



# Supplemental Information

for the quarter ended December 31, 2009

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All amounts denominated in Canadian dollars.

*This accompanying financial information makes reference to net operating income and funds from operations ("FFO") on a total and per share basis. Net operating income is defined as income from property operations after operating expenses have been deducted, but prior to deducting financing, administrative and income tax expenses. BPO Properties defines FFO as net income prior to extraordinary items, one-time transaction costs, future income taxes, non-cash items and depreciation and amortization. The company uses net operating income and FFO to assess its operating results. Net operating income is important in assessing operating performance and FFO is a relevant measure to analyze real estate, as commercial properties generally appreciate rather than depreciate. The company provides the components of net operating income on page 6 and a full reconciliation from net income to FFO on page 7. The company reconciles FFO to net income as opposed to cashflow from operating activities as it believes net income is the most comparable measure. Net operating income and FFO are both non-GAAP measures which do not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.*

*Refer to the last page of this Supplemental package for disclaimer on Forward-Looking Statements and certain definitions.*

**Earnings and Dividends Announcements**

BPO Properties' financial results are scheduled to be announced on the following dates:

- First Quarter Results on May 3, 2010
- Second Quarter Results on August 4, 2010
- Third Quarter Results on November 2, 2010

**Common Share Dividends**

- Current Policy: quarterly dividend of \$0.10 per share or \$0.40 per share annualized on a post-split basis <sup>(1)</sup>
- Record Date: first day of March, June, September and December
- Payment Date: last day of March, June, September and December
- Special Dividend of \$1.65 per share on a post-split basis was paid on May 29, 2009 to shareholders of record at end of business day on May 15, 2009
- Three-for-one stock dividend paid on December 31, 2009 to shareholders of record at end of business day on December 8, 2009

**Common Share Trading Statistics**

	December 31, 2009	Three months ended			
		September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
High	\$ 20.66	\$ 17.66	\$ 13.66	\$ 12.00	\$ 16.00
Low	\$ 12.84	\$ 11.18	\$ 9.17	\$ 7.67	\$ 6.00
Close	\$ 19.55	\$ 16.68	\$ 12.13	\$ 10.00	\$ 8.00
Volume	646,707	645,534	509,544	1,028,547	1,203,057
Dividends paid per share	\$ 0.10	\$ 0.10 <sup>(1)</sup>	\$ 0.05 <sup>(2)</sup>	\$ 0.05	\$ 0.05

Note: Share information has been restated to reflect the three-for-one common stock split.

<sup>(1)</sup> The ongoing quarterly dividend was increased by 100% to \$0.10 per common share as of August 4, 2009 with the first increase paid on Sept. 30, 2009.

<sup>(2)</sup> Special Dividend of \$1.65 per share on a post-split basis was paid during the quarter ended June 30, 2009.

**Shares Outstanding**

	December 31, 2009	Three months ended			
		September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Common Shares Outstanding	84,960,341	84,962,202	84,998,211	84,998,226	84,998,232
Shares repurchased/cancelled during respective quarters	—	36,000	—	—	183,900

Note: Share information has been restated to reflect the three-for-one common stock split.

**Share Repurchases**

	December 31, 2009	Three months ended			
		September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Shares repurchased/cancelled during respective quarters	—	36,000	—	—	183,900
Average price per share	—	\$ 14.79	—	—	\$ 14.02
Total cost (Millions)	—	\$0.5	—	—	\$2.6

Note: Share information has been restated to reflect the three-for-one common stock split.

### Company Contacts

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Summary

(Millions, except per share amounts)	Three months ended					Year ended	
	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
<b>Income Items:</b>							
Revenue	\$ 94.1	\$ 85.6	\$ 86.3	\$ 88.7	\$ 98.5	\$ 354.7	\$ 365.6
Commercial property net operating income before the following:	46.3	44.3	44.6	43.7	41.7	178.9	166.2
Straight-line rental revenue	0.4	0.2	0.3	0.1	0.4	1.0	2.1
Intangible operating lease amortization	0.9	1.5	1.8	1.9	2.0	6.1	10.2
Recurring fee income	3.5	3.4	3.4	3.2	3.9	13.5	13.3
Lease termination and other income	1.8	0.2	-	1.1	1.5	3.1	3.4
Commercial property net operating income	52.9	49.6	50.1	50.0	49.5	202.6	195.2
Funds from operations	28.8	26.4	30.9	31.6	39.1	117.7	153.7
Funds available for distribution	2.2	9.1	13.5	15.7	17.1	40.5	49.4
Total interest expense	10.8	10.6	10.0	9.1	11.4	40.5	39.5
Net income	16.8	13.4	15.3	16.0	14.7	61.5	65.3
Preferred share dividends	1.2	1.1	1.3	2.1	3.0	5.7	14.3
Common share dividends	8.5	8.5	144.5	4.2	4.2	165.7	223.6
<b>Margins</b>							
Commercial property revenue	93.4	85.4	85.3	86.8	90.4	350.9	345.1
Commercial property operating expense	(40.5)	(35.8)	(35.2)	(36.8)	(40.9)	(148.3)	(149.9)
Commercial property margin	56.6%	58.1%	58.7%	57.6%	54.8%	57.7%	56.6%
Commercial property margin excluding lease termination and other income	55.8%	58.0%	58.7%	57.1%	54.0%	57.4%	56.1%
<b>Capitalization</b>							
Total debt	\$ 1,447.7	\$ 1,417.3	\$ 1,375.6	\$ 1,279.2	\$ 1,255.3		
Common stock price at quarter-end	19.55	16.68	12.13	10.00	8.00		
Common equity	368.2	361.1	357.9	488.4	478.7		
Common equity market capitalization	1,661.8	1,416.4	1,030.1	848.7	679.2		
Book value per share	4.33	4.25	4.21	5.75	5.63		
Debt to market capitalization	41%	44%	49%	51%	54%		

Note: Share information has been restated to reflect the three-for-one common stock split.

## Balance Sheet

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008 <sup>(1)</sup>
<b>Assets</b>					
Commercial properties	\$ 1,630.6	\$ 1,627.6	\$ 1,561.6	\$ 1,555.3	\$ 1,552.6
Accumulated depreciation	(246.2)	(247.7)	(236.4)	(225.6)	(214.6)
Commercial properties - net	1,384.4	1,379.9	1,325.2	1,329.7	1,338.0
Commercial development properties	744.0	733.3	767.3	722.9	689.1
Loans receivable	85.0	-	-	26.2	150.6
Intangible assets	23.9	25.4	26.9	28.5	30.3
Tenant receivables and other assets	113.2	80.2	85.0	87.0	82.3
Cash & cash equivalents	55.7	150.7	141.5	182.3	61.5
<b>Total Assets</b>	<b>\$ 2,406.2</b>	<b>\$ 2,369.5</b>	<b>\$ 2,345.9</b>	<b>\$ 2,376.6</b>	<b>\$ 2,351.8</b>
<b>Liabilities</b>					
Commercial and development property debt	\$ 1,447.7	\$ 1,417.3	\$ 1,375.6	\$ 1,279.2	\$ 1,255.3
Intangible liabilities	62.8	64.5	66.7	69.3	71.9
Accounts payable and other liabilities	115.1	112.9	130.5	127.3	135.6
Future income tax liabilities	30.7	32.0	33.5	30.7	28.6
<b>Shareholders' equity</b>					
Preferred shares	381.7	381.7	381.7	381.7	381.7
Common shares	78.3	78.3	78.4	78.4	78.4
Retained earnings	289.9	282.8	279.5	410.0	400.3
<b>Total Liabilities &amp; Shareholders' equity</b>	<b>\$ 2,406.2</b>	<b>\$ 2,369.5</b>	<b>\$ 2,345.9</b>	<b>\$ 2,376.6</b>	<b>\$ 2,351.8</b>

<sup>(1)</sup> The Company adopted CICA Handbook Section 3064 - "Goodwill and Intangible Assets" on January 1, 2009 requiring prior comparable periods to be restated upon adoption.

Total Assets and Total Liabilities & Shareholders' equity was reduced by \$0.2M for the quarter ending December 31, 2008 as result of the adoption.

Income Statement

(Millions, except per share amounts)	Three months ended					Year ended	
	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008 <sup>(1)</sup>	December 31, 2009	December 31, 2008 <sup>(1)</sup>
<b>Commercial property operations</b>							
Revenue from continuing operations	\$ 86.8	\$ 80.1	\$ 79.8	\$ 80.5	\$ 82.6	\$ 327.2	\$ 316.1
Straight-line rental revenue	0.4	0.2	0.3	0.1	0.4	1.0	2.1
Intangible operating lease amortization	0.9	1.5	1.8	1.9	2.0	6.1	10.2
Recurring fee income	3.5	3.4	3.4	3.2	3.9	13.5	13.3
Lease termination and other income	1.8	0.2	-	1.1	1.5	3.1	3.4
Total commercial property revenue	93.4	85.4	85.3	86.8	90.4	350.9	345.1
Operating expenses <sup>(2)</sup>	(40.5)	(35.8)	(35.2)	(36.8)	(40.9)	(148.3)	(149.9)
Commercial property net operating income	52.9	49.6	50.1	50.0	49.5	202.6	195.2
Loans and investment income	0.7	0.2	1.0	1.9	8.1	3.8	20.5
<b>Total net operating income</b>	<b>53.6</b>	<b>49.8</b>	<b>51.1</b>	<b>51.9</b>	<b>57.6</b>	<b>206.4</b>	<b>215.7</b>
<b>Expenses</b>							
Interest expense	10.8	10.6	10.0	9.1	11.4	40.5	39.5
General and administrative expense	8.4	5.8	5.0	5.3	7.1	24.5	22.5
Depreciation and amortization	13.3	13.0	12.8	13.3	14.8	52.4	53.6
Income taxes	4.3	7.0	8.0	8.2	9.6	27.5	34.8
<b>Net income</b>	<b>\$ 16.8</b>	<b>\$ 13.4</b>	<b>\$ 15.3</b>	<b>\$ 16.0</b>	<b>\$ 14.7</b>	<b>\$ 61.5</b>	<b>\$ 65.3</b>
<b>Net income per common share</b>	<b>\$ 0.18</b>	<b>\$ 0.15</b>	<b>\$ 0.17</b>	<b>\$ 0.16</b>	<b>\$ 0.14</b>	<b>\$ 0.66</b>	<b>\$ 0.60</b>

Note: Share information has been restated to reflect the three-for-one common stock split.

<sup>(1)</sup> The Company adopted CICA Handbook Section 3064 - "Goodwill and Intangible Assets" on January 1, 2009 requiring prior comparable periods to be restated upon adoption. Net income decreased by \$0.3M in the fourth quarter of 2008 and \$0.2M for the year ended December 31, 2008.

<sup>(2)</sup> Included in operating expenses is amortization of above-market ground lease obligations of \$0.6M, \$0.6M, \$0.7M, \$0.6M and \$0.7M for each of the five quarters respectively; \$2.5M and \$2.6M for year ended December 31, 2009 and 2008 respectively.

## Funds From Operations

(Millions, except per share amounts)	Three months ended					Year ended	
	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Net income	\$ 16.8	\$ 13.4	\$ 15.3	\$ 16.0	\$ 14.7	\$ 61.5	\$ 65.3
Depreciation and amortization	13.3	13.0	12.8	13.3	14.8	52.4	53.6
Future income taxes (recovery) <sup>(1)</sup>	(1.3)	—	2.8	2.3	9.6	3.8	34.8
Funds from operations	\$ 28.8	\$ 26.4	\$ 30.9	\$ 31.6	\$ 39.1	\$ 117.7	\$ 153.7
Preferred share dividends	(1.2)	(1.1)	(1.3)	(2.1)	(3.0)	(5.7)	(14.3)
Funds available to common shareholders	\$ 27.6	\$ 25.3	\$ 29.6	\$ 29.5	\$ 36.1	\$ 112.0	\$ 139.4
Weighted average common shares outstanding	85.0	85.0	85.0	85.0	85.0	85.0	85.3
Funds from operations per share	\$ 0.32	\$ 0.30	\$ 0.35	\$ 0.35	\$ 0.42	\$ 1.32	\$ 1.64

Note: Share information has been restated to reflect the three-for-one common stock split.

<sup>(1)</sup> Funds from operations was redefined in the first quarter of 2009 as net income prior to extraordinary items, one-time transaction costs, depreciation and amortization, future income taxes, and certain non-cash items. Previous quarters have not been restated.

## Funds Available for Distribution

(Millions)	Three months ended					Year ended	
	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Funds from operations	\$ 28.8	\$ 26.4	\$ 30.9	\$ 31.6	\$ 39.1	\$ 117.7	\$ 153.7
Less:							
Preferred share dividends	(1.2)	(1.1)	(1.3)	(2.1)	(3.0)	(5.7)	(14.3)
Straight-line rental revenue	(0.4)	(0.2)	(0.3)	(0.1)	(0.4)	(1.0)	(2.1)
Intangible operating lease amortization	(0.9)	(1.5)	(1.8)	(1.9)	(2.0)	(6.1)	(10.2)
Intangible above-market ground lease amortization	(0.6)	(0.6)	(0.7)	(0.6)	(0.7)	(2.5)	(2.7)
Leasing commissions and tenant improvements	(6.1)	(3.1)	(3.5)	(1.3)	(4.3)	(14.0)	(11.0)
Capital expenditures	(9.8)	(3.3)	(2.8)	(1.6)	(7.2)	(17.5)	(20.2)
Capitalized interest	(7.6)	(7.5)	(7.0)	(8.3)	(5.6)	(30.4)	(27.3)
Estimated current income taxes <sup>(1)</sup>	—	—	—	—	1.2	—	(16.5)
Funds available for distribution	\$ 2.2	\$ 9.1	\$ 13.5	\$ 15.7	\$ 17.1	\$ 40.5	\$ 49.4

Note: Share information has been restated to reflect the three-for-one common stock split.

<sup>(1)</sup> Starting in the first quarter of 2009, current income taxes are included within the definition of Funds from Operations as noted above.

Cashflow Statement

(Millions)	Three months ended					Year ended	
	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
<b>Operating activities</b>							
Net income	\$ 16.8	\$ 13.4	\$ 15.3	\$ 16.0	\$ 14.7	\$ 61.5	\$ 65.3
Depreciation & amortization	13.3	13.0	12.8	13.3	14.8	52.4	53.6
Future income taxes (recovery)	(1.3)	—	2.8	2.3	10.8	3.8	18.3
Amortization of intangible operating leases	(0.9)	(1.5)	(1.8)	(1.9)	(2.0)	(6.1)	(10.2)
Amortization of above-market ground lease	(0.6)	(0.6)	(0.7)	(0.6)	(0.7)	(2.5)	(2.7)
Amortization of deferred debt financing costs	0.7	0.7	1.8	1.0	0.8	4.2	3.7
Loans receivable - foreign exchange	—	—	2.8	(0.4)	(3.9)	2.4	(4.7)
Deferred leasing costs	(1.0)	(0.6)	(1.3)	(0.2)	(0.8)	(3.1)	(3.7)
Increase in straight-line rent receivable	(0.4)	(0.2)	(0.3)	(0.1)	(0.4)	(1.0)	(2.1)
(Increase) decrease in receivables	(18.2)	5.6	3.4	4.2	(11.4)	(5.0)	(10.6)
Increase in other assets	(0.3)	(1.0)	(1.4)	(8.9)	(1.3)	(11.6)	(2.4)
(Decrease) increase in accounts payable and other liabilities	(7.8)	(8.8)	(5.6)	1.5	(25.8)	(20.7)	5.4
	0.3	20.0	27.8	26.2	(5.2)	74.3	109.9
<b>Investing activities</b>							
Loans receivable collections	—	—	23.2	—	—	23.2	41.8
Dispositions of properties	—	—	—	—	—	—	3.3
Restricted cash and deposits	(14.4)	—	—	(0.4)	—	(14.8)	—
Development and redevelopment expenditures	(6.4)	(36.2)	(35.8)	(41.5)	(49.7)	(119.9)	(237.8)
Commercial property tenant improvements	(2.9)	(2.4)	(1.8)	(2.7)	(3.5)	(9.8)	(7.3)
Capital expenditures	(6.7)	(3.1)	(2.8)	(2.4)	(7.2)	(15.0)	(20.2)
Advances to related parties	(85.0)	—	—	—	—	(85.0)	(125.0)
Repayments from related parties	—	—	—	125.0	—	125.0	220.3
	(115.4)	(41.7)	(17.2)	78.0	(60.4)	(96.3)	(124.9)
<b>Financing activities and capital distributions</b>							
Commercial and development property debt arranged	94.1	45.2	251.6	26.9	201.1	417.8	660.5
Commercial and development property debt repayments	(57.7)	—	(152.2)	—	(120.6)	(209.9)	(358.9)
Commercial and development property debt principal amortization	(6.2)	(3.5)	(4.4)	(3.4)	(4.2)	(17.5)	(15.6)
Amortization of debt premiums	(0.4)	(0.7)	(0.6)	(0.6)	(0.6)	(2.3)	(2.3)
Repurchase of common shares	—	(0.5)	—	—	(2.6)	(0.5)	(7.0)
Preferred share dividends paid	(1.2)	(1.1)	(1.3)	(2.1)	(3.0)	(5.7)	(14.3)
Common share dividends paid	(8.5)	(8.5)	(144.5)	(4.2)	(4.2)	(165.7)	(223.6)
	20.1	30.9	(51.4)	16.6	65.9	16.2	38.8
(Decrease) increase in cash resources	(95.0)	9.2	(40.8)	120.8	0.3	(5.8)	23.8
Opening cash and cash equivalents	150.7	141.5	182.3	61.5	61.2	61.5	37.7
Closing cash and cash equivalents	\$ 55.7	\$ 150.7	\$ 141.5	\$ 182.3	\$ 61.5	\$ 55.7	\$ 61.5

## Net Operating Income – Same Property Analysis

(Millions)	December 31, 2009	Three months ended			December 31, 2008	Year ended	
		September 30, 2009	June 30, 2009	March 31, 2009		December 31, 2009	December 31, 2008
<b>Commercial Property Operations</b>							
Commercial property net operating income <sup>(1)</sup>	\$52.9	\$49.6	\$50.1	\$50.0	\$49.5	\$202.6	\$195.2
Less:							
Property reclassified from development	1.5	0.8	—	—	—	2.3	—
Recurring fee income	3.5	3.4	3.4	3.2	3.9	13.5	13.3
Lease termination and other income	1.8	0.2	—	1.1	1.5	3.1	3.4
Commercial property net operating income - same property	\$46.1	\$45.2	\$46.7	\$45.7	\$44.1	\$183.7	\$178.5
Same property NOI change % since Q4 2008 and year ended 2008	4.5%					2.9%	
Total number of properties	28	28	27	27	27	28	27
BPO owned interest of total area (000's Sq.Ft.)	8,792	8,792	8,688	8,688	8,689	8,792	8,689
Occupancy	98.6%	98.2%	98.2%	98.4%	98.7%	98.6%	98.7%
Occupancy of same property	98.6%	98.2%	98.2%	98.4%	98.7%	98.6%	98.7%

<sup>(1)</sup> Included in this amount is First Canadian Place ground rent expense of \$0.8M, \$2.3M, \$0.3M, \$0.2M and \$1.9M for each of the five quarters and \$3.6M and \$4.5M for each of the year ends respectively.

## Net Operating Income – Regional Analysis

(Millions)	Three months ended December 31, 2009	
	Net Operating Income	% Contribution
<b>Commercial Property Operations</b>		
Toronto, Ontario	\$ 22.1	41.8%
Ottawa, Ontario	2.5	4.7%
Calgary, Alberta	24.5	46.3%
Edmonton, Alberta	0.9	1.7%
Vancouver, B.C.	2.9	5.5%
<b>Total Net Operating Income</b>	<b>\$ 52.9</b>	<b>100.0%</b>
Less non-cash net operating income:		
Intangible operating lease amortization	\$ (0.9)	(1.7%)
Intangible above-market ground lease amortization	(0.6)	(1.1%)
Straight-line rental revenue	(0.4)	(0.8%)
<b>Total Cash Net Operating Income</b>	<b>\$ 51.0</b>	<b>96.4%</b>

## Summary of Properties

Region	Number of Properties	Total Area (000's Sq.Ft.)	BPO Owned Interest (000's Sq.Ft.)	Book Value (Millions)	Book Value Per Sq. Ft.	Debt <sup>(1)</sup> (Millions)	Net Book Equity (Millions)
Toronto, Ontario	9	7,053	3,700	\$ 593.0	\$ 160	\$ 381.5	\$ 211.5
Ottawa, Ontario	6	2,775	694	97.9	141	23.6	74.3
Calgary, Alberta	9	6,912	3,363	566.9	169	518.6	48.3
Edmonton, Alberta	2	712	179	18.0	101	20.4	(2.4)
Vancouver, B.C.	1	853	853	105.7	124	117.6	(11.9)
Other	1	3	3	2.9	—	—	2.9
Continuing operations	28	18,308	8,792	1,384.4	157	1,061.7	322.7
Developments	7	5,427	4,501	744.0	165	386.0	358.0
<b>Total</b>	<b>35</b>	<b>23,735</b>	<b>13,293</b>	<b>\$ 2,128.4</b>	<b>\$ 160</b>	<b>\$ 1,447.7</b>	<b>\$ 680.7</b>

<sup>(1)</sup> Includes \$6.3 million of deferred financing costs.

Portfolio by City

December 31, 2009	Number of Properties	Leased %	(Square Feet in 000's)					BPO Properties Owned Interest (Square Feet in 000's)		
			Office	Retail	Leasable	Parking	Total	Interest %	Leasable	Total
<b>DIRECT</b>										
<b>TORONTO</b>										
Exchange Tower	1	98.6%	963	66	1,029	131	1,160	50%	515	580
Hudson's Bay Centre	1	97.4%	536	261	797	295	1,092	100%	797	1,092
Queen's Quay Terminal	1	98.5%	428	76	504	—	504	100%	504	504
105 Adelaide St. W.	1	99.5%	177	7	184	48	232	100%	184	232
HSBC Building	1	100.0%	188	6	194	31	225	100%	194	225
20-22 Front St. W.	1	100.0%	135	8	143	—	143	100%	143	143
	<b>6</b>	<b>98.5%</b>	<b>2,427</b>	<b>424</b>	<b>2,851</b>	<b>505</b>	<b>3,356</b>		<b>2,337</b>	<b>2,776</b>
<b>CALGARY</b>										
Bankers Hall	3	99.9%	1,944	224	2,168	409	2,577	50%	1,084	1,289
Bankers Court	1	100.0%	255	6	261	62	323	50%	131	162
Suncor Energy Centre	2	100.0%	1,710	22	1,732	220	1,952	50%	866	976
Fifth Avenue Place	2	99.5%	1,430	46	1,476	206	1,682	50%	738	841
	<b>8</b>	<b>99.8%</b>	<b>5,339</b>	<b>298</b>	<b>5,637</b>	<b>897</b>	<b>6,534</b>		<b>2,819</b>	<b>3,268</b>
<b>VANCOUVER</b>										
Royal Centre	1	94.1%	493	96	589	264	853	100%	589	853
	<b>1</b>	<b>94.1%</b>	<b>493</b>	<b>96</b>	<b>589</b>	<b>264</b>	<b>853</b>		<b>589</b>	<b>853</b>
<b>OTHER</b>										
Merivale Place, Nepean	1	100.0%	—	3	3	—	3	100%	3	3
	<b>1</b>	<b>100.0%</b>	<b>—</b>	<b>3</b>	<b>3</b>	<b>—</b>	<b>3</b>		<b>3</b>	<b>3</b>
<b>TOTAL DIRECT</b>	<b>16</b>	<b>99.0%</b>	<b>8,259</b>	<b>821</b>	<b>9,080</b>	<b>1,666</b>	<b>10,746</b>		<b>5,748</b>	<b>6,900</b>
<b>CANADIAN FUND</b>										
<b>TORONTO</b>										
First Canadian Place	1	96.1%	2,379	232	2,611	170	2,781	25%	653	695
2 Queen St E.	1	98.6%	448	16	464	81	545	25%	116	136
151 Yonge St.	1	97.8%	289	10	299	72	371	25%	75	93
	<b>3</b>	<b>96.6%</b>	<b>3,116</b>	<b>258</b>	<b>3,374</b>	<b>323</b>	<b>3,697</b>		<b>844</b>	<b>924</b>
<b>OTTAWA</b>										
Place de Ville I	2	99.8%	569	13	582	502	1,084	25%	146	271
Place de Ville II	2	100.0%	597	12	609	433	1,042	25%	152	261
Jean Edmonds Tower	2	100.0%	541	13	554	95	649	25%	139	162
	<b>6</b>	<b>99.9%</b>	<b>1,707</b>	<b>38</b>	<b>1,745</b>	<b>1,030</b>	<b>2,775</b>		<b>437</b>	<b>694</b>
<b>CALGARY</b>										
Altius Centre	1	99.4%	304	3	307	71	378	25%	77	95
	<b>1</b>	<b>99.4%</b>	<b>304</b>	<b>3</b>	<b>307</b>	<b>71</b>	<b>378</b>		<b>77</b>	<b>95</b>
<b>EDMONTON</b>										
Canadian Western Bank	1	98.2%	371	36	407	91	498	25%	102	125
Enbridge Tower	1	100.0%	184	—	184	30	214	25%	46	54
	<b>2</b>	<b>98.8%</b>	<b>555</b>	<b>36</b>	<b>591</b>	<b>121</b>	<b>712</b>		<b>148</b>	<b>179</b>
<b>TOTAL CANADIAN FUND</b>	<b>12</b>	<b>97.9%</b>	<b>5,682</b>	<b>335</b>	<b>6,017</b>	<b>1,545</b>	<b>7,562</b>		<b>1,506</b>	<b>1,892</b>
<b>TOTAL PORTFOLIO</b>	<b>28</b>	<b>98.6%</b>	<b>13,941</b>	<b>1,156</b>	<b>15,097</b>	<b>3,211</b>	<b>18,308</b>		<b>7,254</b>	<b>8,792</b>

## Leasing Activity

	December 31, 2008			Activities during the year ended December 31, 2009								December 31, 2009			
	Total Area <sup>(1)</sup>	Avg In-Place Leased	Net Rent	Contractual Expiries	Early Expiries	Total Expiries	Expiring Net Rent	Leasing	Year One <sup>(2)</sup> Leasing Net Rent	Average <sup>(3)</sup> Leasing Net Rent	Acq./ (Disp.)	Total Area <sup>(1)</sup>	Avg In-Place Leased	Avg. Mkt. Net Rent	
	(000's Sq.Ft.)	(000's Sq.Ft.)	(\$ per Sq.Ft.)	(000's Sq.Ft.)	(000's Sq.Ft.)	(000's Sq.Ft.)	(\$ per Sq.Ft.)	(000's Sq.Ft.)	(\$ per Sq.Ft.)	(\$ per Sq.Ft.)	(000's Sq.Ft.)	(000's Sq.Ft.)	(000's Sq.Ft.)	(\$ per Sq.Ft.)	(\$ per Sq.Ft.)
Toronto, Ontario	7,054	6,897	\$23	(409)	(336)	(745)	\$19	744	\$19	\$20	(1)	7,053	6,896	\$24	\$24
Ottawa, Ontario	2,780	2,772	17	(35)	—	(35)	17	42	22	22	(5)	2,775	2,774	18	22
Calgary, Alberta	6,704	6,697	24	(57)	(209)	(266)	26	261	34	34	208	6,912	6,900	26	30
Edmonton, Alberta	711	710	12	(19)	(107)	(126)	13	120	23	23	1	712	705	14	21
Vancouver, B.C.	853	835	16	(49)	—	(49)	20	32	28	28	—	853	818	17	26
Other	3	3	31	—	—	—	—	—	—	—	—	3	3	29	27
<b>Total</b>	<b>18,105</b>	<b>17,914</b>	<b>\$22</b>	<b>(569)</b>	<b>(652)</b>	<b>(1,221)</b>	<b>\$20</b>	<b>1,199</b>	<b>\$23</b>	<b>\$24</b>	<b>203</b>	<b>18,308</b>	<b>18,096</b>	<b>\$23</b>	<b>\$25</b>
Development Leasing								97							
Total Leasing								1,296							

(1) Excludes developments

(2) Represents net rent in the first year

(3) Represents average net rent over lease term

## Leasing Profile

December 31, 2009 (000's Sq.Ft.)	Currently Available	2010	2011	2012	2013	2014	2015	2016	2017 & Beyond	Leasable	Parking	Total
Toronto, Ontario	157	518	313	553	1,416	235	455	473	2,105	6,225	828	7,053
Ottawa, Ontario	1	9	14	13	1,151	9	543	4	1	1,745	1,030	2,775
Calgary, Alberta	12	170	656	459	501	161	1,197	753	2,035	5,944	968	6,912
Edmonton, Alberta	7	33	55	7	9	27	148	20	285	591	121	712
Vancouver, B.C.	35	20	71	62	84	7	61	25	224	589	264	853
Other	—	—	—	—	2	—	—	—	1	3	—	3
<b>Total</b>	<b>212</b>	<b>750</b>	<b>1,109</b>	<b>1,094</b>	<b>3,163</b>	<b>439</b>	<b>2,404</b>	<b>1,275</b>	<b>4,651</b>	<b>15,097</b>	<b>3,211</b>	<b>18,308</b>
Percentage of Total	1.4%	5.0%	7.3%	7.2%	21.0%	2.9%	15.9%	8.4%	30.9%	100.0%	—	100.0%

**Historical Occupancy Analysis**

(000's Sq.Ft.)	December 31, 2009		September 30, 2009		June 30, 2009		March 31, 2009		December 31, 2008	
	Total Sq. Ft.	% Leased	Total Sq. Ft.	% Leased	Total Sq. Ft.	% Leased	Total Sq. Ft.	% Leased	Total Sq. Ft.	% Leased
Toronto, Ontario	7,053	97.5%	7,053	96.6%	7,053	96.5%	7,053	96.7%	7,054	97.5%
Ottawa, Ontario	2,775	99.9%	2,775	99.6%	2,775	99.5%	2,775	99.8%	2,780	99.5%
Calgary, Alberta	6,912	99.8%	6,912	99.8%	6,705	99.8%	6,705	99.9%	6,704	99.9%
Edmonton, Alberta	712	98.8%	712	98.9%	712	98.9%	712	99.5%	711	99.9%
Vancouver, B.C.	853	94.1%	853	94.1%	853	96.6%	853	96.9%	853	96.9%
Other	3	100.0%	3	100.0%	3	100.0%	3	100.0%	3	100.0%
<b>Total</b>	<b>18,308</b>	<b>98.6%</b>	<b>18,308</b>	<b>98.2%</b>	<b>18,101</b>	<b>98.2%</b>	<b>18,101</b>	<b>98.4%</b>	<b>18,105</b>	<b>98.7%</b>

Lease Expiry Analysis

Year of Expiry	Total Portfolio			Toronto, Ontario			Ottawa, Ontario			Calgary, Alberta		
	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$
Currently available	212	1.4%		157	2.5%		1	0.1%		12	0.2%	
2010	750	5.0%	\$27	518	8.3%	\$28	9	0.5%	\$31	170	2.9%	\$26
2011	1,109	7.3%	27	313	5.0%	27	14	0.8%	17	656	11.0%	29
2012	1,094	7.2%	27	553	8.9%	25	13	0.7%	22	459	7.7%	30
2013	3,163	21.0%	25	1,416	22.7%	28	1,151	66.0%	20	501	8.4%	33
2014	439	2.9%	31	235	3.8%	29	9	0.5%	26	161	2.7%	37
2015	2,404	15.9%	25	455	7.3%	28	543	31.1%	14	1,197	20.1%	31
2016	1,275	8.4%	27	473	7.6%	28	4	0.2%	20	753	12.7%	28
2017 & beyond	4,651	30.9%	26	2,105	33.9%	20	1	0.1%	30	2,035	34.3%	35
Parking	3,211	—	—	828	—	—	1,030	—	—	968	—	—
<b>Total</b>	<b>18,308</b>	<b>100.0%</b>		<b>7,053</b>	<b>100.0%</b>		<b>2,775</b>	<b>100.0%</b>		<b>6,912</b>	<b>100.0%</b>	
Average market net rent			\$25			\$24			\$22			\$30

	Edmonton, Alberta			Vancouver, B.C.			Other		
	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$	(000's Sq.Ft.)	%	Net Rate per Sq.Ft.-\$
Currently available	7	1.2%		35	5.9%		—	—	
2010	33	5.6%	\$21	20	3.4%	\$22	—	—	—
2011	55	9.3%	13	71	12.1%	24	—	—	—
2012	7	1.2%	21	62	10.5%	22	—	—	—
2013	9	1.5%	21	84	14.3%	22	2	66.7%	32
2014	27	4.6%	13	7	1.2%	29	—	—	—
2015	148	25.0%	19	61	10.4%	24	—	—	—
2016	20	3.4%	23	25	4.2%	22	—	—	—
2017 & beyond	285	48.2%	17	224	38.0%	11	1	33.3%	28
Parking	121	—	—	264	—	—	—	—	—
<b>Total</b>	<b>712</b>	<b>100.0%</b>		<b>853</b>	<b>100.0%</b>		<b>3</b>	<b>100.0%</b>	
Average market net rent			\$21			\$26			\$27

Top Tenants

Tenant	Location	Year of Expiry <sup>(1)</sup>	000's Sq.Ft. <sup>(2)</sup>	% of Sq.Ft. <sup>(2)</sup>	Credit Rating <sup>(3)</sup>
<b>Rated</b>					
Government of Canada	Various	2013	1,937	12.8%	AAA
Bank of Montreal/Nesbitt Burns	Fifth Avenue, Bankers Hall, Exchange Tower, First Canadian Place, 2 Queen, Place de Ville	2018	1,131	7.5%	A+
Suncor Energy	Suncor Energy Centre	2028	1,015	6.7%	BBB+
Imperial Oil	Fifth Avenue	2016	717	4.8%	AAA
Talisman Energy	Bankers Hall	2015	539	3.6%	BBB
Enbridge Inc.	Fifth Avenue, Enbridge Tower, Canadian Western Bank Place	2015	442	2.9%	A-
RBC Financial Group	Royal Centre, Bankers Hall, Hudson's Bay Centre, Queen's Quay	2024	438	2.9%	AA-
Canadian Natural Resources	Bankers Hall, Fifth Avenue	2011	305	2.0%	BBB
CIBC	Bankers Hall, 22 Front	2034	281	1.9%	A+
EnCana Corporation	Bankers Hall	2014	241	1.6%	BBB+
Manufacturers Life Insurance	2 Queen Street East	2013	169	1.1%	AA+
Lombard Insurance	105 Adelaide	2012	144	1.0%	A-
Westcoast Energy	Fifth Avenue and Royal Centre	2013	132	0.9%	BBB+
National Bank of Canada	Exchange Tower	2013	121	0.8%	A
HSBC Of Canada	HSBC Building	2011	109	0.7%	AA
Xstrata (Falconbridge)	Queen's Quay Terminal, First Canadian Place	2017	81	0.5%	BBB
Other investment grade	Various	Various	532	3.5%	BBB- or higher
			8,334	55.2%	BBB- or higher
Bennett Jones	Bankers Hall and First Canadian Place	2015	306	2.0%	
Osler, Hoskin & Harcourt	First Canadian Place	2014	270	1.8%	
Fraser Milner Casgrain	First Canadian Place and Bankers Court	2016	242	1.6%	
CI Investments Inc.	151 Yonge Street and 2 Queen Street East	2014	220	1.5%	
The Hudson's Bay Company	Hudson's Bay Centre	2019	209	1.4%	
Toronto Stock Exchange	Exchange Tower	2018	179	1.2%	
Gowlings Canada Inc.	First Canadian Place	2020	170	1.1%	
Compton Petroleum Corporation	Bankers Court	2019	151	1.0%	
Crescent Point Resources Ltd.	Suncor Energy Centre	2020	140	0.9%	
Davies Ward Phillips Vineberg	First Canadian Place	2013	119	0.8%	
Citco (Canada) Inc.	Hudson's Bay Centre	2018	99	0.7%	
PriceWaterhouseCoopers	Suncor Energy Centre	2015	95	0.6%	
Precision Drilling Corp.	Suncor Energy Centre	2011	93	0.6%	
Other Government Agencies	Various	Various	202	1.3%	
<b>Total</b>			<b>10,829</b>	<b>71.7%</b>	

(1) Weighted average based on square feet.

(2) Prior to considering partnership interests in partially owned properties and excludes parking.

(3) From Standard and Poor's, Moody's or DBRS.

## Tenant Installation Costs and Capital Expenditures

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
<b>Commercial property tenant installation costs</b>					
Leasing commissions	\$ 1.4	\$ 0.3	\$ 1.1	\$ 0.5	\$ 0.8
Tenant improvements	4.7	2.8	2.4	0.8	3.5
	<b>\$ 6.1</b>	<b>\$ 3.1</b>	<b>\$ 3.5</b>	<b>\$ 1.3</b>	<b>\$ 4.3</b>
<b>Development investments</b>					
Construction costs	\$ 1.9	\$ 4.4	\$ 25.0	\$ 23.5	\$ 36.7
Capitalized NOI	(8.7)	5.4	(0.9)	(1.0)	(1.2)
Interest capitalized	7.6	7.5	7.0	8.3	5.6
Property taxes and other	7.9	7.2	3.3	3.0	8.6
Tenant improvements	2.0	1.1	10.0	—	—
	<b>\$ 10.7</b>	<b>\$ 25.6</b>	<b>\$ 44.4</b>	<b>\$ 33.8</b>	<b>\$ 49.7</b>
<b>Capital expenditures</b>					
Revenue-enhancing	\$ 9.8	\$ 2.6	\$ 2.1	\$ 1.4	\$ 6.1
Non-revenue-enhancing	—	0.7	0.7	0.2	1.1
	<b>\$ 9.8</b>	<b>\$ 3.3</b>	<b>\$ 2.8</b>	<b>\$ 1.6</b>	<b>\$ 7.2</b>

## Three months ended December 31, 2009

(Millions)	Construction Costs	Capitalized NOI	Interest Capitalized	Property taxes and other	Tenant Improvements
<b>Development</b>					
Bay Adelaide Centre, Toronto	\$ 1.9	\$ (8.4)	\$ 6.7	\$ 7.9	\$ 2.0
Herald Block, Calgary	—	(0.3)	0.9	—	—
	<b>\$ 1.9</b>	<b>\$ (8.7)</b>	<b>\$ 7.6</b>	<b>\$ 7.9</b>	<b>\$ 2.0</b>

**Summary**

<b>December 31, 2009</b>	Region	Location	Number of Sites	Number of Buildings	Ownership %	Total Sq. Ft.	BPO
							Owned Interest Sq. Ft.
Bay Adelaide Centre	Toronto, ON	Bay and Adelaide streets	1	3	100%	2,600,000	2,600,000
Brookfield Place III	Toronto, ON	Third tower of current Brookfield Place project	1	1	54%	800,000	432,000
Place de Ville III	Ottawa, ON	Third phase of current Place de Ville project	1	1	25%	577,000	144,250
Herald Block	Calgary, AB	1st Street and 7th Avenue	1	1	100%	1,200,000	1,200,000
Bankers West Parkade	Calgary, AB	Parkade adjacent to Bankers Hall	1	1	50%	250,000	125,000
<b>Total</b>			<b>5</b>	<b>7</b>		<b>5,427,000</b>	<b>4,501,250</b>

Book Value

(Millions, except square feet)	Buildable Square Feet	Square Feet Currently in Active Development	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
<b>Active Developments</b>							
Bay Adelaide Centre	2,600,000	1,160,000	\$ 681.2	\$ 671.1	\$ 647.2	\$ 608.1	\$ 578.9
Bankers Court <sup>(1)</sup>	-	-	-	-	58.1	53.5	49.1
<b>Planning</b>							
Herald Block	1,200,000	-	59.3	58.7	58.4	57.7	57.5
Other:							
Bankers West Parkade	250,000	-					
Place de Ville III	577,000	-					
Brookfield Place III	800,000	-					
	<u>1,627,000</u>		3.5	3.5	3.6	3.6	3.6
<b>Total Developments</b>	<b>5,427,000</b>	<b>1,160,000</b>	<b>\$ 744.0</b>	<b>\$ 733.3</b>	<b>\$ 767.3</b>	<b>\$ 722.9</b>	<b>\$ 689.1</b>

(1) Bankers Court was transferred to IPP as of August 1, 2009.

Active Development Statistics

(Millions, except square feet)	Square Feet Currently in Active Development	Completion Date <sup>(1)</sup>	Expected Date of Cash Stabilization <sup>(2)</sup>	Owned Interest					
				% Pre-leased	Investment		Construction Loan		Estimated NOI at Stabilization
					Estimated Total	To Date	Estimated Total	Drawn	
Bay Adelaide Centre <sup>(3)</sup>	1,160,000	Complete	Q3 2010	74%	\$ 518.3	\$ 516.5	\$ 420.0	\$ 386.7	\$ 38.7
					\$ 518.3	\$ 516.5	\$ 420.0	\$ 386.7	\$ 38.7

(1) Completion Date represents substantial completion certification received from the respective city.

(2) We expect the date of stabilization to be on average 12 months after the date of completion.

(3) Investment to date for Bay Adelaide Centre includes West Tower only.

## Receivables and Other Assets

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Tenant and other receivables	\$ 49.3	\$ 31.1	\$ 36.7	\$ 40.2	\$ 44.4
Prepaid expenses and other assets <sup>(1)</sup>	28.7	28.7	28.1	26.9	18.5
Straight-line rent receivable	19.3	18.9	18.7	18.4	18.3
Restricted cash <sup>(2)</sup>	15.9	1.5	1.5	1.5	1.1
<b>Total</b>	<b>\$ 113.2</b>	<b>\$ 80.2</b>	<b>\$ 85.0</b>	<b>\$ 87.0</b>	<b>\$ 82.3</b>

<sup>(1)</sup> Includes cash as collateral against letters of credit issued for performance under certain contracts.

<sup>(2)</sup> Includes cash reserved for certain revenue-enhancing capital projects.

## Intangible Assets

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Intangible assets					
Lease-origination costs	\$ 37.4	\$ 40.4	\$ 40.4	\$ 40.4	\$ 40.4
Tenant relationships	6.3	6.5	6.5	6.5	6.5
Above-market in-place operating leases	2.0	2.0	2.0	2.0	2.0
	45.7	48.9	48.9	48.9	48.9
Less accumulated amortization					
Lease-origination costs	(18.5)	(20.3)	(19.1)	(17.7)	(16.2)
Tenant relationships	(2.2)	(2.2)	(2.0)	(1.8)	(1.6)
Above-market in-place operating leases	(1.1)	(1.0)	(0.9)	(0.9)	(0.8)
<b>Total Net</b>	<b>\$ 23.9</b>	<b>\$ 25.4</b>	<b>\$ 26.9</b>	<b>\$ 28.5</b>	<b>\$ 30.3</b>

## Accounts Payable and Other Liabilities

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Accounts payable and accrued liabilities	\$ 110.0	\$ 103.4	\$ 125.4	\$ 122.0	\$ 131.3
Accrued interest	5.1	9.5	5.1	5.3	4.3
<b>Total</b>	<b>\$ 115.1</b>	<b>\$ 112.9</b>	<b>\$ 130.5</b>	<b>\$ 127.3</b>	<b>\$ 135.6</b>

## Intangible Liabilities

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Intangible liabilities					
Below-market in-place operating leases	\$ 44.4	\$ 56.7	\$ 56.7	\$ 56.7	\$ 56.8
Above-market ground lease obligations	45.8	45.8	45.8	45.8	45.8
	<b>90.2</b>	<b>102.5</b>	<b>102.5</b>	<b>102.5</b>	<b>102.6</b>
Less accumulated amortization					
Below-market in-place operating leases	(16.8)	(28.0)	(26.4)	(24.5)	(22.6)
Above-market ground lease obligations	(10.6)	(10.0)	(9.4)	(8.7)	(8.1)
<b>Total Net</b>	<b>\$ 62.8</b>	<b>\$ 64.5</b>	<b>\$ 66.7</b>	<b>\$ 69.3</b>	<b>\$ 71.9</b>

## Interest Rate Profile

	December 31, 2009		September 30, 2009	
	Total (Millions)	Weighted Average Interest Rate	Total (Millions)	Weighted Average Interest Rate
Fixed Rate	\$1,017.4	6.3%	\$1,004.7	6.4%
Variable Rate	430.3	1.8%	412.6	1.8%
Total	\$1,447.7	4.9%	\$1,417.3	5.1%

## Amortization Schedule

(Millions) Year	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2010	\$ 19.3	\$ 49.5	\$ 68.8	2.5%
2011	19.7	97.3	117.0	7.5%
2012	16.1	581.5	597.6	3.2%
2013	13.2	174.0	187.2	7.0%
2014	7.1	267.7	274.8	6.1%
2015 and thereafter	6.2	196.1	202.3	5.6%
Total commercial property debt	\$ 81.6	\$ 1,366.1	\$ 1,447.7	4.9%

## Commercial Property Debt Maturity

Commercial Property	Location	Month	Year	Interest Rate %	BPO's Share	2010	2011	2012	2013	2014	Thereafter	Mortgage Details
<b>Direct</b>												
Bankers Court	Calgary	October	2010	1.90%	44.4	\$ 44.4						Non-recourse - variable rate
Queen's Quay Terminal	Toronto	March	2011	7.26%	33.0		\$ 33.0					Non-recourse - fixed rate
Fifth Avenue Place	Calgary	August	2011	7.59%	69.4		69.4					Non-recourse - fixed rate
Exchange Tower	Toronto	April	2012	6.83%	59.4			\$ 59.4				Non-recourse - fixed rate
Royal Centre	Vancouver	May	2012	4.96%	118.1			118.1				Non-recourse - fixed rate
Bay Adelaide Centre <sup>(1) (4)</sup>	Toronto	July	2012	1.75%	386.7			386.7				Limited recourse - variable rate
HSBC Building	Toronto	October	2012	8.19%	22.1			22.1				Non-recourse - fixed rate
105 Adelaide	Toronto	February	2013	5.32%	22.3				\$ 22.3			Non-recourse - fixed rate
Bankers Hall	Calgary	November	2013	6.69%	11.0				11.0			Non-recourse - fixed rate
Bankers Hall	Calgary	November	2013	7.20%	157.5				157.5			Non-recourse - fixed rate
Suncor Energy Centre <sup>(2)</sup>	Calgary	June	2014	6.38%	218.2					\$ 218.2		Limited recourse - fixed rate
Hudson's Bay Centre <sup>(3) (5)</sup>	Toronto	May	2015	5.20%	110.0						\$ 110.0	Limited recourse - fixed rate
20-22 Front St.	Toronto	October	2020	6.24%	19.6						19.6	Non-recourse - fixed rate
<b>Total Direct</b>					1,271.7	44.4	102.4	586.3	190.8	218.2	129.6	
<b>Canadian Fund</b>												
Place de Ville I	Ottawa	February	2010	7.81%	\$ 5.4	\$ 5.4						Non-recourse - fixed rate
151 Yonge Street	Toronto	June	2012	6.01%	10.8			\$ 10.8				Non-recourse - fixed rate
Jean Edmonds Tower	Ottawa	January	2014	5.55%	1.1					\$ 1.1		Non-recourse - fixed rate
First Canadian Place	Toronto	December	2014	5.37%	77.8					77.8		Non-recourse - fixed rate
Canadian Western Bank Place	Edmonton	December	2017	5.64%	14.5						\$ 14.5	Non-recourse - fixed rate
Altius Centre	Calgary	December	2017	5.64%	20.5						20.5	Non-recourse - fixed rate
2 Queen Street	Toronto	December	2017	5.64%	28.6						28.6	Non-recourse - fixed rate
Enbridge Tower	Edmonton	July	2019	6.50%	6.2						6.2	Non-recourse - fixed rate
Jean Edmonds Tower	Ottawa	January	2024	6.79%	15.6						15.6	Non-recourse - fixed rate
<b>Total Canadian Fund</b>					180.5	5.4	-	10.8	-	78.9	85.4	
<b>Total Debt before premiums and deferred financing costs</b>				4.9%	\$ 1,452.2	\$ 49.8	\$ 102.4	\$ 597.1	\$ 190.8	\$ 297.1	\$ 215.0	
Premium on assumed mortgages					1.8	-	-	0.3	-	-	1.5	
Deferred financing costs					(6.3)	(0.1)	(0.1)	(1.6)	(0.8)	(2.2)	(1.5)	
<b>Total</b>					\$ 1,447.7	\$ 49.7	\$ 102.3	\$ 595.8	\$ 190.0	\$ 294.9	\$ 215.0	

<sup>(1)</sup> This loan has limited recourse to the Company for up to \$60.0 million

<sup>(2)</sup> Includes a \$35.0 million unsecured loan from an affiliate of the property's joint-venture partner

<sup>(3)</sup> This loan has limited recourse to the Company for up to \$15.0 million

<sup>(4)</sup> Two one-year extension options available at maturity. The criteria to extend the first option to 2011 has been met as of December 31, 2009

<sup>(5)</sup> Two year extension option which extends the maturity to May 2015 is available to the Company provided that certain debt service and loan-to-value thresholds are met

## Coverage Ratios

	Three months ended December 31, 2009
(Millions, except ratios and per share amounts)	
<b>Interest coverage ratio</b>	
Total FFO	28.8
Interest expense	10.8
Total	39.6
Interest coverage ratio	3.7x
<b>Fixed charge coverage ratio</b>	
Total FFO	28.8
Interest expense	10.8
Total	39.6
Preferred dividends	1.2
Principal amortization	6.2
Interest expense	10.8
Total fixed charges	18.2
Fixed charge coverage ratio	2.2x
<b>Debt-to-market capitalization</b>	
Commercial property debt	\$ 1,447.7
Common shares outstanding (millions)	85.0
Closing share price	\$ 19.55
Common equity market value	1,661.8
Commercial property debt	1,447.7
Preferred shares	381.7
Total capitalization	3,491.2
Debt-to-market capitalization	41%

*Note: Share information has been restated to reflect the three-for-one common stock split.*

## Preferred Shares

The company has the following preferred shares authorized and outstanding:

(Millions, except share information)	Shares Outstanding	Cumulative Dividend Rate	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Series G	1,805,489	70% of bank prime	\$ 45.1	\$ 45.1	\$ 45.1	\$ 45.1	\$ 45.1
Series J	3,816,527	70% of bank prime	95.4	95.4	95.4	95.4	95.4
Series K	300	30-day BA + 0.4%	150.0	150.0	150.0	150.0	150.0
Series M	2,847,711	70% of bank prime	71.2	71.2	71.2	71.2	71.2
Series N	800,000	30-day BA + 0.4%	20.0	20.0	20.0	20.0	20.0
Total			\$ 381.7	\$ 381.7	\$ 381.7	\$ 381.7	\$ 381.7

## Book Value per Share

(Millions)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Common shareholders' equity	\$ 78.3	\$ 78.3	\$ 78.4	\$ 78.4	\$ 78.4
Retained earnings	289.9	282.8	279.5	410.0	400.3
Total common shareholders' equity	\$ 368.2	\$ 361.1	\$ 357.9	\$ 488.4	\$ 478.7
Common shares outstanding (millions)	85.0	85.0	85.0	85.0	85.0
Book value per share	\$ 4.33	\$ 4.25	\$ 4.21	\$ 5.75	\$ 5.63

Note: Share information has been restated to reflect the three-for-one common stock split.

## Earnings per Share

(Millions, except per share amount)	December 31, 2009	Three months ended			December 31, 2008
		September 30, 2009	June 30, 2009	March 31, 2009	
Net income	\$ 16.8	\$ 13.4	\$ 15.3	\$ 16.0	\$ 14.7
Less: preferred share dividends	(1.2)	(1.1)	(1.3)	(2.1)	(3.0)
Net income available to comon shareholders	\$ 15.6	\$ 12.3	\$ 14.0	\$ 13.9	\$ 11.7
Common shares outstanding	85.0	85.0	85.0	85.0	85.0
Net income per share	\$ 0.18	\$ 0.15	\$ 0.17	\$ 0.16	\$ 0.14

Note: Share information has been restated to reflect the three-for-one common stock split.

### **Funds from Operations**

*The accompanying financial information makes reference to funds from operations ("FFO") on a total and per share basis. BPO Properties defines FFO as net income prior to extraordinary items, one-time transactions, future income taxes, non-cash items and depreciation and amortization. The company uses FFO to assess its operating results. FFO is a relevant measure to analyze real estate, as commercial properties generally appreciate rather than depreciate. The company reconciles FFO to net income as opposed to cash flow from operating activities as it believes net income is the most comparable measure. FFO is a non-GAAP measure which does not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.*

### **Net Operating Income**

*This supplemental financial information makes reference to net operating income. Net operating income is defined as income from property operations after operating expenses have been deducted, but prior to deducting financing, corporate, administrative and income tax expenses. The company uses net operating income to assess its operating results. Net operating income is important in assessing operating performance. Net operating income is a non-GAAP measure which does not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.*

### **Forward-Looking Statements**

*This supplemental information package contains forward-looking statements and information within the meaning of applicable securities legislation. Although BPO Properties believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information. Accordingly, the company cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, general economic conditions; local real estate conditions, including the development of properties in close proximity to the company's properties; timely leasing of newly-developed properties and re-leasing of occupied square footage upon expiration; dependence on tenants' financial condition; the uncertainties of real estate development and acquisition activity; the ability to effectively integrate acquisitions; interest rates; availability of equity and debt financing; the impact of newly-adopted accounting principles on the company's accounting policies and on period-to-period comparisons of financial results including changes in accounting policies to be adopted under International Financial Reporting Standards (IFRS) as issued by the Accounting Standards Board; and other risks and factors described from time to time in the documents filed by the company with the securities regulators in Canada, including in the Annual Information Form under the heading "Business of BPO Properties – Company and Real Estate Industry Risks" and in the company's annual report under the heading "Management's Discussion and Analysis." The company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except required by law.*