

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT

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

Date of Report (Date of earliest event reported):  
OCTOBER 26, 1998

BOSTON PROPERTIES, INC.  
(Exact name of Registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation)	1-13087 (Commission File Number)	04-2473675 (I.R.S. Employer Identification No.)
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8 ARLINGTON STREET  
BOSTON, MASSACHUSETTS 02116  
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code:  
(617) 859-2600

ITEM 5. OTHER EVENTS.

Following the issuance of a press release on October 26, 1998, announcing the Company's results for the third quarter ended September 30, 1998, the Company intends to provide, to certain investors and analysts at their request, supplemental information regarding the Company's operations that is too voluminous for a press release. The Company is attaching this supplementary operating and financial data as Exhibit 99.1 to this Current Report on Form 8-K.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) EXHIBITS:

Exhibit No.

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99.1 The Boston Properties, Inc. Supplemental Operating and Financial Data for the Quarter Ended September 30, 1998, and press release dated October 26, 1998.

SIGNATURES

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

Date: October 26, 1998

BOSTON PROPERTIES, INC.

/s/David G. Gaw

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By: David G. Gaw  
Chief Financial Officer

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EXHIBIT 99.1

BOSTON PROPERTIES, INC.  
Supplemental Operating and Financial Data for  
the Quarter Ended September 30, 1998

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BOSTON PROPERTIES, INC.  
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COMPANY BACKGROUND

Boston Properties Inc., is a self-administered and self-managed real estate investment trust that develops, acquires, owns, and manages a diverse portfolio of office, industrial, and hotel properties predominantly located in greater Boston, greater Washington, DC, midtown Manhattan, Baltimore, Maryland, Richmond, Virginia and the Princeton/East Brunswick, New Jersey markets. The Company is one of the largest owners and developers of office properties in the United States.

On June 23, 1997, Boston Properties successfully completed its initial public offering. The offering and the underwriters' overallotment option closed on the same date resulting in 36,110,000 shares being sold at \$25.00 per share for a total offering of \$902,750,000. On January 30, 1998, the Company closed a follow on offering of 23,000,000 shares (including the underwriters' overallotment) at \$35.125 per share for a total offering of \$807,875,000.

Through its predecessor company founded by Mortimer B. Zuckerman and Edward H. Linde in 1970, the Company grew through the seventies, eighties, and nineties by developing and redeveloping Class A office properties, R&D and industrial properties, and hotels in its primary markets of greater Boston, greater Washington, DC, and midtown Manhattan.

Since the Company's Initial Offering in June 1997, the Company has acquired 31 properties adding approximately 10.0 million square feet to its portfolio, representing an investment of approximately \$2.3 billion. In addition, the Company is developing eight Class A Office Buildings and one 221 room hotel for a total anticipated investment of approximately \$224.8 million. The Company owns or controls land where it can develop an additional 8.8 million square feet.

Boston Properties is a full-service real estate company with substantial in-house expertise and resources in acquisitions, development, financing, construction management, property management, marketing, leasing, accounting, and legal services.

This report contains forward-looking statements within the meaning of the Federal securities laws. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy. The risks and uncertainties associated with the forward-looking information include the strength of the commercial office and industrial real estate markets in which the Company operates, competitive market conditions, general economic growth, interest rates, capital market conditions and risks associated with development. The Company discusses such risks in detail in its prospectus dated January 26, 1998 as filed with the Securities and Exchange Commission. Acquisitions that are pursued by Boston Properties may not be consummated for a variety of reasons, including a failure to reach agreement with the selling party regarding the acquisition price or other terms of a contribution or acquisition agreement. Agreements that the Company enters into may be terminated or abandoned for a variety of reasons, including a failure by the Company or the other party to fulfill all conditions required for consummation of the agreements.

BOSTON PROPERTIES, INC.  
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INVESTOR INFORMATION  
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8 Arlington Street  
Boston, MA 02116  
(617) 8592600  
(617) 5365087 (fax)

Mortimer B. Zuckerman	Chairman of the Board
Edward H. Linde	President, Chief Executive Officer and Director
Robert E. Burke	Executive Vice President, Operations
David G. Gaw	Senior Vice President, Chief Financial Officer

TIMING  
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Quarterly results are anticipated to be announced according to the following schedule:

First Quarter	Early May
Second Quarter	Early August
Third Quarter	Early November
Year End	Early February

BOSTON PROPERTIES, INC.  
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COMMON STOCK DATA (NYSE: BXP)  
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Boston Properties' common stock is traded primarily on the New York Stock Exchange under the symbol: BXP. BXP's common stock has had the following characteristics:

	3rd Quarter 1998	3rd Quarter 1997
	-----	-----
High Price	\$ 34.6875	\$ 33.250
Low Price	\$ 23.8750	\$ 26.63
Closing Price	\$ 28.50	\$ 32.8125
Dividends per share-annualized	\$ 1.62	\$ 1.62
Closing Dividend yield-annualized	5.68%	4.94%
Closing shares and units outstanding (thousands)	86,392	54,760
Closing market value of shares and units outstanding (thousands)	\$ 2,524,037	\$ 1,796,813

BOSTON PROPERTIES, INC.  
Third Quarter 1998

FINANCIAL HIGHLIGHTS  
(unaudited and in thousands)

THREE MONTHS ENDED

	ACTUAL 30-SEP-98	ACTUAL 30-SEP-97	% CHANGE
<b>INCOME ITEMS:</b>			
Revenues	\$ 140,177	\$ 62,989	122.54%
Net Income (1)	\$ 25,341	\$ 13,780	83.90%
Funds from Operations	\$ 55,763	\$ 28,588	95.06%
Company's share (73.62% and 70.66%)	\$ 41,053	\$ 20,200	103.23%
Funds from Operations per share - basic	\$ 0.65	\$ 0.52	23.90%
Funds from Operations per share - diluted	\$ 0.64	\$ 0.52	23.85%
Dividends per share	\$ 0.405	\$ 0.405	n/a
<b>RATIOS:</b>			
Interest Coverage Ratio (2)	2.71	3.00	-9.54%
Dividend Payout Ratio	62.61%	77.89%	-19.62%

(1) Net income is before net extraordinary items

(2) FFO plus interest (excluding amortization of principal)/interest (excluding amortization of principal)

	SEPTEMBER 30, 1998	DECEMBER 31, 1997	% CHANGE
<b>CAPITALIZATION:</b>			
Total Debt	\$ 1,947,430	\$ 1,332,253	46.18%
Total Shares Outstanding @ Quarter End	63,527	38,694	64.18%
Total Units Outstanding @ Quarter End	22,865	16,957	34.84%
Total Preferred Units Outstanding @ Quarter End (3)	2,171	n/a	n/a
Price @ Quarter End	\$ 28.50	\$ 33.0625	-13.80%
Equity Value @ Quarter End	\$ 2,524,037	\$ 1,839,961	37.18%
Total Market Capitalization	\$ 4,471,467	\$ 3,172,214	40.96%
Debt/Total Market Capitalization	43.55%	42.00%	3.70%

(3) Preferred units are reflected on an as converted basis. The actual number of Preferred units outstanding is 2,442,222.

BOSTON PROPERTIES, INC.  
Third Quarter 1998

CONSOLIDATED BALANCE SHEETS  
(unaudited and in thousands)

	SEPTEMBER 30, 1998	DECEMBER 31, 1997
<b>ASSETS</b>		
Real estate and equipment	\$ 3,562,645	\$ 1,796,500
Less accumulated depreciation	(335,821)	(294,218)
Total real estate and equipment	3,226,824	1,502,282
Cash	15,544	17,560
Escrows	19,668	14,178
Tenant and other receivables	33,160	24,458
Accrued rental income	67,692	55,190
Deferred charges, net	41,244	35,485
Prepaid expenses and other assets	23,064	20,225
Investment in joint ventures	32,136	3,143
Total assets	\$ 3,459,332	\$ 1,672,521
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities:</b>		
Mortgage notes payable	\$ 1,752,430	\$ 1,099,253
Unsecured line of credit	195,000	233,000
Accounts payable and accrued expenses	41,502	23,822
Dividends payable	-	22,539
Accrued interest payable	4,784	6,581
Other liabilities	26,357	11,642
Total liabilities	2,020,073	1,396,837
Commitments and contingencies	-	-
Minority interests	462,015	100,636
<b>Stockholders' Equity:</b>		
Excess stock, \$.01 par value, 150,000,000 shares authorized, none issued or outstanding	-	-
Preferred stock, \$.01 par value, 50,000,000 shares authorized, none issued or outstanding	-	-
Common stock, \$.01 par value, 250,000,000 shares authorized, 63,526,785 issued and outstanding	635	387
Additional paid-in capital	949,972	172,347
Earnings in excess of dividends	26,637	2,314
Total stockholders' equity	977,244	175,048
Total liabilities and stockholders' equity	\$ 3,459,332	\$ 1,672,521

BOSTON PROPERTIES, INC.  
Third Quarter 1998

CONSOLIDATED INCOME STATEMENTS  
(unaudited and in thousands)

	THREE MONTHS ENDED		
	ACTUAL 30-SEP-98	ACTUAL 30-SEP-97	% CHANGE
Revenue:			
Rental income	\$ 136,374	\$ 59,251	130.16%
Development and management services	2,734	2,105	29.88%
Interest and other	1,069	1,633	-34.54%
Total revenue	140,177	62,989	122.54%
Operating Expenses:			
Rental expenses	43,255	16,523	161.79%
General and administrative	6,129	2,917	110.11%
Interest	33,183	14,719	125.44%
Depreciation and amortization	21,523	9,268	132.23%
Total expenses	104,090	43,427	139.69%
Income before minority interests and extraordinary items	36,087	19,562	84.48%
Minority interest in property partnership	(161)	(60)	168.33%
Income before minority interest in Operating Partnership and extraordinary items	35,926	19,502	84.22%
Minority interest in Operating Partnership	(10,585)	(5,722)	85.00%
Net income before extraordinary items	25,341	13,780	83.89%
Net extraordinary loss on early debt extinguishment, net of minority interest	-	(58)	-
Net income	\$ 25,341	\$ 13,722	84.67%
INCOME PER SHARE OF COMMON STOCK			
Net income per share - basic	\$ 0.40	\$ 0.36	9.50%
Net income per share - diluted	\$ 0.40	\$ 0.35	12.54%

BOSTON PROPERTIES, INC.  
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FUNDS FROM OPERATIONS  
(in thousands, except for per share amounts)  
(unaudited)

	THREE MONTHS ENDED		
	ACTUAL 30-SEP-98	ACTUAL 30-SEP-97	% CHANGE
Income from operations before minority interests	\$ 36,087	\$ 19,562	84.48%
Add:			
Real estate depreciation and amortization	21,359	9,143	133.61%
Less:			
Preferred Distribution	(1,505)	-	-
Minority property partnership's share of Funds from Operations	(178)	(117)	52.14%
Funds from Operations	\$ 55,763	\$ 28,588	95.06%
Company's share (1)	\$ 41,053	\$ 20,200	103.23%
Funds from Operations per share - basic	\$ 0.65	\$ 0.52	23.90%
Weighted average shares outstanding - basic	63,468	38,694	64.02%
Funds from Operations per share - diluted	\$ 0.64	\$ 0.52	23.85%
Weighted average shares outstanding - diluted	63,991	38,998	64.09%

(1) Based on weighted average shares for the quarter. Company's share for the quarter ended 9/30/98 was 73.62% and 70.66% for the quarter ended 9/30/97.

BOSTON PROPERTIES, INC.  
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FINANCIAL RATIOS

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THREE MONTHS ENDED  
SEPTEMBER 30, 1998  
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RATIOS COMPUTED FOR INDUSTRY COMPARISONS: (1)

OPERATIONAL RATIOS (2)

Debt Service Coverage Ratio (Funds from Operations ("FFO")+Interest/Interest+Principal)	2.4
Interest Coverage Ratio (Funds from Operations+Interest/Interest)	2.7
FFO Return on Shareholder's Equity (Funds from Operations/Average Equity (book value)) (%)	23.1%
FFO Return on Real Estate Investments (Funds from Operations+Interest/Average Real Estate Investments (book value)) (%)	12.7%
FFO Payout Ratio (Dividends Declared/Funds from Operations) (%)	63.0%

(1) All coverage and return ratios computed based on FFO before minority interest in earnings of the Operating Partnership and the minority interest share of FFO add-backs.

(2) FFO is calculated based on the NAREIT White Paper

BOSTON PROPERTIES, INC.  
Third Quarter 1998

CAPITAL STRUCTURE

DEBT  
(IN THOUSANDS)

	AGGREGATE PRINCIPAL SEPTEMBER 30, 1998
Mortgage Loans	\$ 1,752,430
Unsecured Line of Credit	195,000
Total Debt	\$ 1,947,430

EQUITY  
(IN THOUSANDS)

	SHARES & UNITS OUTSTANDING	COMMON STOCK EQUIVALENTS	\$ VALUE EQUIVALENT(1)
Common Stock	63,527	63,527	\$ 1,810,513
Operating Partnership Units	22,865	22,865	651,650
Preferred Operating Partnership Units	2,442	2,171	61,874
Total Equity		88,563	\$ 2,524,037
Total Market Capitalization			\$ 4,471,467

(1) Value based on September 30, 1998 closing price of \$28.50.

BOSTON PROPERTIES, INC.  
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DEBT ANALYSIS

LONG-TERM MORTGAGE DEBT MATURITIES AND PRINCIPAL PAYMENTS  
(IN THOUSANDS)

YEAR	1998	1999	2000	2001	2002	THEREAFTER	TOTAL
Amount	\$ 8,716	16,467	221,328	133,454	371,369	1,001,096	\$ 1,752,430

UNSECURED LINE OF CREDIT - DUE JUNE 23, 2000  
(IN THOUSANDS)

FACILITY	OUTSTANDING @ 9/30/98	REMAINING CAPACITY
\$ 500,000	195,000	\$ 305,000

UNSECURED AND SECURED DEBT ANALYSIS

	% OF DEBT	WEIGHTED AVERAGE RATE	WEIGHTED AVERAGE MATURITY
Unsecured Debt	10.01%	6.63%	1.7 years
Secured Debt	89.99%	7.24%	6.1 years
Total Debt	100.00%	7.18%	5.6 years

FLOATING AND FIXED RATE DEBT ANALYSIS

	% OF DEBT	WEIGHTED AVERAGE RATE	WEIGHTED AVERAGE MATURITY
Floating Rate Debt	10.60%	6.60%	1.8 years
Fixed Rate Debt	89.40%	7.25%	6.1 years
Total Debt	100.00%	7.18%	5.6 years

BOSTON PROPERTIES, INC.  
Third Quarter 1998

PORTFOLIO OVERVIEW

RENTABLE SQUARE FEET OF IN-SERVICE PROPERTIES BY LOCATION AND TYPE OF PROPERTY

GEOGRAPHIC AREA	OFFICE	R&D	INDUSTRIAL	TOTAL	% OF TOTAL
Greater Boston	4,478,707	545,206	247,318	5,271,231	29.38%
Greater Washington, D.C.	4,161,795	1,383,332	236,743	5,781,870	32.23%
Midtown Manhattan	2,880,507	-	-	2,880,507	16.06%
Princeton/East Brunswick, NJ	1,366,360	-	-	1,366,360	7.62%
Baltimore, MD	1,153,190	-	-	1,153,190	6.42%
Richmond, VA	899,720	-	-	899,720	5.02%
Greater San Francisco	-	144,479	281,000	425,479	2.37%
Bucks County, PA	-	-	161,000	161,000	0.90%
<b>Total</b>	<b>14,940,279</b>	<b>2,073,017</b>	<b>926,061</b>	<b>17,939,357</b>	<b>100.00%</b>
% of Total	83.29%	11.56%	5.16%	100.00%	

HOTEL PROPERTIES

HOTEL PROPERTIES	NUMBER OF ROOMS	SQUARE FEET
Long Wharf Marriott	402	420,000
Cambridge Center Marriott	431	330,400
<b>Total Hotel Properties</b>	<b>833</b>	<b>750,400</b>

GARAGE PROPERTY AND STRUCTURED PARKING

	NUMBER OF SPACES	SQUARE FEET
GARAGE PROPERTIES		
Cambridge Center North Garage	1,170	332,442
STRUCTURED PARKING	12,907	4,407,058
<b>TOTAL GARAGE PROPERTY AND STRUCTURED PARKING</b>	<b>14,077</b>	<b>4,739,500</b>

BOSTON PROPERTIES, INC.  
Third quarter 1998

PORTFOLIO OVERVIEW

PERCENTAGE OF PROPERTY FUNDS FROM OPERATIONS/\* / FOR IN-SERVICE PROPERTIES BY  
LOCATION AND TYPE OF PROPERTY FOR QUARTER ENDED SEPTEMBER 30, 1998

GEOGRAPHIC AREA	OFFICE	R&D	INDUSTRIAL	HOTEL	GARAGE	TOTAL
Greater Boston	20.7%(1)	1.2%	0.3%	7.4%	0.3%	29.9%
Greater Washington, D.C.	27.0%(2)	3.7%	0.3%	n/a	n/a	31.0%
Midtown Manhattan	22.7%	n/a	n/a	n/a	n/a	22.7%
Baltimore, Maryland	5.1%(3)	n/a	n/a	n/a	n/a	5.1%
Richmond, Virginia	4.4%	n/a	n/a	n/a	n/a	4.4%
Princeton/East Brunswick, NJ	6.3%	n/a	n/a	n/a	n/a	6.3%
Greater San Francisco	n/a	0.2%	0.2%	n/a	n/a	0.4%
Bucks County, PA	n/a	n/a	0.2%	n/a	n/a	0.2%
Total	86.2%	5.1%	1.0%	7.4%	0.3%	100.0%

(1) Includes the Prudential Center since its acquisition on July 2, 1998.

(2) Includes Metropolitan Square since its acquisition on July 10, 1998.

(3) Includes the Candler Building since its acquisition on July 21, 1998.

\* For this table, Property Funds from Operations is equal to GAAP basis property NOI which includes the effect of straight-line rent and excludes any deduction for interest expense.

BOSTON PROPERTIES, INC.  
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OCCUPANCY ANALYSIS

SAME PROPERTY OCCUPANCY - BY LOCATION

LOCATION	30-SEP-98	30-SEP-97
Greater Boston, MA	98.7%	98.4%
Greater Washington, D.C.	98.0%	98.2%
Midtown Manhattan, NY	100.0%	99.7%
Baltimore, MD	n/a	n/a
Princeton/East Brunswick, NJ	n/a	n/a
Richmond, VA	n/a	n/a
Greater San Francisco, CA	99.7%	96.8%
Bucks County, PA	100.0%	100.0%
Total Portfolio	98.6%	98.4%

SAME PROPERTY - BY TYPE OF PROPERTY

	30-SEP-98	30-SEP-97
Total Office Portfolio	99.4%	99.2%
Total R&D Portfolio	97.5%	98.6%
Total Industrial Portfolio	95.0%	93.4%
Total Portfolio	98.6%	98.4%

BOSTON PROPERTIES, INC.  
Third Quarter 1998

IN-SERVICE OFFICE PROPERTIES

LEASE EXPIRATIONS

YEAR OF LEASE EXPIRATION	RENTABLE SQUARE FOOTAGE SUBJECT TO EXPIRING LEASES	ANNUALIZED CURRENT REVENUES UNDER EXPIRING LEASES (IN THOUSANDS)	PERCENTAGE OF TOTAL ANNUALIZED CURRENT REVENUES REPRESENTED BY EXPIRING LEASES
1998	256,318	4,498,003	0.96%
1999	943,053	24,117,160	5.12%
2000	1,273,501	30,121,183	6.40%
2001	1,536,493	29,009,915	6.16%
2002	1,906,543	92,060,046	19.55%
2003	1,396,692	40,231,793	8.54%
2004	1,170,768	34,969,420	7.42%
2005	1,088,570	27,655,179	5.87%
2006	1,618,447	56,308,449	11.96%
2007	1,413,357	51,523,104	10.94%
Thereafter	2,248,556	80,496,059	17.09%

OCCUPANCY BY LOCATION

	30-SEP-98	30-SEP-97
Greater Boston, MA	99.2%	98.6%
Greater Washington, D.C.	99.7%	99.4%
Midtown Manhattan, NY	99.7%	91.4%
Baltimore, MD	99.2%	n/a
Richmond, VA	98.8%	n/a
Princeton/East Brunswick, NJ	100.0%	n/a
Greater San Francisco, CA	n/a	n/a
Bucks County, PA	n/a	n/a
Total Office Portfolio	98.9%	96.6%

BOSTON PROPERTIES, INC.  
Third Quarter 1998

IN-SERVICE R&D PROPERTIES  
LEASE EXPIRATIONS

YEAR OF LEASE EXPIRATION	RENTABLE SQUARE FOOTAGE SUBJECT TO EXPIRING LEASES	ANNUALIZED CURRENT REVENUES UNDER EXPIRING LEASES (IN THOUSANDS)	PERCENTAGE OF TOTAL ANNUALIZED CURRENT REVENUES REPRESENTED BY EXPIRING LEASES
1998	9,267	310,583	1.13%
1999	214,783	2,290,862	8.35%
2000	400,867	4,202,352	15.33%
2001	251,541	2,004,707	7.31%
2002	267,660	3,780,049	13.79%
2003	86,497	1,146,799	4.18%
2004	47,641	704,767	2.57%
2005	146,741	1,815,845	6.62%
2006	150,000	1,622,501	5.92%
2007	107,895	2,294,165	8.37%
Thereafter	334,195	7,246,499	26.43%

OCCUPANCY BY LOCATION

	30-SEP-98	30-SEP-97
Greater Boston, MA	100.0%	100.0%
Greater Washington, D.C.	96.4%	93.8%
Midtown Manhattan, NY	n/a	n/a
Baltimore, MD	n/a	n/a
Richmond, VA	n/a	n/a
Princeton/East Brunswick, NJ	n/a	n/a
Greater San Francisco, CA	99.0%	90.6%
Bucks County, PA	n/a	n/a
Total R&D Portfolio	98.2%	95.8%

BOSTON PROPERTIES, INC.  
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IN-SERVICE INDUSTRIAL PROPERTIES

LEASE EXPIRATIONS

YEAR OF LEASE EXPIRATION	RENTABLE SQUARE FOOTAGE SUBJECT TO EXPIRING LEASES	ANNUALIZED CURRENT REVENUES UNDER EXPIRING LEASES (IN THOUSANDS)	PERCENTAGE OF TOTAL ANNUALIZED CURRENT REVENUES REPRESENTED BY EXPIRING LEASES
1998	136,358	1,099,055	20.66%
1999	63,904	374,237	7.03%
2000	249,280	1,469,129	27.61%
2001	70,829	357,093	6.71%
2002	-	-	0.00%
2003	143,105	975,445	18.33%
2004	195,076	935,485	17.58%
2005	20,500	110,151	2.07%
2006	-	-	0.00%
2007	-	-	0.00%
Thereafter	-	-	0.00%

OCCUPANCY BY LOCATION

	30-SEP-98	30-SEP-97
Greater Boston, MA	93.0%	93.0%
Greater Washington, D.C.	87.8%	81.4%
Midtown Manhattan, NY	n/a	n/a
Baltimore, MD	n/a	n/a
Richmond, VA	n/a	n/a
Princeton/East Brunswick, NJ	n/a	n/a
Greater San Francisco, CA	100.0%	100.0%
Bucks County, PA	100.0%	100.0%
Total Industrial Portfolio	95.0%	93.4%

BOSTON PROPERTIES, INC.  
Third Quarter 1998

GRAND TOTAL OF ALL  
IN-SERVICE PROPERTIES

LEASE EXPIRATION

YEAR OF LEASE EXPIRATION	RENTABLE SQUARE FOOTAGE SUBJECT TO EXPIRING LEASES	ANNUALIZED CURRENT REVENUES UNDER EXPIRING LEASES (IN THOUSANDS)	PERCENTAGE OF TOTAL ANNUALIZED CURRENT REVENUES REPRESENTED BY EXPIRING LEASES
1998	401,943	5,907,641	1.17%
1999	1,221,740	26,782,259	5.32%
2000	1,923,648	35,792,664	7.11%
2001	1,858,863	31,371,715	6.23%
2002	2,174,203	95,840,095	19.03%
2003	1,626,294	42,354,037	8.41%
2004	1,413,485	36,609,672	7.27%
2005	1,255,811	29,581,175	5.87%
2006	1,768,447	57,930,950	11.50%
2007	1,521,252	53,817,269	10.68%
Thereafter	2,582,751	87,742,558	17.42%

OCCUPANCY BY LOCATION

	30-SEP-98	30-SEP-97
Greater Boston, MA	99.0%	98.4%
Greater Washington, D.C.	98.5%	97.1%
Midtown Manhattan, NY	99.6%	91.4%
Baltimore, MD	99.2%	n/a
Richmond, VA	98.8%	n/a
Princeton/East Brunswick, NJ	100.0%	n/a
Greater San Francisco, CA	99.7%	96.8%
Bucks County, PA	100.0%	100.0%
Total Portfolio	98.5%	96.2%

BOSTON PROPERTIES, INC.

Third Quarter 1998

SAME PROPERTY PERFORMANCE

HOTEL PROPERTIES

Long Wharf Marriott - Boston

	1/1/98- 9/30/98	1/1/97 9/30/97	PERCENT CHANGE	7/1/98 - 9/30/98	7/1/97 - 9/30/97	PERCENT CHANGE
Occupancy	88.5%	88.3%	0.23%	89.0%	91.4%	-2.63%
Average Daily Rate	\$ 227.54	\$ 218.38	4.19%	\$ 249.70	\$ 243.35	2.61%
REVPAR (1)	\$ 201.37	\$ 193.48	4.08%	\$ 222.23	\$ 222.42	-0.09%

CAMBRIDGE CENTER MARRIOTT

	1/1/98- 9/30/98	1/1/97- 9/30/97	PERCENT CHANGE	7/1/98 - 9/30/98	7/1/97 - 9/30/97	PERCENT CHANGE
Occupancy	83.4%	88.4%	-5.66%	93.1%	93.6%	-0.53%
Average Daily Rate	\$ 178.39	\$ 162.11	10.04%	\$ 188.47	\$ 171.71	9.76%
REVPAR (1)	\$ 148.78	\$ 143.47	3.70%	\$ 175.47	\$ 160.72	9.18%

TOTAL HOTEL PERFORMANCE

	1/1/98- 9/30/98	1/1/97- 9/30/97	PERCENT CHANGE	7/1/98 - 9/30/98	7/1/97 - 9/30/97	PERCENT CHANGE
Occupancy	85.9%	88.4%	-2.83%	91.1%	92.5%	-1.51%
Average Daily Rate	\$ 202.11	\$ 189.27	6.78%	\$ 218.02	\$ 206.28	5.69%
REVPAR (1)	\$ 174.16	\$ 167.60	3.91%	\$ 198.04	\$ 190.50	3.96%

(1) REVPAR is defined as the revenue per available room as determined by dividing room revenue over the applicable period by available rooms.

BOSTON PROPERTIES, INC.  
Third Quarter 1998

SAME PROPERTY PERFORMANCE

OFFICE, R&D AND INDUSTRIAL PROPERTIES

	OFFICE	R&D	INDUSTRIAL
Number of Properties	33	23	9
Square feet	5,641,474	1,323,693	926,061
Percent of in-service properties	37.8%	63.9%	100.0%
Occupancy @ 9/30/97	99.2%	98.6%	93.4%
Occupancy @ 9/30/98	99.4%	97.6%	95.0%
Percent change in FFO (1) from 3rd quarter 1998 over 3rd quarter 1997	3.5%	2.3%	-1.5%

SAME PROPERTY LEASE ANALYSIS - QUARTER ENDED SEPTEMBER 30, 1998

	OFFICE	R&D	INDUSTRIAL	TOTAL
Vacant space available @ 7/1/98 (sf)	42,677	22,080	46,222	110,979
Square footage of leases expiring or terminated 7/1/98 - 9/30/98	137,630	31,347	40,500	209,477
Total space for lease (sf)	180,307	53,427	86,722	320,456
New tenants (sf)	51,929	9,663	20,500	82,092
Renewals (sf)	95,278	7,897	20,000	123,175
Total space leased (sf)	147,207	17,560	40,500	205,267
Space available @ 9/30/98 (sf)	33,100	35,867	46,222	115,189
Net increase (decrease) in leased space (sf)	9,577	(13,787)	-	(4,210)
Average lease term (months)	90	36	44	76
2nd generation TI/Comm PSF	\$ 20.71	\$ 3.84	\$ 2.44	\$ 15.69
Increase in 2nd generation net rents (2)	16.3%	12.9%	8.4%	15.5%

(1) For this table, Funds from Operations is equal to GAAP basis property NOI which includes the effect of straight-line rent and excludes any deduction for interest expense.

(2) Represents increase in net rents on a "cash to cash" basis. (Actual net rent at time of expiration vs. initial net rent of new lease.)

BOSTON PROPERTIES, INC.  
Third Quarter 1998

SAME PROPERTY LEASE ANALYSIS - YEAR TO DATE 1/1/98 -9/30/98

	OFFICE	R&D	INDUSTRIAL	TOTAL
	-----	---	-----	-----
Vacant space available @ 1/1/98 (sf)	54,323	41,654	61,222	157,199
Square footage of leases expiring or terminated 1/1/98- 9/30/98	268,427	62,512	222,000	552,939
Total space for lease (sf)	322,750	104,166	283,222	710,138
	=====	=====	=====	=====
New tenants (sf)	158,272	36,454	56,000	250,726
Renewals (sf)	131,378	31,354	181,000	343,732
	-----	-----	-----	-----
Total space leased (sf)	289,650	67,808	237,000	594,458
	=====	=====	=====	=====
Space available @ 9/30/98 (sf)	33,100	36,367	46,222	115,689
	=====	=====	=====	=====
Net increase/(decrease) in leased space (sf)	21,223	5,287	15,000	41,510
Average lease term (months)	71	68	35	56
2nd generation TI/Comm PSF (2)	\$ 15.29	\$ 3.30	\$ 1.28	\$ 8.33
Increase in 2nd generation net rents (1)	18.9%	13.7%	-14.2%	11.1%

(1) Represents increase in net rents on a "cash to cash" basis (actual net rent at time of expiration vs. initial net rent of new lease).

(2) Represents the weighted average cost of tenant improvements and lease commissions for all 2nd generation space leased during the quarter.

BOSTON PROPERTIES, INC.  
Third Quarter 1998

HISTORICALLY GENERATED CAPITAL EXPENDITURES,  
TENANT IMPROVEMENT COSTS AND LEASING COMMISSIONS

HISTORICAL CAPITAL EXPENDITURES

	1992	1993	1994	1995	1996	1997	YTD 1998
Recurring capital expenditures	\$ 1,547	\$ 1,425	\$ 1,812	\$ 1,618	\$ 1,083	\$ 1,125	\$ 2,356
Hotel improvements, equipment upgrades and replacements	\$ 3,182	\$ 836	\$ 1,917	\$ 4,420	\$ 3,041	\$ 2,625	\$ 3,658

2ND GENERATION TENANT IMPROVEMENTS AND LEASING COMMISSIONS

	1992	1993	1994	1995	1996	1997	YTD 1998
Office							
Square feet	673,138	451,295	690,459	768,459	970,072	1,016,427	378,824
Tenant improvement and lease commissions p.s.f.	\$ 7.85	\$ 8.45	\$ 9.45	\$ 10.66	\$ 11.40	\$ 10.83	\$ 12.15
R&D							
Square feet	185,070	166,957	276,332	177,073	337,676	169,878	67,799
Tenant improvement and lease commissions p.s.f.	\$ 3.82	\$ 5.53	\$ 0.68	\$ 6.99	\$ 10.45	\$ 2.22	\$ 3.30
Industrial							
Square feet	44,473	241,500	132,521	308,388	128,148	258,795	237,000
Tenant improvement and lease commissions p.s.f.	\$ 2.31	\$ 0.28	\$ 3.32	\$ 1.00	\$ 1.71	\$ 0.99	\$ 1.28
Average tenant improvement and lease commission p.s.f.	\$ 6.75	\$ 5.59	\$ 6.51	\$ 7.77	\$ 10.31	\$ 8.06	\$ 7.50

BOSTON PROPERTIES, INC.  
Third Quarter 1998

VALUE CREATION PIPELINE - ACQUISITIONS/REPOSITIONING  
as of September 30, 1998

PROPERTY -----	DATE PLACED IN SERVICE -----	SQUARE FEET -----	INITIAL INVESTMENT -----	ANTICIPATED FUTURE INVESTMENT -----	TOTAL INVESTMENT -----	CURRENT OCCUPANCY -----
<b>ACQUISITIONS</b>						
-----						
Class A Office Buildings						
Prudential Center	Jul-98	2,187,373	\$ 546,000,000 (1)	\$18,100,000	\$ 564,100,000	99%
Metropolitan Square	Jul-98	583,685	175,000,000	4,300,000	179,300,000	100%
The Candler Building	Jul-98	518,954	60,500,000	2,000,000	62,500,000	99%
		-----	-----	-----	-----	-----
Subtotal		3,290,012	781,500,000	24,400,000	805,900,000	99%
<b>REPOSITIONING</b>						
-----						
1301 New York Avenue	Mar-99	185,000	28,000,000	18,200,000	46,200,000	100%(2)
		-----	-----	-----	-----	-----
TOTAL VALUE CREATION PIPELINE - ACQUISITIONS/REPOSITIONING		3,475,012	\$ 809,500,000	\$ 42,600,000	\$ 852,100,000	99%
		=====	=====	=====	=====	=====

(1) Includes \$27.0 million paid for 50% of the development rights.

(2) As of March 1, 1999.

BOSTON PROPERTIES, INC.  
Third Quarter 1998

VALUE CREATION PIPELINE - DEVELOPMENT  
as of September 30, 1998

DEVELOPMENT PROPERTIES	ESTIMATED PLACED IN SERVICE DATE	LOCATION	# OF BUILDINGS	SQUARE FEET	ANTICIPATED TOTAL INVESTMENT	PERCENTAGE LEASED
Class A Office Buildings						
Washingtonian North	Q2 2000	Rockville, MD	1	300,000	\$ 60,000,000	100%
200 West Street	Q2 1999	Waltham, MA	1	250,000	43,423,000	52%
Eight Cambridge Center	Q2 1999	Cambridge, MA	1	175,000	26,000,000	100%
One Freedom Square (25% ownership)	Q4 1999	Reston, VA	1	406,980	19,150,000 (1)	73%
One and Two Reston Overlook (25% ownership)	Q1-Q2 1999	Reston, VA	2	444,000	18,100,000 (1)	100%
The Arboretum	Q3 1999	Reston, VA	1	96,000	15,265,000	100%
181 Spring Street	Q2 1999	Lexington, MA	1	52,000	10,871,085	0%
Total Class Office Buildings			8	1,723,980	192,809,085	81%
Hotels						
Residence Inn by Marriott	Q1 1999	Cambridge, MA	1	187,474	32,000,000	n/a
TOTAL DEVELOPMENT PROPERTIES			9	1,911,454	\$ 224,809,085	81%

(1) Represents 25% of the total anticipated project-level investment

BOSTON PROPERTIES, INC.  
Third Quarter 1998

VALUE CREATION PIPELINE - OWNED LAND PARCELS

as of September 30, 1998

LOCATION	NO. OF PARCELS	ACREAGE	DEVELOPABLE SQUARE FEET
Dulles, VA	6	91.1	1,200,000
Rockville, MD	6	117.1	2,031,000
Reston, VA	2	8.8	775,000
Herndon, VA	1	35.5	450,000
Andover, MA	2	27.0	290,000
Springfield, VA	3	9.4	130,000
Boston, MA	--	-- (1)	1,600,000 (2)
	20	288.9	6,476,000

- (1) Parcels and acreage have not yet been determined.  
(2) Boston Properties has a 50% ownership interest

VALUE CREATION PIPELINE - LAND PURCHASE OPTIONS

LOCATION	NO. OF PARCELS	ACREAGE	DEVELOPABLE SQUARE FEET
Carnegie Center	16	167.1	2,100,000
Cambridge, MA	1	2.6	209,000
	17	169.7	2,309,000

BOSTON PROPERTIES, INC.  
Third Quarter 1998

ACQUISITION PROPERTY PROFILE

PROPERTY NAME: Prudential Center

PRODUCT TYPE: Multiuse

LOCATION: Boston, Massachusetts

DESCRIPTION: 23 acre mix-use urban center with approximately 1.7 million square feet of existing office space, 475,000 square feet of retail space and 2,550 parking spaces in an underground garage. In addition, the property has approvals for an additional 1.6 million square feet of development.

YEAR CONSTRUCTED: 1965/1993

PURCHASE PRICE: \$546 million, which includes \$27 million for 50% of the development rights.

CLOSING DATE: July 2, 1998

PER SQUARE FOOT: N/A

FUTURE INVESTMENT: \$18.1 million

OCCUPANCY LEVEL: 99%

NUMBER OF TENANTS: 113

FUNDING SOURCE: Cash, Operating Partnership Units, Debt Financing

LARGEST TENANTS:

Company: Gillette	Size: 412,970 s.f.	Lease Expiration: 12/2007
Company: Boston Edison	Size: 261,196 s.f.	Lease Expiration: 12/2000
Company: John Hancock	Size: 233,516 s.f.	Lease Expiration: 12/2003
Company: Bronner Slosberg	Size: 205,790 s.f.	Lease Expiration: 11/2005

BOSTON PROPERTIES, INC.  
Third Quarter 1998

ACQUISITION PROPERTY PROFILE

PROPERTY NAME: Metropolitan Square  
PRODUCT TYPE: Class A Office Building  
LOCATION: Washington, D.C.  
DESCRIPTION: Two 12-story structures connected by a  
full-height 12-story atrium  
SIZE: 583,685 net rentable square feet  
YEAR CONSTRUCTED: 1982/1986  
PURCHASE PRICE: \$175 million  
CLOSING DATE: July 10, 1998  
PER SQUARE FOOT: \$299  
FUTURE INVESTMENT: \$4.3 million  
OCCUPANCY LEVEL: 100%  
NUMBER OF TENANTS: Approximately 37  
FUNDING SOURCE: Cash, Operating Partnership Units,  
Assumption of Debt

LARGEST TENANTS:

Company: Jones, Day, Reavis & Pogue	Size: 196,874 s.f.	Lease Expiration: 5/1999
Company: Miller & Chevalier	Size: 115,343 s.f.	Lease Expiration: 12/2005
Company: Kirkland & Ellis	Size: 110,657 s.f.	Lease Expiration: 3/2000

BOSTON PROPERTIES, INC.

Third Quarter 1998

ACQUISITION PROPERTY PROFILE

PROPERTY NAME: The Candler Building  
PRODUCT TYPE: Class A Office Building  
LOCATION: Baltimore, Maryland  
DESCRIPTION: 12-story office building encompassing  
an entire city block  
SIZE: 518,954 net rentable square feet  
YEAR CONSTRUCTED: Constructed 1911, renovated 1990  
PURCHASE PRICE: \$60.5 million  
CLOSING DATE: July 21, 1998  
PER SQUARE FOOT: \$114.5  
FUTURE INVESTMENT: \$2.0 million  
OCCUPANCY LEVEL: 99%  
NUMBER OF TENANTS: 31  
FUNDING SOURCE: Cash, issuance of common shares  
LARGEST TENANTS:  
Company: John Hopkins University Size: 111,553 Lease Expiration: 6/2009  
Company: Sierra Size: 83,151 Lease Expiration: 12/2008  
Company: AON Size: 74,249 Lease Expiration: 2/2006

BOSTON PROPERTIES, INC.  
Third Quarter 1998

REPOSITIONING PROPERTY PROFILE

PROPERTY NAME: 1301 New York Avenue  
PRODUCT TYPE: Class A Office Building  
LOCATION: Washington, D.C.  
DESCRIPTION: 12-story office building currently  
being renovated  
SIZE: 185,000 net rentable square feet  
YEAR CONSTRUCTED: 1983  
INITIAL PURCHASE PRICE: \$28.0 million  
CLOSING DATE: August 14, 1998  
PER SQUARE FOOT: \$150.00  
FUTURE INVESTMENT: \$18.2 million  
TOTAL INVESTMENT: \$46.2 million  
FUTURE OCCUPANCY LEVEL: 100% on 3/99  
NUMBER OF TENANTS: 1  
FUNDING SOURCE: Cash, Debt Financing and Operating  
Partnership Units  
LARGEST TENANT:  
GSA Size: 185,000 Lease Expiration: 2/2009

Boston Properties, Inc.  
8 Arlington Street  
Boston, MA 02116  
(NYSE: BXP)

Boston Properties, Inc. Announces Third Quarter 1998 Results  
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BOSTON, MA Oct. 26, 1998 /PRNewswire/ -- Boston Properties, Inc. (NYSE: BXP) today reported results for the third quarter and the nine months ended September 30, 1998.

Funds from Operations (FFO) for the quarter ended September 30, 1998 were approximately \$41.1 million, or \$0.65 per share basic and \$0.64 per share diluted, compared to FFO of approximately \$20.2 million, or \$0.52 per share basic and diluted for the quarter ended September 30, 1997. The weighted average number of basic and diluted shares outstanding totaled 63,467,722 and 63,991,255, respectively, for the quarter ended September 30, 1998 and 38,693,541 and 38,998,244, respectively, for the same quarter last year. FFO for the nine months ended September 30, 1998 were approximately \$109.5 million, or \$1.82 per share basic and \$1.80 per share diluted, compared to FFO on a pro forma basis of approximately \$56.0 million, or \$1.45 per share basic and \$1.44 per share diluted, for the nine months ended September 30, 1997.

Revenues were approximately \$140.2 million for the quarter and \$343.8 million for the nine months ended September 30, 1998, compared to revenues of \$63.0 million and \$177.8 million (pro forma) for the same periods in 1997. Net income for the quarter was approximately \$25.3 million and \$74.9 million for the nine months ended September 30, 1998, compared to \$13.7 million and \$36.5 million (pro forma), respectively, for the same periods in 1997. Net income per share for the quarter was \$0.40 per share basic and diluted, compared to \$0.36 per share basic and \$0.35 per share diluted last year, and was \$1.25 per share basic and \$1.23 per share diluted for the nine months ended September 30, 1998, compared to \$0.94 per share basic and diluted on a pro forma basis last year.

The reported results are unaudited and there can be no assurance that the results will not vary from the final audited information for the year ending December 31, 1998. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made. Pro forma results are presented as if the Company's initial public offering of common stock and related formation transactions (which was completed on June 23, 1997) had occurred at the beginning of the relevant period.

As of September 30, 1998, the Company's portfolio consisted of 114 properties comprising more than 25.5 million square feet, including 9 properties under development totaling approximately 1.9 million square feet. The overall occupancy rate for the properties in service as of September 30, 1998 was 98.5%.

Additional highlights of the third quarter include:

- Acquisition of the Prudential Center, a 2.2-million-square-foot mixed-use urban center located in Boston, Mass., on July 2, 1998 for approximately \$519.0 million for the commercial property and \$27.0 million for development rights.
- Acquisition of Metropolitan Square, a 583,685-square-foot Class A office complex in Washington, D.C., on July 10, 1998 for approximately \$175.0 million.
- Acquisition of the Candler Building, a 518,954-square-foot Class A office building in Baltimore, Md., on July 21, 1998 for approximately \$61.0 million.
- Entry into a binding agreement to acquire the portfolio known as Embarcadero Center in San Francisco, Calif., on September 28, 1998, consisting of approximately 3.76 million square feet in six Class A buildings, for approximately \$1.22 billion.

Also in the third quarter, on August 18, 1998, the Company acquired 1301 New York Avenue, N.W., a 12-story 185,000-square-foot Class A office building located three blocks from the White House in Washington, D.C., for approximately \$28.0 million, in the form of Operating Partnership Units in Boston Properties Limited Partnership and mortgage financing. The Company is in the process of renovating this property, which will be 100% occupied by the General Services Administration.

Since September 30, 1998 the Company has obtained mortgage financing totaling \$95.0 million secured by 100 East Pratt Street in Baltimore, Md. The proceeds were used to pay down a portion of the Company's unsecured line of credit.

Boston Properties, Inc. is a fully integrated, self-administered and self-managed real estate investment trust ("REIT") that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of office, industrial and hotel properties predominantly located in Greater Boston; Greater Washington, D.C.; Midtown Manhattan; Baltimore, Md.; Richmond, Va. and Princeton/East Brunswick, N.J. The Company is one of the largest owners and developers of office properties in the United States.

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

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

BOSTON PROPERTIES, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited and in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	1998	1997	1998	1997
			(pro forma)	
Revenue				
Rental:				
Base rent	\$119,535	\$53,433	\$286,610	\$150,393
Recoveries from tenants	13,665	5,656	33,027	16,512
Parking and other	3,174	162	5,880	2,681
Total rental revenue	136,374	59,251	325,517	169,586
Development and management services	2,734	2,105	8,893	5,438
Interest and other	1,069	1,633	9,410	2,796
Total revenue	140,177	62,989	343,820	177,820
Expenses				
Rental:				
Operating	23,651	8,071	50,444	22,350
Real estate taxes	19,604	8,452	46,744	23,964
General and administrative	6,129	2,917	16,750	8,708
Interest	33,183	14,719	81,926	42,797
Depreciation and amortization	21,523	9,268	51,212	27,514
Total expenses	104,090	43,427	247,076	125,333
Income before minority interests	36,087	19,562	96,744	52,487
Minority interest in property partnership	(161)	(60)	(390)	(303)
Income before minority interest in Operating Partnership	35,926	19,502	96,354	52,184
Minority interest in Operating Partnership	(10,585)	(5,722)	(25,025)	(15,687)
Income before extraordinary items	25,341	13,780	71,329	36,497
Extraordinary gain (loss) on early debt extinguishments, net	--	(58)	3,564	--
Net income	\$ 25,341	\$13,722	\$ 74,893	\$ 36,497
Basic earnings per share:				
Income before extraordinary items	\$ 0.40	\$ 0.36	\$ 1.19	\$ 0.94
Extraordinary gain (loss), net	--	--	0.06	--
Net income	\$ 0.40	\$ 0.36	\$ 1.25	\$ 0.94
Weighted average number of common shares outstanding	63,468	38,694	60,101	38,694
Diluted earnings per share:				
Income before extraordinary items	\$ 0.40	\$ 0.35	\$ 1.17	\$ 0.94
Extraordinary gain (loss), net	--	--	0.06	--
Net income	\$ 0.40	\$ 0.35	\$ 1.23	\$ 0.94
Weighted average number of common shares outstanding	63,991	38,998	60,744	38,979

BOSTON PROPERTIES, INC.  
FUNDS FROM OPERATIONS  
(Unaudited)

	Three Months Ended September 30,		% Change
	1998	1997	
	(Actual)	(Actual)	-----
Income from operations before minority interests	\$36,087	\$19,562	84.48%
Add:			
Real estate depreciation and amortization	21,359	9,143	133.61%
Less:			
Preferred allocation	(1,505)	--	--
Minority property partnership's share of Funds from Operations	(178)	(117)	52.14%
Funds from Operations	\$55,763	\$28,588	95.06%
Company's share (A)	\$41,053	\$20,200	103.23%
Funds from Operations per share - basic	\$ 0.65	\$ 0.52	23.90%
Weighted average shares outstanding - basic	63,468	38,694	64.03%
Funds from Operations per share - diluted	\$ 0.64	\$ 0.52	23.85%
Weighted average shares outstanding - diluted	63,991	38,998	64.09%

(A) Based on weighted average shares for the quarter. Company's share for the quarter ended 9/30/98 was 73.62% and 70.66% for the quarter ended 9/30/97.

	Nine Months Ended September 30,		% Change
	1998	1997	
	(Actual)	(Pro forma)	-----
Income from operations before minority interests	\$ 96,744	\$52,487	84.32%
Add:			
Real estate depreciation and amortization	50,718	27,132	86.93%
Less:			
Preferred allocation	(1,505)	--	--
Minority property partnership's share of Funds from Operations	(460)	(368)	25.00%
Funds from Operations	\$145,497	\$79,251	83.59%
Company's share	\$109,472	\$55,999	95.49%
Funds from Operations per share - basic	\$ 1.82	\$ 1.45	25.86%
Weighted average shares outstanding - basic	60,101	38,694	55.32%
Funds from Operations per share - diluted	\$ 1.80	\$ 1.44	25.44%
Weighted average shares outstanding - diluted	60,744	38,979	55.84%

BOSTON PROPERTIES, INC.  
CONSOLIDATED BALANCE SHEETS  
(unaudited and in thousands)

	September 30, 1998	December 31, 1997
	-----	-----
<b>ASSETS</b>		
Real estate:	\$3,562,645	\$1,796,500
Less: accumulated depreciation	(335,821)	(294,218)
	-----	-----
Total real estate	3,226,824	1,502,282
Cash and cash equivalents	15,544	17,560
Escrows	19,668	14,178
Tenant and other receivables, net	33,160	24,458
Accrued rental income, net	67,692	55,190
Deferred charges, net	41,244	35,485
Prepaid expenses and other assets	23,064	20,225
Investment in joint ventures	32,136	3,143
	-----	-----
Total assets	\$3,459,332	\$1,672,521
	=====	=====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities:		
Mortgage notes payable	\$1,752,430	\$1,099,253
Unsecured line of credit	195,000	233,000
Accounts payable and accrued expenses	41,502	23,822
Dividends payable	--	22,539
Accrued interest payable	4,784	6,581
Other liabilities	26,357	11,642
	-----	-----
Total liabilities	2,020,073	1,396,837
	-----	-----
Commitments and contingencies	--	--
	-----	-----
Minority interests	462,015	100,636
	-----	-----
Stockholders' equity:		
Preferred stock, \$.01 par value, 50,000,000 shares authorized, none issued or outstanding	--	--
Excess stock, \$.01 par value, 150,000,000 shares authorized, none issued or outstanding	--	--
Common stock, \$.01 par value, 250,000,000 shares authorized, 63,526,785 issued and outstanding	635	387
Additional paid-in capital	949,972	172,347
Earnings in excess of dividends	26,357	2,314
	-----	-----
Total stockholders' equity	977,244	175,048
	-----	-----
Total liabilities and stockholders' equity	\$3,459,332	\$1,672,521
	=====	=====

BOSTON PROPERTIES, INC.  
 PORTFOLIO OCCUPANCY  
 (Unaudited)

Occupancy by Location  
 -----

	September 30, 1998	December 31, 1997
Greater Boston, MA	99.0%	98.3%
Greater Washington, DC	98.5%	97.3%
Midtown Manhattan, NY	99.6%	95.2%
Baltimore, MD	99.2%	98.0%
Richmond, VA	98.8%	n/a
Princeton/East Brunswick, NJ	100.0%	n/a
Greater San Francisco, CA	99.7%	98.4%
Bucks County, PA	100.0%	100.0%
	-----	-----
Total Portfolio	98.5%	97.2%
	=====	=====

Occupancy by Type  
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Class A Office Portfolio	98.9%	97.6%
R&D Portfolio	98.2%	97.3%
Industrial Portfolio	95.0%	93.4%
	-----	-----
Total Portfolio	98.5%	97.2%
	=====	=====

SOURCE Boston Properties, Inc.

Web site: <http://www.bostonproperties.com>

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