

Kilroy Realty Corporation
Second Quarter 2004 Supplemental Financial Information

Projected Funds From Operations Guidance for the Year Ended December 31, 2004
and Related Reconciliation to Net Income
(\$ in thousands, except per share amounts)

	<u>Projected 2004 Guidance</u>	
	<u>Low End</u>	<u>High End</u>
Net Income available for common shareholders	\$ 25,405	\$ 26,448
Adjustments:		
Minority interests in earnings of Operating Partnership	3,789	3,945
Depreciation and amortization	59,022	59,772
Net (gain) loss on disposition of operating properties	64	64
Funds From Operations	<u>\$ 88,280</u>	<u>\$ 90,229</u>
Weighted average common shares/units outstanding - diluted	32,456	32,456
FFO per common share/unit - diluted	<u>\$ 2.72</u>	<u>\$ 2.78</u>