

KILROY
REALTY
CORPORATION



NAREIT's Investor Forum
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Some of the enclosed information presented is forward-looking in nature. Although the information is based on the company's current best judgment, actual results could vary from expectations stated here. Development plans are by their very nature preliminary and subject to change. As development plans are refined, the Company expects that results related to its development projects will change, including returns, investment and timing. Numerous factors will affect KRC's actual results, some of which are beyond the company's control. These include the timing and strength of regional economic growth, the strength of commercial and industrial real estate markets, competitive market conditions, future interest rate levels and capital market conditions.

Company Overview

- KRC well positioned in an uncertain market
- Over 600,000 square feet of committed development and redevelopment that is 69% leased
- Strong balance sheet
- Experienced management team



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Exterior*

Solid Leasing in Stabilized Portfolio

- Leased one million square feet year-to-date
- First quarter cash and GAAP rent growth of 29% and 49%, respectively
- Rent levels for the overall portfolio are estimated to be 15% below market
- Average age of office portfolio now only 11 years



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2008 Development Deliveries

- Kilroy Sabre Springs – PH III
 - 148,000 sq. ft., 100% leased to Bridgepoint
 - Total investment of \$65 million
- ICC – 15004 Innovation Drive
 - 146,000 sq. ft., 100% leased to Scripps
 - Total investment of \$51 million
- Sorrento Gateway – Lot 1
 - 51,000 sq. ft (medical office)
 - Total investment of \$23 million



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Development Pipeline

- Future pipeline (as of 3/31/08):
 - 2.0 to 2.7 million square feet
 - Excludes opportunities in stabilized portfolio
- All development sites fully entitled and located in markets where KRC holds the dominant market share
- In several cases, entitlements exceed current development plan



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Outlook

- Strong balance sheet in time of credit market dislocation
 - Current debt to market cap of 36%
 - Over \$385 million of capacity on bank line, which doesn't mature until April 2010
- Good opportunities will emerge from aftermath of credit crunch
- Reduced competition going forward, particularly for development and redevelopment opportunities



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