



## Boston Properties Announces 2016 Tax Treatment of Its Distributions

January 18, 2017

BOSTON--(BUSINESS WIRE)--Jan. 17, 2017-- Boston Properties, Inc. (NYSE: BXP), a real estate investment trust, announced today the 2016 tax treatment of distributions on its common stock and 5.25% Series B Cumulative Redeemable Preferred Stock, as described below. Shareholders are encouraged to consult with their personal tax advisors as to the specific tax treatment to them of these distributions.

### Common Shares (CUSIP #101121101)

| Record Date | Payment Date | Total Distribution per Share | Total Distribution Allocable to 2016 | 2016 Taxable Ordinary Dividends | 2016 Qualified Dividends (1) | 2016 Short-term Capital Gain (1) | 2016 Total Capital Gain Distribution | 2016 Unrecaptured Section 1250 Gain (2) |
|-------------|--------------|------------------------------|--------------------------------------|---------------------------------|------------------------------|----------------------------------|--------------------------------------|---|
| 12/31/2015  | 1/28/2016    | \$1.900000 (3)               | \$0.544953                           | \$0.493212                      | \$0.001146                   | \$0.000210                       | \$0.051741                           | \$0.019243                              |
| 3/31/2016   | 4/29/2016    | \$0.650000                   | \$0.650000                           | \$0.588285                      | \$0.001367                   | \$0.000250                       | \$0.061715                           | \$0.022952                              |
| 6/30/2016   | 7/29/2016    | \$0.650000                   | \$0.650000                           | \$0.588285                      | \$0.001367                   | \$0.000250                       | \$0.061715                           | \$0.022952                              |
| 9/30/2016   | 10/31/2016   | \$0.650000                   | \$0.650000                           | \$0.588285                      | \$0.001367                   | \$0.000250                       | \$0.061715                           | \$0.022952                              |
| 12/30/2016  | 1/30/2017    | \$0.750000                   | \$0.558873                           | \$0.505810                      | \$0.001175                   | \$0.000215                       | \$0.053063                           | \$0.019735                              |
|             |              | \$4.600000                   | \$3.053826                           | \$2.763877                      | \$0.006422                   | \$0.001175                       | \$0.289949                           | \$0.107834                              |
|             |              |                              | 100%                                 | 90.5054%                        |                              |                                  | 9.4946%                              |   |

(1) These amounts are a subset of, and included in, the 2016 Taxable Ordinary Dividends amounts.

(2) Unrecaptured Section 1250 Gain is a subset of, and included in, the 2016 Total Capital Gain Distribution amount.

(3) Amount consists of a \$1.25 per share special distribution and a \$0.65 per share regular quarterly distribution.

The common stock distribution with a record date of December 31, 2015 is a split-year distribution with \$0.544953 allocable to 2016 for federal income tax purposes. The common stock distribution with a record date of December 30, 2016 will be a split-year distribution with \$0.558873 allocable to 2016 for federal income tax purposes and \$0.191127 allocable to 2017 for federal income tax purposes.

### Series B Preferred (CUSIP #101121408)

| Record Date | Payment Date | Total Distribution per Depository Share (1) | Total Distribution Allocable to 2016 | 2016 Taxable Ordinary Dividends | 2016 Qualified Dividends (2) | Short-term Capital Gain (2) | 2016 Total Capital Gain Distribution | 2016 Unrecaptured Section 1250 Gain (3) |
|-------------|--------------|---|--------------------------------------|---------------------------------|------------------------------|-----------------------------|--------------------------------------|---|
| 2/5/2016    | 2/16/2016    | \$0.328125                                  | \$0.328125                           | \$0.296971                      | \$0.000690                   | \$0.000126                  | \$0.031154                           | \$0.011587                              |
| 5/5/2016    | 5/16/2016    | \$0.328125                                  | \$0.328125                           | \$0.296971                      | \$0.000690                   | \$0.000126                  | \$0.031154                           | \$0.011587                              |
| 8/5/2016    | 8/15/2016    | \$0.328125                                  | \$0.328125                           | \$0.296971                      | \$0.000690                   | \$0.000126                  | \$0.031154                           | \$0.011587                              |
| 11/4/2016   | 11/15/2016   | \$0.328125                                  | \$0.328125                           | \$0.296971                      | \$0.000690                   | \$0.000126                  | \$0.031154                           | \$0.011587                              |
|             |              | \$1.312500                                  | \$1.312500                           | \$1.187884                      | \$0.002760                   | \$0.000504                  | \$0.124616                           | \$0.046348                              |
|             |              |   | 100%                                 | 90.5054%                        |                              |                             | 9.4946%                              |   |

(1) Each depository share represents 1/100th of a share of Series B Preferred Stock.

(2) These amounts are a subset of, and included in, the 2016 Taxable Ordinary Dividends amounts.

(3) Unrecaptured Section 1250 Gain is a subset of, and included in, the 2016 Total Capital Gain Distribution amount.

Boston Properties is a fully integrated real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of primarily Class A office space totaling 47.7 million square feet and consisting of 164 office properties (including six properties under construction), five retail properties, four residential properties (including two properties under construction) and one hotel. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets—Boston, Los Angeles, New York, San Francisco and Washington, DC.

For more information about Boston Properties, please visit our web site at [www.bostonproperties.com](http://www.bostonproperties.com).

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