

Kilroy Realty Corporation
Third Quarter 2006 Supplemental Financial Information

Projected Funds From Operations Guidance for the Year Ended December 31, 2006
and Related Reconciliation to Net Income Available for Common Stockholders
(\$ in thousands, except per share amounts)

	<u>Projected 2006 Guidance</u>	
	<u>Low End</u>	<u>High End</u>
Net Income Available for Common Stockholders	\$ 70,290	\$ 71,696
Adjustments:		
Minority interests in earnings of Operating Partnership	6,605	6,737
Depreciation and amortization	70,950	71,111
Net (gains) losses on disposition of operating properties	(31,259)	(31,259)
Funds From Operations	<u>\$ 116,586</u>	<u>\$ 118,285</u>
Weighted average common shares/units outstanding - diluted	33,990	33,990
FFO per common share/unit - diluted	<u>\$ 3.43</u>	<u>\$ 3.48</u>