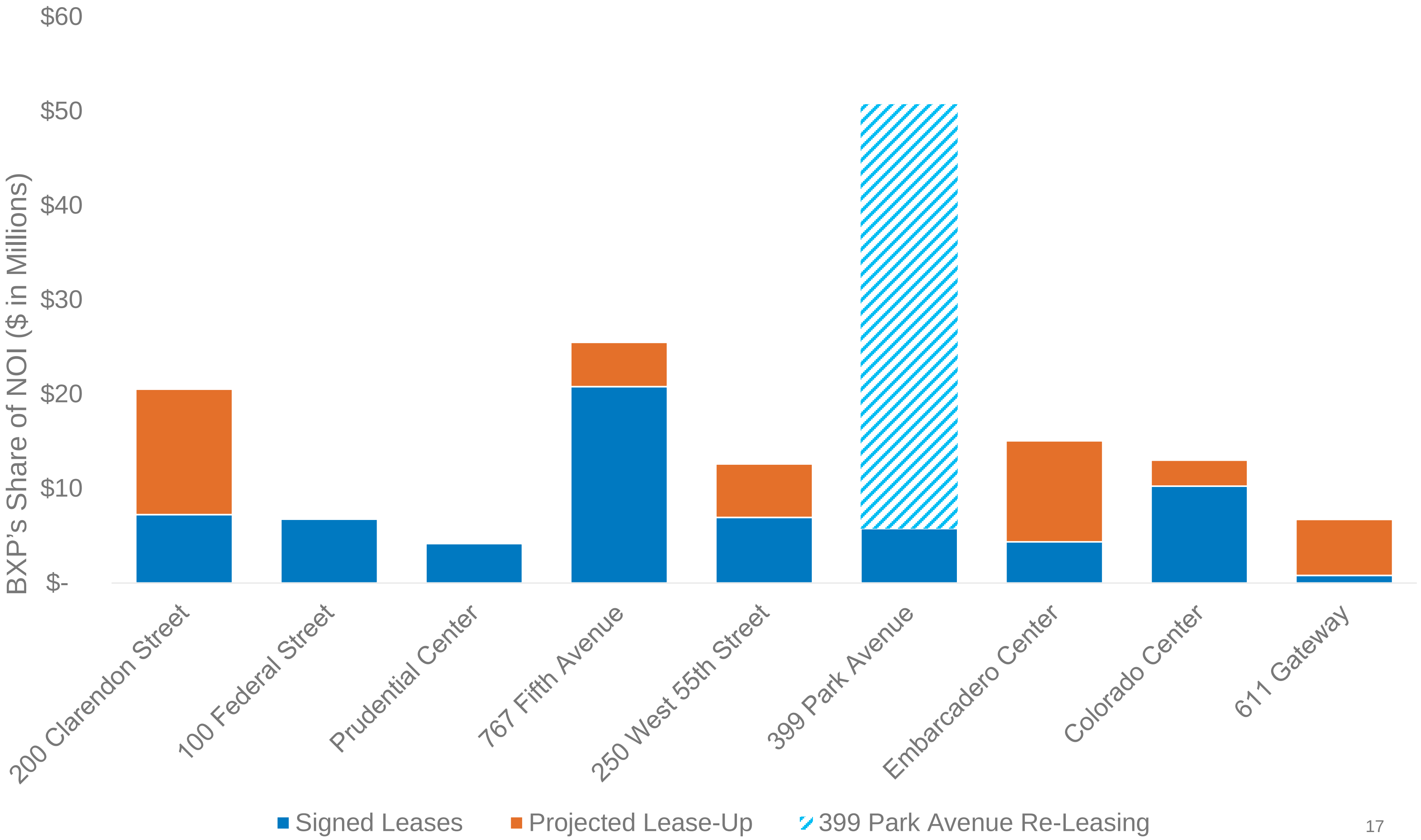
- Nine key assets are projected to generate $110 million of growth in BXP's Share of NOI by end of 2019
  - Growth is from leasing up currently vacant space and significant rent rollup on expiring leases
  - $67 million is from leases already signed
  - 399 Park Avenue will reduce NOI by $31 million from 2017 to 2018 and 525,000 square feet must be re-leased to achieve goal
  - Projected to create 350 bps of increased overall corporate occupancy

- Developments are expected to deliver approximately $241 million of growth in BXP's Share of Annualized NOI
  - Significant portion is projected to occur in 2019 with the stabilization of Salesforce Tower in San Francisco and delivery of 145 Broadway in Cambridge

Leasing Progress for Key Growth Drivers



399 Park Avenue Re-Leasing

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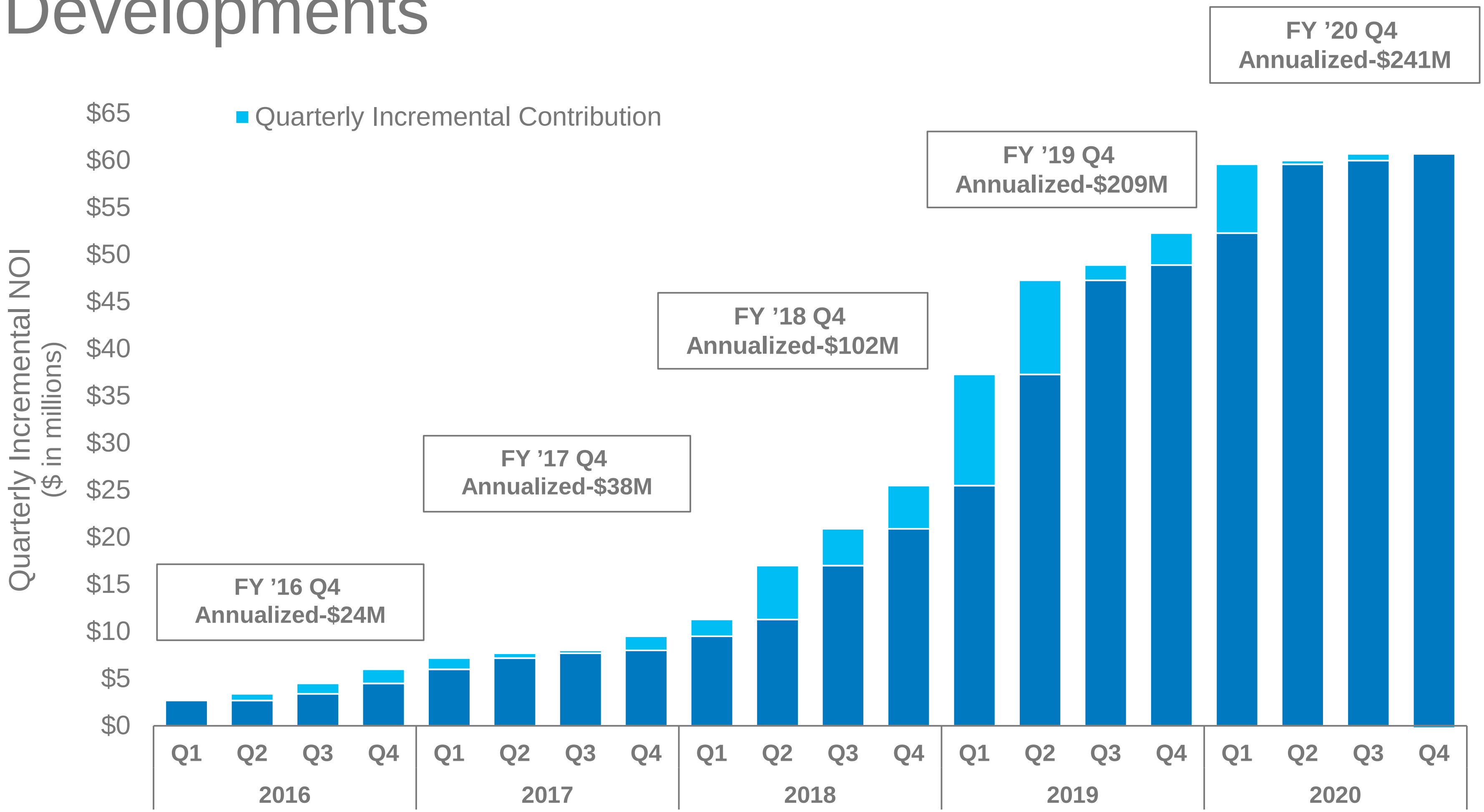
- 525,000 square feet expiring Q3 2017
  - 110,000 square feet in concourse
  - 225,000 square feet in low-rise (floors 3, 7 and 14)
  - 140,000 square feet in mid-rise (floors 18-21 and 26)
  - 50,000 square feet in high-rise (floors 38 and 39)
- Average expiring concourse rental rate $52 psf
- Average expiring office rental rate $101 psf
- $66 million building enhancement project
  - Façade modernization
  - Rooftop terraces and "Oasis in the Sky"
  - Park Avenue entrance canopy

There can be no assurance that the Company will be successful in leasing the property on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.

Projected Incremental Contribution to BXP's Share of NOI[1] from Developments



[1]Represents the projected incremental contribution to BXP's Share of NOI from developments for each period from Q4 2015, and is calculated as (A) actual/projected BXP's Share of NOI from developments for each period multiplied by four (4), less (B) BXP's Share of NOI from developments for actual Q4 of 2015 multiplied by four (4). Projected amounts are based on management's current assumptions for the lease-up of properties expected to be placed in-service between 2016 and 2020. There can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.

$351M Incremental Growth in BXP's Share of NOI from Nine Key Assets and Developments by 2020

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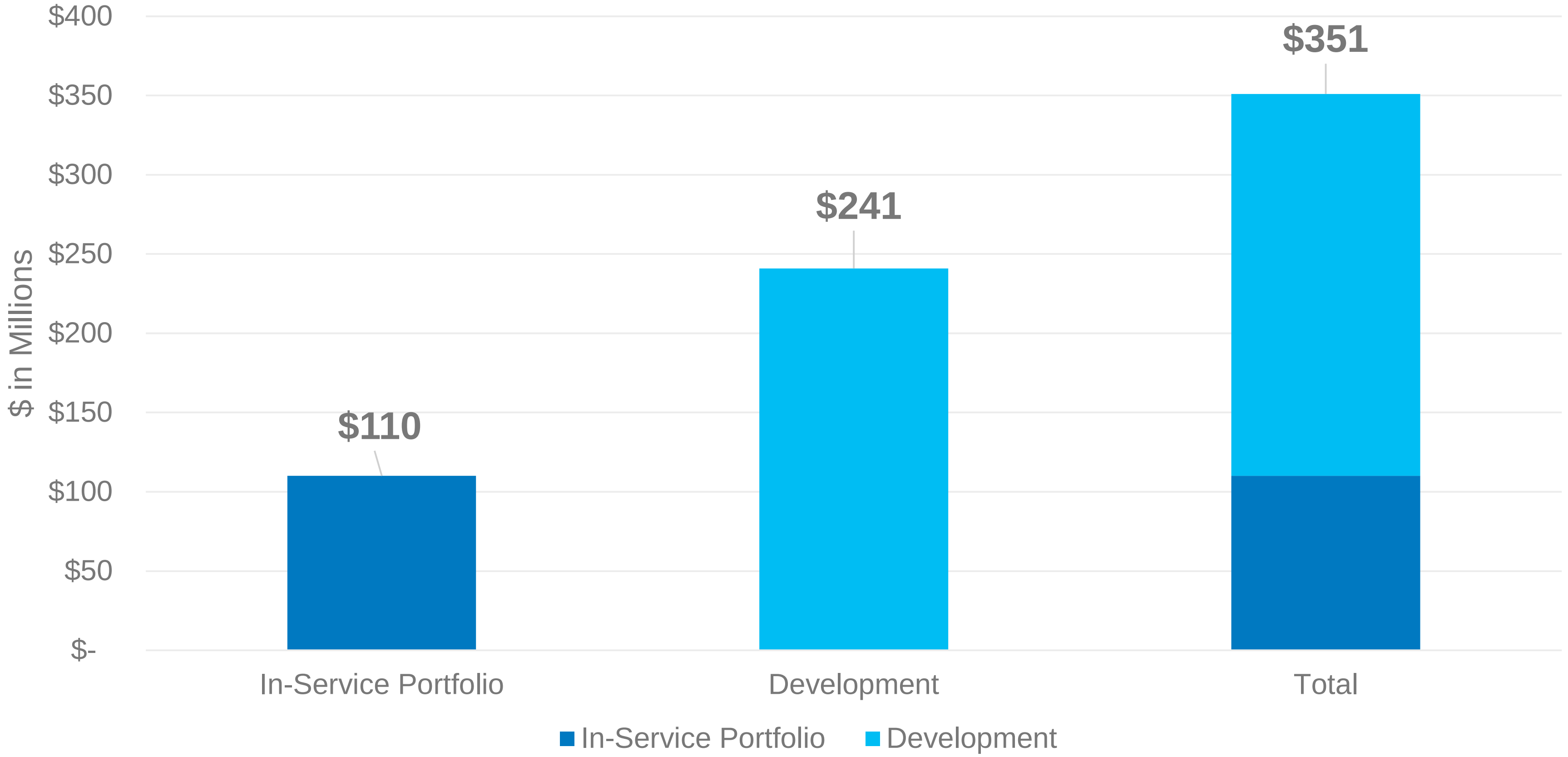
Represents a 23% Increase from Current BXP's Share of NOI



There can be no assurance that the Company will be successful in leasing the property on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.

NAV Analysis[1,2]

Boston Properties

	($ in M)
BXP's Share of Market Capitalization[1]	$32,032
Net Non-Real Estate Assets and Liabilities	1,648
Management Company Value	(207)
Land Held for Future Development	(250)
Estimated Present Value of Current Developments[2]	(3,765)
Implied In-Service Portfolio Value **(A)**	$29,458
BXP's Share of Annualized NOI (excluding termination income)[3]	$1,435
Non-Cash Components	(71)
Other Adjustments	(50)
BXP's Share of Annualized NOI[3]—Cash	$1,314
Projected Growth[4,5]	99
BXP's Share of Annualized NOI—Cash with Projected Growth **(B)**	$1,413
Implied Cap Rate **(B÷A)**	4.80%

- $132.41 BXP common stock price per share as of March 31, 2017
- Implied value PSF of in-service portfolio $718[1]
- 4.0% to 4.5% market cap rates

Cap Rate Sensitivity	Implied Stock Price	Implied Discount
4.0%	$167.69	(21.0)%
4.5%	$144.87	(8.6)%
5.2%	*$121.32 (5/31/17 closing price)*	

[1]See Appendix.
[2]For additional information, refer to the *"Projected Returns from Developments Enhance Growth"* page in this presentation. Calculations assume a weighted-average projected stabilized BXP's Share of NOI—Cash yield of 7.2% on BXP's Share of total budgeted costs, which is then valued at a 4.5% cap rate. The development value is then discounted at 4.5% to determine present value.
[3]See "Reconciliation of Net Income Attributable to Boston Properties, Inc.'s Common Shareholders to BXP's Share of Annualized NOI" in the Appendix.
[4]There can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.
[5]Calculated based on the previously communicated $110M of projected growth in BXP's Share of NOI, discounted at a 4.5%.

Projected Returns from Developments Enhance Growth[1]

Boston Properties

Average 7.2% Unleveraged Cash Return

($ in M)	2017	2018	2019	2020	Total
BXP's Share of Total Budgeted Costs of Projects Delivered[2] **(A)**	$301	$78	$1,837	$440	**$2,656**
Estimated BXP's Share of NOI upon Stabilization	$23	$6	$144	$34	**$207**
Estimated Value upon Completion (4.5% Cap Rate)[3] **(B)**					**$4,267**
Projected Value Creation **(B - A)**					**$1,611**
Projected Value Creation/Cost					**60.7%**
Projected Value Creation/Share					**$9.38**
Compounded Annual Growth Rate (CAGR)[4]					**4.6%**

[1]There can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.
[2]Development properties include existing pipeline.
[3]Calculations assume a weighted-average projected stabilized BXP's Share of NOI—Cash yield of 7.2% on BXP's Share of total budgeted costs, which is then valued at a 4.5% cap rate.
[4]CAGR is based on Q1 2017 Annualized BXP's Share of EBITDA—Cash of $1.32 billion plus cumulative projected BXP's Share of NOI upon stabilization from development deliveries through the end of Q1 2020. See Appendix.

Growth in BXP's Share of Same Property NOI—Cash[1]

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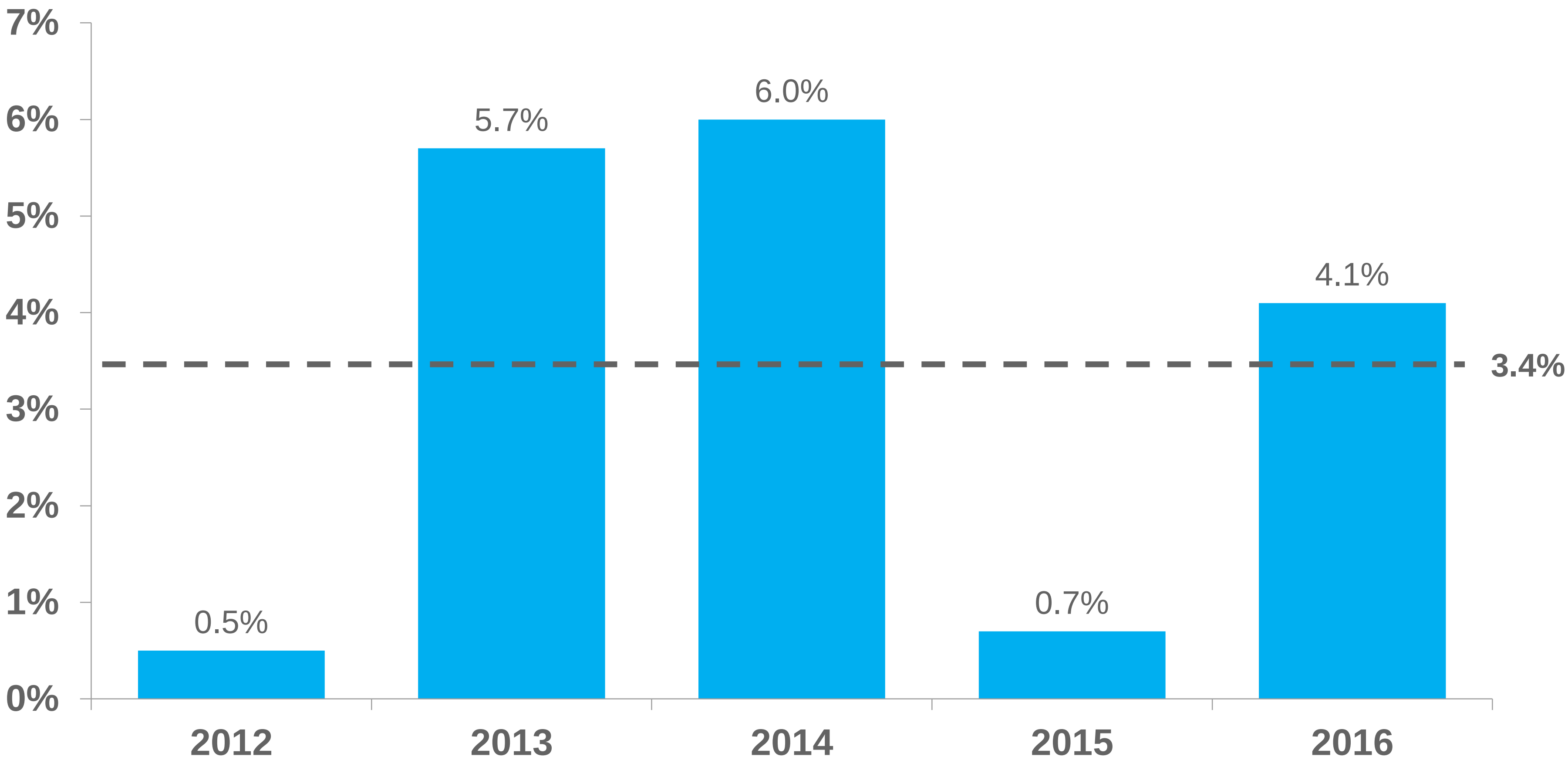
5-Year Quarterly Average = 3.4%

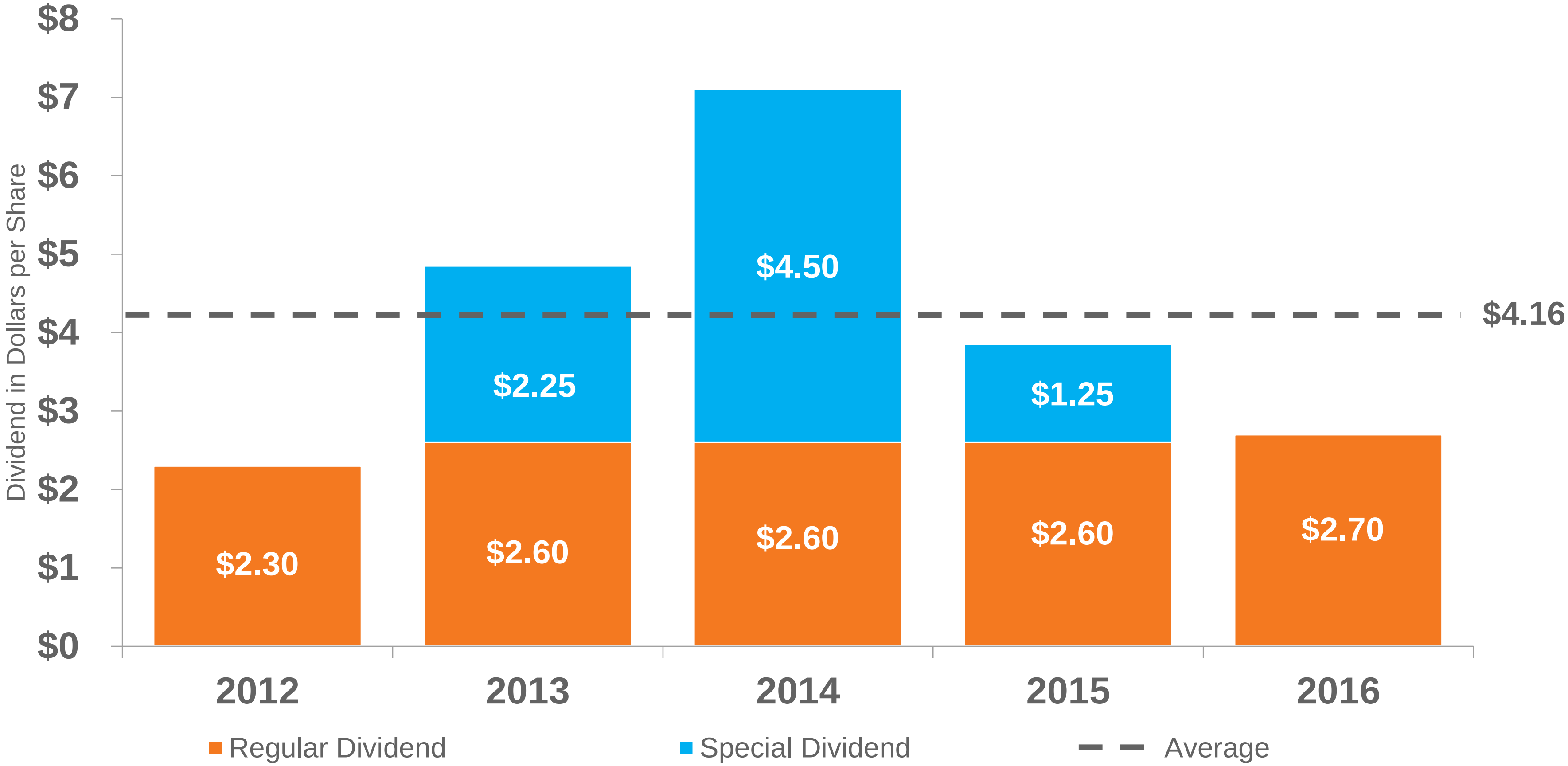


[1]See Appendix.

Returns from Dividends

Boston Properties

5-Year Average Annual Dividend Yield = 3.4%
5-year annual dividend payout = $4.16 per share
Current regular dividend annualized[1] = $3.00 per share



[1]Annualized regular dividend equals Q1 2017 dividend of $0.75 per share multiplied by four. There are can be no assurance that future dividends declared by the Company's Board of Directors will not differ materially.

Components of Return

Boston Properties

Organic Growth
3.4%

External Growth[1]
4.6%

Dividend Yield
3.4%

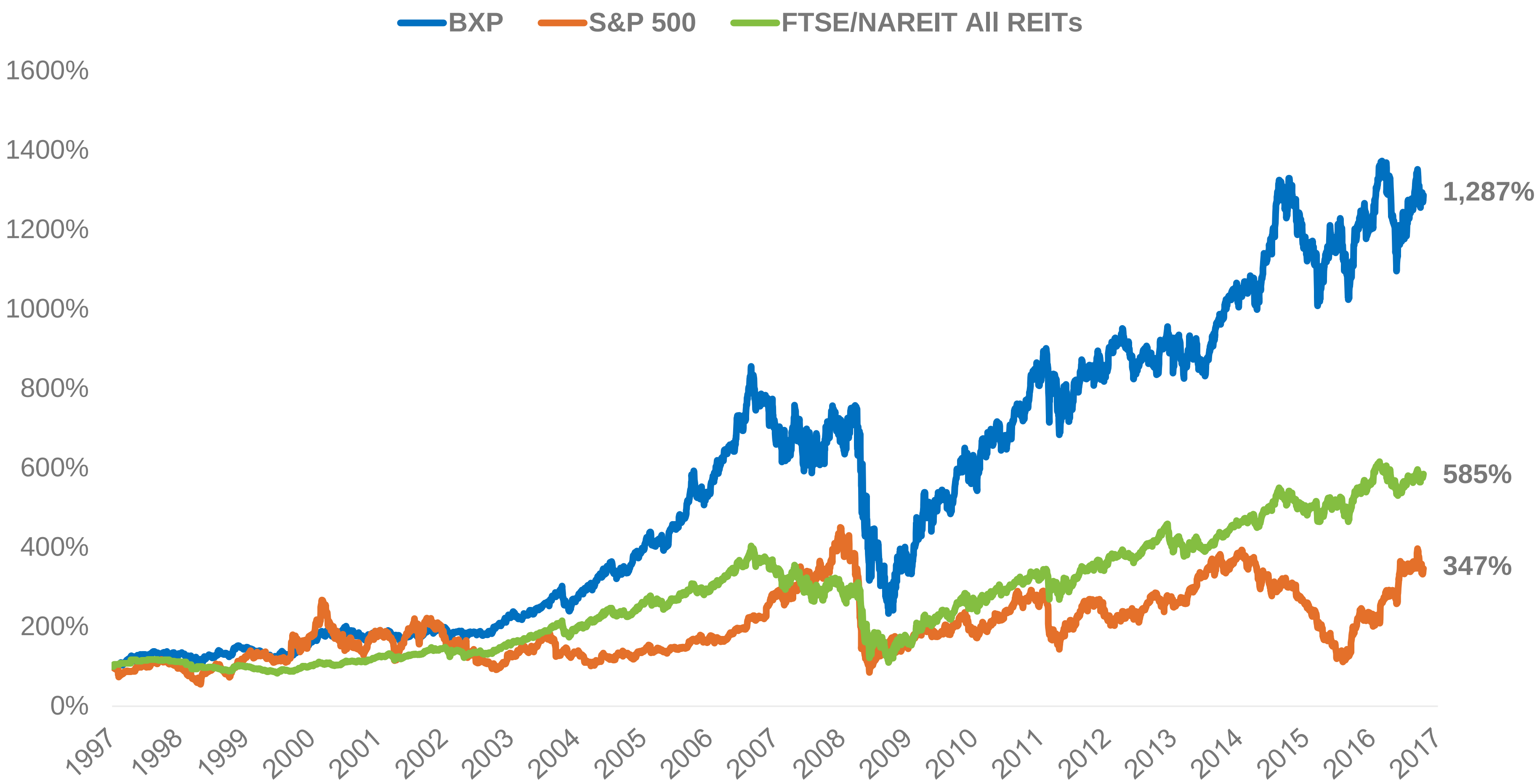
Price Increase[2]
34.6%

5-Year Annual Return
9.9%

[1]See "*Projected Returns from Developments Enhance Growth*" in this presentation for computations. There can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates. See Appendix for discussion of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements.

[2]Represents an increase in the price per share of common stock based on the closing price of $98.34 on March 30, 2012 to the closing price of $132.41 on March 31, 2017.

BXP Total Shareholder Return Since IPO of 1,287%



This graph assumes an investment of $100 on June 17, 1997 and the reinvestment of dividends. Data shown is based on the share price or index values, as applicable, as of December 31 of each year, except data for 2017 is through March 31, 2017. Source: Thomson Reuters.

Regional Snapshots

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Boston Snapshot

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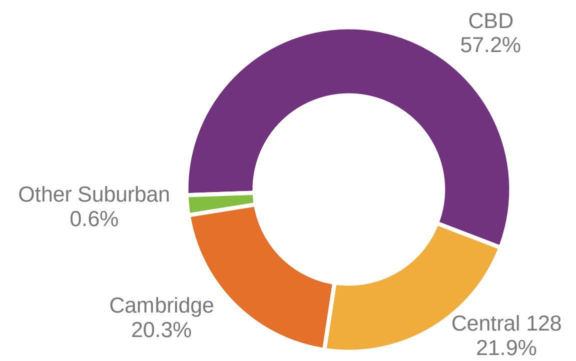
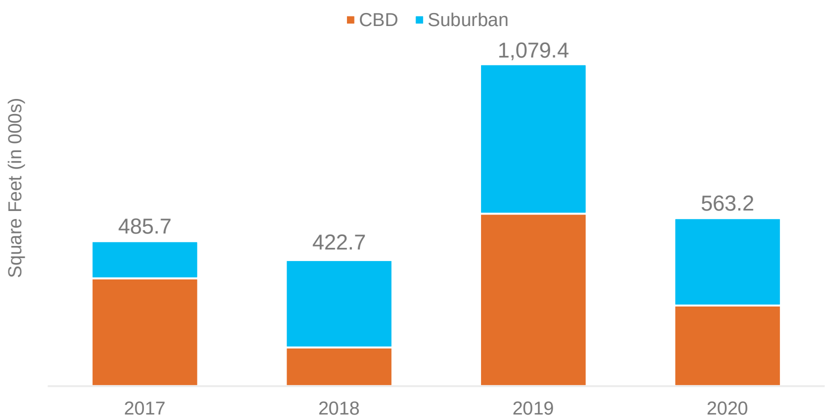
In-Service Portfolio Composition

Properties[1]	51
Total Square Feet (M)[1]	14.0
CBD Leased[1, 2]	91.7%
Suburban Leased[1, 2]	89.7%
CBD Average Rental Obligations PSF[1,2]	$60.84
Suburban Average Rental Obligations PSF[1, 2]	$37.52
BXP's Share of Annualized Revenue (M)[3]	$726
BXP's Share of Annualized NOI (M)[3]	$417

BXP's Share of NOI[3] by Submarket

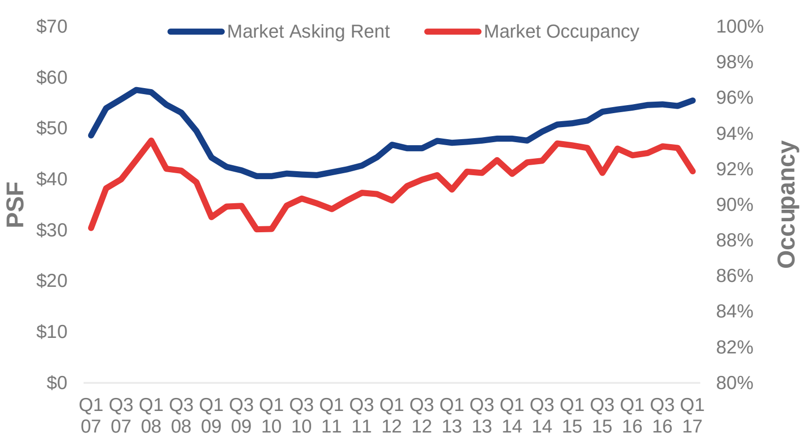


Boston Lease Roll-Over[1,4]



% of Total Portfolio Expiring	2017	2018	2019	2020
	1.1%	1.0%	2.5%	1.3%

10-Year Annual Market Rent Growth 1.5%[5]



[1]Includes 100% of consolidated and unconsolidated joint venture properties.
[2]Represents signed leases for which revenue recognition has commenced in accordance with GAAP. Excludes hotel and residential properties.
[3]Excludes termination income. See Appendix.
[4]Roll-over excludes hotel and residential properties.
[5]Market rents are based on data provided by Econometric Advisors and are weighted based on the Company's submarkets and its Annualized Rental Obligations.

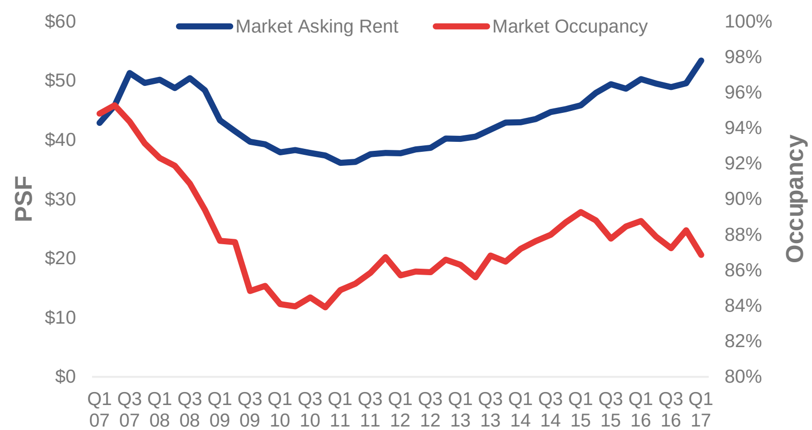
Los Angeles Snapshot

Boston Properties

In-Service Portfolio Composition

Properties[1]	6
Total Square Feet (M)[1]	1.1
CBD Leased[1,2]	84.0%
CBD Average Rental Obligations PSF	$57.38

10-Year Annual Market Rent Growth 2.5%[3]



Colorado Center

[1]Consists of the unconsolidated joint venture that owns Colorado Center.
[2]Represents signed leases for which revenue recognition has commenced in accordance with GAAP.
[3]Market rents are weighted based on square footage within the West Los Angeles submarket. Data provided by Econometric Advisors.

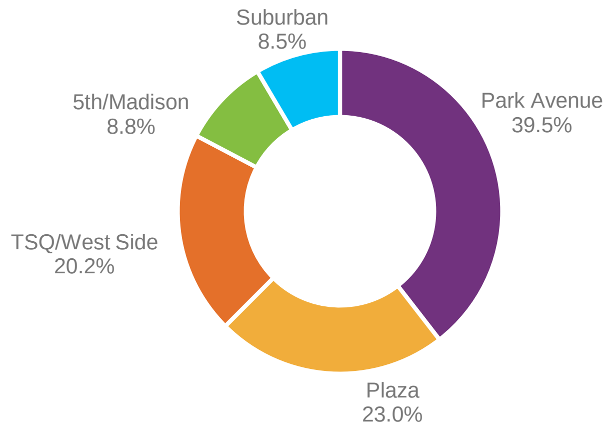
New York Snapshot

Boston Properties

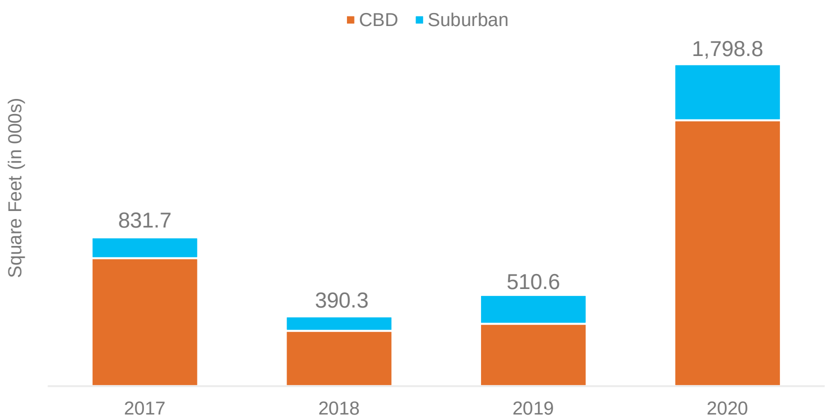
In-Service Portfolio Composition

Properties[1]	26
Total Square Feet (M)[1]	11.5
CBD Leased[1,2]	94.3%
Suburban Leased[2,3]	87.1%
CBD Average Rental Obligations PSF[1,2]	$102.50
Suburban Average Rental Obligations PSF[2,3]	$35.43
BXP's Share of Annualized Revenue (M)[4]	$747
BXP's Share of Annualized NOI (M)[4]	$452

BXP's Share of NOI[4] by Submarket

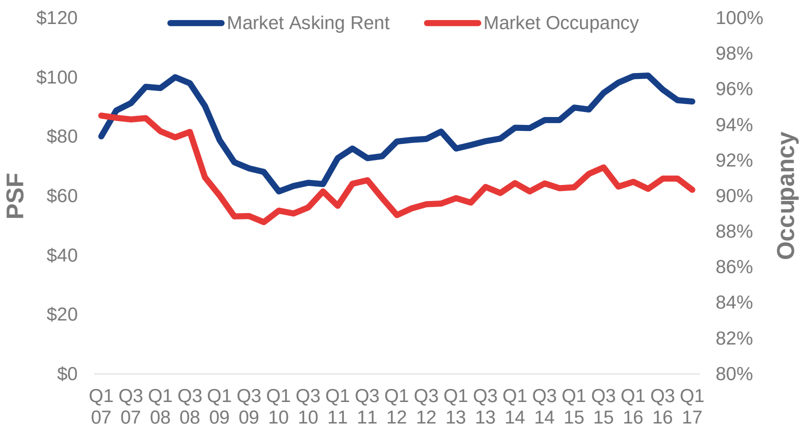


New York Lease Roll-Over



	2017	2018	2019	2020
% of Total Portfolio Expiring	1.9%	0.9%	1.2%	4.2%

10-Year Annual Market Rent Growth 1.5%[5]



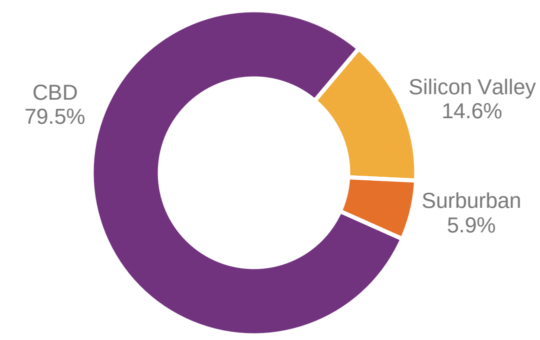
[1]Includes 100% of consolidated and unconsolidated joint venture properties.
[2]Represents signed leases for which revenue recognition has commenced in accordance with GAAP.
[3]Excludes One Tower Center in East Brunswick, New Jersey, which is 21.8% leased.
[4]Excludes termination income. See Appendix.
[5]Market rents are based on data provided by Econometric Advisors and are weighted based on the Company's submarkets and its Annualized Rental Obligations.

San Francisco Snapshot

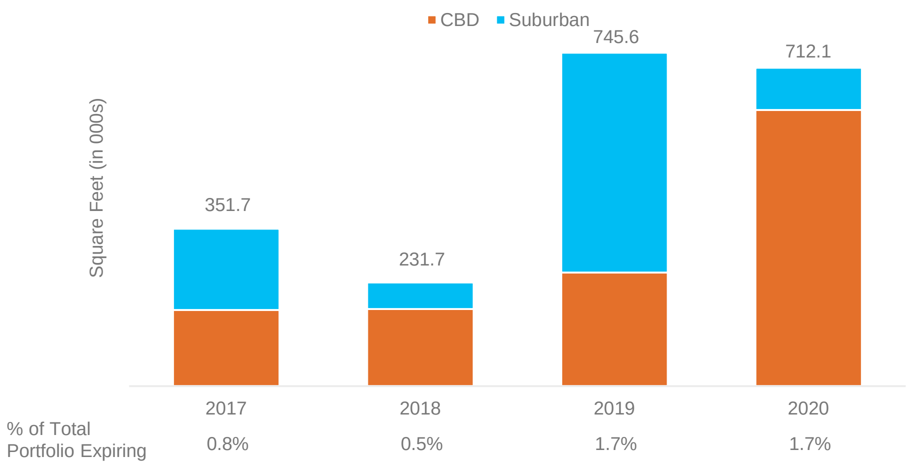
In-Service Portfolio Composition

Properties	34
Total Square Feet (M)	6.1
CBD Leased[1]	92.5%
Suburban Leased[1]	88.1%
CBD Average Rental Obligations PSF[1]	$64.32
Suburban Average Rental Obligations PSF[1]	$38.31
BXP's Share of Annualized Revenue (M)[2]	$339
BXP's Share of Annualized NOI (M)[2]	$241

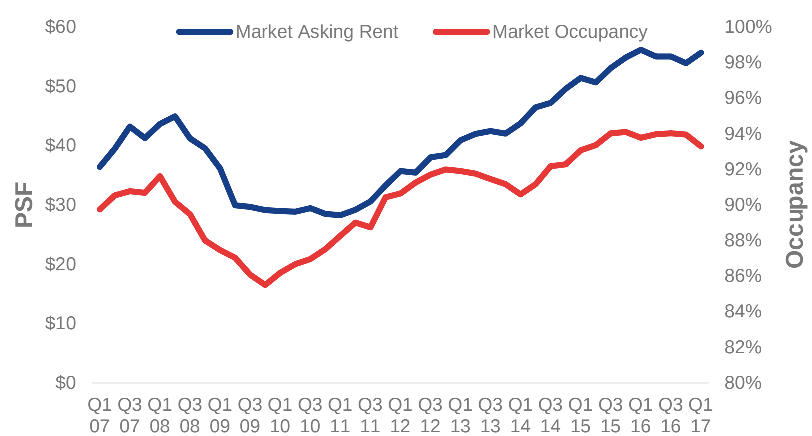
BXP's Share of NOI[2] by Submarket



San Francisco Lease Roll-Over



10-Year Annual Market Rent Growth 4.8%[3]



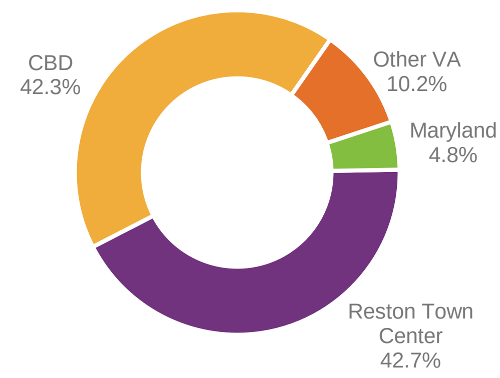
[1]Represents signed leases for which revenue recognition has commenced in accordance with GAAP.
[2]Excludes termination income. See Appendix.
[3]Market rents are based on data provided by Econometric Advisors and are weighted based on the Company's submarkets and its Annualized Rental Obligations.

Washington, DC Snapshot

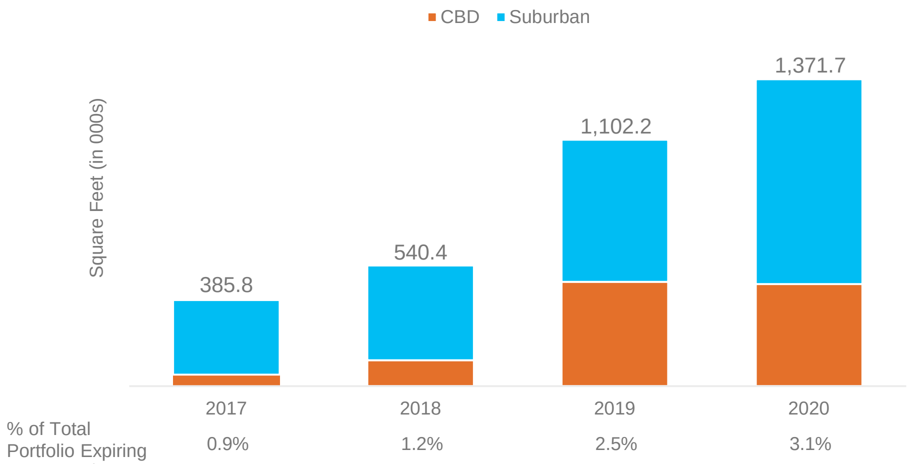
In-Service Portfolio Composition

Properties[1]	49
Total Square Feet (M)[1]	10.9
CBD Leased[1,2]	91.4%
Suburban Leased[1,2]	89.0%
CBD Average Rental Obligations PSF[1,2]	$64.59
Suburban Average Rental Obligations PSF[1,2]	$43.97
BXP's Share of Annualized Revenue (M)[3]	$466
BXP's Share of Annualized NOI (M)[3]	$300

BXP's Share of NOI[3] by Submarket



Washington, DC Lease Roll-Over[1,4]



10-Year Annual Market Rent Growth 0.6%[5]

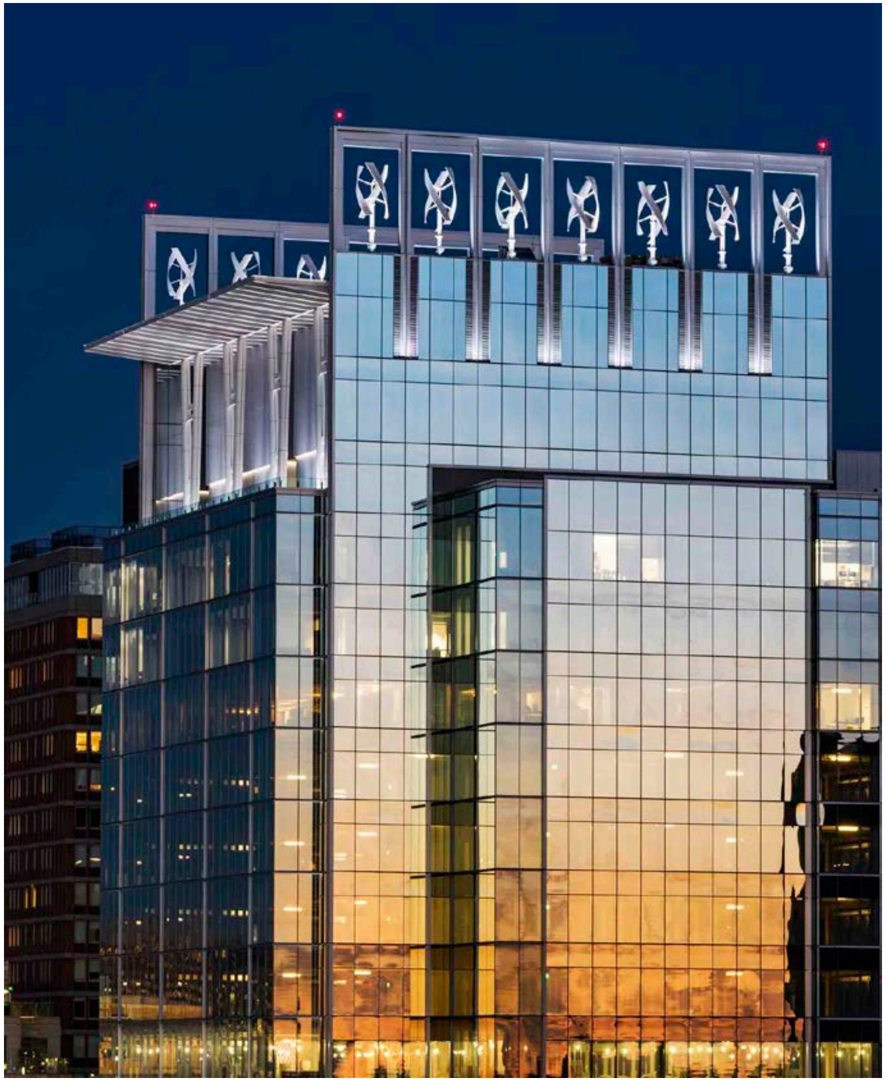
[1]Includes 100% of unconsolidated joint venture properties.
[2]Represents signed leases for which revenue recognition has commenced in accordance with GAAP. Excludes the residential units.
[3]Excludes termination income. See Appendix.
[4]Roll-over excludes residential units.
[5]Market rents are based on data provided by Econometric Advisors and are weighted based on the Company's submarkets and its Annualized Rental Obligations.



Development Case Studies



888 Boylston Street, Boston



- 17 stories; 425,000 square feet, including 60,000 square feet of retail space
- 88.7% of office space leased
- Anticipate USGBC LEED® Platinum
- Eataly is a 45,000 square foot, bustling Italian marketplace with restaurants, take-away counters and a cooking school

Data through May 31, 2017.

The Hub on Causeway, Boston

bxp Boston Properties

- 385,000 square feet (Phase I)
  - 210,000 square feet of retail space
  - 175,000 square feet of office space
- 76% of retail space pre-leased[1]
- Initial delivery estimated in Q1 2019
- 50% joint venture with Delaware North
- Attached to major transit station and entrance to TD Garden sports arena

[1]Data through May 31, 2017.

145 Broadway, Cambridge

bxp Boston Properties

- 19 stories; 480,000 square feet, including 3,500 square feet of retail space
- 100% of office space pre-leased to Akamai Technologies
- Initial delivery estimated in Q4 2019
- Anticipate USGBC LEED® Gold
- Located in the heart of Kendall Center

Data through of May 31, 2017.

191 Spring Street, Lexington

- Major repositioning of five-story, 160,000 square foot building along Route 128 Corridor, originally built in 1971
- Improvements include:
  - Reskinning south façade
  - Replacing exterior glazing on east, south and west façades with factory-style windows
  - Repairing exterior walls
  - Overhauling outdated building mechanical systems
  - Lobby renovation and construction of amenity spaces, including new roof terrace
- 10-year lease with major tech tenant for 49% of RSF

Data through of May 31, 2017.

Dock 72 (Brooklyn Navy Yard)

bxp Boston Properties

- 16-stories; 670,000 square feet
- 33% pre-leased to WeWork
- 40,000-60,000 square foot floorplates
- Initial delivery estimated in Q2 2018 and stabilization in Q1 2020

Data through of May 31, 2017.

One Five Nine East 53rd Street, New York

- Repositioning of retail and low-rise office space at 601 Lexington Avenue
  - Six stories; 220,000 square feet, including office, retail and a public marketplace
- Creation of new high-value prime retail space
  - Transforms an inward facing concourse into a vibrant retail experience
- New dedicated street-level entrance and lobby for low-rise office floors
- Rooftop terraces on each floor
- Initial delivery estimated in Q4 2018 and stabilization estimated in Q4 2019

Data through of May 31, 2017.

Salesforce Tower, San Francisco

- 61 stories; 1.4 million square feet
  - Full-height glass curtain wall with 10' finished ceilings
  - Highly efficient and column-free; average floor plates of 25,000 square feet
- 69% pre-leased
- Initial delivery estimated in Q1 2018
- Anticipate USGBC LEED® Platinum
- Adjacent to the Transbay Transit Center, a $4 billion public/private investment

Data through of May 31, 2017.

Cambridge and Reston Residential Projects

Proto at Cambridge (left)

- 164,000 square feet
- 274 units
- 9,000 square feet of retail space
- Initial delivery estimated in Q2 2018
- Located in the heart of Kendall Center

Signature at Reston (right)

- 514,600 square feet
- 508 units
- 24,600 square feet of retail space
- Initial delivery estimated in Q1 2018
- Located in the urban core of Reston Town Center

Data through of May 31, 2017.

Boston Properties

Sustainability

Sustainability Highlights

Established energy, greenhouse gas emissions, water and waste goals, with 2020 reduction targets below a 2008 baseline

Reduced like-for-like energy use by 6.9% from 2015 to 2016, saving an estimated $10.4M in annual utility costs

Four onsite solar photovoltaic systems produce enough power to energize more than 100 U.S. households.

Reduced water use intensity by 21.8% since 2008, saving 160 million gallons of water annually

Increased recycling rate from 36% in 2008 to 57% in 2016

Selected as a Green Lease Leader by the Better Buildings Alliance in 2017

Sustainability Certification and Recognition

Boston Properties

- 17.1 million square feet LEED Certified
- 95% at Gold and Platinum Levels
- All new development projects are pursuing LEED Silver certification or better

- Executive Member of EPA's Certification Nation program
- 62 ENERGY STAR certified properties
- 68% of eligible floor area

- Ranked 36th out of 733 global companies in 2016 (among the top 5% of all participants)
- Achieved highest "Green Star" last 5 years and a GRESB 5-Star Rating

- 2014 Special Recognition – Most Improved Leader in the Light Award
- 2015 Leader in the Light Award Joint Winner

Sustainability Goals

We have adopted goals with the following specific time-frames, metrics and targets below a 2008 baseline.

GOAL	PROGRESS	NOTES
15x20 Energy Use Reduction Reduce energy use intensity, targets a 15% reduction by 2020. Units are kBtu/SF.		BXP achieved this goal in 2016. The Company exceeded the 15x20 target, recording a 19.8% energy use intensity reduction since 2008. During the 2017 performance period, we will consider establishing a new Energy Use Reduction Goal.
20x20 Greenhouse Gas Reduction Reduce Scope 1 and Scope 2 greenhouse gas emissions intensity, targets a 20% reduction by 2020. Units are kgCO_2e/SF.		BXP achieved this goal in 2016. The Company exceeded the 20x20 target, recording a 31.5% greenhouse gas reduction since 2008. During the 2017 performance period, we will consider establishing a new Greenhouse Gas Reduction Goal.
20x20 Water Use Reduction Reduce water use intensity, targets a 20% reduction by 2020. Units are gallons/SF.		BXP achieved this goal in 2016. The Company exceeded the 20x20 target, recording a 21.8% reduction since 2008. During the 2017 performance period, we will consider establishing a new Water Use Reduction Goal.
65x20 Waste Diversion Increase waste diverted from landfill, targets a 65% diversion rate by 2020. Units are % diverted.		73% complete. BXP continues to make progress towards achieving a waste diversion rate of 65%.

Appendix

This presentation contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by the Company's use of the words "assumes," "believes," "budgeted," "estimates," "expects," "guidance," "intends," "may," "might," "plans," "projections," "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 the Company's control and could materially affect actual results, performance or achievements.

Some of the risks and uncertainties that may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- if there is a negative change in the economy, including without limitation, a reversal of current job growth trends and an increase in unemployment, it could have a negative effect on the following, among other things:
  - the fundamentals of the Company's business, including overall market occupancy, tenant space utilization, and rental rates;
  - the financial condition of its tenants, many of which are financial, legal, media/telecommunication, technology and other professional firms, its lenders, counterparties to its derivative financial instruments and institutions that hold its cash balances and short-term investments, which may expose the Company to increased risks of default by these parties; and
  - the value of the Company's real estate assets, which may limit its ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by its properties or on an unsecured basis;
- volatile or adverse global economic and political conditions, and dislocations in the credit markets, could adversely affect the Company's access to cost-effective capital and have a resulting material adverse effect on its business opportunities, results of operations and financial condition;
- general risks affecting the real estate industry (including, without limitation, the inability to enter into or renew leases, tenant space utilization, dependence on tenants' financial condition, and competition from other developers, owners and operators of real estate);
- failure to manage effectively the Company's growth and expansion into new markets and sub-markets or to integrate acquisitions and developments successfully;
- the ability of the Company's joint venture partners to satisfy their obligations;
- risks and uncertainties affecting property development and construction (including, without limitation, construction delays, increased construction costs, cost overruns, inability to obtain necessary permits, tenant accounting considerations that may result in negotiated lease provisions that limit a tenant's liability during construction, and public opposition to such activities);
- risks associated with the availability and terms of financing and the use of debt to fund acquisitions and developments and/or refinance existing indebtedness, including the impact of higher interest rates on the cost and/or availability of financing;
- risks associated with forward interest rate contracts and the effectiveness of such arrangements;

- risks associated with downturns in the national and local economies, increases in interest rates, and volatility in the securities markets;
- risks associated with actual or threatened terrorist attacks;
- costs of compliance with the Americans with Disabilities Act and other similar laws;
- potential liability for uninsured losses and environmental contamination;
- risks associated with security breaches through cyber attacks, cyber intrusions or otherwise, as well as other significant disruptions of the Company's information technology (IT) networks and related systems, which support its operations and buildings;
- risks associated with Boston Properties, Inc.'s potential failure to qualify as a REIT under the Internal Revenue Code of 1986, as amended;
- possible adverse changes in tax and environmental laws;
- the impact of newly adopted accounting principles on the Company's accounting policies and on period-to-period comparisons of financial results;
- risks associated with possible state and local tax audits; and
- risks associated with the Company's dependence on key personnel whose continued service is not guaranteed.

The Company expressly disclaims any duty to update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, future events or otherwise, and you should not rely upon these forward-looking statements after the date of this report.

This Appendix contains definitions of certain non-GAAP financial measures and other terms that the Company uses in this presentation and, where applicable, quantitative reconciliations of the differences between the non-GAAP financial measures and the most directly comparable GAAP financial measures, 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, if any, 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 filed with or furnished to the SEC from time to time.

The Company also presents **"BXP's Share"** of certain of these measures, which is defined as the consolidated amount, plus the Company's share of the measure from its unconsolidated joint ventures (calculated based upon the Company's percentage ownership interest), minus the Company's partners' share of the amount from its consolidated joint ventures (calculated based upon the partners' percentage ownership interests). Management believes that the presentation of "BXP's Share" of these measures provides useful information to investors regarding the Company's financial condition and/or results of operations because it includes the Company's share of the applicable amount from unconsolidated joint ventures and excludes the Company's partners' share from consolidated joint ventures, presented on the same basis. The Company has several significant joint ventures and presenting various 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 any amounts 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 the 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 prepared in accordance with GAAP. "BXP's Share" of an amount, as set forth in this presentation, is calculated in the same manner as amounts previously referred to as "BXP's Share" of a Combined amount (e.g., "BXP's Share of Annualized NOI," as presented in this presentation, is calculated in the same manner and is comparable to "BXP's Share of Annualized Combined NOI" presented in prior presentations). The Company has made this change in terminology because it believes that this change will assist investors to more easily and clearly understand these measures and better align the terminology that the Company is using with the terminology that other companies are using for measures calculated in a similar manner.

Annualized Revenue

Annualized Revenue is defined as revenue (excluding termination income) for the quarter ended March 31, 2017, multiplied by four (4). The Company believes that the presentation of Annualized Revenue provides useful information to investors because it enables investors to more easily compare quarterly revenue to revenue for full fiscal years, which can provide useful trend data. In addition, the Company believes that excluding termination income (and thus not annualizing it) allows investors to compare operating performance between periods without taking into account termination income, which can distort the results for any given period because termination income generally represents 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. Annualized Revenue should not be considered a substitute for revenue in accordance with GAAP and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

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).

Debt to Market Capitalization Ratio

Consolidated Debt to Consolidated Market Capitalization Ratio is defined as consolidated debt as a percentage of the market value of the Company's outstanding equity securities plus the Company's consolidated debt, and it is a measure of leverage commonly used by analysts in the REIT sector. Consolidated Market Capitalization is the sum of (A) the Company's consolidated debt plus (B) 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 and (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 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, 2015, 2016 and 2017 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.

EBITDA

Consolidated EBITDA 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 preferred dividends, net income attributable to noncontrolling interests, interest expense, losses from interest rate contracts, losses (gains) from investments in securities, losses (gains) from early extinguishments of debt, depreciation and amortization and impairment losses, less discontinued operations, gains on sales of real estate, interest and other income, gains on consolidation of joint ventures, gain on sale of investment in unconsolidated joint venture and income from unconsolidated joint ventures. The Company uses consolidated EBITDA internally as a performance measure and believes consolidated EBITDA provides useful information to investors regarding its financial condition and results of operations at the corporate level because, when compared across periods, consolidated EBITDA reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, general & administrative costs and acquisition and development activities on an unleveraged basis, providing perspective not immediately apparent from net income attributable to Boston Properties, Inc. common shareholders.

In some cases the Company also presents (A) **EBITDA—Cash**, which is EBITDA after eliminating the effects of straight-line rent and fair value lease revenue and adding straight-line ground rent expense and stock-based compensation expense, and (B) **Annualized EBITDA**, which is EBITDA for the applicable fiscal quarter ended multiplied by four (4). Presenting EBITDA—Cash allows investors to compare EBITDA 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, fair value lease revenues, because of historical cost accounting, may distort operating performance measures at the property level. Additionally, presenting EBITDA 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 revenues 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 EBITDA provides useful information to investors regarding the Company's results of operations because it enables investors to more easily compare quarterly EBITDA to EBITDA from full fiscal years.

Consolidated EBITDA presented by the Company may not be comparable to consolidated EBITDA reported by other companies that define consolidated EBITDA differently. The Company believes that in order to facilitate a clear understanding of its operating results, consolidated EBITDA should be examined in conjunction with net income attributable to Boston Properties, Inc. common shareholders as presented in the Company's consolidated financial statements. Consolidated EBITDA 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 is calculated by the Company as **BXP's Share of EBITDA–Cash** divided by Total Fixed Charges. BXP's Share of EBITDA–Cash is a non-GAAP financial measure equal to BXP's Share of EBITDA after eliminating the effects of straight-line rent and fair value lease revenue and adding straight-line ground rent expense and stock-based compensation expense. **Total Fixed Charges** is also a non-GAAP financial measure equal to the sum of BXP's Share of interest expense, capitalized interest, fair value interest adjustment, maintenance capital expenditures, 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 Funds from Operations (FFO, defined on subsequent page), 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, Accounting Standards Codification ("ASC") 470-20 interest expense adjustment and unearned portion of capitalized fees, (2) eliminating the effects of straight-line rent, straight-line ground rent expense adjustment, fair value interest adjustment 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 the National Association of Real Estate Investment Trusts (“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, real estate-related depreciation and amortization, and the Company's share of income (loss) from unconsolidated partnerships and joint ventures. 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 accordance with 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.

Net Debt

Net Debt is equal to the Company’s consolidated debt plus special dividends payable less cash and cash equivalents and cash held in escrow for potential Section 1031 like kind exchange(s). The Company’s management 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 EBITDA.** 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 EBITDA 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, transaction costs, impairment loss, depreciation and amortization, interest expense and losses from interest rate contracts, less (2) discontinued operations, gains on sales of real estate, development and management services income, income from unconsolidated joint ventures, gain on sale of investment in unconsolidated joint venture, gains on consolidation of 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-lining of rent, fair value lease revenue, ground rent expense, and lease transaction costs that qualify as rent inducements in accordance with GAAP and (2) NOI and NOI – cash, in each case excluding termination income. **(continued on next page)**

Net Operating Income (NOI) ***(continued)***

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, 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, 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 it generally represents multiple months or years of a tenant's rental obligations that is paid in a lump sum in connection with a negotiated early termination of the tenant's lease and is 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.

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."

Projected FFO

The Company's guidance for the second quarter 2017 and full year 2017 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 and the earnings impact of the events referenced in the earnings release issued on April 25, 2017 and otherwise referenced during the Company's conference call on April 26, 2017. 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:

	Second Quarter 2017			Full Year 2017		
	Low		High	Low		High
Projected EPS (diluted)	$ 0.77	-	$ 0.79	$ 2.60	-	$ 2.68
Add:						
Projected Company's share of real estate depreciation and amortization	0.86	-	0.86	3.57	-	3.57
Less:						
Projected Company's share of gains on sales of real estate	0.02	-	0.02	0.02	-	0.02
Projected FFO per share (diluted)	$ 1.61	-	$ 1.63	$ 6.15	-	$ 6.23

Projected Growth in FFO Per Share (diluted)

	Actual 2016	Midpoint of Projected 2017	Percentage Increase/Decrease
Earnings per share (diluted)	$ 3.26	$ 2.64	(19.0%)
Add:			
Company's share of real estate depreciation and amortization	3.59	3.57	
Less:			
Gains on sale of investment in unconsolidated joint venture	0.35	-	
Gains on sales or real estate	0.47	0.02	
FFO per share (diluted)	$ 6.03	$ 6.19	2.7%
Adjustments:			
Termination income	(0.34)	(0.13)	
Projected Growth in FFO per share (diluted)	$ 5.69	$ 6.06	6.5%

BXP'S SHARE OF ANNUALIZED REVENUE

(dollars in thousands)

	Quarter ended March 31, 2017
Revenue	$ 632,228
Add:	
BXP's share of revenue from unconsolidated Joint Ventures ("JVs")[1]	25,650
Less:	
Partners' share of revenue from consolidated JVs[2]	(70,178)
Termination income	(3,918)
BXP's share of termination income from unconsolidated JVs[1]	(316)
Add:	
Partners' share of termination income from consolidated JVs[2]	1,310
BXP's Share of Revenue (excluding termination income)	$ 584,776
BXP's Share of Annualized Revenue (excluding termination income)[3]	$ 2,339,104
Add:	
Termination income	3,918
BXP's share of termination income from unconsolidated JVs[1]	316
Less:	
Partners' share of termination income from consolidated JVs[2]	(1,310)
BXP's Share of Annualized Revenue	$ 2,342,028

[1]See “Joint Ventures-Unconsolidated” in this Appendix.
[2]See “Joint Ventures-Consolidated” in this Appendix.
[3]BXP's Share of Annualized Revenue (excluding termination income) represents BXP's Share of Revenue (excluding termination income), multiplied by four (4).

DEBT TO EBITDA RATIOS

(dollars in thousands)

	Quarter Ended	Year Ended December 31,			
	March 31, 2017	2016	2015	2014	2013
Consolidated Debt	$ 9,886,845	$ 9,796,133	$ 9,188,543	$ 10,086,984	$ 11,521,508
Add:					
Special dividend payable	-	-	214,386	769,790	384,517
Less:					
Cash and cash equivalents	302,939	356,914	723,718	1,763,079	2,365,137
Cash held in escrow for 1031 exchange	-	-	-	433,794	-
Net Debt	9,583,906	9,439,219	8,679,211	8,659,901	9,540,888
Add:					
BXP's share of unconsolidated JV debt	317,719	318,193	351,926	349,647	327,526
Partners' share of cash and cash equivalents from consolidated JVs	105,685	108,181	85,909	104,192	60,704
Less:					
BXP's share of cash and cash equivalents from unconsolidated JVs	45,592	45,974	44,505	53,851	37,799
Partners' share of consolidated JV debt	1,138,446	1,144,473	1,168,142	1,324,910	1,063,116
BXP's Share of Net Debt **(A)**	$ 8,823,272	$ 8,675,146	$ 7,904,399	$ 7,734,979	$ 8,828,203
BXP's Share of EBITDA[1] **(B)**	$ 1,346,724 [2]	$ 1,393,495	$ 1,336,095	$ 1,321,165	$ 1,280,810
BXP's Share of Net Debt to BXP's Share of EBITDA **(A ÷ B)**	6.6	6.2	5.9	5.9	6.9

[1]See reconciliations of “EBITDA" in this Appendix

[2]For the quarter ended March 31, 2017, BXP's Share of EBITDA is annualized and calculated as the product of such amount for the quarter, multiplied by four (4).

DEBT TO MARKET CAPITALIZATION RATIOS

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

	March 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Common Stock Price at Quarter/Year End	$ 132.41	$ 125.78	$ 127.54	$ 128.69
Equity Value at Quarter/Year End **(A)**	$ 22,966,310	$ 21,805,734	$ 22,074,258	$ 22,214,860
Consolidated Debt **(B)**	$ 9,886,845	$ 9,796,133	$ 9,188,543	$ 10,086,984
Add:				
BXP's share of unconsolidated JV debt	317,719	318,193	351,926	349,647
Less:				
Partners' share of consolidated JV debt	1,138,446	1,144,473	1,168,142	1,324,910
BXP's Share of Debt **(C)**	$ 9,066,118	$ 8,969,853	$ 8,372,327	$ 9,111,721
Consolidated Market Capitalization **(A + B)**	$ 32,853,155	$ 31,601,867	$ 31,262,801	$ 32,301,844
Consolidated Debt/Consolidated Market Capitalization **[B ÷ (A + B)]**	30.09%	31.00%	29.39%	31.23%
BXP's Share of Market Capitalization **(A + C)**	$ 32,032,428	$ 30,775,587	$ 30,446,585	$ 31,326,581
BXP's Share of Debt/BXP's Share of Market Capitalization **[C ÷ (A + C)]**	28.30%	29.15%	27.50%	29.09%

EBITDA

(dollars in thousands)

	Quarter Ended		Year Ended December 31,			
	March 31, 2017		2016	2015	2014	2013
Net Income Attributable to Boston Properties, Inc. Common Shareholders	$ 97,083		$ 502,285	$ 572,606	$ 433,111	$ 741,754
Add:						
Preferred Dividends	2,625		10,500	10,500	10,500	8,057
Net Income Attributable to Noncontrolling Interests	15,856		57,192	216,812	82,446	91,629
Losses from Interest Rate Contracts	-		140	-	-	-
Losses (Gains) from Early Extinguishments of Debt	-		371	22,040	10,633	(122)
Interest Expense	95,534		412,849	432,196	455,743	446,880
Losses (Gains) from Investments in Securities	(1,042)		(2,273)	653	(1,038)	(2,911)
Depreciation and Amortization	159,205		694,403	639,542	628,573	560,637
Impairment Loss	-		1,783	-	-	8,306
Less:						
Discontinued Operations	-		-	-	-	137,792
Gains on Sales of Real Estate	133		80,606	375,895	168,039	-
Interest and Other Income	614		7,230	6,777	8,765	8,310
Gains on Consolidation of JVs	-		-	-	-	385,991
Gain on Sale of Investment in Unconsolidated JV	-		59,370	-	-	-
Income from Unconsolidated JVs	3,084		8,074	22,770	12,769	75,074
Consolidated EBITDA	365,430		1,521,970	1,488,907	1,430,395	1,247,063
BXP's share of NOI from Unconsolidated JVs	15,777	1	50,031	47,308	45,116	107,527
Less:						
Partners' share of NOI from Consolidated JVs	44,526	2	178,506	200,120	154,346	73,780
BXP's Share of EBITDA	$ 336,681		$ 1,393,495	$ 1,336,095	$ 1,321,165	$ 1,280,810
BXP's Share of EBITDA	$ 336,681		$ 1,393,495	$ 1,336,095	$ 1,321,165	$ 1,280,810
Add:						
Lease Transaction Costs that Qualify as Rent Inducements[3]	682		8,853	12,667	9,006	9,679
BXP's share of Lease Transaction Costs that Qualify as Rent Inducements from Unconsolidated JVs[3]	132		58	2,161	1,234	-
Straight-Line Ground Rent Expense Adjustment	639		3,951	(790)	6,793	7,156
Stock-Based Compensation Expense	10,802		32,911	29,183	28,099	45,155
Less:						
Partners' share of Lease Transaction Costs that Qualify as Rent Inducements from Consolidated JVs[3]	-		17	2,167	737	-
Straight-Line Rent and Fair Value Lease Revenue	17,413		64,120	115,896	111,325	93,820
BXP's share of Straight-Line Rent and Fair Value Lease Revenue from Unconsolidated JVs	4,056	1	10,835	2,588	1,881	24,865
Add:						
Partners' share of Straight-Line Rent and Fair Value of Lease Revenue from Consolidated JVs	2,165	2	14,343	25,866	21,105	10,365
BXP's Share of EBITDA—Cash	$ 329,632		$ 1,378,639	$ 1,284,531	$ 1,273,459	$ 1,234,480

[1]See “Joint Ventures-Unconsolidated” in this Appendix.
[2]See “Joint Ventures-Consolidated” in this Appendix.
[3]Lease transaction costs are generally included in second generation tenant improvements and leasing commissions in the period in which the lease commences.

FIXED CHARGE COVERAGE RATIO

(dollars in thousands)

	Quarter Ended	Year Ended December 31,		
	March 31, 2017	2016	2015	2014
Fixed Charges				
Interest expense	$ 95,534	$ 412,849	$ 432,196	$ 455,743
Partners' share of interest expense from consolidated JVs	(17,259)	(69,204)	(89,580)	(78,753)
BXP's share of interest expense from unconsolidated JVs	3,749	15,704	13,917	13,370
Capitalized interest	12,345	39,816	34,213	52,476
Partners' share of capitalized interest from consolidated JVs	(251)	(224)	-	-
BXP's share of capitalized interest from unconsolidated JVs	(6)	-	387	256
Fair value interest adjustment	10,323	44,116	52,407	51,201
Partners' share of fair value interest adjustment from consolidated JVs	(4,627)	(18,218)	(20,100)	(20,557)
Maintenance capital expenditures	10,677	59,838	56,383	45,619
Partners' share of maintenance capital expenditures from consolidated JVs	(2,129)	(2,569)	(5,565)	(4,378)
BXP's share of maintenance capital expenditures from unconsolidated JVs	211	1,029	1,653	1,369
Hotel improvements, equipment upgrades and replacements	6,231	6,801	2,430	2,894
Preferred dividends/distributions	2,625	10,500	10,500	10,500
Total Fixed Charges **(A)**	$ 117,423	$ 500,438	$ 488,841	$ 529,740
BXP's Share of EBITDA—Cash[1] **(B)**	$ 329,632	$ 1,378,639	$ 1,284,531	$ 1,273,459
Fixed Charge Coverage Ratio (B ÷ A)	**2.81**	**2.75**	**2.63**	**2.40**

[1]See reconciliations of "EBITDA" in this Appendix.

FFO, FAD, AND FAD PAYOUT RATIOS

(dollars in thousands)

	Quarter Ended	Year Ended December 31,		
	March 31, 2017	2016	2015	2014
Net income attributable to Boston Properties, Inc. common shareholders	$ 97,083	$ 502,285	$ 572,606	$ 433,111
Add:				
Preferred dividends	2,625	10,500	10,500	10,500
Noncontrolling interest - common units of the Operating Partnership	11,432	59,260	66,951	50,862
Noncontrolling interest - redeemable preferred units of the Operating Partnership	-	-	6	1,023
Noncontrolling interests in property partnerships	4,424	(2,068)	149,855	30,561
Less:				
Gains on sales of real estate	133	80,606	375,895	168,039
Income before gains on sales of real estate	115,431	489,371	424,023	358,018
Add:				
Depreciation and amortization	159,205	694,403	639,542	628,573
Noncontrolling interests in property partnerships' share of depreciation and amortization	(21,415)	(107,087)	(90,832)	(63,303)
BXP's share of depreciation and amortization from unconsolidated joint ventures	9,041	26,934	6,556	19,251
Corporate-related depreciation and amortization	(525)	(1,568)	(1,503)	(1,361)
Less:				
Gain on sale of investment in unconsolidated joint venture	-	59,370	-	-
Noncontrolling interests in property partnerships[1]	4,424	(2,068)	48,737	30,561
Noncontrolling interest - redeemable preferred units of the Operating Partnership	-	-	6	1,023
Preferred dividends	2,625	10,500	10,500	10,500
FFO attributable to the Operating Partnership common unitholders (including Boston Properties, Inc.) (“Basic FFO”)	254,688	1,034,251	918,543	899,094
Less:				
Noncontrolling interest - common units of the Operating Partnership's share of FFO	26,305	106,504	94,828	91,588
FFO attributable to Boston Properties, Inc. common shareholders	$ 228,383	$ 927,747	$ 823,715	$ 807,506

[1]For the year ended December 31, 2015, excludes the noncontrolling interests in property partnerships' share of a gain on sale of real estate totaling approximately $101.1 million.

FFO, FAD, AND FAD PAYOUT RATIOS (continued from previous page)

(dollars in thousands)

Funds Available for Distribution	Quarter Ended March 31, 2017	Year Ended December 31, 2016	2015	2014
FFO attributable to the Operating Partnership common unitholders (including Boston Properties, Inc.) ("Basic FFO")	$ 254,688	$ 1,034,251	$ 918,543	$ 899,094
Straight-line rent	(12,023)	(33,739)	(79,998)	(63,060)
Partners' share of straight-line rent from consolidated JVs	590	4,224	14,702	9,261
BXP's share of straight-line rent from unconsolidated JVs	(3,563)	(9,832)	(2,671)	(1,933)
Lease transaction costs that qualify as rent inducements[1]	682	8,853	12,667	9,006
Partners' share of lease transaction costs that qualify as rent inducements from consolidated JVs[1]	-	(17)	(2,167)	(737)
BXP's share of lease transaction costs that qualify as rent inducements from unconsolidated JVs[1]	132	58	2,161	1,234
Fair value lease revenue[2]	(5,390)	(30,381)	(35,898)	(48,265)
Partners' share of fair value lease revenue from consolidated JVs[2]	1,575	10,119	11,164	11,844
BXP's share of fair value lease revenue from unconsolidated JVs[2]	(493)	(1,003)	83	52
Non-cash losses (gains) from early extinguishments of debt	-	371	(3,604)	96
Non-cash termination income adjustment (including fair value lease amounts)	(403)	177	(5,360)	-
Partner's share of non-cash termination income adjustment (fair value lease amounts) from consolidated JVs	161	(44)	2,191	-
Straight-line ground rent expense adjustment[3]	639	3,951	(790)	6,793
Stock-based compensation	10,802	32,911	29,183	28,099
Non-real estate depreciation	525	1,568	1,503	1,361
Impairment loss	-	1,783	-	-
Fair value interest adjustment	(10,323)	(44,116)	(52,407)	(51,201)
Partners' share of fair value interest adjustment from consolidated JVs	4,627	18,218	20,100	20,557
ASC 470-20 interest expense adjustment	-	-	-	2,438
Second generation tenant improvements and leasing commissions	(48,730)	(278,269)	(192,419)	(108,469)
Partners' share of second generation tenant improvements and leasing commissions from consolidated JVs	123	5,026	3,725	7,327
BXP's share of second generation tenant improvements and leasing commissions from unconsolidated JVs	(1,164)	(14,875)	(14,400)	(4,508)
Unearned portion of capitalized fees	537	5,925	7,647	12,358
Maintenance capital expenditures	(10,677)	(59,838)	(56,383)	(45,619)
Partners' share of maintenance capital expenditures from consolidated JVs	2,129	2,569	5,565	4,378
BXP's share of maintenance capital expenditures from unconsolidated JVs	(211)	(1,029)	(1,653)	(1,369)
Hotel improvements, equipment upgrades and replacements	(6,231)	(6,801)	(2,430)	(2,894)
Funds available for distribution to common shareholders and common unitholders (FAD) **(A)**	$ 178,002	$ 650,060	$ 579,054	$ 685,843
Distributions to common shareholders and unitholders (excluding any special distributions) **(B)**	129,040	464,114	446,155	444,181
FAD Payout Ratio (B ÷ A)	**72.49%**	**71.40%**	**77.05%**	**64.76%**

[1]Lease transaction costs are generally included in second generation tenant improvements and leasing commissions in the period in which the lease commences.
[2]Represents the net adjustment for above- and below-market leases that are being amortized over the terms of the respective leases in-place at the property acquisition dates.
[3]For the quarter ended March 31, 2017 and the years ended December 31, 2016 and 2015, includes the straight-line impact of the Company's 99-year ground and air rights lease related to the 100 Clarendon Street garage and Back Bay Station concourse level, which are adjacent to the Company's 200 Clarendon Street property. The Company has allocated contractual ground lease payments aggregating approximately $34.4 million, which it expects to incur over the next three years 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.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER FINANCIAL INFORMATION (UNAUDITED)

bxp Boston Properties

JOINT VENTURES - CONSOLIDATED

(unaudited and in thousands)

Income Statements *for the three months ended March 31, 2017*	767 Fifth Avenue (The GM Building)	Norges Joint Ventures: Times Square Tower, 601 Lexington Avenue, 100 Federal Street, Atlantic Wharf Office	Salesforce Tower	Total Consolidated Joint Ventures
REVENUE				
Rental	$ 68,075	$ 85,728	$ -	$ 153,803
Straight-line rent	916	497	-	1,413
Fair value lease revenue	3,673	236	-	3,909
Termination income	4,929	(1,472)	-	3,457
Parking and other	826	1,255	-	2,081
Total revenue	78,419	86,244	-	164,663
EXPENSES				
Operating	27,637	32,438	5	60,080
NET OPERATING INCOME	50,782	53,806	(5)	104,583
Management services income	(398)	(653)	-	(1,051)
Interest and other income	(27)	(204)	-	(231)
Interest expense	23,535	7,895	-	31,430
Interest expense - outside members' notes	9,178	-	-	9,178
Fair value interest adjustment	(11,567)	-	-	(11,567)
Depreciation and amortization	30,191	20,822	-	51,013
Other	-	-	-	-
SUBTOTAL	50,912	27,860	-	78,772
NET INCOME/(LOSS)	$ (130)	$ 25,946	$ (5)	$ 25,811
BXP's ownership percentage	60.00%	55.00%	95.00%	
Partners' share of select items:[1]				
Partners' share of revenue	$ 31,368	$ 38,810	$ -	$ 70,178
Partners' share of interest expense	$ 13,968	$ 3,291	$ -	$ 17,259
Partners' share of fair value interest adjustment	$ (4,627)	$ -	$ -	$ (4,627)
Partners' share of amortization of financing costs	$ 4	$ 5	$	$ 9
Partners' share of capitalized interest	$ (6)	$ 257	$ -	$ 251
Partners' share of non-cash termination income adjustment (fair value lease amounts)	$ (161)	$ -	$ -	$ (161)
Reconciliation of Partners' share of NOI:[1]				
Rental revenue	$ 31,368	$ 38,810	$ -	$ 70,178
Less: Termination income	1,972	(662)	-	1,310
Rental revenue (excluding termination income)	29,396	39,472	-	68,868
Operating expenses	11,055	14,597	-	25,652
NOI (excluding termination income)	$ 18,341	$ 24,875	$ -	$ 43,216
Rental revenue (excluding termination income)	$ 29,396	$ 39,472	$ -	$ 68,868
Less: Straight-line rent	366	224	-	590
Fair value lease revenue	1,469	106	-	1,575
Subtotal	27,561	39,142	-	66,703
Less: Operating expenses	11,055	14,597	-	25,652
NOI (excluding termination income) - cash	$ 16,506	$ 24,545	$ -	$ 41,051

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

JOINT VENTURES - UNCONSOLIDATED

(unaudited and in thousands)

Results of Operations *for the three months ended March 31, 2017*	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	1001 6th Street	1265 Main Street	Total Unconsolidated Joint Ventures
REVENUE											
Rental[2]	$ 6,481	$ 3,274	$ 4,663	$ 6,584	$ 951	$ 1,881	$ 2,886	$ 12,041	$ 368	$ 1,004	$ 40,133
Operating recoveries	826	864	1,300	1,256	378	520	1,248	406	-	208	7,006
Straight-line rent	(66)	1,253	1,847	658	-	40	113	3,155	-	-	7,000
Fair value lease revenue	-	-	-	-	-	-	-	96	-	-	96
Termination income	526	-	-	-	-	-	-	-	-	-	526
Total revenue	7,767	5,391	7,810	8,498	1,329	2,441	4,247	15,698	368	1,212	54,761
EXPENSES											
Operating	3,608	2,332	3,526	3,426	723	1,639	1,353	4,766	492	214	22,079
NET OPERATING INCOME/(LOSS)	4,159	3,059	4,284	5,072	606	802	2,894	10,932	(124)	998	32,682
Interest	749	1,514	2,379	2,076	-	1,092	1,103	-	-	387	9,300
Depreciation and amortization	1,923	972	1,877	1,645	1,383	1,032	954	4,095	-	428	14,309
SUBTOTAL	2,672	2,486	4,256	3,721	1,383	2,124	2,057	4,095	-	815	23,609
NET INCOME/(LOSS)	$ 1,487	$ 573	$ 28	$ 1,351	$ (777)	$ (1,322)	$ 837	$ 6,837	$ (124)	$ 183	$ 9,073
BXP's nominal ownership percentage	60.00%	50.00%	20.00%	25.00%	33.33%	50.00%	30.00%	49.80%	50.00%	50.00%	
BXP's share of net income/(loss)	$ 892	$ 287	$ 6	$ 372 [3]	$ (259)	$ (661)	$ 251	$ 3,405	$ (62)	$ 92	$ 4,323
Basis differential											
Straight-line rent	-	-	-	-	-	-	-	660 [4]	-	-	660
Fair value lease revenue	-	-	-	-	-	-	-	445 [4]	-	-	445
Depreciation and amortization	176	(2)	(3)	(8)	(7)	(2)	7	(2,501) [4]	-	(4)	(2,344)
Total basis differential[5]	176	(2)	(3)	(8)	(7)	(2)	7	(1,396) [4]	-	(4)	(1,239)
Income/(loss) from unconsolidated joint ventures	$ 1,068	$ 285	$ 3	$ 364 [3]	$ (266)	$ (663)	$ 258	$ 2,009	$ (62)	$ 88	$ 3,084
BXP's share of depreciation & amortization	1,035	480	372	1,152 [3]	458	509	283	4,542	-	210	9,041
BXP's share of Funds from Operations (FFO)	$ 2,103	$ 765	$ 375	$ 1,516	$ 192	$ (154)	$ 541	$ 6,551	$ (62)	$ 298	$ 12,125
BXP's share of interest expense	$ 449	$ 757	$ 476	$ 996 [3]	$ -	$ 546	$ 331	$ -	$ -	$ 194	$ 3,749
BXP's share of amortization of financing costs	$ 31	$ 10	$ 5	$ 21	$ -	$ 29	$ 4	$ -	$ -	$ -	$ 100
BXP's share of capitalized interest	$ -	$ -	$ (6)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (6)
BXP's share of revenue[6]	$ 4,660	$ 2,696	$ 1,562	$ 4,079 [3]	$ 443	$ 1,221	$ 1,274	$ 8,925	$ 184	$ 606	$ 25,650
BXP's share of operating expenses	2,165	1,166	705	1,644 [3]	241	820	406	2,373	246	107	9,873
BXP's share of net operating income/(loss)[6]	2,495	1,530	857	2,435 [3]	202	401	868	6,552	(62)	499	15,777
Less:											
BXP's share of termination income	316	-	-	- [3]	-	-	-	-	-	-	316
BXP's share of net operating income/(loss) (excluding termination income)[6]	2,179	1,530	857	2,435 [3]	202	401	868	6,552	(62)	499	15,461
Less:											
BXP's share of straight-line rent	(40)	627	369	316 [3]	-	20	34	2,237	-	-	3,563
BXP's share of fair value lease revenue	-	-	-	-	-	-	-	493	-	-	493
Add:											
BXP's share of lease transaction costs that qualify as rent inducements	-	132	-	-	-	-	-	-	-	-	132
BXP's share of net operating income/(loss) - cash (excluding termination income)[6]	$ 2,219	$ 1,035	$ 488	$ 2,119 [3]	$ 202	$ 381	$ 834	$ 3,822	$ (62)	$ 499	$ 11,537

[1]Annapolis Junction includes four properties in service and two undeveloped land parcels.
[2]Includes approximately $136 of management services income and approximately $38 of interest and other income.
[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.
[6]Includes the Company's share of approximately $81 of management services income and approximately $15 of interest and other income.

NET ASSET VALUE

(dollars and shares in millions, except per share amounts)

Real Estate Value		
BXP's Share of Market Capitalization	$	32,032
Non-Real Estate Assets		820
Non-Real Estate Liabilities		828
Management Company Value		(207)
Land Held for Future Development		(250)
Estimated Presesnt Value of Current Developments[1]		(3,765)
Implied In-service Portfolio Value	$	29,458
BXP's Share of In-service Square Feet (square feet in millions)		41.0
Implied Value per Square Foot	$	718

Adjusted BXP's Share of Annualized NOI - Cash		
BXP's Share of Annualized NOI (excluding termination income)[2]	$	1,435
Lease Transaction Costs that Qualify as Rent Inducements		3
BXP's share of Lease Transaction Costs that Qualify as Rent Inducements from Unconsolidated JVs		1
Annualized Straight-Line Ground Rent Expense Adjustment		2
Adjustment to NOI for Properties Under (Re)Development		(9)
Management Fee Expense Deduction		(41)
Straight-Line Rent and Fair Value Lease Revenue		(70)
BXP's share of Straight-Line Rent and Fair Value of Lease Revenue from Unconsolidated JVs		(16)
Partners' share of Straight-Line Rent and Fair Value of Lease Revenue from Consolidated JVs		9
Adjusted BXP's Share of Annualized NOI - Cash (excluding termination income)	$	1,314
Projected Growth[4]		99
BXP's Share of Annualized NOI incl. Projected Growth	$	1,413
Implied Cap Rate		4.80%

Inferred Stock Price Calculations						
Adjusted BXP's Share of NOI—Cash (Annualized) **(A)**	$	1,413	$	1,413	$	1,413
Estimated Market Capitalization Rate **(B)**		4.00%		4.50%		5.17%
Estimated Enterprise Value **(A ÷ B)**	$	35,325	$	31,400	$	27,352
Less:						
BXP's Share of Debt	$	(9,066)	$	(9,066)	$	(9,066)
Net Assets & Liabilities		(1,648)		(1,648)		(1,648)
Management Services Income		207		207		207
Land Held for Future Development		250		250		250
Estimated Development Value Upon Completion		3,765		3,765		3,765
Total Adjustments	$	(6,492)	$	(6,492)	$	(6,492)
Real Estate Value less adjustments **(C)**	$	28,833	$	24,908	$	20,860
Diluted Shares Outstanding **(D)**		171.94		171.94		171.94
Implied Stock Price **(C ÷ D)**	$	167.69	$	144.87	$	121.32

Valuation Components		
Price per Share (at 3/31/2017)	$	132.41
Diluted Shares Outstanding		171.94
Preferred Stock	$	200
Equity Value at 3/31/2017	$	22,966
BXP's Share of Debt		9,066
BXP's Share of Market Capitalization	$	32,032

BXP Non-Real Estate Assets		
Cash and Cash Equivalents	$	303
Development costs remaining to fund (discounted at 4.5%)	$	(1,190)
Lease transaction costs to achieve 93% occupancy	$	(200)
Cash Held in Escrows		51
Investments in Securities		26
Tenant and Other Receivables, Net		73
Prepaid Expenses and Other Assets[3]		117
Non-Real Estate Assets	$	(820)

BXP Non-Real Estate Liabilities		
Accounts Payable and Accrued Expenses	$	314
Dividends & Distributions Payable		130
Accrued Interest Payable[3]		104
Other Liabilities[3]		280
Non-Real Estate Liabilities	$	828

[1]For additional information, refer to the “Projected Returns from Developments Enhance Growth” page in this presentation. Calculations assume a weighted-average projected stabilized BXP’s Share of NOI—Cash yield of 7.2% on BXP’s Share of total budgeted costs, which is then valued at a 4.5% cap rate. The development value is then discounted at 4.5% to determine present value.
[2]See "Reconciliation of Net Income Attributable to Boston Properties, Inc.'s Common Shareholders to BXP's Share of Annualized NOI" in this Appendix.
[3]Excludes non-cash items.
[4]Projected growth based on projected BXP's share of growth from nine key assets discounted at 4.5%.
All data as of March 31, 2017.

NET OPERATING INCOME (NOI)
(dollars in thousands)

	Quarter ended March 31, 2017
Net income attributable to Boston Properties, Inc. common shareholders	$ 97,083
Preferred dividends	2,625
Net income attributable to Boston Properties, Inc.	99,708
Net income attributable to noncontrolling interests:	
Noncontrolling interest - common units of the Operating Partnership	11,432
Noncontrolling interests in property partnerships	4,424
Net income	115,564
Gains on sales of real estate	(133)
Income before gains on sales of real estate	115,431
Add:	
Interest expense	95,534
Depreciation and amortization	159,205
Transaction costs	34
General and administrative expense	31,386
Less:	
Gains from investments in securities	(1,042)
Interest and other income	(614)
Income from unconsolidated joint ventures ("JVs")	(3,084)
Development and management services income	(6,472)
Consolidated NOI	390,378
Add:	
BXP's share of NOI from unconsolidated JVs [1]	15,777
Less:	
Partners' share of NOI from consolidated JVs[2]	(44,526)
Termination income	(3,918)
BXP's share of termination income from unconsolidated JVs[1]	(316)
Add:	
Partners' share of termination income from consolidated JVs[2]	1,310
BXP's Share of NOI (excluding termination income) **(A)**	$ 358,705

	Quarter ended March 31, 2017
BXP's Share of Annualized NOI (excluding termination income) **(A x 4)**	$ 1,434,820
Add:	
Termination income	3,918
BXP's share of termination income from unconsolidated JVs[1]	316
Less:	
Partners' share of termination income from consolidated JVs[2]	(1,310)
BXP's Share of Annualized NOI	$ 1,437,744
BXP's Share of Annualized NOI (excluding termination income) **(A x 4)**	$ 1,434,820
Add:	
Annualized Lease transaction costs that qualify as rent inducements	2,728
Annualized BXP's share of lease transaction costs that qualify as rent inducements from unconsolidated JVs[1]	528
Annualized Straight-line ground rent expense adjustment	2,556
Less:	
Adjustment to NOI for properties under (re)development	(8,655)
Annualized Management fee expense deduction	(40,970)
Annualized Straight-line rent and fair value lease revenue	(69,652)
Annualized BXP's share of straight-line rent and fair value of lease revenue from unconsolidated JVs[1]	(16,224)
Annualized Partners' share of straight-line rent and fair value of lease revenue from consolidated JVs[2]	8,660
Adjusted BXP's Share of Annualized NOI—Cash	$ 1,313,791

[1]See "Joint Ventures-Unconsolidated" in this Appendix. Annualized amounts represent amounts for the three months ended March 31, 2017 multiplied by four (4).
[2]See "Joint Ventures-Consolidated" in this Appendix. Annualized amounts represent amounts for the three months ended March 31, 2017, multiplied by four (4).

BXP'S SHARE OF SAME PROPERTY NET OPERATING INCOME - CASH

2016

	31-Mar-16	31-Mar-15	Change ($)	Change (%)
Q1	$ 322,168	$ 301,136	21,032	7.0%
	30-Jun-16	30-Jun-15	Change ($)	Change (%)
Q2	$ 334,902	$ 319,807	15,095	4.7%
	30-Sep-16	30-Sep-15	Change ($)	Change (%)
Q3	$ 322,185	$ 318,833	3,352	1.1%
	31-Dec-16	31-Dec-15	Change ($)	Change (%)
Q4	$ 326,978	$ 315,166	11,812	3.7%
Average Change (%)				4.1%

2015

	31-Mar-15	31-Mar-14	Change ($)	Change (%)
Q1	$ 318,345	$ 314,478	3,867	1.2%
	30-Jun-15	30-Jun-14	Change ($)	Change (%)
Q2	$ 331,214	$ 327,992	3,222	1.0%
	30-Sep-15	30-Sep-14	Change ($)	Change (%)
Q3	$ 327,493	$ 329,953	(2,460)	-0.7%
	31-Dec-15	31-Dec-14	Change ($)	Change (%)
Q4	$ 304,493	$ 300,686	3,807	1.3%
Average Change (%)				0.7%

2014

	31-Mar-14	31-Mar-13	Change ($)	Change (%)
Q1	$ 294,299	$ 279,673	14,626	5.2%
	30-Jun-14	30-Jun-13	Change ($)	Change (%)
Q2	$ 314,323	$ 290,957	23,366	8.0%
	30-Sep-14	30-Sep-13	Change ($)	Change (%)
Q3	$ 346,462	$ 326,607	19,855	6.1%
	31-Dec-14	31-Dec-13	Change ($)	Change (%)
Q4	$ 341,235	$ 326,472	14,763	4.5%
Average Change (%)				6.0%

2013

	31-Mar-13	31-Mar-12	Change ($)	Change (%)
Q1	$ 295,149	$ 285,568	9,581	3.4%
	30-Jun-13	30-Jun-12	Change ($)	Change (%)
Q2	$ 285,221	$ 272,290	12,931	4.7%
	30-Sep-13	30-Sep-12	Change ($)	Change (%)
Q3	$ 293,030	$ 271,002	22,029	8.1%
	31-Dec-13	31-Dec-12	Change ($)	Change (%)
Q4	$ 292,029	$ 273,976	18,053	6.6%
Average Change (%)				5.7%

2012

	31-Mar-12	31-Mar-11	Change ($)	Change (%)
Q1	$ 274,181	$ 269,180	5,001	1.9%
	30-Jun-12	30-Jun-11	Change ($)	Change (%)
Q2	$ 281,137	$ 282,243	(1,106)	-0.4%
	30-Sep-12	30-Sep-11	Change ($)	Change (%)
Q3	$ 273,675	$ 279,414	(5,739)	-2.1%
	31-Dec-12	31-Dec-11	Change ($)	Change (%)
Q4	$ 286,432	$ 279,204	7,228	2.6%
Average Change (%)				0.5%

Please see the following pages for complete reconciliations of BXP’s Share of Same Property NOI—Cash for each quarterly period presented over the past five years.

BXP's Share of Same Property NOI - Cash

(in thousands)	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	12/31/16	12/30/15	9/30/16	9/30/15	6/30/16	6/30/15	3/31/16	3/31/15
Net income (loss) attributable to Boston Properties, Inc. common shareholders	$147,214	$137,851	$76,753	$184,082	$96,597	$79,460	$181,747	$171,182
Preferred dividends	2,704	2,646	2,589	2,647	2,589	2,618	2,618	2,589
Net income (loss) attributable to Boston Properties, Inc.	149,918	140,497	79,342	186,729	99,186	82,078	184,365	173,771
Net income attributable to noncontrolling interests:								
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (“OP”)	-	-	-	-	-	-	-	-
Noncontrolling interest - common units of the OP	17,097	16,098	9,387	21,302	11,357	9,394	21,393	20,188
Noncontrolling interest - redeemable preferred units of the OP	-	-	-	-	-	3	-	3
Noncontrolling interest in property partnerships	(2,121)	10,143	(17,225)	115,240	6,814	9,264	10,464	15,208
Net income	164,894	166,738	71,504	323,271	117,357	100,739	216,222	209,170
Gains on sales of real estate	-	(81,332)	(12,983)	(199,479)	-		(67,623)	(95,084)
Income before gains on sales of real estate	164,894	85,406	58,521	123,792	117,357	100,739	148,599	114,086
Discontinued operations:								
Impairment loss from discontinued operations	-	-	-	-	-	-	-	-
Gain on forgiveness of debt from discontinued operations	-	-	-	-	-	-	-	-
Gains on sales of real estate from discontinued operations	-	-	-	-	-	-	-	-
Income (loss) from discontinued operations	-	-	-	-	-	-	-	-
Income from continuing operations	164,894	85,406	58,521	123,792	117,357	100,739	148,599	114,086
Add:								
Losses from interest rate contracts	-	-	140	-	-	-	-	-
Interest expense	97,896	106,178	104,641	108,727	105,003	108,534	105,309	108,757
Depreciation and amortization	178,032	164,460	203,748	153,015	153,175	167,844	159,448	154,223
Impairment loss	-	-	1,783	-	-	-	-	-
Transaction costs	1,200	470	249	254	913	208	25	327
General and administrative expense	25,293	24,300	25,165	20,944	25,418	22,284	29,353	28,791
Subtract:								
(Gains) losses from early extinguishment of debt	-	22,040	371	-	-		-	-
(Gains) losses from investments in securities	(560)	(493)	(976)	1,515	(478)	24	(259)	(393)
Interest and other income	(573)	(440)	(3,628)	(3,637)	(1,524)	(1,293)	(1,505)	(1,407)
Gains on consolidation of joint ventures (“JVs”)	-	-	-	-	-	-	-	-
Gain on sale of investment in unconsolidated JV	(59,370)	-	-	-	-	-	-	-
Income from unconsolidated JVs	(2,585)	(2,211)	(1,464)	(2,647)	(2,234)	(3,078)	(1,791)	(14,834)
Development and management services income	(9,698)	(6,452)	(6,364)	(5,912)	(5,533)	(4,862)	(6,689)	(5,328)
Net Operating Income ("NOI")	394,529	393,258	382,186	396,051	392,097	390,400	432,490	384,222
Subtract:								
Straight-line rent	(14,711)	(19,623)	(11,107)	(15,992)	6,503	(18,454)	(14,424)	(25,928)
Fair value lease revenue	(6,840)	(7,450)	(6,547)	(8,838)	(8,808)	(9,648)	(8,186)	(9,962)
Add:								
Straight-line ground rent expense adjustment	998	(3,983)	1,031	891	935	1,106	987	1,196
Lease transaction costs that qualify as inducements	487	1,939	861	1,911	2,200	4,285	5,305	4,532
NOI - cash	374,463	364,141	366,424	374,023	392,927	367,689	416,172	354,060
Subtract:								
NOI (excluding termination income) - cash from non Same Properties	(12,840)	(9,765)	(12,000)	(13,240)	(18,515)	(8,935)	(9,792)	(9,615)
Termination income	(504)	(7,701)	170	(9,589)	(7,654)	(6,680)	(51,306)	(14,924)
Same Property NOI (excluding termination income) - cash	361,119	346,675	354,594	351,194	366,758	352,074	355,074	329,521
Subtract:								
Partners' share of NOI - cash from consolidated JVs	(40,686)	(43,416)	(39,480)	(49,726)	(40,459)	(49,723)	(43,555)	(49,241)
Add:								
Partners' share of NOI (excluding termination income) - cash from non Same Properties from consolidated JVs	(601)	1,684	(231)	5,290	-	4,808	-	5,084
BXP's share of NOI - cash from unconsolidated JVs	10,615	9,413	10,655	11,145	8,885	11,387	9,100	14,934
Subtract:								
BXP's share of NOI (excluding termination income) - cash from non Same Properties from unconsolidated JVs	(3,487)	(1,286)	(2,924)	(899)	(322)	-	(312)	-
BXP's share of termination (income) fees from unconsolidated JVs	(13)	(17)	(8)	-	(4)	(180)	9	-
Add:								
Partners' share of termination income from consolidated JVs	31	2,113	(421)	1,829	44	1,441	1,852	838
BXP's Share of Same Property NOI (excluding termination income) - cash	$326,978	$315,166	$322,185	$318,833	$334,902	$319,807	$322,168	$301,136

BXP's Share of Same Property NOI - Cash (cont.)

(in thousands)	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	12/31/15	12/31/14	9/30/15	9/30/14	6/30/15	6/30/14	3/31/15	3/31/14
Net income (loss) attributable to Boston Properties, Inc. common shareholders	$137,851	$174,510	$184,082	$127,724	$79,460	$76,527	$171,182	$54,034
Preferred dividends	2,646	2,646	2,647	2,647	2,618	2,618	2,589	2,589
Net income (loss) attributable to Boston Properties, Inc.	140,497	177,156	186,729	130,371	82,078	79,145	173,771	56,623
Net income attributable to noncontrolling interests:								
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (“OP”)	-	-	-	-	-	-	-	-
Noncontrolling interest - common units of the OP	16,098	21,172	21,302	14,963	9,394	8,883	20,188	6,160
Noncontrolling interest - redeemable preferred units of the OP	-	9	-	75	3	320	3	619
Noncontrolling interest in property partnerships	10,143	13,088	115,240	5,566	9,264	7,553	15,208	4,354
Net income	166,738	211,425	323,271	150,975	100,739	95,901	209,170	67,756
Gains on sales of real estate	(81,332)	(126,102)	(199,479)	(41,937)	-	-	(95,084)	-
Income before gains on sales of real estate	85,406	85,323	123,792	109,038	100,739	95,901	114,086	67,756
Discontinued operations:								
Impairment loss from discontinued operations	-	-	-	-	-	-	-	-
Gain on forgiveness of debt from discontinued operations	-	-	-	-	-	-	-	-
Gains on sales of real estate from discontinued operations	-	-	-	-	-	-	-	-
Income (loss) from discontinued operations	-	-	-	-	-	-	-	-
Income from continuing operations	85,406	85,323	123,792	109,038	100,739	95,901	114,086	67,756
Add:								
Losses from interest rate contracts	-	-	-	-	-	-	-	-
Interest expense	106,178	117,904	108,727	113,308	108,534	110,977	108,757	113,554
Depreciation and amortization	164,460	162,430	153,015	157,245	167,844	154,628	154,223	154,270
Impairment loss	-	-	-	-	-	-	-	-
Transaction costs	470	640	254	1,402	208	661	327	437
General and administrative expense	24,300	23,172	20,944	22,589	22,284	23,271	28,791	29,905
Subtract:								
(Gains) losses from early extinguishment of debt	22,040	10,633	-	-	-	-	-	-
(Gains) losses from investments in securities	(493)	(387)	1,515	297	24	(662)	(393)	(286)
Interest and other income	(440)	(1,924)	(3,637)	(3,421)	(1,293)	(2,109)	(1,407)	(1,311)
Gains on consolidation of joint ventures (“JVs”)	-	-	-	-	-	-	-	-
Gain on sale of investment in unconsolidated JV	-	-	-	-	-	-	-	-
Income from unconsolidated JVs	(2,211)	(2,700)	(2,647)	(4,419)	(3,078)	(2,834)	(14,834)	(2,816)
Development and management services income	(6,452)	(7,119)	(5,912)	(6,475)	(4,862)	(6,506)	(5,328)	(5,216)
Net Operating Income ("NOI")	393,258	387,972	396,051	389,564	390,400	373,327	384,222	356,293
Subtract:								
Straight-line rent	(19,623)	(21,244)	(15,992)	(19,893)	(18,455)	(12,182)	(25,928)	(9,741)
Fair value lease revenue	(7,450)	(17,542)	(8,838)	(11,516)	(9,648)	(9,609)	(9,962)	(9,598)
Add:								
Straight-line ground rent expense adjustment	(3,983)	1,669	891	1,669	1,106	1,708	1,196	1,747
Lease transaction costs that qualify as inducements	1,939	2,600	1,911	1,411	4,285	1,812	4,532	3,183
NOI - cash	364,141	353,455	374,023	361,235	367,688	355,056	354,060	341,884
Subtract:								
NOI (excluding termination income) - cash from non Same Properties	(1,646)	(6,374)	(18,966)	(6,899)	(12,161)	(6,724)	(5,066)	(6,235)
Termination income	(7,701)	(1,134)	(9,589)	(8,164)	(6,680)	(986)	(14,924)	(1,110)
Same Property NOI (excluding termination income) - cash	354,794	345,947	345,468	346,172	348,847	347,346	334,070	334,539
Subtract:								
Partners' share of NOI - cash from consolidated JVs	(61,453)	(58,608)	(49,725)	(29,512)	(48,071)	(30,465)	(49,241)	(30,777)
Add:								
Partners' share of NOI (excluding termination income) - cash from non Same Properties from consolidated JVs	-	1,968	19,625	1,949	17,759	-	17,654	-
BXP's share of NOI - cash from unconsolidated JVs	9,413	11,362	11,145	13,102	11,387	11,012	14,935	10,725
Subtract:								
BXP's share of NOI (excluding termination income) - cash from non Same Properties from unconsolidated JVs	(357)	-	(849)	(44)	31	140	89	-
BXP's share of termination (income) fees from unconsolidated JVs	(17)	17	-	(1,790)	(180)	(41)	-	(9)
Add:								
Partners' share of termination income from consolidated JVs	2,113	-	1,829	76	1,441	-	838	-
BXP's Share of Same Property NOI (excluding termination income) - cash	$304,493	$300,686	$327,493	$329,953	$331,214	$327,992	$318,345	$314,478

BXP's Share of Same Property NOI - Cash (cont.)

(in thousands)

	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	12/31/14	12/31/13	9/30/14	9/30/13	6/30/14	6/30/13	3/31/14	3/31/13
Net income (loss) attributable to Boston Properties, Inc. common shareholders	$174,510	$88,719	$127,724	$152,677	$76,527	$452,417	$54,034	$47,854
Preferred dividends	2,646	2,646	2,647	2,647	2,618	2,618	2,589	146
Net income (loss) attributable to Boston Properties, Inc.	177,156	91,365	130,371	155,324	79,145	455,035	56,623	48,000
Net income attributable to noncontrolling interests:								
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (“OP”)	-	2,713	-	8,970	-	333	-	2,066
Noncontrolling interest - common units of the OP	21,172	7,302	14,963	8,339	8,883	50,489	6,160	4,111
Noncontrolling interest - redeemable preferred units of the OP	9	2,661	75	1,082	320	1,123	619	1,180
Noncontrolling interest in property partnerships	13,088	2,271	5,566	(3,279)	7,553	(219)	4,354	2,574
Net income	211,425	106,312	150,975	170,436	95,901	506,761	67,756	57,931
Gains on sales of real estate	(126,102)	-	(41,937)	-	-	-	-	-
Income before gains on sales of real estate	85,323	106,312	109,038	170,436	95,901	506,761	67,756	57,931
Discontinued operations:								
Impairment loss from discontinued operations	-	-	-	-	-	-	-	3,241
Gain on forgiveness of debt from discontinued operations	-	-	-	-	-	-	-	(20,182)
Gains on sales of real estate from discontinued operations	-	(26,381)	-	(86,448)	-	-	-	-
Income (loss) from discontinued operations	-	(536)	-	(1,677)	-	(3,315)	-	(2,494)
Income from continuing operations	85,323	79,395	109,038	82,311	95,901	503,446	67,756	38,496
Add:								
Losses from interest rate contracts	-	-	-	-	-	-	-	-
Interest expense	117,904	121,134	113,308	122,173	110,977	103,140	113,554	100,433
Depreciation and amortization	162,430	154,475	157,245	153,253	154,628	133,456	154,270	119,453
Impairment loss	-	-	-	-	-	-	-	8,306
Transaction costs	640	-	1,402	766	661	535	437	443
General and administrative expense	23,172	20,656	22,589	24,841	23,271	24,316	29,905	45,516
Subtract:								
(Gains) losses from early extinguishment of debt	10,633	-	-	30	-	(152)	-	-
(Gains) losses from investments in securities	(387)	(1,039)	297	(956)	(662)	(181)	(286)	(735)
Interest and other income	(1,924)	(1,664)	(3,421)	(3,879)	(2,109)	(1,296)	(1,311)	(1,471)
Gains on consolidation of joint ventures (“JVs”)	-	-	-	1,810	-	(387,801)	-	-
Gain on sale of investment in unconsolidated JV	-	-	-	-	-	-	-	-
Income from unconsolidated JVs	(2,700)	(2,834)	(4,419)	(14,736)	(2,834)	(48,783)	(2,816)	(8,721)
Development and management services income	(7,119)	(7,632)	(6,475)	(5,475)	(6,506)	(7,855)	(5,216)	(8,733)
Net Operating Income ("NOI")	387,972	362,491	389,564	360,138	373,327	318,825	356,293	292,987
Subtract:								
Straight-line rent	(21,244)	(18,067)	(19,893)	(16,771)	(12,182)	(14,859)	(9,741)	(15,726)
Fair value lease revenue	(17,542)	(9,279)	(11,516)	(9,134)	(9,609)	(5,833)	(9,598)	(3,690)
Add:								
Straight-line ground rent expense adjustment	1,669	1,785	1,669	1,785	1,708	1,785	1,747	1,801
Lease transaction costs that qualify as inducements	2,600	4,904	1,411	2,429	1,812	2,346	3,183	1,227
NOI - cash	353,455	341,834	361,235	338,447	355,056	302,264	341,884	276,599
Subtract:								
NOI (excluding termination income) - cash from non Same Properties	(1,176)	(4,694)	3,260	(1,079)	(45,901)	(16,753)	(50,141)	(712)
Termination income	(1,134)	(664)	(8,164)	(1,380)	(986)	(287)	(1,110)	(476)
Same Property NOI (excluding termination income) - cash	351,145	336,476	356,331	335,988	308,169	285,224	290,633	275,411
Subtract:								
Partners' share of NOI - cash from consolidated JVs	(58,608)	(28,506)	(29,492)	(20,424)	(30,465)	(9,494)	(30,777)	(4,658)
Add:								
Partners' share of NOI (excluding termination income) - cash from non Same Properties from consolidated JVs	37,303	7,550	8,279	-	25,527	4,978	25,839	-
BXP's share of NOI - cash from unconsolidated JVs	11,340	10,959	13,102	11,010	11,012	28,368	9,391	37,284
Subtract:								
BXP's share of NOI (excluding termination income) - cash from non Same Properties from unconsolidated JVs	38	(7)	(44)	33	121	(18,118)	(778)	(28,364)
BXP's share of termination (income) fees from unconsolidated JVs	17	-	(1,790)	-	(41)	(1)	(9)	-
Add:								
Partners' share of termination income from consolidated JVs	-	-	76	-	-	-	-	-
BXP's Share of Same Property NOI (excluding termination income) - cash	$341,235	$326,472	$346,462	$326,607	$314,323	$290,957	$294,299	$279,673

BXP's Share of Same Property NOI - Cash (cont.)

(in thousands)	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	12/31/13	12/31/12	9/30/13	9/30/12	6/30/13	6/30/12	3/31/13	3/31/12
Net income (loss) attributable to Boston Properties, Inc. common shareholders	$88,719	$65,400	$152,677	$57,249	$452,417	$118,559	$47,854	$48,454
Preferred dividends	2,646	-	2,647	-	2,618	-	146	-
Net income (loss) attributable to Boston Properties, Inc.	91,365	65,400	155,324	57,249	455,035	118,559	48,000	48,454
Net income attributable to noncontrolling interests:								
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (“OP”)	2,713	245	8,910	162	88	4,075	1,819	61
Noncontrolling interest - common units of the OP	7,302	7,575	8,399	6,779	50,734	10,318	4,358	5,973
Noncontrolling interest - redeemable preferred units of the OP	2,661	1,057	1,082	874	1,123	765	1,180	801
Noncontrolling interest in property partnerships	2,271	2,331	(3,279)	458	(219)	457	2,574	546
Net income	106,312	76,608	170,436	65,522	506,761	134,174	57,931	55,835
Gains on sales of real estate	-	-	-	-	-	-	-	-
Income before gains on sales of real estate	106,312	76,608	170,436	65,522	506,761	134,174	57,931	55,835
Discontinued operations:								
Impairment loss from discontinued operations	-	-	-	-	-	-	3,241	-
Gain on forgiveness of debt from discontinued operations	-	-	-	-	-	-	(20,182)	-
Gains on sales of real estate from discontinued operations	(26,381)	-	(86,448)	-	-	(36,877)	-	-
Income (loss) from discontinued operations	(536)	(2,357)	(1,078)	(1,550)	(873)	(218)	(61)	(570)
Income from continuing operations	79,395	74,251	82,910	63,972	505,888	97,079	40,929	55,265
Add:								
Losses from interest rate contracts	-	-	-	-	-	-	-	-
Interest expense	121,134	102,802	122,173	105,030	103,140	99,901	100,433	103,237
Depreciation and amortization	154,475	118,752	154,193	110,653	134,604	111,168	120,595	108,462
Impairment loss	-	-	-	-	-	-	8,306	-
Transaction costs	-	401	766	1,140	535	8	443	2,104
General and administrative expense	20,656	17,921	24,841	21,617	22,194	19,066	43,571	27,619
Subtract:								
(Gains) losses from early extinguishment of debt	-	-	30	5,494	(152)	(274)	-	(767)
(Gains) losses from investments in securities	(1,039)	(187)	(956)	(587)	(181)	186	(735)	(801)
Interest and other income	(1,664)	(2,062)	(3,879)	(4,001)	(1,296)	(2,382)	(1,471)	(1,646)
Gains on consolidation of joint ventures (“JVs”)	-	-	1,810	-	(387,801)	-	-	-
Gain on sale of investment in unconsolidated JV	-	-	-	-	-	-	-	-
Income from unconsolidated JVs	(2,834)	(6,949)	(14,736)	(9,217)	(48,783)	(21,191)	(8,721)	(11,721)
Development and management services income	(7,632)	(8,340)	(5,479)	(8,024)	(7,857)	(9,564)	(8,736)	(8,145)
Net Operating Income ("NOI")	362,491	296,589	361,673	286,077	320,291	293,997	294,614	273,607
Subtract:								
Straight-line rent	(18,025)	(18,216)	(16,742)	(20,026)	(15,112)	(19,775)	(15,864)	(19,270)
Fair value lease revenue	(9,279)	(3,711)	(9,134)	(3,919)	(5,833)	(3,759)	(3,760)	(2,937)
Add:								
Straight-line ground rent expense adjustment	1,785	1,838	1,785	1,838	1,785	1,838	1,801	5,032
Lease transaction costs that qualify as inducements	4,895	890	2,429	1,247	2,346	(372)	1,237	508
NOI - cash	341,867	277,390	340,011	265,217	303,477	271,929	278,028	256,940
Subtract:								
NOI (excluding termination income) - cash from non Same Properties	(53,445)	(6,121)	(52,742)	(981)	(25,023)	(3,770)	(16,295)	(3,496)
Termination income	(664)	(2,094)	(1,380)	(1,205)	(287)	(4,086)	(476)	(3,056)
Same Property NOI (excluding termination income) - cash	287,758	269,175	285,889	263,031	278,167	264,073	261,257	250,388
Subtract:								
Partners' share of NOI - cash from consolidated JVs	(28,506)	(4,280)	(20,424)	(1,730)	(9,494)	(1,792)	(4,658)	(1,859)
Add:								
Partners' share of NOI (excluding termination income) - cash from non Same Properties from consolidated JVs	23,786	-	18,473	-	7,631	-	2,771	-
BXP's share of NOI - cash from unconsolidated JVs	9,647	36,533	9,975	37,663	26,959	49,400	35,863	37,370
Subtract:								
BXP's share of NOI (excluding termination income) - cash from non Same Properties from unconsolidated JVs	(656)	(27,152)	(623)	(27,389)	(18,041)	(27,219)	(84)	-
BXP's share of termination (income) fees from unconsolidated JVs	-	(300)	(260)	(574)	(1)	(12,172)	-	(331)
Add:								
Partners' share of termination income from consolidated JVs	-	-	-	-	-	-	-	-
BXP's Share of Same Property NOI (excluding termination income) - cash	$292,029	$273,976	$293,030	$271,002	$285,221	$272,290	$295,149	$285,568

BXP's Share of Same Property NOI - Cash (cont.)

(in thousands)	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	12/31/12	12/31/11	9/30/12	9/30/11	6/30/12	6/30/11	3/31/12	3/31/11
Net income (loss) attributable to Boston Properties, Inc. common shareholders	$65,400	$101,644	$57,769	$70,542	$119,070	$60,214	$64,632	$40,813
Preferred dividends	-	-	-	-	-	-	-	-
Net income (loss) attributable to Boston Properties, Inc.	65,400	101,644	57,769	70,542	119,070	60,214	64,632	40,813
Net income attributable to noncontrolling interests:								
Noncontrolling interest in discontinued operations - common units of the Operating Partnership (“OP”)	-	47	-	2	4,094	(15)	1,942	(61)
Noncontrolling interest - common units of the OP	7,820	12,470	7,002	8,989	10,360	8,194	6,089	6,090
Noncontrolling interest - redeemable preferred units of the OP	1,057	842	874	832	765	842	801	823
Noncontrolling interest in property partnerships	2,331	440	458	86	457	503	546	529
Net income	76,608	115,443	66,103	80,451	134,746	69,738	74,010	48,194
Gains on sales of real estate	-	-	-	-	-	-	-	-
Income before gains on sales of real estate	76,608	115,443	66,103	80,451	134,746	69,738	74,010	48,194
Discontinued operations:								
Impairment loss from discontinued operations	-	-	-	-	-	-	-	-
Gain on forgiveness of debt from discontinued operations	-	-	-	-	-	-	(17,807)	-
Gains on sales of real estate from discontinued operations	-	-	-	-	(36,877)	-	-	-
Income (loss) from discontinued operations	-	(437)	-	(20)	(398)	132	156	497
Income from continuing operations	76,608	115,006	66,103	80,431	97,471	69,870	56,359	48,691
Add:								
Losses from interest rate contracts	-	-	-	-	-	-	-	-
Interest expense	103,452	103,967	105,030	95,117	99,901	94,583	103,237	98,525
Depreciation and amortization	120,550	108,511	111,360	108,674	111,643	110,259	109,673	109,237
Impairment loss	-	-	-	-	-	-	-	-
Transaction costs	401	80	1,140	474	8	1,361	2,104	72
General and administrative expense	15,940	19,329	19,757	16,917	19,066	18,721	27,619	24,643
Subtract:								
(Gains) losses from early extinguishment of debt	-	1,494	5,494	-	(274)	-	(767)	-
(Gains) losses from investments in securities	(187)	(38)	(587)	860	186	(6)	(801)	(373)
Interest and other income	(2,062)	(1,179)	(4,001)	(1,252)	(2,382)	(1,953)	(1,646)	(974)
Gains on consolidation of joint ventures (“JVs”)	-	-	-	-	-	-	-	-
Gain on sale of investment in unconsolidated JV	-	-	-	-	-	-	-	-
Income from unconsolidated JVs	(6,949)	(57,712)	(9,217)	(11,326)	(21,191)	(8,882)	(11,721)	(7,976)
Development and management services income	(8,343)	(8,726)	(8,024)	(8,178)	(9,564)	(9,095)	(8,149)	(7,428)
Net Operating Income ("NOI")	299,410	280,732	287,055	281,717	294,864	274,858	275,908	264,417
Subtract:								
Straight-line rent	(18,425)	(17,227)	(20,310)	(19,106)	(19,772)	(22,229)	(19,413)	(18,492)
Fair value lease revenue	(3,781)	(2,742)	(3,989)	(2,690)	(3,829)	(2,627)	(3,007)	(2,697)
Add:								
Straight-line ground rent expense adjustment	1,838	1,788	1,838	1,687	1,838	682	5,032	56
Lease transaction costs that qualify as inducements	890	-	1,247	-	372	-	(508)	-
NOI - cash	279,932	262,551	265,841	261,608	273,473	250,684	258,012	243,284
Subtract:								
NOI (excluding termination income) - cash from non Same Properties	(24,246)	(10,019)	(25,069)	(7,479)	(23,682)	(1,280)	(15,956)	(4,535)
Termination income	(2,095)	(6,463)	(959)	(8,188)	(4,086)	(222)	(3,056)	(1,992)
Same Property NOI (excluding termination income) - cash	253,591	246,069	239,813	245,941	245,705	249,182	239,000	236,757
Subtract:								
Partners' share of NOI - cash from consolidated JVs	(4,280)	(1,720)	(1,729)	(1,336)	(1,791)	(1,746)	(1,858)	(1,774)
Add:								
Partners' share of NOI (excluding termination income) - cash from non Same Properties from consolidated JVs	2,435	-	-	-	-	-	-	-
BXP's share of NOI - cash from unconsolidated JVs	35,110	35,960	36,234	37,708	49,400	37,000	37,370	36,522
Subtract:								
BXP's share of NOI (excluding termination income) - cash from non Same Properties from unconsolidated JVs	(124)	(400)	(69)	(2,111)	(5)	(2,193)	-	(2,314)
BXP's share of termination (income) fees from unconsolidated JVs	(300)	(705)	(574)	(788)	(12,172)	-	(331)	(11)
Add:								
Partners' share of termination income from consolidated JVs	-	-	-	-	-	-	-	-
BXP's Share of Same Property NOI (excluding termination income) - cash	$286,432	$279,204	$273,675	$279,414	$281,137	$282,243	$274,181	$269,180