

Boston Properties Announces Redemption Price for 6.25% Senior Notes Due 2013

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BOSTON, Dec 08, 2010 (BUSINESS WIRE) --

Boston Properties, Inc. (NYSE: BXP), a real estate investment trust, today announced the redemption price for the \$700 million in aggregate principal amount of 6.25% Senior Notes due 2013 (the "Notes") issued by its operating partnership, Boston Properties Limited Partnership, which are being redeemed on December 12, 2010. The redemption price was determined in accordance with the applicable indenture and will be approximately \$793.1 million. The redemption price includes approximately \$17.9 million of accrued and unpaid interest to, but not including, the redemption date. Excluding such accrued and unpaid interest, the redemption price is approximately 110.75% of the principal amount being redeemed.

In addition, on November 29, 2010, the Company entered into two Treasury lock agreements to fix the yield on the U.S. Treasury issue used in determining the redemption price on notional amounts aggregating \$700.0 million. The Company expects to cash-settle the Treasury lock agreements on December 9, 2010 and pay approximately \$2.1 million.

As a result of the payment of the redemption premium and the settlement of the Treasury locks, the Company expects to recognize an aggregate loss on extinguishment of debt during the fourth quarter of 2010 of approximately \$78.5 million.

There is currently an aggregate of \$925.0 million of such Notes outstanding and, following the partial redemption, there will be an aggregate of \$225.0 million of such Notes outstanding.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any sale of these securities in any state in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Boston Properties is a fully integrated, self-administered and self-managed real estate investment trust that develops, redevelops, acquires, manages, operates and owns a diverse portfolio of Class A office space, one hotel, two residential properties and three retail properties. The Company is one of the largest owners and developers of Class A office properties in the United States, concentrated in five markets - Boston, Midtown Manhattan, Washington, D.C., San Francisco and Princeton, N.J.

This press release contains forward-looking statements within the meaning of the Federal securities laws. You can identify these statements by our use of the words "assumes," "believes," "estimates," "expects," "guidance," "intends," "plans," "projects" and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond Boston Properties' control and could materially affect actual results, performance or achievements. These factors include, without limitation, the ability to enter into new leases or renew leases on favorable terms, dependence on tenants' financial condition, the uncertainties of real estate development, acquisition and disposition activity, the ability to effectively integrate acquisitions, the costs and availability of financing, the effectiveness of our interest rate hedging program, the ability of our joint venture partners to satisfy their obligations, the effects of local economic and market conditions, the effects of acquisitions, dispositions and possible impairment charges on our operating results, the impact of newly adopted accounting principles on the Company's accounting policies and on period-to-period comparisons of financial results, regulatory changes and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. Boston Properties does not undertake a duty to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

SOURCE: Boston Properties, Inc.

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