



# Supplemental Information

for the quarter ended June 30, 2011

**Brookfield**  
Office Properties Canada

## Forward-Looking Statements

*This supplemental information package to unitholders contains forward-looking statements and information within the meaning of applicable securities legislation. These forward-looking statements reflect management's current beliefs and are based on assumptions and information currently available to the management of Brookfield Office Properties Canada. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "forecast", "outlook", "potential", "continue", "should", "likely", or the negative of these terms or other comparable terminology. Although management 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 that may cause the actual results, performance or achievements of Brookfield Office Properties Canada to differ materially from anticipated future results, performance, or achievements expressed or implied by such forward-looking statements and information. 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 Trust'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 Trust's accounting policies and on period-to-period comparisons of financial results; and other risks and factors described from time to time in the documents filed by the Trust with the securities regulators in Canada. The Trust 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 as required by law.*

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All amounts denominated in Canadian dollars.

*This accompanying financial information makes reference to net operating income, funds from operations ("FFO") and adjusted funds from operations ("AFFO") on a total and per unit basis. Net operating income is defined as income from property operations after operating expenses have been deducted, but prior to deducting interest expense, general and administrative expenses and fair value gains (losses). FFO is defined as net income prior to extraordinary items, one-time transaction costs, fair value gains (losses) and certain other non-cash items, if any. AFFO is defined as FFO net of normalized second generation leasing commissions and tenant improvements, normalized sustaining capital expenditures and straight-line rental income. The Trust uses net operating income, FFO and AFFO to assess its operating results. Net operating income is important in assessing operating performance and FFO is a widely used measure to analyze real estate. AFFO is typically a measure used to assess an entity's ability to pay distributions. The components of net operating income, FFO and AFFO are outlined on pages 6 and 7. Net operating income, FFO and AFFO do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other entities.*

Refer to the last page of this Supplemental package for certain definitions.

## Unit Information

### Earnings Announcements

Brookfield Office Properties Canada ("BOX") financial results are scheduled to be announced on the following dates:

- Third quarter 2011 results on November 8, 2011
- Fourth quarter 2011 results on February 14, 2012

### Distributions

- Current policy for 2011: Monthly distributions of \$0.09 per unit (\$1.08 per unit annualized)
- Record date: last business day of each month
- Payment date: fifteenth day of each month

### BOX / BPP Trading Statistics

Three months ended	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010 <sup>(1)</sup>
High	\$ 23.68	\$ 22.15	\$ 22.80	\$ 21.54	\$ 20.74
Low	\$ 21.45	\$ 21.22	\$ 20.87	\$ 18.65	\$ 18.25
Close	\$ 22.22	\$ 21.81	\$ 21.65	\$ 21.03	\$ 19.00
Volume	2,115,003	1,052,949	1,562,351	201,836	150,714
Distributions payable per Trust unit	\$ 0.27	\$ 0.27	\$ 0.24	\$ 0.24	\$ 0.16

<sup>(1)</sup> BOX began trading on the TSX on May 5, 2010.

### BOX Units / BPP Common Shares Outstanding

Three months ended	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
Opening Trust units outstanding	26,098,471	26,095,603	20,298,625	20,297,813	20,297,801
DRIP units issued	2,198	2,868	1,595	812	12
Conversion of Class B LP units	—	—	5,795,383	—	—
Total Trust units outstanding	26,100,669	26,098,471	26,095,603	20,298,625	20,297,813
Opening Class B LP units	67,088,022	67,088,022	72,883,405	72,883,405	72,883,405
Class B LP units exchanged for Trust units	—	—	(5,795,383)	—	—
Total Class B LP units outstanding	67,088,022	67,088,022	67,088,022	72,883,405	72,883,405
Total units outstanding	93,188,691	93,186,493	93,183,625	93,182,030	93,181,218

### Basis of Presentation and Accounting

- BOX reports current and prior period results under International Financial Reporting Standards ("IFRS").
- BOX presents its prior period financial results on a continuity-of-interest basis. Results prior to the formation of BOX represent a carve-out from the consolidated financial statements of BPO Properties Ltd. ("BPP") combined with the acquired interest in Brookfield Place. Prior period results may not necessarily be reflective of the results had BOX been a stand-alone entity during the periods presented.
- BOX accounts for its interest in commercial properties under the consolidation method.
- Class B LP units, which are economically equivalent to Trust units, are presented as non-controlling interest under IFRS.

## Contact Information

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## Financial Overview

### Balance Sheet

(Millions, except per unit amounts)	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
<b>Assets</b>					
Commercial properties	\$ 4,029.2	\$ 3,997.5	\$ 3,965.0	\$ 3,732.1	\$ 3,710.6
Tenant receivables and other assets	24.8	23.4	21.8	25.8	20.0
Cash and cash equivalents	42.4	73.5	20.4	41.1	53.0
<b>Total assets</b>	<b>\$ 4,096.4</b>	<b>\$ 4,094.4</b>	<b>\$ 4,007.2</b>	<b>\$ 3,799.0</b>	<b>\$ 3,783.6</b>
<b>Liabilities</b>					
Commercial property debt	\$ 1,638.5	\$ 1,648.3	\$ 1,591.8	\$ 1,596.7	\$ 1,593.7
Accounts payable and other liabilities	75.4	86.0	70.5	69.5	73.8
<b>Unitholders' equity and non-controlling interest</b>					
Trust units	550.3	550.2	550.2	422.6	422.6
Unitholders' retained earnings	104.5	98.2	93.9	42.2	38.5
Non-controlling interest <sup>(1)</sup>	1,727.7	1,711.7	1,700.8	1,668.0	1,655.0
<b>Total liabilities &amp; equity</b>	<b>\$ 4,096.4</b>	<b>\$ 4,094.4</b>	<b>\$ 4,007.2</b>	<b>\$ 3,799.0</b>	<b>\$ 3,783.6</b>
<b>Value per unit</b>	<b>\$ 25.56</b>	<b>\$ 25.32</b>	<b>\$ 25.16</b>	<b>\$ 22.88</b>	<b>\$ 22.70</b>

<sup>(1)</sup> Class B LP units, which are economically equivalent to Trust units, are presented as non-controlling interest under IFRS.

## Income Statement

(Millions, except per unit amounts)	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010 <sup>(1)</sup>	June 30, 2011	June 30, 2010 <sup>(1)</sup>
Total commercial property revenue	\$ 109.7	\$ 104.1	\$ 217.0	\$ 205.9
Net operating income				
Commercial property operations	58.8	54.8	115.4	106.5
Investment and other income	0.1	0.2	0.5	0.9
Total net operating income	58.9	55.0	115.9	107.4
Expenses				
Interest	22.3	21.3	44.1	42.5
General and administrative <sup>(2)</sup>	4.1	3.8	7.9	7.6
Transaction costs <sup>(3)</sup>	-	4.2	-	4.9
Income before fair value gains (losses)	32.5	25.7	63.9	52.4
Fair value gains (losses)	15.0	(13.7)	23.9	3.2
Net income	\$ 47.5	\$ 12.0	\$ 87.8	\$ 55.6
Net income attributable to:				
Unitholders	\$ 13.3	\$ 2.6	\$ 24.6	\$ 12.1
Non-controlling interest	34.2	9.4	63.2	43.5
Net income per Trust unit	\$ 0.51	\$ 0.13	\$ 0.94	\$ 0.60
<i>Straight-line rental income included in NOI</i>	\$ 3.9	\$ 5.1	\$ 8.2	\$ 12.0
<i>Lease termination income and non-recurring income (charges)</i>	-	0.4	(0.2)	0.6
<i>Commercial property margin % excluding lease termination income and non-recurring income (charges)</i>	53.6%	52.3%	53.3%	51.4%

<sup>(1)</sup> BOX presents its prior period financial results on a continuity-of-interest basis. Results prior to the formation of BOX represent a carve-out from the consolidated financial statements of BPP combined with the acquired interest in Brookfield Place. Prior period results may not necessarily be reflective of the results had BOX been a stand-alone entity during the periods presented.

<sup>(2)</sup> Represents \$2.6 million and \$4.9 million of asset management fees and \$1.5 million and \$3.0 million of public company costs for the three and six months ended June 30, 2011, respectively (compared with \$2.3 million and \$4.6 million of asset management fees and \$1.5 million and \$3.0 million of public company costs for the three and six months ended June 30, 2010).

<sup>(3)</sup> Represents \$4.2 million and \$4.9 million of costs related to the formation of BOX for the three and six months ended June 30, 2010.

## Financial Overview

### Funds from Operations (“FFO”) and Adjusted Funds from Operations (“AFFO”)

(Millions, except per unit amounts)	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010 <sup>(1)</sup>	June 30, 2011	June 30, 2010 <sup>(1)</sup>
<b>Funds from Operations</b>				
Net income	\$ 47.5	\$ 12.0	\$ 87.8	\$ 55.6
Add (deduct):				
Fair value (gains) losses	(15.0)	13.7	(23.9)	(3.2)
Transaction costs	-	4.2	-	4.9
FFO	32.5	29.9	63.9	57.3
FFO - unitholders	9.1	6.5	17.9	12.5
FFO - non-controlling interest	23.4	23.4	46.0	44.8
	32.5	29.9	63.9	57.3
Weighted average total Trust units outstanding	26.1	20.3	26.1	20.3
FFO per Trust unit	\$ 0.35	\$ 0.32	\$ 0.69	\$ 0.61
<b>Adjusted Funds from Operations</b>				
FFO	\$ 32.5	\$ 29.9	\$ 63.9	\$ 57.3
Deduct:				
Straight-line rental income	(3.9)	(5.1)	(8.2)	(12.0)
Normalized 2nd generation leasing commissions and tenant improvements <sup>(2)</sup>	(3.8)	(3.5)	(7.6)	(7.0)
Normalized sustaining capital expenditures <sup>(2)</sup>	(0.9)	(0.8)	(1.8)	(1.6)
AFFO	23.9	20.5	46.3	36.7
AFFO - unitholders	6.7	4.5	13.0	8.0
AFFO - non-controlling interest	17.2	16.0	33.3	28.7
	23.9	20.5	46.3	36.7
Weighted average total Trust units outstanding	26.1	20.3	26.1	20.3
AFFO per Trust unit	\$ 0.26	\$ 0.22	\$ 0.50	\$ 0.39

<sup>(1)</sup> *BOX presents its prior period financial results on a continuity-of-interest basis. Results prior to the formation of BOX represent a carve-out from the consolidated financial statements of BPP combined with the acquired interest in Brookfield Place. Prior period results may not necessarily be reflective of the results had BOX been a stand-alone entity during the periods presented.*

<sup>(2)</sup> *As the components used in calculating AFFO vary quarter over quarter, a normalized level of activity is estimated based on historical spend levels as well as anticipated spend levels over the next few years. Sustaining capital expenditures relate to capital items that are required to maintain the properties in their current operating state and exclude projects that are considered to add productive capacity.*

## Financial Overview

### Fair Value Continuity

(Millions)	Three months ended June 30, 2011				Six months ended June 30, 2011			
	March 31, 2011	Balance Sheet Investments <sup>(1)</sup>	Profit & Loss <sup>(2)</sup>	June 30, 2011	December 31, 2010	Balance Sheet Investments <sup>(1)</sup>	Profit & Loss <sup>(2)</sup>	June 30, 2011
Investment properties								
Eastern region	\$ 2,402.2	\$ 10.9	\$ 9.6	\$ 2,422.7	\$ 2,380.1	\$ 22.4	\$ 20.2	\$ 2,422.7
Western region	1,595.3	5.8	5.4	1,606.5	1,584.9	17.9	3.7	1,606.5
<b>Total</b>	<b>\$ 3,997.5</b>	<b>\$ 16.7</b>	<b>\$ 15.0</b>	<b>\$ 4,029.2</b>	<b>\$ 3,965.0</b>	<b>\$ 40.3</b>	<b>\$ 23.9</b>	<b>\$ 4,029.2</b>

<sup>(1)</sup> Represents investment in our assets through capital expenditures, tenant improvements and tenant inducements, as well as straight-line rent recognition.

<sup>(2)</sup> Represents changes in value as a result of amount and timing of cash flows at the property level due to leasing activity, leasing assumptions and investment horizon.

### Valuation Parameters

(Millions, except psf)	December 31, 2010					June 30, 2011				
	Fair Value	Value psf	Discount Rate	Terminal Rate	Hold Period	Fair Value	Value psf	Discount Rate	Terminal Rate	Hold Period
Eastern region	\$ 2,380.1	\$ 390	6.7%	6.2%	12	\$ 2,422.7	\$ 397	6.7%	6.2%	12
Western region	1,584.9	385	7.0%	6.4%	10	1,606.5	390	7.0%	6.4%	10
<b>Average</b>	<b>\$ 3,965.0</b>	<b>\$ 388</b>	<b>6.9%</b>	<b>6.3%</b>	<b>11</b>	<b>\$ 4,029.2</b>	<b>\$ 394</b>	<b>6.9%</b>	<b>6.3%</b>	<b>11</b>

## Financial Overview

### Cashflow Statement

(Millions)	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010 <sup>(1)</sup>	June 30, 2011	June 30, 2010 <sup>(1)</sup>
Operating activities				
Net income	\$ 47.5	\$ 12.0	\$ 87.8	\$ 55.6
Add (deduct):				
Straight-line rental income	(3.9)	(5.1)	(8.2)	(12.0)
Amortization of deferred financing costs	0.5	0.8	0.9	1.5
Deferred leasing costs and tenant inducements	(5.3)	(4.7)	(7.3)	(6.4)
Fair value (gains) losses	(15.0)	13.7	(23.9)	(3.2)
Other working capital	(13.3)	(12.8)	(5.0)	(4.3)
Cash flows provided by operating activities	10.5	3.9	44.3	31.2
Investing activities				
Capital expenditures	(6.1)	(7.5)	(18.7)	(14.2)
Cash flows used in investing activities	(6.1)	(7.5)	(18.7)	(14.2)
Financing activities				
Commercial property debt arranged	0.3	6.0	91.7	8.1
Commercial property debt repayments	-	-	(31.6)	-
Commercial property debt amortization	(10.6)	(9.3)	(14.3)	(12.1)
Trust unit distributions paid	(6.9)	(1.6)	(13.7)	(1.6)
Class B LP unit distributions paid	(18.3)	(5.9)	(35.7)	(5.9)
Other contributions <sup>(2)</sup>	-	36.0	-	9.6
Cash flows (used in) provided by financing activities	(35.5)	25.2	(3.6)	(1.9)
(Decrease) increase in cash resources	(31.1)	21.6	22.0	15.1
Opening cash and cash equivalents	73.5	31.4	20.4	37.9
Closing cash and cash equivalents	\$ 42.4	\$ 53.0	\$ 42.4	\$ 53.0

<sup>(1)</sup> BOX presents its financial results on a continuity-of-interest basis. Results prior to the formation of BOX represent a carve-out from the consolidated financial statements of BPP combined with the acquired interest in Brookfield Place. Prior period results may not necessarily be reflective of the results had BOX been a stand-alone entity during the periods presented.

<sup>(2)</sup> Represents net contributions made by BPP prior to the formation of BOX, primarily consisting of working capital settlement as part of the formation, less common and preferred share dividends.

## Commercial Properties

### Net Operating Income – Same Property Analysis

(Millions)	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Commercial Property Operations				
Commercial property net operating income	\$ 58.8	\$ 54.8	\$ 115.4	\$ 106.5
Less:				
Lease termination income	—	0.4	0.4	0.6
Non-recurring income (charges)	—	—	(0.6)	—
Commercial property net operating income - same property	\$ 58.8	\$ 54.4	\$ 115.6	\$ 105.9
Same property NOI growth % since Q2 2010	8.1%		9.2%	
Total number of properties			19	19
Owned interest (000's Sq.Ft.)			10,228	10,228
Occupancy			97.6%	96.7%

### Net Operating Income – Regional Analysis

(Millions)	Three months ended June 30, 2011		Six months ended June 30, 2011	
	Net Operating Income	% Contribution	Net Operating Income	% Contribution
Commercial Property Operations				
Toronto, Ontario	\$ 34.2	58.2%	\$ 65.8	57.0%
Calgary, Alberta	21.7	36.9%	43.8	38.0%
Vancouver, British Columbia	2.9	4.9%	5.8	5.0%
Total Net Operating Income	\$ 58.8	100.0%	\$ 115.4	100.0%
Less non-cash net operating income:				
Straight-line rental revenue	(3.9)	(6.6%)	(8.2)	(7.1%)
Total Cash Net Operating Income	\$ 54.9	93.4%	\$ 107.2	92.9%

## Commercial Properties

### Portfolio by City

(Square Feet in 000's)	Number of		Assets Under Management					Owned Interest		
	Properties	Leased %	Office	Retail	Leasable	Parking	Total	Interest %	Leasable	Total
<b>TORONTO</b>										
Bay Wellington Tower	1	98.9%	1,297	42	1,339	-	1,339	100%	1,339	1,339
Brookfield Place Retail & Parking <sup>(1)</sup>	1	94.5%	-	52	52	690	742	56%	26	412
Bay Adelaide Centre West Tower	1	89.3%	1,155	37	1,192	382	1,574	100%	1,192	1,574
Exchange Tower	1	94.2%	963	66	1,029	131	1,160	50%	515	580
Hudson's Bay Centre	1	97.9%	536	261	797	295	1,092	100%	797	1,092
Queen's Quay Terminal	1	97.9%	427	78	505	-	505	100%	505	505
105 Adelaide St. W.	1	97.7%	177	7	184	48	232	100%	184	232
HSBC Building	1	100.0%	188	6	194	31	225	100%	194	225
22 Front St. W.	1	100.0%	136	8	144	-	144	100%	144	144
	9	95.6%	4,879	557	5,436	1,577	7,013		4,896	6,103
<b>CALGARY</b>										
Bankers Hall	3	99.7%	1,944	224	2,168	409	2,577	50%	1,084	1,289
Bankers Court	1	100.0%	256	7	263	62	325	50%	132	163
Suncor Energy Centre	2	98.9%	1,710	22	1,732	220	1,952	50%	866	976
Fifth Avenue Place	2	99.9%	1,430	46	1,476	206	1,682	50%	738	841
	8	99.5%	5,340	299	5,639	897	6,536		2,820	3,269
<b>VANCOUVER</b>										
Royal Centre	1	97.0%	493	96	589	264	853	100%	589	853
<b>OTHER</b>										
Merivale Place	1	100.0%	-	3	3	-	3	100%	3	3
<b>TOTAL PORTFOLIO</b>	<b>19</b>	<b>97.6%</b>	<b>10,712</b>	<b>955</b>	<b>11,667</b>	<b>2,738</b>	<b>14,405</b>		<b>8,308</b>	<b>10,228</b>

<sup>(1)</sup> BOX owns a 56% interest in the parking operations and a 50% interest in the retail operations.

## Commercial Properties

### Leasing Activity - QTD

	Leasing Activity (000's sq. ft)						Net Rents (\$ psf)						
	Q1 2011	Expiry		Leasing		Q2 2011	Q1 2011	Expiring	Leasing		Q2 2011		MtM
	Leased	Contractual	Early	New	Renewal	Leased	Leased		Year 1	Average	In-Place	Market <sup>(1)</sup>	
Toronto, Ontario <sup>(1)</sup>	5,195	(38)	(261)	97	206	<b>5,199</b>	\$27.82	\$25.14	\$29.12	\$30.09	\$28.22	\$33.00	16.9%
Calgary, Alberta	5,598	(8)	(57)	38	40	<b>5,611</b>	\$27.29	\$29.53	\$24.81	\$25.87	\$27.94	\$31.00	11.0%
Vancouver, B.C.	571	(21)	(21)	-	42	<b>571</b>	\$18.28	\$24.57	\$32.19	\$32.87	\$18.18	\$32.00	76.0%
Other	3	-	-	-	-	<b>3</b>	-	-	-	-	-	-	-
<b>Total</b>	<b>11,367</b>	<b>(67)</b>	<b>(339)</b>	<b>135</b>	<b>288</b>	<b>11,384</b>	<b>\$27.08</b>	<b>\$25.77</b>	<b>\$28.64</b>	<b>\$29.60</b>	<b>\$27.58</b>	<b>\$32.00</b>	<b>16.0%</b>
<b>Leasable sq. ft.</b>	<b>11,667</b>					<b>11,667</b>							
	97.4%	(0.6%)	(2.9%)	1.2%	2.5%	<b>97.6%</b>							

<sup>(1)</sup> Adjusted to reflect higher market rents achieved at Bay Wellington Tower and Bay Adelaide Centre which comprise 48% of BOX's exposure in Toronto.

### Leasing Activity - YTD

	Leasing Activity (000's sq. ft)						Net Rents (\$ psf)						
	Q4 2010 <sup>(1)</sup>	Expiry		Leasing		Q2 2011	Q4 2010	Expiring	Leasing		Q2 2011		MtM
	Leased	Contractual	Early	New	Renewal	Leased	In-Place		Year 1	Average	In-Place	Market <sup>(2)</sup>	
Toronto, Ontario <sup>(2)</sup>	5,194	(191)	(296)	126	366	<b>5,199</b>	\$27.90	\$23.75	\$26.58	\$27.88	\$28.22	\$33.00	16.9%
Calgary, Alberta	5,552	(169)	(592)	243	577	<b>5,611</b>	\$26.45	\$31.21	\$27.85	\$29.71	\$27.94	\$31.00	11.0%
Vancouver, B.C.	575	(46)	(23)	19	46	<b>571</b>	\$17.75	\$22.97	\$31.61	\$32.39	\$18.18	\$32.00	76.0%
Other	3	-	-	-	-	<b>3</b>	-	-	-	-	-	-	-
<b>Total</b>	<b>11,324</b>	<b>(406)</b>	<b>(911)</b>	<b>388</b>	<b>989</b>	<b>11,384</b>	<b>\$26.99</b>	<b>\$28.01</b>	<b>\$27.58</b>	<b>\$29.18</b>	<b>\$27.58</b>	<b>\$32.00</b>	<b>16.0%</b>
<b>Leasable sq. ft.</b>	<b>11,667</b>					<b>11,667</b>							
	97.1%	(3.5%)	(7.8%)	3.3%	8.5%	<b>97.6%</b>							

<sup>(1)</sup> Restated for remeasurements.

<sup>(2)</sup> Adjusted to reflect higher market rents achieved at Bay Wellington Tower and Bay Adelaide Centre which comprise 48% of BOX's exposure in Toronto.

## Lease Expiry Analysis

	2011		2012		2013		2014		2015		2016		2017		Beyond		Total	
	Current	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)	Net Rent	(000's Sq. Ft.)
Toronto	237	68	\$29	191	\$30	622	\$31	205	\$30	293	\$29	458	\$27	321	\$29	3,041	\$32	5,436
Calgary	28	21	28	68	33	106	33	60	34	1,170	29	758	22	68	27	3,360	34	5,639
Vancouver	18	8	18	36	23	106	23	25	27	75	25	41	26	48	24	232	14	589
Other	-	-	-	-	-	1	32	-	-	-	-	-	-	-	-	2	28	3
<b>Total</b>	<b>283</b>	<b>97</b>	<b>\$28</b>	<b>295</b>	<b>\$30</b>	<b>835</b>	<b>\$30</b>	<b>290</b>	<b>\$31</b>	<b>1,538</b>	<b>\$29</b>	<b>1,257</b>	<b>\$24</b>	<b>437</b>	<b>\$28</b>	<b>6,635</b>	<b>\$32</b>	<b>11,667</b>
<b>Total % expiring</b>	<b>2.4%</b>	<b>0.8%</b>		<b>2.5%</b>		<b>7.2%</b>		<b>2.5%</b>		<b>13.2%</b>		<b>10.8%</b>		<b>3.7%</b>		<b>56.9%</b>		<b>100.0%</b>
End of prior year	2.9%	2.9%		6.1%		10.6%		2.4%		13.3%		10.7%		3.4%		47.7%		100.0%
Difference	(0.5%)	(2.1%)		(3.6%)		(3.4%)		0.1%		(0.1%)		0.1%		0.3%		9.2%		—

## Historical Occupancy Analysis

	June 30, 2011		March 31, 2011		December 31, 2010		September 30, 2010		June 30, 2010	
	Leasable (000's Sq.Ft.)	% Leased	Leasable Sq.Ft.	% Leased	Leasable Sq.Ft.	% Leased	Leasable Sq. Ft.	% Leased	Leasable Sq. Ft.	% Leased
Toronto, Ontario	5,436	95.6%	5,436	95.6%	5,434	95.5%	5,434	94.7%	5,434	93.7%
Calgary, Alberta	5,639	99.5%	5,639	99.3%	5,637	98.4%	5,637	98.4%	5,637	99.9%
Vancouver, B.C.	589	97.0%	589	97.0%	589	97.8%	589	97.5%	589	94.3%
Other	3	100.0%	3	100.0%	3	100.0%	3	100.0%	3	100.0%
<b>Total</b>	<b>11,667</b>	<b>97.6%</b>	<b>11,667</b>	<b>97.4%</b>	<b>11,663</b>	<b>97.1%</b>	<b>11,663</b>	<b>96.6%</b>	<b>11,663</b>	<b>96.7%</b>

**Top Tenants**

Tenant	Building	Credit Rating <sup>(1)</sup>	Expiry	000's Sq. Ft.						Total	% <sup>(2)</sup>
				2011	2012	2013	2014	2015	Beyond		
1 Suncor Energy	Suncor Energy Centre	BBB+	2028						1,315	1,315	11.3%
2 Imperial Oil	Fifth Avenue	AAA	2016						717	717	6.1%
3 Talisman Energy	Bankers Hall - West Tower and Royal Bank Building	BBB	2015					539		539	4.6%
4 Government and Related Agencies	Hudson's Bay, Exchange Tower, HSBC, Fifth Avenue, Queens Quay	AAA	Various			214	27		261	502	4.3%
5 Royal Bank	Royal Centre, Bankers Hall, Hudson's Bay, Bay Wellington, Queens Quay	AA-	Various	16		58		12	407	493	4.2%
6 Enbridge Inc.	Fifth Avenue	A-	2028						300	300	2.6%
7 KPMG Management Services LP	Bay Adelaide Centre	Not Rated	2025						297	297	2.5%
8 Canadian Natural Resources	Bankers Hall - East Tower	BBB	2026						290	290	2.5%
9 CIBC	Bay Wellington Tower, Bankers Hall - East Tower & Retail, 22 Front	A+	2020/2053						289	289	2.5%
10 EnCana Corporation	Bankers Hall - East Tower and West Tower	BBB+	2015					241		241	2.1%
11 Deloitte & Touche	Bay Wellington Tower, Bankers Court	Not Rated	Various			98			123	221	1.9%
12 McMillan LLP	Bay Wellington Tower, Royal Centre	Not Rated	Various						221	221	1.9%
13 The Bay	Hudson's Bay Centre	Not Rated	2019/2020						209	209	1.8%
14 Goodmans LLP	Bay Adelaide Centre	Not Rated	2026						182	182	1.6%
15 Fasken Martineau	Bay Adelaide Centre	Not Rated	2030						165	165	1.4%
16 Westcoast Energy	Fifth Avenue, Royal Centre	BBB+	2015/2022					40	125	165	1.4%
17 Bennett Jones	Bankers Hall - East Tower	Not Rated	2015					161		161	1.4%
18 Lombard Insurance	105 Adelaide	A-	2022						144	144	1.2%
19 Crescent Point Resources	Suncor Energy Centre	Not Rated	2020						140	140	1.2%
20 Macquarie North America	Bay Wellington Tower, Royal Bank Building	A-	Various				37		102	139	1.2%
Total sq. ft. for Top 20 Tenants				16	-	370	64	993	5,287	6,730	57.7%
% of Total sq. ft.				0.2%	-	5.5%	1.0%	14.7%	78.6%	100.0%	

<sup>(1)</sup> Ratings from Standard & Poors

<sup>(2)</sup> Percentage of Total Leasable Area

**Tenant Installation Costs and Capital Expenditures**

(Millions)	Three months ended		Six months ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Leasing commissions				
1 <sup>st</sup> generation	\$ 0.1	\$ 0.9	\$ 0.3	\$ 1.9
2 <sup>nd</sup> generation	3.8	3.4	6.7	4.3
Tenant inducements	0.7	1.3	4.5	2.6
(Increase) decrease in accrued leasing commissions and tenant inducements	0.7	(0.9)	(4.2)	(2.4)
Cash tenant installation costs	\$ 5.3	\$ 4.7	\$ 7.3	\$ 6.4
Capital expenditures				
Recoverable	\$ 3.8	\$ 1.5	\$ 5.2	\$ 2.6
Non-recoverable	0.1	1.4	0.4	2.2
Tenant improvements				
1 <sup>st</sup> generation	3.5	0.8	4.9	1.9
2 <sup>nd</sup> generation	1.0	3.2	10.5	3.6
(Increase) decrease in accrued capital expenditures	(2.3)	0.6	(2.3)	3.9
Cash capital expenditures	\$ 6.1	\$ 7.5	\$ 18.7	\$ 14.2

**Balance Sheet Details**

**Tenant Receivables and Other Assets**

(Millions)	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
Tenant and other receivables	\$ 19.2	\$ 17.3	\$ 15.4	\$ 16.5	\$ 14.8
Prepaid expenses and other assets	4.8	5.3	5.6	8.5	4.4
Restricted cash	0.8	0.8	0.8	0.8	0.8
<b>Total</b>	<b>\$ 24.8</b>	<b>\$ 23.4</b>	<b>\$ 21.8</b>	<b>\$ 25.8</b>	<b>\$ 20.0</b>

**Accounts Payable and Other Liabilities**

(Millions)	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
Accounts payable and accrued liabilities	\$ 57.4	\$ 58.4	\$ 53.3	\$ 42.7	\$ 56.8
Accrued interest	9.6	19.2	9.7	19.3	9.5
Distributions payable	8.4	8.4	7.5	7.5	7.5
<b>Total</b>	<b>\$ 75.4</b>	<b>\$ 86.0</b>	<b>\$ 70.5</b>	<b>\$ 69.5</b>	<b>\$ 73.8</b>

## Balance Sheet Details

### Interest Rate Profile

(Millions)	June 30, 2011		March 31, 2011		December 31, 2010		September 30, 2010		June 30, 2010	
	Total	Weighted Average Interest Rate	Total	Weighted Average Interest Rate	Total	Weighted Average Interest Rate	Total	Weighted Average Interest Rate	Total	Weighted Average Interest Rate
Fixed Rate	\$1,233.9	6.2%	\$1,244.2	6.2%	\$1,189.5	6.3%	\$1,151.5	6.4%	\$1,154.5	6.4%
Variable Rate	404.6	2.6%	404.1	2.6%	402.3	2.6%	445.2	2.6%	439.2	2.1%
<b>Total</b>	<b>\$1,638.5</b>	<b>5.3%</b>	<b>\$1,648.3</b>	<b>5.3%</b>	<b>\$1,591.8</b>	<b>5.4%</b>	<b>\$1,596.7</b>	<b>5.3%</b>	<b>\$1,593.7</b>	<b>5.2%</b>
Floating rate as a % of Total <sup>(1)</sup>	24.7%		24.5%		25.3%		27.9%		27.6%	

<sup>(1)</sup> Q2 2011, Q1 2011 and Q4 2010 floating rate exposure represents construction facility on Bay Adelaide Centre (prior periods included Bankers Court).

### Amortization Schedule

(Millions) Year	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2011	\$ 13.3	\$ 65.7	\$ 79.0	7.6%
2012	24.2	590.5	614.7	3.6%
2013	13.9	481.3	495.2	6.7%
2014	8.3	198.6	206.9	6.4%
2015	5.0	97.8	102.8	5.2%
2016 and thereafter	23.2	116.7	139.9	5.3%
<b>Total commercial property debt</b>	<b>\$ 87.9</b>	<b>\$ 1,550.6</b>	<b>\$ 1,638.5</b>	<b>5.3%</b>

## Balance Sheet Details

### Commercial Property Debt Maturity

	Location	Month	Year	Interest Rate %	BOX's Share	2011	2012	2013	2014	2015	Thereafter	Mortgage Details
<b>Commercial Property</b>												
Fifth Avenue Place	Calgary	August	2011	7.59%	65.7	65.7						Non-recourse - fixed rate
Exchange Tower	Toronto	April	2012	6.83%	54.6		54.6					Non-recourse - fixed rate
Royal Centre	Vancouver	May	2012	4.96%	111.3		111.3					Non-recourse - fixed rate
Bay Adelaide Centre <sup>(1)</sup>	Toronto	July	2012	2.58%	404.8		404.8					Limited recourse - floating rate
HSBC Building	Toronto	October	2012	8.19%	19.8		19.8					Non-recourse - fixed rate
105 Adelaide	Toronto	February	2013	5.32%	20.6			20.6				Non-recourse - fixed rate
Bay Wellington Tower	Toronto	April	2013	6.40%	247.7			247.7				Non-recourse - fixed rate
Bay Wellington Tower	Toronto	April	2013	6.84%	59.6			59.6				Non-recourse - fixed rate
Bankers Hall	Calgary	November	2013	6.69%	9.4			9.4				Non-recourse - fixed rate
Bankers Hall	Calgary	November	2013	7.20%	144.0			144.0				Non-recourse - fixed rate
Suncor Energy Centre <sup>(2)</sup>	Calgary	June	2014	6.38%	198.6				198.6			Non-recourse - fixed rate
Hudson's Bay Centre <sup>(3)</sup>	Toronto	May	2015	5.20%	97.8					97.8		Limited recourse - fixed rate
20-22 Front St.	Toronto	October	2020	6.24%	14.0						14.0	Non-recourse - fixed rate
Bankers Court	Calgary	November	2020	4.96%	35.4						35.4	Non-recourse - fixed rate
Queen's Quay Terminal	Toronto	April	2021	5.40%	67.3						67.3	Non-recourse - fixed rate
<b>Corporate</b>												
\$125M Corporate Revolver <sup>(4)</sup>	—	June	2014	3.20%	—							Recourse - floating rate
<b>Total Debt before principal amortization and deferred financing costs</b>				<b>5.34%</b>	<b>1,550.6</b>	<b>65.7</b>	<b>590.5</b>	<b>481.3</b>	<b>198.6</b>	<b>97.8</b>	<b>116.7</b>	
Principal amortization					92.0	\$ 14.2	\$ 25.8	\$ 14.7	\$ 8.6	\$ 5.1	\$ 23.6	
Deferred financing costs					(4.1)	(0.9)	(1.6)	(0.8)	(0.3)	(0.1)	(0.4)	
<b>Total Debt</b>				<b>5.34%</b>	<b>\$ 1,638.5</b>	<b>\$ 79.0</b>	<b>\$ 614.7</b>	<b>\$ 495.2</b>	<b>\$ 206.9</b>	<b>\$ 102.8</b>	<b>\$ 139.9</b>	

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

<sup>(2)</sup> Includes a \$33.8 million unsecured loan payable to the property's joint-venture partner

<sup>(3)</sup> This loan has limited recourse for up to \$15.0 million. A two-year extension option which extends the maturity to May 2015 is available to the Trust provided that certain debt service and loan-to-value thresholds are met

<sup>(4)</sup> A one-year extension option that extends the maturity to June 2015 is available to the Trust provided that no material defaults have occurred.

## Coverage Ratios

(Millions, except ratios)	Three months ended	
	June 30, 2011	
<b>Interest coverage ratio</b>		
Total FFO	\$	32.5
Interest expense		22.3
Total	\$	54.8
Interest coverage ratio		2.5x
<b>Fixed charge coverage ratio</b>		
Total FFO	\$	32.5
Interest expense		22.3
Total	\$	54.8
Principal amortization		10.6
Interest expense		22.3
Total fixed charges	\$	32.9
Fixed charge coverage ratio		1.7x
<b>Debt-to-market capitalization</b>		
Total Trust units and Class B LP units outstanding (millions)		93.2
Closing Trust unit price as at June 30, 2011	\$	22.22
Trust equity market value		2,070.9
Commercial property debt		1,638.5
Total capitalization	\$	3,709.4
Debt-to-market capitalization		44%

## Definitions

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### **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 interest expense, general and administrative expenses and fair value gains (losses). Net operating income is an important measure used to assess operating performance. Net operating income does not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other entities.*

### **Funds from Operations / Adjusted Funds from Operations**

*The accompanying financial information makes reference to funds from operations ("FFO") and adjusted funds from operations ("AFFO") on a total and per unit basis. FFO is defined as net income prior to extraordinary items, one-time transaction costs, fair value gains (losses) and certain other non-cash items, if any. AFFO is defined as FFO net of normalized second generation leasing commissions and tenant improvements, normalized sustaining capital expenditures and straight-line rental income. FFO is a widely used measure in analyzing real estate. AFFO is typically a measure used to assess an entity's ability to pay distributions. FFO and AFFO do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other entities.*