

**Kilroy Realty Corporation**  
**First Quarter 2003 Supplemental Financial Information**

**Projected Funds From Operations Guidance for the Year Ended December 31, 2003**  
**and Related Reconciliation to Net Income**  
*(\$ in thousands, except per share amounts)*

	<u>Projected 2003 Guidance</u>	
	<u>Low End</u>	<u>High End</u>
<b>Net Income</b>	<b>\$ 23,143</b>	<b>\$ 27,419</b>
Adjustments:		
Minority interests in earnings of Operating Partnership	3,663	4,340
Depreciation and amortization	57,173	58,558
Net gains (losses) on disposition of operating properties	-	-
<b>Funds From Operations</b>	<b><u>\$ 83,979</u></b>	<b><u>\$ 90,317</u></b>
<b>Weighted average common shares/units outstanding - diluted</b>	<b>31,690</b>	<b>31,690</b>
<b>FFO per common share/unit - diluted</b>	<b><u>\$ 2.65</u></b>	<b><u>\$ 2.85</u></b>