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

FORM 10-Q

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2000

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM ______________ TO ______________

COMMISSION FILE NUMBER 1-13087

BOSTON PROPERTIES, INC.

(Exact name of Registrant as specified in its Charter)

DELAWARE	04-2473675
(State or other jurisdiction of incorporation or organization)	(IRS Employer Id. Number)
800 BOYLSTON STREET, BOSTON, MASSACHUSETTS	02199
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (617) 236-3300

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ No / /

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

COMMON STOCK, PAR VALUE $.01	68,823,159
(CLASS)	(OUTSTANDING ON AUGUST 11, 2000)

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FOR THE QUARTER ENDED JUNE 30, 2000
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BOSTON PROPERTIES, INC.

CONSOLIDATED BALANCE SHEETS

	JUNE 30, 2000	DECEMBER 31, 1999
	(UNAUDITED) (IN THOUSANDS, EXCEPT FOR SHARE AMOUNTS)	
ASSETS		
Real estate:	$5,701,704	$5,609,424
Less: accumulated depreciation	(525,201)	(470,591)
Total real estate	5,176,503	5,138,833
Cash and cash equivalents	6,319	12,035
Escrows	33,025	40,254
Investments in securities	28,283	14,460
Tenant and other receivables, net	32,340	28,362
Accrued rental income, net	84,425	82,228
Deferred charges, net	69,599	53,733
Prepaid expenses and other assets	39,074	28,452
Investments in joint ventures	69,486	36,415
Total assets	$5,539,054	$5,434,772
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Mortgage notes payable	$3,157,068	$2,955,584
Unsecured line of credit	238,000	366,000
Accounts payable and accrued expenses	53,922	66,780
Dividends and distributions payable	59,812	50,114
Accrued interest payable	6,127	8,486
Other liabilities	52,497	48,282
Total liabilities	3,567,426	3,495,246
Commitments and contingencies	--	--
Minority interests	797,451	781,962
Series A Convertible Redeemable Preferred Stock, liquidation preference $50.00 per share, 2,000,000 shares issued and outstanding	100,000	100,000
Stockholders' equity:		
Excess stock, $.01 par value, 150,000,000 shares authorized, none issued or outstanding	--	--
Common stock, $.01 par value, 250,000,000 shares authorized, 68,026,797 and 67,910,434 issued and outstanding in 2000 and 1999, respectively	680	679
Additional paid-in capital	1,076,593	1,067,778
Dividends in excess of earnings	(11,670)	(10,893)
Unearned compensation	(954)	--
Accumulated other comprehensive income	9,528	--
Total stockholders' equity	1,074,177	1,057,564
Total liabilities and stockholders' equity	$5,539,054	$5,434,772

The accompanying notes are an integral part of these financial statements.

BOSTON PROPERTIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	SIX MONTHS ENDED JUNE 30, 2000	SIX MONTHS ENDED JUNE 30, 1999
	(UNAUDITED AND IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)	
Revenue		
Rental:		
Base rent	$ 348,290	$ 309,679
Recoveries from tenants	46,070	34,666
Parking and other	25,297	23,011
Total rental revenue	419,657	367,356
Development and management services	5,739	7,658
Interest and other	2,117	4,266
Total revenue	427,513	379,280
Expenses		
Operating	129,212	117,656
General and administrative	15,997	13,962
Interest	111,458	99,678
Depreciation and amortization	64,626	57,237
Total expenses	321,293	288,533
Income before minority interests and joint venture income	106,220	90,747
Minority interests in property partnerships	(436)	(4,294)
Income from unconsolidated joint ventures	807	442
Income before minority interest in Operating Partnership	106,591	86,895
Minority interest in Operating Partnership	(37,745)	(32,217)
Income before gain on sale of real estate	68,846	54,678
Gain on sale of real estate, net	297	--
Net income before preferred dividend	69,143	54,678
Preferred dividend	(3,286)	(2,521)
Net income available to common shareholders	$ 65,857	$ 52,157
Basic earnings per share:		
Net income available to common shareholders	$ 0.97	$ 0.81
Weighted average number of common shares outstanding	67,973	64,539
Diluted earnings per share:		
Net income available to common shareholders	$ 0.96	$ 0.80
Weighted average number of common and common equivalent shares outstanding	69,157	65,161

The accompanying notes are an integral part of these financial statements.

BOSTON PROPERTIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	THREE MONTHS ENDED JUNE 30, 2000	THREE MONTHS ENDED JUNE 30, 1999
	(UNAUDITED AND IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)	
Revenue		
Rental:		
Base rent	$ 177,953	$ 158,070
Recoveries from tenants	22,734	17,252
Parking and other	12,289	12,087
Total rental revenue	212,976	187,409
Development and management services	2,876	3,611
Interest and other	1,407	620
Total revenue	217,259	191,640
Expenses		
Operating	64,035	60,306
General and administrative	8,589	7,352
Interest	56,243	49,219
Depreciation and amortization	32,395	29,443
Total expenses	161,262	146,320
Income before minority interests and joint venture income	55,997	45,320
Minority interests in property partnership	(240)	(139)
Income from unconsolidated joint ventures	662	229
Income before minority interest in Operating Partnership	56,419	45,410
Minority interest in Operating Partnership	(20,193)	(16,505)
Income before gain on sale of real estate	36,226	28,905
Gain on sale of real estate, net	297	--
Net income before preferred dividend	36,523	28,905
Preferred dividend	(1,643)	(1,682)
Net income available to common shareholders	$ 34,880	$ 27,223
Basic earnings per share:		
Net income available to common shareholders	$ 0.51	$ 0.42
Weighted average number of common shares outstanding	67,991	65,534
Diluted earnings per share:		
Net income available to common shareholders	$ 0.50	$ 0.41
Weighted average number of common and common equivalent shares outstanding	69,582	66,337

The accompanying notes are an integral part of these financial statements.

BOSTON PROPERTIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	SIX MONTHS ENDED JUNE 30, 2000	1999
	(UNAUDITED AND IN THOUSANDS)	
Cash flows from operating activities:		
Net income before preferred dividend	$ 69,143	$ 54,678
Adjustments to reconcile net income before preferred dividend to net cash provided by operating activities:		
Depreciation and amortization	64,626	57,237
Gain on sale of real estate	(403)	--
Non-cash portion of interest expense	1,989	995
Income from unconsolidated joint ventures	(807)	(442)
Compensation related to restricted shares	106	--
Minority interests	37,851	29,329
Change in assets and liabilities:		
Escrows	7,229	(5,068)
Tenant and other receivables, net	(3,978)	(12,229)
Accrued rental income, net	(6,915)	(8,284)
Prepaid expenses and other assets	2,601	(2,084)
Accounts payable and accrued expenses	(14,534)	18,122
Accrued interest payable	(2,359)	530
Other liabilities	2,215	(5,004)
Total adjustments	87,621	73,102
Net cash provided by operating activities	156,764	127,780
Cash flows from investing activities:		
Acquisitions/additions to real estate	(200,506)	(178,216)
Net proceeds from sale of real estate	46,713	--
Deposits on real estate	(13,223)	--
Tenant leasing costs	(11,131)	(7,299)
Investments in securities	(2,295)	--
Investments in/distributions from joint ventures, net	4,742	5,152
Net cash used in investing activities	(175,700)	(180,363)
Cash flows from financing activities:		
Net proceeds from sales of common and preferred stock	--	240,952
Borrowings on unsecured line of credit	96,000	387,000
Repayments of unsecured line of credit	(224,000)	(260,000)
Repayments of mortgage notes	(161,092)	(18,005)
Proceeds from mortgage notes	411,662	136,000
Repayment of notes payable	--	(328,143)
Dividends and distributions	(96,578)	(83,799)
Proceeds from exercise of stock options	214	566
Proceeds from employee stock purchase plan	1,070	--
Deferred financing and other costs	(14,056)	(1,929)
Net cash provided by financing activities	13,220	72,642
Net increase (decrease) in cash	(5,716)	20,059
Cash and cash equivalents, beginning of period	12,035	12,166
Cash and cash equivalents, end of period	$ 6,319	$ 32,225
Supplemental disclosures:		
Cash paid for interest	$ 128,498	$ 106,906
Interest capitalized	$ 17,039	$ 6,721
Non-cash operating activities:		
Assets assigned in connection with sale of real estate	$ 4,718	$ --
Liabilities assigned in connection with sale of real estate	$ 112	$ --
Non-cash investing and financing activities:		
Additions to real estate included in accounts payable	$ 1,788	$ 841
Assets assigned in connection with sale of real estate	$ 4,040	$ --
Mortgage notes payable assumed in connection with		

acquisitions	$ 117,831	$ 28,331
Mortgage notes payable assigned in connection with the sale of real estate	$ 166,547	$ --
Issuance of minority interest in connection with acquisitions	$ 20,467	$ 2,888
Dividends and distributions declared but not paid	$ 59,812	$ 45,559
Notes receivable assigned in connection with an acquistion	$ --	$ 420,143
Notes payable assigned in connection with an acquisition	$ --	$ 92,000
Conversion of Operating Partnership Units to Common Stock	$ 116	$ --
Issuance of restricted shares to employees	$ 1,060	$ --
Unrealized gain related to investements in securities	$ 9,528	$ --

The accompanying notes are an integral part of these financial statements.

BOSTON PROPERTIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED AND IN THOUSANDS)

1. ORGANIZATION

Boston Properties, Inc. (the "Company"), a Delaware corporation, is a self-administered and self-managed real estate investment trust ("REIT"). The Company is the sole general partner of Boston Properties Limited Partnership (the "Operating Partnership") and at June 30, 2000, owned an approximate 67% general and limited partnership interest in the Operating Partnership. Partnership interests in the Operating Partnership are denominated as "common units of partnership interest" (also referred to as "OP Units") or "preferred units of partnership interest" (also referred to as "Preferred Units"). All references to OP Units and Preferred Units exclude such units held by the Company. A holder of an OP Unit may present such OP Unit to the Operating Partnership for redemption at any time (subject to restrictions agreed upon the issuance of OP Units to particular holders that may restrict such right for a period of time, generally one year from issuance). Upon presentation of an OP Unit for redemption, the Operating Partnership must redeem such OP Unit for cash equal to the then value of a share of common stock, except that, the Company may, at its election, in lieu of a cash redemption, acquire such OP Unit for one share of common stock of the Company ("Common Stock"). Because the number of shares of Common Stock outstanding at all times equals the number of OP Units that the Company owns, one share of Common Stock is generally the economic equivalent of one OP Unit, and the quarterly distribution that may be paid to the holder of an OP Unit equals the quarterly dividend that may be paid to the holder of a share of Common Stock. Each series of Preferred Units bear a distribution that is set in accordance with an amendment to the partnership agreement of the Operating Partnership. Preferred Units may also be convertible into OP Units at the election of the holder thereof or the Company.

All references to the Company refer to Boston Properties, Inc. and its subsidiaries, including the Operating Partnership, collectively, unless the context otherwise requires.

To assist the Company in maintaining its status as a REIT, the Company leases its three in-service hotel properties, pursuant to a lease with a participation in the gross receipts of such hotel properties, to a lessee ("ZL Hotel LLC") in which Messrs. Zuckerman and Linde, the Chairman of the Board and Chief Executive Officer, respectively, are the sole member-managers. Messrs. Zuckerman and Linde have a 9.8% economic interest in such lessee and one or more unaffiliated public charities have a 90.2% economic interest. Marriott International, Inc. manages these hotel properties under the Marriott-Registered Trademark- name pursuant to a management agreement with the lessee. Under the REIT requirements, revenues from a hotel are not considered to be rental income for purposes of certain income tests that a REIT must meet. Accordingly, in order to maintain its qualification as a REIT, the Company has entered into the participating leases described above to provide revenue that qualifies as rental income under the REIT requirements.

As of June 30, 2000, the Company and the Operating Partnership had 68,026,797 and 24,465,219 shares of Common Stock and OP Units outstanding, respectively. In addition, the Company had 2,000,000 shares of Preferred Stock and the Operating Partnership had 8,713,131 Preferred Units outstanding.

THE PROPERTIES:

As of June 30, 2000, the Company owns a portfolio of 142 commercial real estate properties (136 and 127 properties at December 31, 1999 and June 30, 1999, respectively) (the "Properties") aggregating over 36.3 million square feet. The properties consist of 129 office properties with

1. ORGANIZATION (CONTINUED)

approximately 28.7 million net rentable square feet (including 13 properties under development expected to contain approximately 3.8 million net rentable square feet) and approximately 5.5 million additional square feet of structured parking for 15,556 vehicles, nine industrial properties with approximately 0.9 million net rentable square feet, three hotels with a total of 1,054 rooms (consisting of approximately 0.9 million square feet), and a parking garage with 1,170 spaces (consisting of approximately 0.3 million square feet). In addition, the Company owns, has under contract, or has an option to acquire 49 parcels of land totaling approximately 487.9 acres, which will support approximately 10.3 million square feet of development.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company include all the accounts of the Company, its majority-owned Operating Partnership and subsidiaries. The financial statements reflect the properties acquired at their historical basis of accounting to the extent of the acquisition of interests from the predecessor's owners who continued as investors. The remaining interests acquired for cash from those owners of the predecessor who decided to sell their interests have been accounted for as a purchase and the excess of the purchase price over the related historical cost basis was allocated to real estate. All significant intercompany balances and transactions have been eliminated. These financial statements should be read in conjunction with the Company's financial statements and notes thereto contained in the Company's annual report on Form 10-K for its fiscal year ended December 31, 1999.

The accompanying interim financial statements are unaudited; however, the financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the disclosures required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring matters) necessary for a fair presentation of the financial statements for these interim periods have been included. The results of operations for the interim periods are not necessarily indicative of the results to be obtained for other interim periods or for the full fiscal year.

Certain prior-year balances have been reclassified in order to conform to the current-year presentation.

3. REAL ESTATE ACQUIRED AND PLACED IN SERVICE DURING THE QUARTER ENDED JUNE 30, 2000

The Company placed in service the Orbital Sciences Phase I project, consisting of two Class A office buildings comprising 174,832 square feet located in Dulles, Virginia. The project was developed by the Company for a total cost of approximately $29.7 million.

On May 12, 2000, an unrelated third party acquired partial interests in two wholly-owned properties. The Company retained a 51% interest in Metropolitan Square, a 582,194 square foot office property in Washington, DC and a 25% interest in 140 Kendrick Street, a 381,000 square foot build-to-suit development property in Needham, Massachusetts. The interests in the properties were acquired for cash of approximately $46.7 million and the assumption of debt of approximately $88.2 million and resulted in a gain of $0.4 million.

(UNAUDITED AND IN THOUSANDS)

3. REAL ESTATE ACQUIRED AND PLACED IN SERVICE DURING THE QUARTER ENDED JUNE 30, 2000 (CONTINUED)

On June 19, 2000, the Company acquired a 26-acre site in Chelmsford, Massachusetts for approximately $3.1 million. The site will support approximately 260,000 square feet of development. The Company issued 82,215 OP Units valued at $3.0 million in connection with the acquisition.

4. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

At June 30, 2000, the investments in unconsolidated joint ventures represent (i) a 25% interest in a joint venture that owns and operates an office building in Reston, Virginia and (ii) a 50% interest in a joint venture that owns and operates an office building and a residential apartment building in Washington, DC (iii) a 51% interest in a joint venture that owns and operates an office building in Washington, DC and (iv) a 25% interest in a joint venture that is developing an office building in Needham, Massachusetts. The Company serves as development manager for the joint venture under development. Under the equity method of accounting, the net equity investment is reflected on the consolidated balance sheets.

The combined summarized balance sheets of the joint ventures are as follows:

	JUNE 30, 2000	DECEMBER 31, 1999
	(UNAUDITED)	
ASSETS		
Real estate and development in process, net	$462,354	$236,995
Other assets	24,519	10,473
Total assets	$486,873	$247,468
LIABILITIES AND PARTNERS' EQUITY		
Mortgage and construction loans payable	$325,246	$164,185
Other liabilities	17,457	6,770
Partners' equity	144,170	76,513
Total liabilities and partners' equity	$486,873	$247,468
Company's share of equity	$ 69,486	$ 36,415

The summarized statements of operations of the joint ventures are as follows:

	FOR THE SIX MONTHS ENDED JUNE 30,		FOR THE THREE MONTHS ENDED JUNE 30,	
	2000	1999	2000	1999
	(UNAUDITED)			
Total revenue	$12,608	$4,438	$8,626	$2,647
Total expenses	10,178	2,662	6,696	1,723
Net income	$ 2,430	$1,776	$1,930	$ 924
Company's share of net income	$ 807	$ 442	$ 662	$ 229

5. INVESTMENTS IN SECURITIES

On April 14, 2000, the Company invested approximately $2.3 million in preferred shares of a company that provides video units that deliver subscriber messaging, commercial advertising, news and other information in building elevators. The Company has also entered into a master license agreement to provide for these video units in the Company's buildings. In exchange, the Company received 605,555 warrants to purchase shares of common stock in the company and will share in the revenues generated from these video units in the Company's buildings. The Company has recorded this investment at cost, as these securities are not marketable under SFAS No. 115

At June 30, 2000, the Company accounts for its other investments in securities in accordance with SFAS No. 115 "Accounting for Certain Investments in Debt and Equity Securities" and has classified the securities as available-for-sale. As of June 30, 2000, the fair value of the investments in stock and warrants was approximately $28.3 million. The gross unrealized holding gain of approximately $9.5 million is included in other comprehensive income on the consolidated balance sheet.

6. MORTGAGE NOTES PAYABLE AND UNSECURED LINE OF CREDIT

On April 6, 2000, the Company refinanced the mortgage loan on Ten Cambridge Center and the Cambridge Center North Garage which consisted of replacing the $40.0 million mortgage loan with a $36.0 million loan and removing the Cambridge Center North Garage as collateral. The new financing bears interest at a rate equal to 8.27% and matures in April 2010.

On April 13, 2000, the Company obtained construction financing totaling $32.0 million collateralized by the 2600 Tower Oaks Boulevard development project in Rockville, Maryland. Such financing bears interest at a rate equal to LIBOR + 1.90% and matures in October 2002.

On April 20, 2000, the Company refinanced the mortgage loan on Metropolitan Square that consisted of replacing the $104.0 million mortgage loan with a $140.0 million loan. The new financing bears interest at a rate equal to 8.23% and matures in April 2010. On May 12, 2000, an unrelated third party acquired an interest in Metropolitan Square. As a result, the Company now accounts for this property using the equity method of accounting and therefore it is not consolidated with the Company.

On April 24, 2000, the Company obtained construction financing totaling $78.0 million collateralized by the 140 Kendrick Street development project in Needham, Massachusetts. Such financing matures in July 2002 and consists of two tranches: $16.4 million bearing interest at a rate of LIBOR + 1.35% and $61.6 million bearing interest at a rate of LIBOR + 1.65%. On May 12, 2000, an unrelated third party acquired an interest in 140 Kendrick Street. As a result, the Company now accounts for this property using the equity method of accounting and therefore it is not consolidated with the Company.

During May 2000, the Company entered into two interest rate hedge agreements with major financial institutions for a notional amount of $300.0 million. The agreements provide for a fixed interest rate when LIBOR floats between 7.50% or 7.75% to 9.00% for terms ranging from two to three years, per terms of the agreements.

7. MINORITY INTERESTS

Minority interests in the Company relate to the interest in the Operating Partnership not owned by Boston Properties, Inc. and interests in property partnerships that are not owned by the Company. As of June 30, 2000, the minority interest in the Operating Partnership consisted of 24,465,219 OP Units and 8,713,131 Preferred Units held by parties other than Boston Properties, Inc.

On May 3, 2000, Boston Properties, Inc., as general partner of the Operating Partnership determined a distribution on the OP Units in the amount of $0.53 per OP Unit payable on July 28, 2000 to OP Unit holders of record on June 30, 2000.

On May 15, 2000, the Operating Partnership paid a distribution on the 2,500,000 Series One Preferred Units at $0.61625 per unit, based on an annual distribution of $2.465 per unit and paid a distribution on the 6,213,131 Series Two and Three Preferred Units of $0.69349 per unit.

On June 19, 2000, the Operating Partnership issued 82,215 OP Units valued at $3.0 million in connection with the acquisition of land in Chelmsford, Massachusetts.

8. REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY

On May 3, 2000, the Board of Directors of the Company declared a second quarter dividend in the amount of $0.53 per share of Common Stock payable on July 28, 2000 to shareholders of record on June 30, 2000.

On May 15, 2000, the Company paid a dividend on the 2,000,000 shares of Series A Convertible Redeemable Preferred Stock (the "Preferred Stock"), $50 liquidation preference per share, of approximately $0.69349 per share. In addition, on May 3, 2000, the Board of Directors of the Company declared a dividend of $0.70890 per share on the Preferred Stock payable on August 15, 2000 to shareholders of record on June 30, 2000. These shares of Preferred Stock are not classified as equity as in certain instances they are convertible into shares of Common Stock at the election of the holder after December 31, 2002 or are redeemable for cash at the election of the holder after May 12, 2009.

(UNAUDITED AND IN THOUSANDS)

9. EARNINGS PER SHARE

	FOR THE THREE MONTHS ENDED JUNE 30, 2000		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT
Basic Earnings:			
Income available to common shareholders	$34,880	67,991	$0.51
Effect of Dilutive Securities:			
Stock Options and other	244	1,591	(.01)
Diluted Earnings:			
Net income	$35,124	69,582	$0.50

	FOR THE THREE MONTHS ENDED JUNE 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT
Basic Earnings:			
Income available to common shareholders	$27,223	65,534	$ 0.42
Effect of Dilutive Securities:			
Stock Options	--	803	(0.01)
Diluted Earnings:			
Net income	$27,223	66,337	$ 0.41

	FOR THE SIX MONTHS ENDED JUNE 30, 2000		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT
Basic Earnings:			
Income available to common shareholders	$65,857	67,973	$0.97
Effect of Dilutive Securities:			
Stock Options and other	479	1,184	(0.01)
Diluted Earnings:			
Net income	$66,336	69,157	$0.96

	FOR THE SIX MONTHS ENDED JUNE 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT
Basic Earnings:			
Income available to common shareholders	$52,157	64,539	$0.81
Effect of Dilutive Securities:			
Stock Options	--	622	(0.01)
Diluted Earnings:			
Net income	$52,157	65,161	$0.80

(UNAUDITED AND IN THOUSANDS)

10. SEGMENT INFORMATION

The Company's segments are based on the Company's method of internal reporting, which classifies its operations by both geographic area and property type. The Company's segments by geographic area are: Greater Boston, Greater Washington, D.C., Midtown Manhattan, Greater San Francisco, and New Jersey and Pennsylvania. Segments by property type include: Class A Office, R&D, Industrial, Hotels and Garage.

Asset information by segment is not reported, since the Company does not use this measure to assess performance: therefore, the depreciation and amortization expenses are not allocated among segments. Interest income, management and development services, interest expense and general and administrative expenses are not included in net operating income, as the internal reporting addresses these on a corporate level.

Information by Geographic Area and Property Type:
For the three months ended June 30, 2000:

	GREATER BOSTON	GREATER WASHINGTON DC	MIDTOWN MANHATTAN	GREATER SAN FRANCISCO	NEW JERSEY AND PENNSYLVANIA	TOTAL
RENTAL REVENUE						
CLASS A	$45,366	$53,031	$35,176	$44,304	$15,116	$192,993
R&D	1,381	4,952	--	466	--	6,799
INDUSTRIAL	469	364	--	561	173	1,567
HOTELS	10,721	--	--	--	--	10,721
GARAGE	896	--	--	--	--	896
TOTAL	58,833	58,347	35,176	45,331	15,289	212,976
% OF GRAND TOTALS	27.62%	27.40%	16.52%	21.28%	7.18%	100.00%
RENTAL EXPENSES						
CLASS A	15,927	13,984	11,428	15,002	4,861	61,202
R&D	401	893	--	97	--	1,391
INDUSTRIAL	132	103	--	38	39	312
HOTELS	829	--	--	--	--	829
GARAGE	301	--	--	--	--	301
TOTAL	17,590	14,980	11,428	15,137	4,900	64,035
% OF GRAND TOTALS	27.47%	23.39%	17.85%	23.64%	7.65%	100.00%
NET OPERATING INCOME	$41,243	$43,367	$23,748	$30,194	$10,389	$148,941
% OF GRAND TOTALS	27.69%	29.12%	15.94%	20.27%	6.98%	100.00%

(UNAUDITED AND IN THOUSANDS)

10. SEGMENT INFORMATION (CONTINUED)

For the three months ended June 30, 1999:

	GREATER BOSTON	GREATER WASHINGTON DC	MIDTOWN MANHATTAN	GREATER SAN FRANCISCO	NEW JERSEY AND PENNSYLVANIA	TOTAL
RENTAL REVENUE						
CLASS A	$38,322	$50,827	$33,943	$37,644	$9,551	$170,287
R&D	1,483	4,565	--	386	--	6,434
INDUSTRIAL	413	378	--	344	174	1,309
HOTELS	8,849	--	--	--	--	8,849
GARAGE	530	--	--	--	--	530
TOTAL	49,597	55,770	33,943	38,374	9,725	187,409
% OF GRAND TOTALS	26.46%	29.76%	18.11%	20.48%	5.19%	100.00%
RENTAL EXPENSES						
CLASS A	14,816	13,486	11,719	14,084	2,904	57,009
R&D	421	819	--	114	--	1,354
INDUSTRIAL	124	127	--	72	35	358
HOTELS	1,371	--	--	--	--	1,371
GARAGE	214	--	--	--	--	214
TOTAL	16,946	14,432	11,719	14,270	2,939	60,306
% OF GRAND TOTALS	28.11%	23.93%	19.43%	23.66%	4.87%	100.00%
NET OPERATING INCOME	$32,651	$41,338	$22,224	$24,104	$6,786	$127,103
% OF GRAND TOTALS	25.69%	32.52%	17.49%	18.96%	5.34%	100.00%

The following is a reconcilition of net operating income to income before minority interests and joint venture income:

	THREE MONTHS ENDED JUNE 30, 2000	1999
Net Operating Income	$148,941	$127,103
Add:		
Development and management services	2,876	3,611
Interest income	1,407	620
Less:		
General and administrative	(8,589)	(7,352)
Interest expense	(56,243)	(49,219)
Depreciation and amortization	(32,395)	(29,443)
Income before minority interests and joint venture income	$ 55,997	$ 45,320

BOSTON PROPERTIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(UNAUDITED AND IN THOUSANDS)

10. SEGMENT INFORMATION (CONTINUED)
Information by Geographic Area and Property Type:
For the six months ended June 30, 2000:

	GREATER BOSTON	GREATER WASHINGTON DC	MIDTOWN MANHATTAN	GREATER SAN FRANCISCO	NEW JERSEY AND PENNSYLVANIA	TOTAL
RENTAL REVENUE						
CLASS A	$90,235	$108,376	$70,128	$87,557	$28,243	$384,539
R&D	2,942	9,659	--	893	--	13,494
INDUSTRIAL	915	725	--	903	353	2,896
HOTELS	17,161	--	--	--	--	17,161
GARAGE	1,567	--	--	--	--	1,567
TOTAL	112,820	118,760	70,128	89,353	28,596	419,657
% OF GRAND TOTALS	26.88%	28.30%	16.71%	21.29%	6.82%	100.00%
RENTAL EXPENSES						
CLASS A	32,696	28,553	23,331	29,776	8,792	123,148
R&D	847	1,867	--	163	--	2,877
INDUSTRIAL	295	217	--	85	67	664
HOTELS	2,013	--	--	--	--	2,013
GARAGE	510	--	--	--	--	510
TOTAL	36,361	30,637	23,331	30,024	8,859	129,212
% OF GRAND TOTALS	28.13%	23.71%	18.06%	23.24%	6.86%	100.00%
NET OPERATING INCOME	$76,459	$ 88,123	$46,797	$59,329	$19,737	$290,445
% OF GRAND TOTALS	26.32%	30.34%	16.11%	20.43%	6.80%	100.00%

BOSTON PROPERTIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(UNAUDITED AND IN THOUSANDS)

10. SEGMENT INFORMATION (CONTINUED)

For the six months ended June 30, 1999:

	GREATER BOSTON	GREATER WASHINGTON DC	MIDTOWN MANHATTAN	GREATER SAN FRANCISCO	NEW JERSEY AND PENNSYLVANIA	TOTAL
RENTAL REVENUE						
CLASS A	$75,277	$99,758	$68,134	$74,837	$19,008	$337,014
R&D	3,166	9,098	--	835	--	13,099
INDUSTRIAL	819	701	--	618	354	2,492
HOTELS	13,700	--	--	--	--	13,700
GARAGE	1,051	--	--	--	--	1,051
TOTAL	94,013	109,557	68,134	76,290	19,362	367,356
% OF GRAND TOTALS	25.59%	29.82%	18.55%	20.77%	5.27%	100.00%
RENTAL EXPENSES						
CLASS A	29,969	26,125	23,020	26,711	5,427	111,252
R&D	949	1,789	--	202	--	2,940
INDUSTRIAL	266	215	--	122	63	666
HOTELS	2,395	--	--	--	--	2,395
GARAGE	403	--	--	--	--	403
TOTAL	33,982	28,129	23,020	27,035	5,490	117,656
% OF GRAND TOTALS	28.87%	23.91%	19.57%	22.98%	4.67%	100.00%
NET OPERATING INCOME	$60,031	$81,428	$45,114	$49,255	$13,872	$249,700
% OF GRAND TOTALS	24.04%	32.60%	18.07%	19.73%	5.56%	100.00%

The following is a reconcilition of net operating income to income before minority interests and joint venture income:

	SIX MONTHS ENDED JUNE 30, 2000	1999
Net Operating Income	$290,445	$249,700
Add:		
Development and management services	5,739	7,658
Interest and other	2,117	4,266
Less:		
General and administrative	(15,997)	(13,962)
Interest expense	(111,458)	(99,678)
Depreciation and amortization	(64,626)	(57,237)
Income before minority interests and joint venture income	$106,220	$ 90,747

ITEM 2--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this report. This Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results or developments could differ materially from those projected in such statements as a result of certain factors set forth in the section below entitled "Certain Factors Affecting Future Operating Results" and elsewhere in this report.

Since January 1, 1999, the Company has increased its in-service portfolio from 110 properties to 127 properties (the "Total Portfolio"). As a result of the growth in the Company's Total Portfolio, the financial data presented below shows significant changes in revenues and expenses from period to period. The Company does not believe that its period-to-period financial data are comparable. Therefore, the comparison of operating results for the three and six months ended June 30, 2000 and 1999 show separately changes attributable to the properties that were owned by the Company for all of each period compared (the "Same Property Portfolio") and the changes attributable to the Total Portfolio.

RESULTS OF OPERATIONS

COMPARISON OF THE SIX MONTHS ENDED JUNE 30, 2000 TO THE SIX MONTHS ENDED JUNE 30, 1999.

The table below reflects selected operating information for the Same Property Portfolio and the Total Portfolio. The Same Property Portfolio consists of the 110 properties acquired or placed in service on or prior to January 1, 1999.

	SAME PROPERTY PORTFOLIO			
	2000	1999	INCREASE/ (DECREASE)	% CHANGE
	(DOLLARS IN THOUSANDS)			
Revenue:				
Rental revenue	$365,616	$343,953	$21,663	6.30%
Development and management services	--	--	--	--
Interest and other	--	--	--	--
Total revenue	365,616	343,953	21,663	6.30%
Expenses:				
Operating	114,115	107,592	6,523	6.06%
Net Operating Income	251,501	236,361	15,140	6.41%
General and administrative	--	--	--	--
Interest	--	--	--	--
Depreciation and amortization	57,031	54,215	2,816	5.19%
Income before minority interests and joint venture income	$194,470	$182,146	$12,324	6.77%

	TOTAL PORTFOLIO			
	2000	1999	INCREASE/ (DECREASE)	% CHANGE
	(DOLLARS IN THOUANDS)			
Revenue:				
Rental revenue	$419,657	$367,356	$52,301	14.24%
Development and management services	5,739	7,658	(1,919)	-25.06%
Interest and other	2,117	4,266	(2,149)	-50.38%
Total revenue	427,513	379,280	48,233	12.72%
Expenses:				
Operating	129,212	117,656	11,556	9.82%
Net Operating Income	298,301	261,624	36,677	14.02%
General and administrative	15,997	13,962	2,035	14.58%
Interest	111,458	99,678	11,780	11.82%
Depreciation and amortization	64,626	57,237	7,389	12.91%
Income before minority interests and joint venture income	$106,220	$ 90,747	$15,473	17.05%

The increase in rental revenues in the Same Property Portfolio is primarily a result of an overall increase in rental rates on new leases and rollovers and a small increase in occupancy. The increase in rental revenues for the Total Portfolio is primarily a result of the revenues earned on the properties acquired or placed-in-service after January 1, 1999.

The decrease in development and management services revenue is due to a non-recurring development fee of approximately $1.2 million earned during the six months ended June 30, 1999 and fees earned on projects totaling approximately $0.6 million which were completed during 1999.

The decrease in interest and other revenue is primarily due to interest income earned on $420.1 million of notes receivable related to the Embarcadero Center acquisition during the six months ended June 30, 1999.

Property operating expenses (real estate taxes, utilities, repairs and maintenance, cleaning and other property related expenses) in the Same Property Portfolio increased mainly due to increases in real estate taxes and cleaning. Property operating expenses for the Total Portfolio increased mainly due to the properties acquired or placed-in-service after January 1, 1999.

General and administrative expenses increased due to the increase in the overall size of the Total Portfolio since January 1, 1999. The Company has hired additional employees as a result of the new acquisitions.

Interest expense increased due to new and assumed mortgage indebtedness and the increased use of the Company's unsecured revolving line of credit (the "Unsecured Line of Credit") since June 30, 1999.

Depreciation and amortization expense for the Same Property Portfolio increased as a result of capital and tenant improvements made since June 30, 1999. Depreciation and amortization expense for the Total Portfolio increased mainly due to the properties acquired or placed-in-service after January 1, 1999.

COMPARISON OF THE THREE MONTHS ENDED JUNE 30, 2000 TO THE THREE MONTHS ENDED JUNE 30, 1999.

The table below reflects selected operating information for the Same Property Portfolio and the Total Portfolio. The Same Property Portfolio consists of the 111 properties acquired or placed in service on or prior to April 1, 1999.

	SAME PROPERTY PORTFOLIO			
	2000	1999	INCREASE/ (DECREASE)	% CHANGE
	(DOLLARS IN THOUSANDS)			
Revenue:				
Rental revenue	$185,628	$174,904	$10,724	6.13%
Development and management services	--	--	--	--
Interest and other	--	--	--	--
Total revenue	185,628	174,904	10,724	6.13%
Expenses:				
Operating	56,777	55,252	1,525	2.76%
Net Operating Income	128,851	119,652	9,199	7.69%
General and administrative	--	--	--	--
Interest	--	--	--	--
Depreciation and amortization	28,527	27,902	625	2.24%
Income before minority interests and joint venture income	$100,324	$ 91,750	$ 8,574	9.34%

	TOTAL PORTFOLIO			
	2000	1999	INCREASE/ (DECREASE)	% CHANGE
	(DOLLARS IN THOUSANDS)			
Revenue:				
Rental revenue	$212,976	$187,409	$25,567	13.64%
Development and management services	2,876	3,611	(735)	-20.35%
Interest and other	1,407	620	787	126.94%
Total revenue	217,259	191,640	25,619	13.37%
Expenses:				
Operating	64,035	60,306	3,729	6.18%
Net Operating Income	153,224	131,334	21,890	16.67%
General and administrative	8,589	7,352	1,237	16.83%
Interest	56,243	49,219	7,024	14.27%
Depreciation and amortization	32,395	29,443	2,952	10.03%
Income before minority interests and joint venture income	$ 55,997	$ 45,320	$10,677	23.56%

The increase in rental revenues in the Same Property Portfolio is primarily a result of an overall increase in rental rates on new leases and rollovers. The increase in rental revenues for the Total Portfolio is primarily a result of the properties acquired or placed-in-service after April 1, 1999.

The decrease in development and management services revenue is due to fees earned on projects totaling approximately $0.3 million that were completed during 1999.

The increase in interest and other revenue is primarily due to higher average cash balances maintained during the quarter ended June 30, 2000.

Property operating expenses (real estate taxes, utilities, repairs and maintenance, cleaning and other property related expenses) in the Total Portfolio increased mainly due to the properties acquired or placed-in-service after April 1, 1999.

General and administrative expenses increased due to the increase in the overall size of the Total Portfolio since June 30, 1999. The Company has hired additional employees as a result of the new acquisitions.

Interest expense increased due to new and assumed mortgage indebtedness and the increased use of the Unsecured Line of Credit.

Depreciation and amortization expense for the Same Property Portfolio increased as a result of capital and tenant improvements made since June 30, 1999. Depreciation and amortization expense for the Total Portfolio increased mainly due to the properties acquired or placed-in-service after April 1, 1999.

LIQUIDITY AND CAPITAL RESOURCES

The Company's consolidated indebtedness at June 30, 2000 was approximately $3.4 billion and bore interest at a weighted average interest rate of approximately 7.27% per annum. Based on the Company's total market capitalization at June 30, 2000 of approximately $7.5 billion, the Company's consolidated debt represents 45.5% of its total market capitalization.

The Company has a $500 million Unsecured Line of Credit with Fleet National Bank, as agent. The Company uses the Unsecured Line of Credit principally to facilitate its development and acquisition activities and for working capital purposes. As of August 11, 2000, the Company had $269.0 million outstanding under the Unsecured Line of Credit.

The following represents the outstanding principal balances due under the first mortgages at June 30, 2000:

PROPERTIES	INTEREST RATE	PRINCIPAL AMOUNT (IN THOUSANDS)	MATURITY DATE
Prudential Center	6.72%	$ 293,639	July 1, 2008
599 Lexington Avenue	7.00%	225,000(1)	July 19, 2005
280 Park Avenue	7.00%	220,000(2)	September 11, 2002
Embarcadero Center One	6.70%	157,374	December 10, 2008
Embarcadero Center Two	6.70%	157,374	December 10, 2008
Embarcadero Center Four	6.79%	155,889	February 1, 2008
875 Third Ave	8.00%	151,977(3)	December 31, 2002
Five Times Square	8.66%	149,680(4)	January 26, 2003
Embarcadero Center Three	6.40%	147,243	January 1, 2007
Two Independence Square	8.09%	117,354(5)	February 27, 2003
Riverfront Plaza	6.61%	116,788	January 21, 2008
Democracy Center	7.05%	108,342	April 9, 2009
Embarcadero Center West Tower	6.50%	98,196	January 1, 2006
100 East Pratt Street	6.73%	92,619	November 1, 2008
The Gateway	8.25%	75,000(6)	September 30, 2000
Reservoir Place	6.88%	74,777(7)	November 1, 2006
One Independence Square	8.12%	74,743(5)	August 21, 2001
One and Two Reston Overlook	7.45%	68,468	September 1, 2004
2300 N Street	6.88%	66,000	August 3, 2003

PROPERTIES	INTEREST RATE	PRINCIPAL AMOUNT (IN THOUSANDS)	MATURITY DATE
Capital Gallery	8.24%	57,677	August 15, 2006
10 and 20 Burlington Mall Road	8.33%	37,000(8)	October 1, 2001
Ten Cambridge Center	8.27%	35,927	April 1, 2010
111 Huntington Avenue	8.65%	33,890(9)	September 27, 2002
1301 New York Avenue	7.19%	33,135(10)	August 15, 2009
Eight Cambridge Center	7.73%	28,587	July 15, 2010
510 Carnegie Center	7.39%	27,912	January 1, 2008
Lockheed Martin Building	6.61%	26,536	June 1, 2008
University Place	6.94%	25,525	August 1, 2021
Reston Corporate Center	6.56%	25,046	May 1, 2008
New Dominion Technology Park	8.25%	24,188(11)	March 4, 2002
Sumner Square	8.19%	23,653(12)	April 22, 2004
Orbital Sciences	8.30%	23,014(13)	August 19, 2002
191 Spring Street	8.50%	22,959	September 1, 2006
Bedford Business Park	8.50%	21,970	December 10, 2008
NIMA Building	6.51%	21,700	June 1, 2008
212 Carnegie Center	7.25%	20,453	December 31, 2000
202 Carnegie Center	7.25%	19,017	December 31, 2000
506 Carnegie Center	7.39%	17,654	November 30, 2007
508 Carnegie Center	7.39%	16,406	November 30, 2007
504 Carnegie Center	7.39%	14,712	November 30, 2007
214 Carnegie Center	8.19%	13,126(14)	October 31, 2000
101 Carnegie Center	7.66%	8,513	April 1, 2006
Montvale Center	8.59%	7,627	December 1, 2006
Newport Office Park	8.13%	6,076	July 1, 2001
Hilltop Business Center	6.81%	5,816	March 1, 2019
Tower Oaks	8.56%	4,226	October 10, 2002
302 Carnegie Center	8.55%	3,754(15)	March 15, 2003
201 Carnegie Center	7.08%	506	February 1, 2010
Total		$3,157,068	

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(1) At maturity the lender has the option to purchase a 33.33% interest in this Property in exchange for the cancellation of the principal balance of approximately $225 million.

(2) Outstanding principal of $213,000 bears interest at a fixed rate of 7.00%. The remaining $7,000 bears interest at a floating rate equal to LIBOR + 1.00%.

(3) The principal amount and interest rate shown has been adjusted to reflect the fair value of the note. The actual principal balance at June 30, 2000 was $149,473 and the interest rate was 8.75%.

(4) Total construction loan in the amount of $420.0 million at a variable rate of LIBOR + 2.00%.

(5) The principal amount and interest rate shown has been adjusted to reflect the effective rates on the loans. The actual principal balances at June 30, 2000 were $117,594 and $74,938, respectively. The actual interest rates are 8.50% and continue at such rates through the loan expiration.

(6) Outstanding principal bears interest at a floating rate equal to LIBOR + 1.60%.

(7) The principal amount and interest rate shown has been adjusted to reflect the fair value of the note. The actual principal balance at June 30, 2000 was $65,774 and the interest rate was 9.09%.

(8) Includes outstanding indebtedness secured by 91 Hartwell Avenue and 92 and 100 Hayden Avenue.

(9) Total construction loan in the amount of $203.0 million at a variable rate of LIBOR + 2.00%.

(10) Includes outstanding principal in the amounts of $20,000, $8,742 and $4,393 which bear interest at fixed rates of 6.70%, 8.54% and 6.75%, respectively.

(11) Total construction loan in the amount of $48.6 million at a variable rate of LIBOR + 1.60%.

(12) The outstanding principal bears interest at a rate equal to LIBOR + 1.50%.

(13) Total construction loan in the amount of $27.0 million at a variable rate of LIBOR + 1.65%.

(14) The principal amount and interest rate shown has been adjusted to reflect the effective rate on the loan. The actual principal balance at June 30, 2000 was $13,115 and the interest rate was 8.40%.

(15) Total construction loan in the amount of $10.0 million at a variable rate of LIBOR + 1.90%.

The Company expects to meet its short-term liquidity requirements generally through its existing working capital and net cash provided by operations. The Company's operating properties and hotels require periodic investments of capital for tenant-related capital expenditures and for general capital improvements. For the three months ended June 30, 2000, the Company's recurring capital expenditures totaled $2.3 million.

The Company expects to meet its long-term requirements for the funding of property development, property acquisitions and other non-recurring capital improvements through long-term secured and unsecured indebtedness (including the Unsecured Line of Credit) and the issuance of additional equity securities of the Company.

The Company has development projects currently in process, which require commitments to fund to completion. Commitments under these arrangements totaled approximately $639.8 million as of June 30, 2000. The Company expects to fund these commitments using available cash, construction loans and the Unsecured Line of Credit. In addition, the Company has options to acquire land that require minimum deposits that the Company will fund using available cash or the Unsecured Line of Credit.

FUNDS FROM OPERATIONS

Management believes that Funds from Operations is helpful to investors as a measure of the performance of an equity REIT because, along with cash flows from operating activities, financing activities and investing activities, it provides investors with an understanding of the ability of the Company to incur and service debt and make capital expenditures. The Company computes Funds from Operations in accordance with standards established by the White Paper on Funds from Operations approved by the Board of Governors of NAREIT in 1995 and clarified in 1999, which may differ from the methodology for calculating Funds from Operations utilized by other equity REITs, and accordingly, may not be comparable to such other REITs. The White Paper defines Funds from Operations as net income (loss) (computed in accordance with accounting principles generally accepted in the United States, "GAAP"), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. Effective January 1, 2000, the calculation of FFO includes non-recurring events, except for those that are defined as "extraordinary items" under GAAP and gains and losses from sales of depreciable operating property. The revised definition of Funds from Operations did not have a material impact on the Company's calculation. Funds from Operations does not represent amounts available for management's discretionary use because of needed capital replacement or expansion, debt service obligations, or other commitments and uncertainties. Funds from Operations should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of the Company's financial performance or to cash flows from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is it indicative of funds available to fund the Company's cash needs, including its ability to make distributions. The Company believes that in order to facilitate a clear understanding of the historical operating results of the Company, Funds from Operations should be examined in conjunction with net income as presented in the consolidated financial statements.

The following table presents the Company's Funds from Operations for the three months ended June 30, 2000 and 1999:

	THREE MONTHS ENDED JUNE 30, 2000	THREE MONTHS ENDED JUNE 30, 1999
Income before minority interests and joint venture income	$55,997	$45,320
Add:		
Real estate depreciation and amortization	32,497	29,238
Income from unconsolidated joint ventures	662	229
Less:		
Minority property partnership's share of Funds from Operations	(266)	(128)
Preferred dividends and distributions	(8,250)	(8,293)
Funds from Operations	$80,640	$66,366
Funds from Operations Available to Common Shareholders (73.59% and 73.34%, respectively)	$59,347	$48,673

Reconciliation to Diluted Funds from Operations:

	THREE MONTHS ENDED JUNE 30, 2000		THREE MONTHS ENDED JUNE 30, 1999	
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	INCOME (NUMERATOR)	SHARES (DENOMINATOR)
Funds from Operations	$80,640	92,385	$66,366	89,352
Effect of Dilutive Securities				
Convertible Preferred Units	6,607	10,376	6,611	10,364
Convertible Preferred Stock	1,643	2,625	1,682	2,625
Stock Options and other	316	1,590	--	806
Diluted Funds from Operations	$89,206	106,976	$74,659	103,147
Company's share of Diluted Funds From Operations (77.20% and 76.91%, respectively)	$68,864	82,583	$57,419	79,329

CERTAIN FACTORS AFFECTING FUTURE OPERATING RESULTS

This Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding the Company's business, strategies, revenues, expenditures and operating and capital requirements. The following factors, among others, could cause actual results, performance or achievements of the Company to differ materially from those set forth or contemplated in the forward-looking statements made in this report: general risks affecting the real estate industry (including, without limitation, the inability to enter into or renew leases, dependence on tenants' financial condition, and competition from other developers, owners and operators of real estate); risks associated with the availability and terms of financing and the use of debt to fund acquisitions and developments; failure to manage effectively the Company's growth and expansion into new markets or to integrate acquisitions successfully; risks and uncertainties affecting property development and construction (including, without limitation, construction delays, cost overruns, inability to obtain necessary permits and public opposition to such activities); risks associated with downturns in the national and local economies, increases in interest rates, and volatility in the securities markets; costs of compliance with the Americans with Disabilities Act and other similar laws; potential liability for uninsured losses and environmental contamination; risks associated with the Company's potential failure to qualify as a REIT under the Internal Revenue Code of 1986, as amended, and possible adverse changes in tax and environmental laws; and risks associated with the Company's dependence on key personnel whose continued service is not guaranteed.

NEWLY ISSUED ACCOUNTING STANDARD

During the quarter ended June 30, 2000, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 138, "Accounting for Certain Derivative Instruments and Hedging Activities--an Amendment of Statement of Financial Accounting Standards No. 133" ("SFAS 138"). SFAS 138 expands the scope of SFAS 133. The Company does not expect SFAS 138 to have a material impact on the Company's financial position and results of operations.

INFLATION

Substantially all of the office leases provide for separate real estate tax and operating expense escalations over a base amount. In addition, many of the leases provide for fixed base rent increases or indexed increases. The Company believes that inflationary increases may be at least partially offset by the contractual rent increases described above.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss from adverse changes in market prices and interest rates. The primary market risk facing the Company is mortgage debt, which bears interest primarily at fixed rates, and therefore, the fair value of these instruments is affected by changes in the market interest rates. The following table presents principal cash flows (in thousands) based upon maturity dates of the debt obligations and the related weighted average interest rates by expected maturity dates for the fixed rate debt. The interest rate of the variable rate debt as of June 30, 2000 ranged from LIBOR plus 1.00% to LIBOR plus 2.00%. During January 2000, the Company entered into three interest rate hedge agreements for a total amount of $450.0 million. The agreements provide for a fixed interest rate when LIBOR floats between 0% and 5.80% or 5.00% to 5.60% and when LIBOR ranges from 6.35% to 7.95% for terms ranging from three to five years, per terms of the agreements.

	MORTGAGE DEBT							
	2000	2001	2002	2003	2004	THEREAFTER	TOTAL	FAIR VALUE
Fixed Rate...........	$71,755	$159,272	$391,800	$215,147	$103,499	$1,878,192	$2,819,665	$2,819,665
Average Interest Rate...............	7.39%	7.89%	7.38%	7.53%	7.27%	6.91%	7.10%	--
Variable Rate........	$75,000	$ 24,187	$ 60,575	$153,988	$ 23,653	$ --	$ 337,403	$ 337,403

PART II. OTHER INFORMATION

ITEM 2--CHANGES IN SECURITIES

On June 19, 2000, the Company acquired land in Chelmsford, Massachusetts for consideration that included the issuance of 82,215 OP Units. Such OP Units were issued to accredited investors in a transaction that was exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) of such Act.

ITEM 4--SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its annual meeting of stockholders on May 3, 2000. The stockholders voted to elect Edward H. Linde and Ivan J. Seidenberg as Class III Directors of the Company to serve until 2003. 47,542,402 and 52,733,350 votes were cast for the elections of Mr. Linde and Mr. Seidenberg, respectively and 5,710,061 and 519,113 votes were withheld, respectively. Mortimer B. Zuckerman, Alan B. Landis and Richard E. Salomon will continue to serve as Class I Directors and Alan J. Patricof and Martin Turchin will continue to serve as Class II Directors until their present term expires in 2001 and 2002, respectively and their successors are duly elected.

The stockholders voted on a shareholder proposal concerning the annual election of directors. 23,608,579 votes were cast for the proposal, 22,911,358 votes were cast against the proposal, and 291,776 votes abstained.

The stockholders voted to amend and restate the 1997 Stock Option and Incentive Plan. 36,620,189 votes were cast for, 9,931,018 votes were cast against, and 260,510 votes abstained from this proposal.

The stockholders also voted to ratify the Board of Directors' selection of PricewaterhouseCoopers LLP as the Company's independent auditors for the fiscal year ending December 31, 2000. 53,124,037 votes were cast for, 107,527 votes were cast against, and 20,899 votes abstained from this proposal.

ITEM 6--EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

EXHIBIT NUMBER	DESCRIPTION
27.1	Financial Data Schedule

(b) Reports on Form 8-K

A Form 8-K dated April 26, 2000 was filed with the Securities and Exchange Commission to report under Item 5 of such report the information presented to investors and analysts and the Company's press release for the quarter ended March 31, 2000.

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 thereunto duly authorized.

BOSTON PROPERTIES, INC.

August 11, 2000

By: /s/ DAVID G. GAW

David G. Gaw,
Chief Financial Officer
(duly authorized officer and
principal financial officer)

5
1,000

3-MOS	6-MOS
DEC-31-2000	DEC-31-2000
APR-01-2000	JAN-01-2000
JUN-30-2000	JUN-30-2000
6,319	6,319
28,283	28,283
32,340	32,340
0	0
0	0
0	0
5,701,704	5,701,704
525,201	525,201
5,539,054	5,539,054
0	0
3,395,068	3,395,068
0	0
100,000	100,000
680	680
1,073,497	1,073,497
5,539,054	5,539,054
212,976	419,657
217,259	427,513
0	0
64,035	129,212
40,984	80,623
0	0
56,243	111,458
34,880	65,857
0	0
34,880	65,857
0	0
0	0
0	0
34,880	65,857
.51	.97
.50	.96