

A decorative graphic on the left side of the slide, consisting of a vertical black line intersecting a horizontal black line. To the left of the intersection are three overlapping squares: a blue one on top, a red one on the left, and a yellow one on the bottom.

Equity Office Properties Trust

Presented by:

Sameeha Sait

Jason Latek

Phuong Luu

Lester Chiang

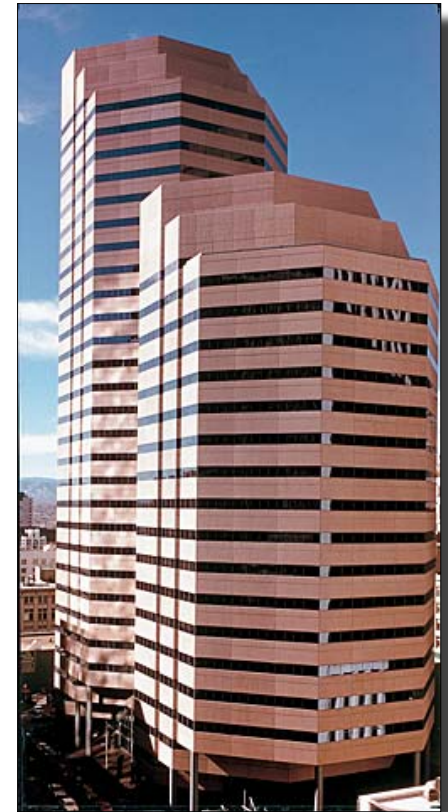
Eliza Tarnauceanu

BA 200: Managerial Communications

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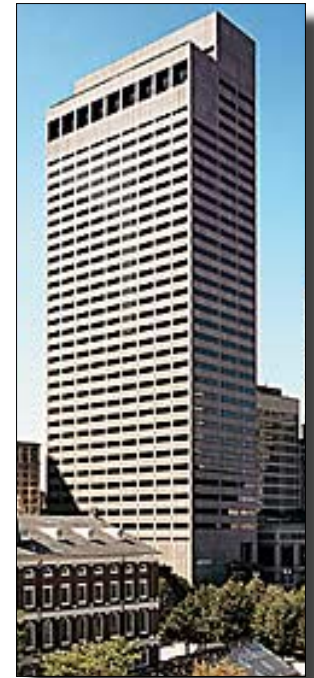
Overview

- Introduction
- History
- Leadership
- Services
- Partners
- Competitors
- Competitive advantages
- Financial highlights
- Outlook



Introduction

- Largest office REIT in the U.S.
 - REIT – Real estate investment trust
- Owns and manages office properties and parking structures
- Headquartered in Chicago
- Operating limited partnership
- Over 2,700 employees nationwide



History

- 1976 – Founded by Sam Zell
- 1997 – Initial Public Offering
- 1997 – Merger with Beacon Properties
- 2000 – Merger with Cornerstone Properties
- 2001 – Added to S&P 500 Index
- 2001 – Merger with Spieker Properties



Leadership

- Chairman
 - *Samuel Zell*

- President & CEO
 - *Timothy Callahan*

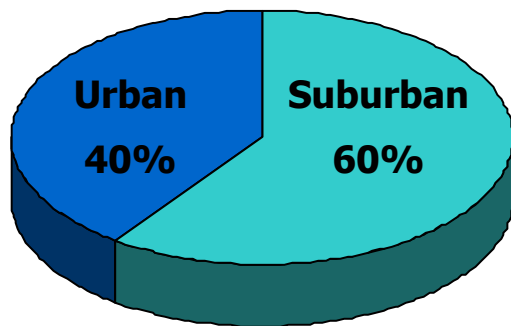
- Executive V.P. & COO
 - *Richard Kincaid*

- Executive V.P. & CIO
 - *David Helfand*

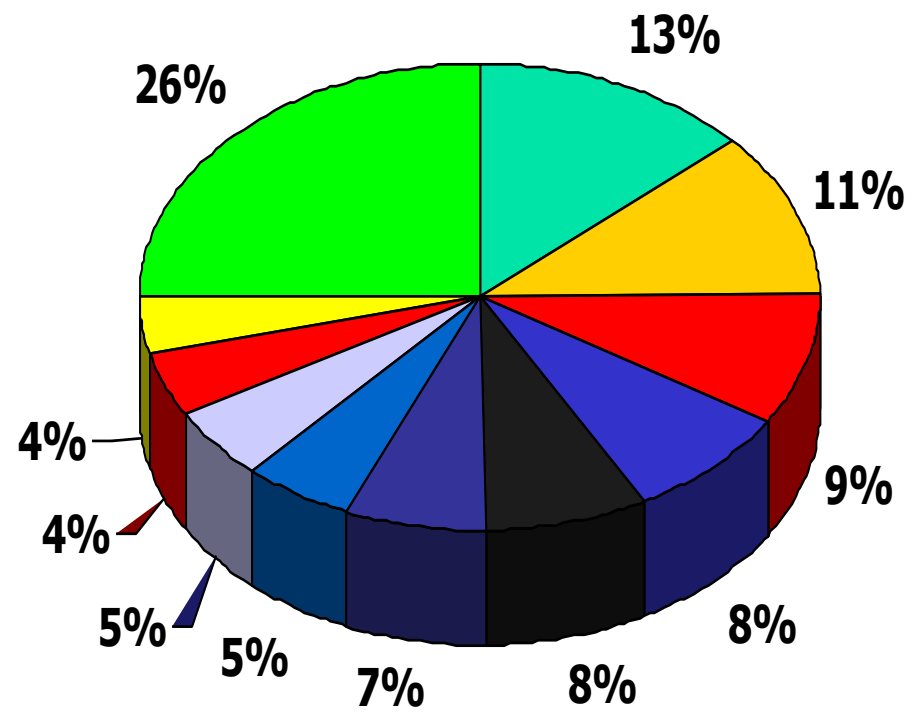


Geographic Diversification

- Office properties located in 24 states and D.C.



Revenue from primary Markets



- Boston**
- San Francisco**
- San Jose**
- Chicago**
- Seattle**
- New York**
- Los Angeles**
- Wash., D.C.**
- Atlanta**
- Orange Cty.**
- Other**

Chicago Portfolio



1 North Franklin St.



10 & 30 South Wacker Dr.

30 North LaSalle St.



**Civic Opera Building
20 North Wacker Dr.**



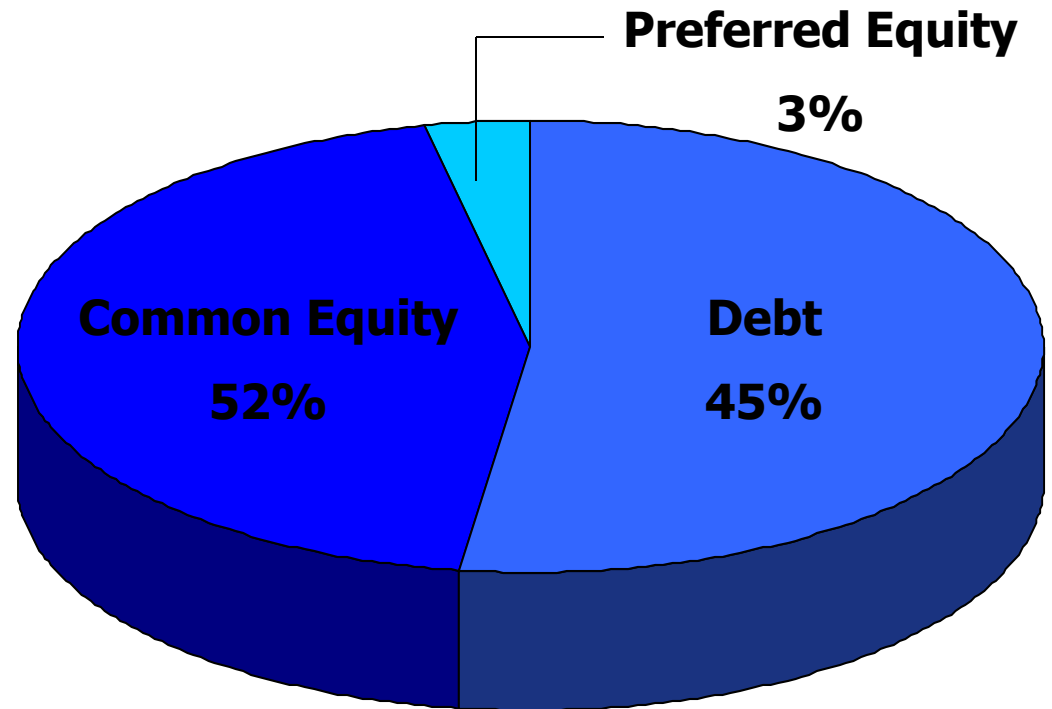
Economic Diversification

- Over 10,000 customers
- No 10% customers
 - Largest customer is General Services Administration
- Customers in a variety of industries



Access to Capital

- Easier access to capital
- Diverse shareholder base
- Recycle capital
 - Asset sales
 - Joint ventures
- Maintain minimum debt-to-market-cap ratio of 50%



Minor Competitive Advantages

- Management Depth
 - Experienced executives
 - Average tenure with EOP: 10 years
 - Average industry experience: 18 years
- Customer Focus
 - Training initiatives
 - National, regional, and local
 - Discover unique needs of each customer
- Economies of scale
 - Concentration of spaces allows for cost efficiencies through centralized staffing and more



A decorative graphic consisting of overlapping yellow, red, and blue squares with a black crosshair.

Services

- Offers a variety of office space options
- Manages parking facilities
- Delivers customized telecommunications packages
- Designs client-specific IT applications





Business Partners

- Captivate
- CenterBeam
- Coca-Cola®
- HQ Global Workplaces
- Lifestart Wellness Centers
- Regus Business Centres
- Teknion





Competitors

- Vornado Realty Trust



- Duke Realty Corp.



- TrizecHahn Corp.

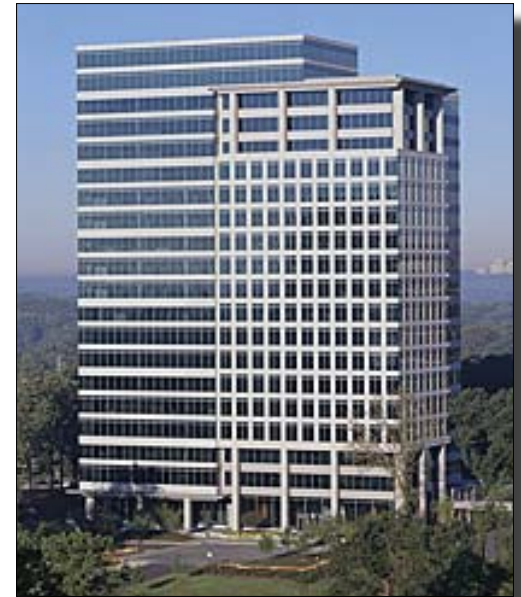


- The Rouse Company



Competitive Advantages

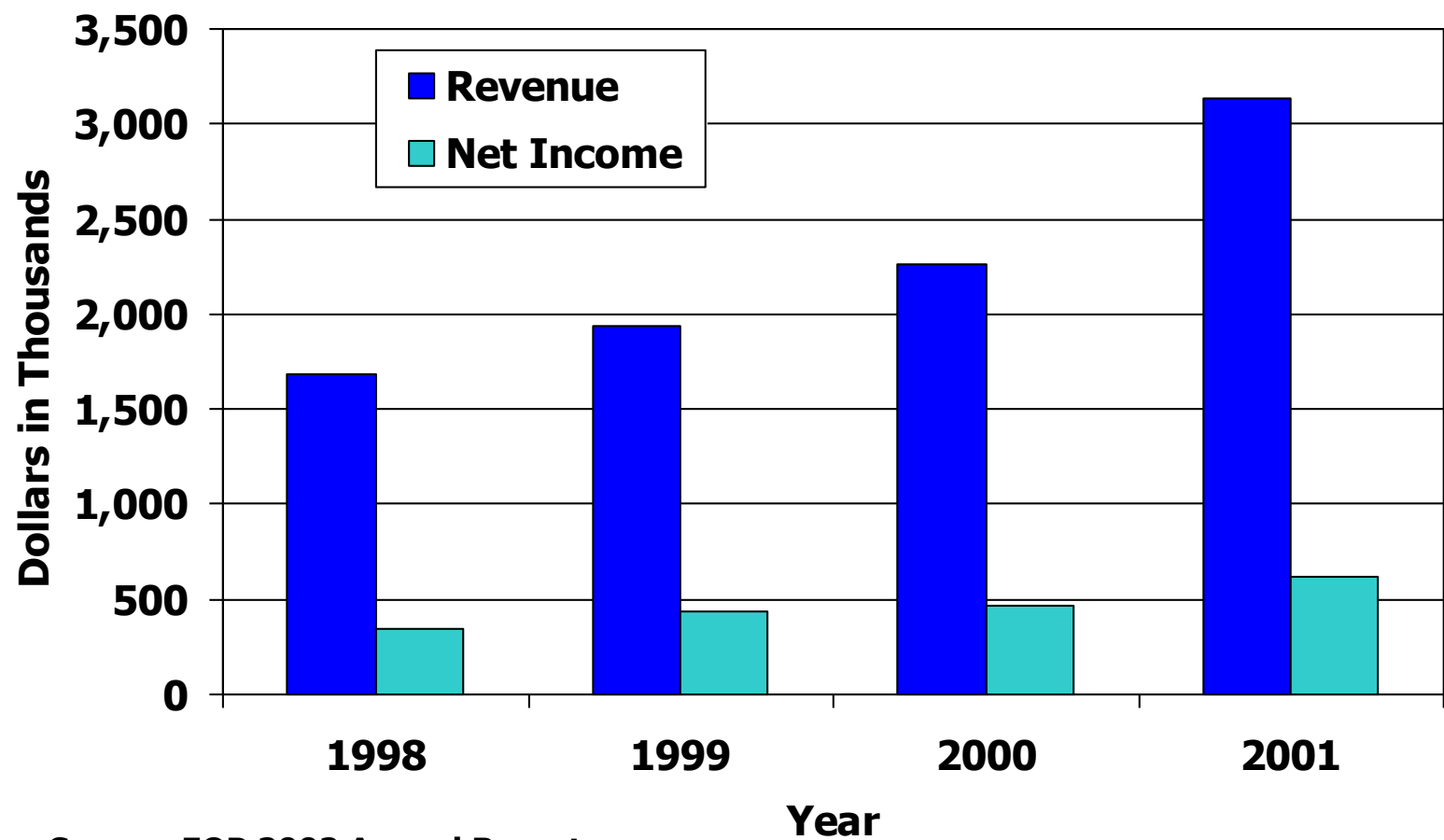
- Geographic diversification
- Economic diversification
- Access to capital
- Management depth
- Customer focus
- Economies of scale



Financial Results

FYE December 31 (in 000's)	2001	2000
Net Revenue	\$3,130,148	\$2,264,243
Total Expenses	\$2,557,544	\$1,814,907
Net Income	\$618,182	\$470,862
Per-Share Data		
Annual Dividend Declared	\$1.90	\$1.74
Earnings Per Share (diluted)	\$1.55	\$1.52

Financial Growth



Source: EOP 2002 Annual Report

Growth drivers

- Acquisitions
- Decreasing expenses as percentage of revenue
- Capital market efficiencies
- Completion of development properties



Outlook

- Short-term
 - Future property development
 - Properties currently under development
 - Undeveloped land
 - Increasing insurance premiums
 - Declining rental rates
 - Rising vacancy rates
- Long-term
 - Opportunistic acquisitions
 - Recovery after 9/11





***Questions or
Comments?***