

Kilroy Realty Corporation
Fourth Quarter 2006 Supplemental Financial Information

Projected Funds From Operations Guidance for the Year Ended December 31, 2007
and Related Reconciliation to Net Income Available for Common Stockholders
(\$ in thousands, except per share amounts)

	<u>Projected 2007 Guidance</u>	
	<u>Low End</u>	<u>High End</u>
Net Income Available for Common Stockholders	\$ 37,521	\$ 40,990
Adjustments:		
Minority interests in earnings of Operating Partnership	2,608	2,850
Depreciation and amortization	68,869	70,748
Net (gains) losses on disposition of operating properties	(8,729)	(8,729)
Funds From Operations	<u>\$ 100,269</u>	<u>\$ 105,859</u>
Weighted average common shares/units outstanding - diluted	34,937	34,937
FFO per common share/unit - diluted	<u>\$ 2.87</u>	<u>\$ 3.03</u>