

K I L R O Y

# Kilroy Realty Corporation

Quarter Ended  
December 31, 2024



Kilroy Oyster Point Phase 1 | South San Francisco, CA

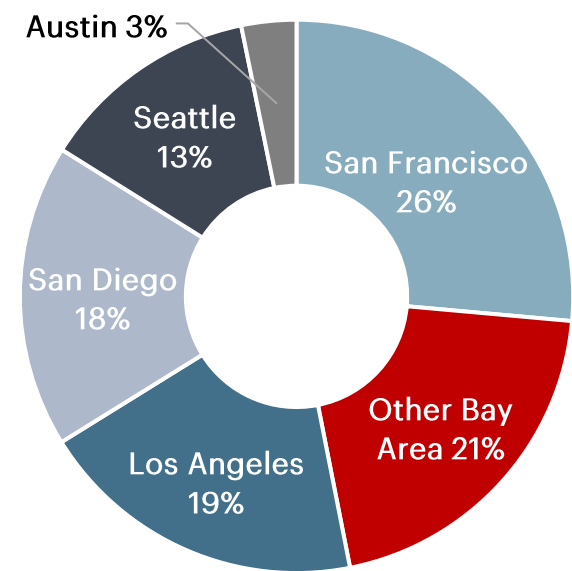
# Company Overview

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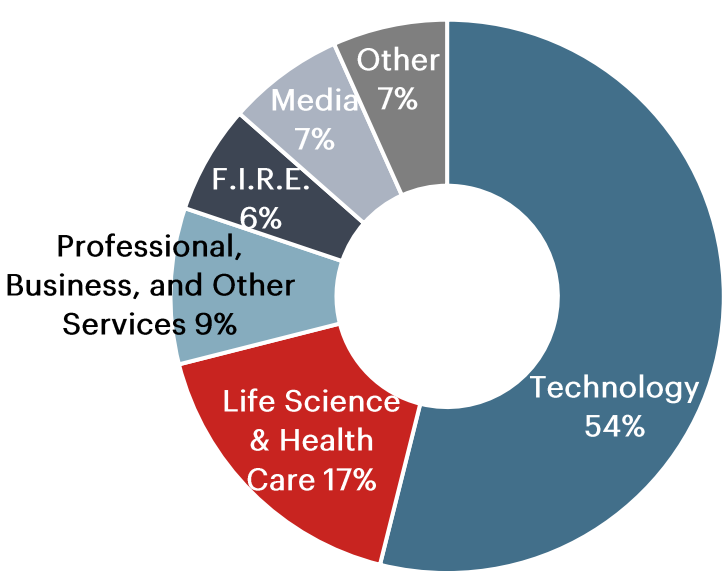
# Who is Kilroy?

- Kilroy Realty Corporation (“KRC” or the “Company”) is a leading, publicly traded owner and operator of Class A office and life science properties, with assets in the San Francisco Bay Area, Los Angeles, San Diego, Seattle, and Austin
  - KRC’s tenant roster is comprised of high-quality, well-capitalized companies, approximately 50% of which are investment-grade rated<sup>(1)</sup>
- KRC provides premium, adaptable, and innovative workplaces that foster collaboration and productivity for tenants in a wide range of industries, including technology, life sciences, professional and financial services, and media

ABR<sup>(1)</sup> % by Region












ABR<sup>(1)</sup> % by Industry



## PORTFOLIO QUICK FACTS

Rentable Square Feet (RSF) – Stabilized Portfolio	17,142,721
Office and Life Science Properties	123
Stabilized Occupancy (%) / Leased (%)	82.8% / 84.9%

## TOP 10 TENANTS BY ABR<sup>(1)</sup>

Tenant	% of ABR <sup>(1)</sup>	% of RSF	Credit Ratings (S&P / Moody's)
Global Technology Company	5.7%	5.0%	AA+ / Aaa
 cruise	4.5%	2.2%	BBB / Baa2
 stripe	4.2%	2.5%	NR / NR
 Adobe	3.5%	3.1%	A+ / A1
 in	3.3%	3.4%	AAA / Aaa
 salesforce	3.1%	2.8%	A+ / A1
 okta	3.1%	1.7%	NR / NR
 DOORDASH	3.0%	1.4%	NR / NR
 NETFLIX	2.8%	2.1%	A / Baa1
 Cytokinetics	2.3%	1.4%	NR / NR
Top 10 Total	35.5%	26.1%	

(1) Based on consolidated annualized base rental revenues (“ABR”) as of 12/31/24.



# Why Kilroy?

## An Opportunity to Capitalize on the West Coast Recovery Now Underway

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### Strengthening Fundamentals Across the Company's Markets

- Fueled by rising levels of venture capital funding, a rapidly expanding AI sector, and return-to-office momentum, KRC represents a compelling opportunity to capitalize on improving fundamentals across major West Coast markets



### Best-In-Class Real Estate Uniquely Positioned to Benefit From Flight to Quality Dynamics

- KRC is distinguished by its high-quality, well-located, and thoughtfully amenitized portfolio, its strong tenant relationships, its reputation in the market, and its strong financial position



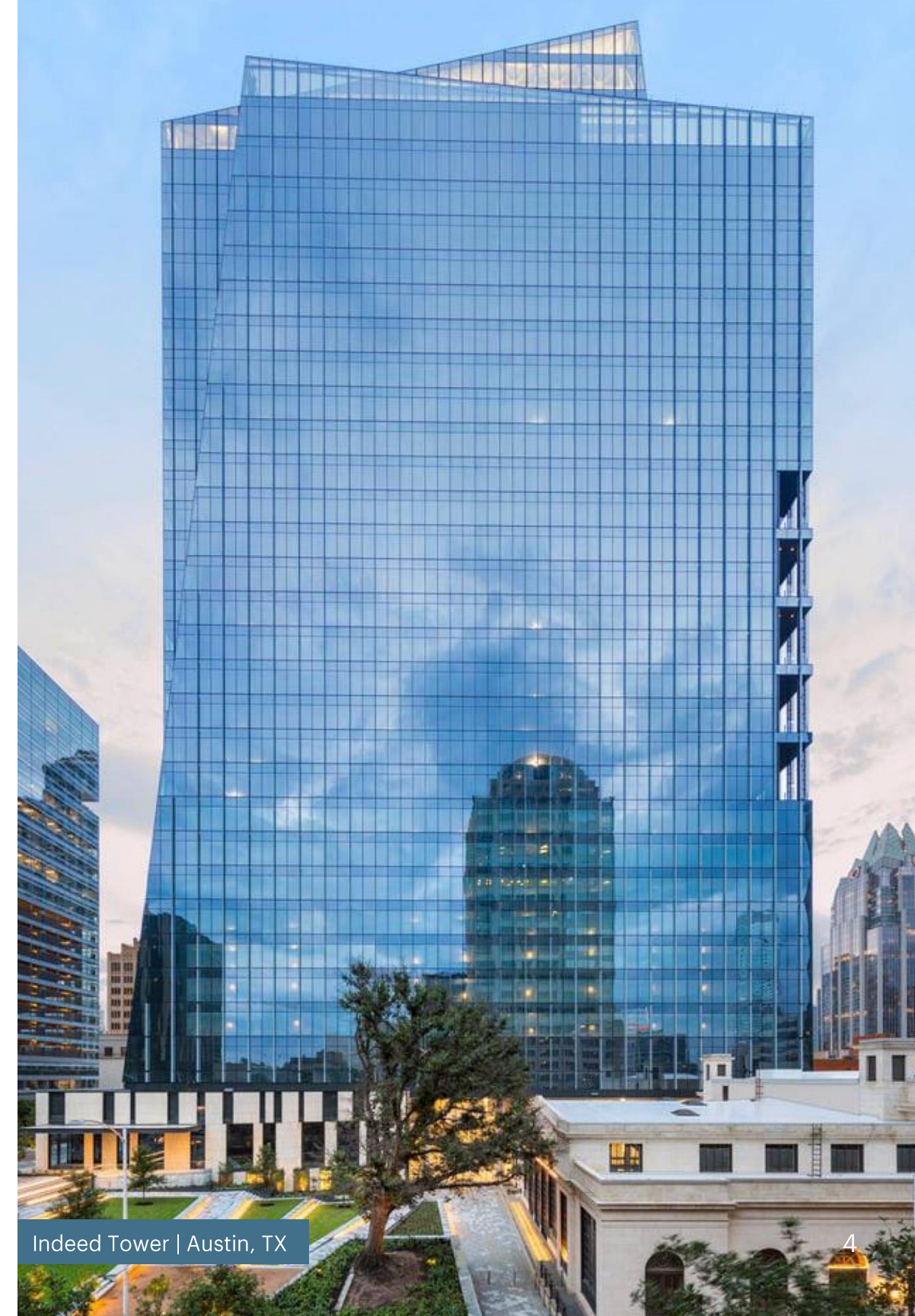
### Disciplined Approach to Capital Allocation

- KRC has a proven track record of value-enhancing capital allocation across cycles through acquisitions, dispositions, developments, and redevelopments
- Ongoing disruption may create substantial opportunities for well-capitalized buyers with unique local market insight



### Strong Balance Sheet and Robust Liquidity Profile

- KRC's well-laddered debt maturity profile, robust liquidity, and substantial unencumbered asset base provide valuable financial and operational flexibility



Indeed Tower | Austin, TX

# Kilroy's Strategic Approach

A Disciplined Strategy Focused on Quality, Durability, and Growth

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## High-Quality Portfolio

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- Maintain a best-in-class portfolio by investing in modern, sustainable, and highly amenitized office and life science properties
- Leverage KRC's track record of development and repositioning to create environments that attract and retain top-tier tenants

## Durable and Growing Cash Flow

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- Focus on long-term lease commitments with high-credit tenants across diverse industries, reducing credit risk while maintaining strong occupancy and market-leading rental rates
- Leverage KRC's premier portfolio and operational expertise to deliver resilient and growing cash flows across cycles

## Prudent Capital Allocation

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- Deploy capital with discipline, prioritizing high-barrier, supply-constrained markets where demand supports sustainable rent growth
- Balance asset recycling and development and redevelopment to enhance portfolio value while ensuring strong risk-adjusted returns

## Disciplined Balance Sheet Management

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- Preserve financial flexibility with a conservative leverage profile, well-laddered debt maturities, and ample liquidity
- Maintain a strong investment-grade balance sheet to support long-term growth



# West Coast Recovery

## West Coast Remains the Leading Hub of Innovation and Discovery

- **Access to Educated Workforce** – KRC's West Coast markets are home to many premier academic institutions, supplying a deep talent pool for the technology, life sciences, and professional services industries
- **World-Class Research Centers** – The region benefits from top-tier research institutions, driving innovation and industry collaboration
- **Thriving Innovation Ecosystem** – West Coast markets lead the nation in research and development ("R&D") spending, accounting for approximately 50%<sup>(1)</sup> of total U.S. business R&D investment, fostering cutting-edge advancements in AI, biotech, and clean technology
- **Unparalleled Access to Capital** – More than 58%<sup>(2)</sup> of all U.S. venture capital ("VC") investment flows through KRC's markets, fueling the growth of high-potential startups and established companies alike. Recently, strong venture capital investments in AI and emerging technologies have accelerated demand for high-quality, well-located office space
- **High Quality of Life** – The region offers a dynamic mix of urban and coastal living, cultural attractions, and access to outdoor recreation, making it an attractive destination for top-tier talent






(1) Source: National Science Board as of 2021.  
(2) Source: PitchBook as of 12/31/24.

# West Coast Recovery

## Return to Office Momentum

- Return to office momentum continues to accelerate across KRC’s markets, led by recent announcements from a number of major West Coast employers, which is translating into improved leasing momentum

Recent Return to Office Announcements:		Primary Impacted City
	Five days a week in office Effective January 2025	Los Angeles, CA Seattle, WA
	Five days a week in office Effective January 2025	Seattle, WA
	Five days a week in office Effective January 2025	San Francisco, CA San Diego, CA

*“When we look back over the last five years, we continue to believe that the advantages of being together in the office are significant... we’ve observed that it’s easier for our teammates to learn, model, practice, and strengthen our culture; collaborating, brainstorming, and inventing are simpler and more effective; teaching and learning from one another are more seamless; and, teams tend to be better connected to one another.”*

– Andy Jassey, CEO, Amazon

*“Our purpose at AT&T is connecting people to greater possibility. We firmly believe that working together, in person and in proximity to our peers, is the best way for ATS employees to fulfill that purpose. By fostering in-person interactions, we can form stronger relationships, build trust and enhance our collaboration, innovation, and overall effectiveness as a team.”*

– Jeremy Legg, CTO, AT&T

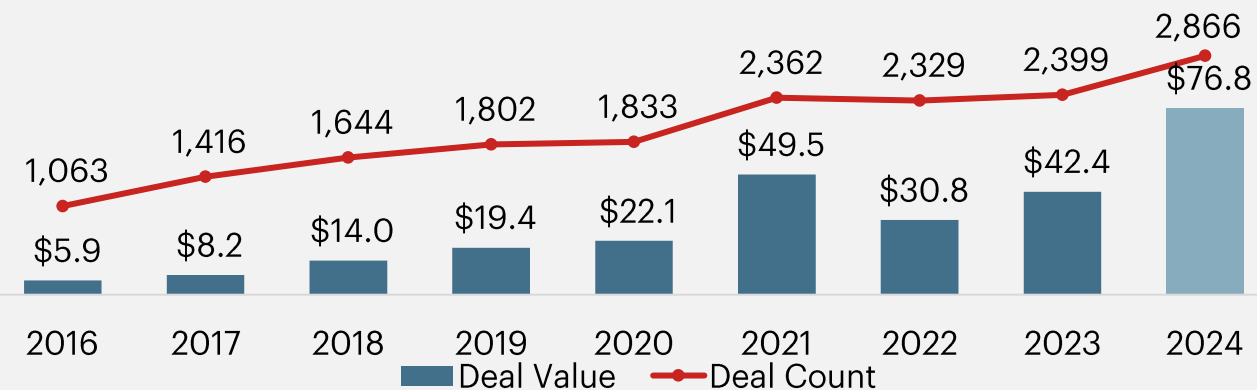
# West Coast Recovery

## Rising Levels of VC Funding and an Expanding AI Sector

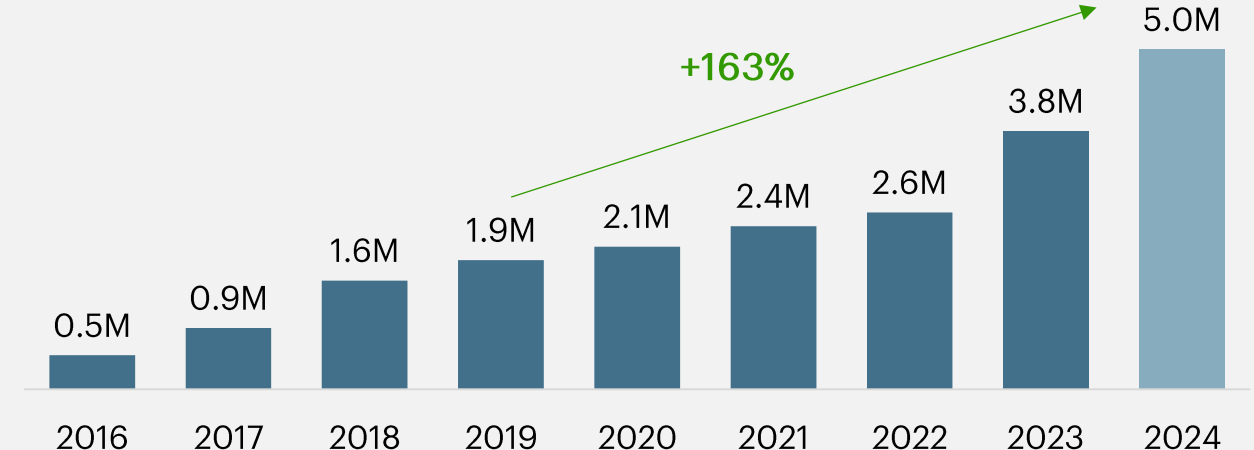
- The West Coast raised approximately \$126B in total VC funding in 2024, a ~53% increase over 2023, with approximately \$77B concentrated in AI and machine learning
- AI companies are now beginning to play a crucial role in the recovery of the Bay Area, increasing their footprint in the market by ~160% since 2019
  - Startups (primarily AI companies) accounted for ~30% of Q4 leasing volume in the Bay Area, while early-stage companies made up an additional 10%, laying the groundwork for future growth and expansion
- While this dynamic is most pronounced in the Bay Area, KRC has seen demand from AI tenants across several of its markets, including Seattle and San Diego

Annual West Coast AI VC Funding (2016-2024)

*\$'s in billions*



Growing AI Footprint in San Francisco

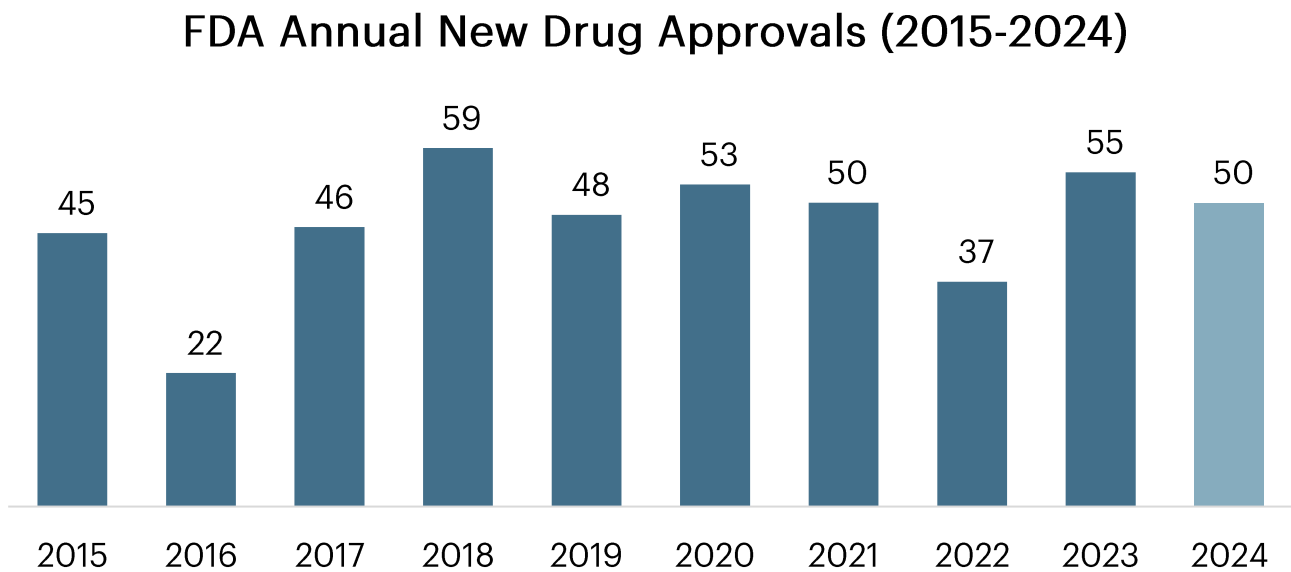
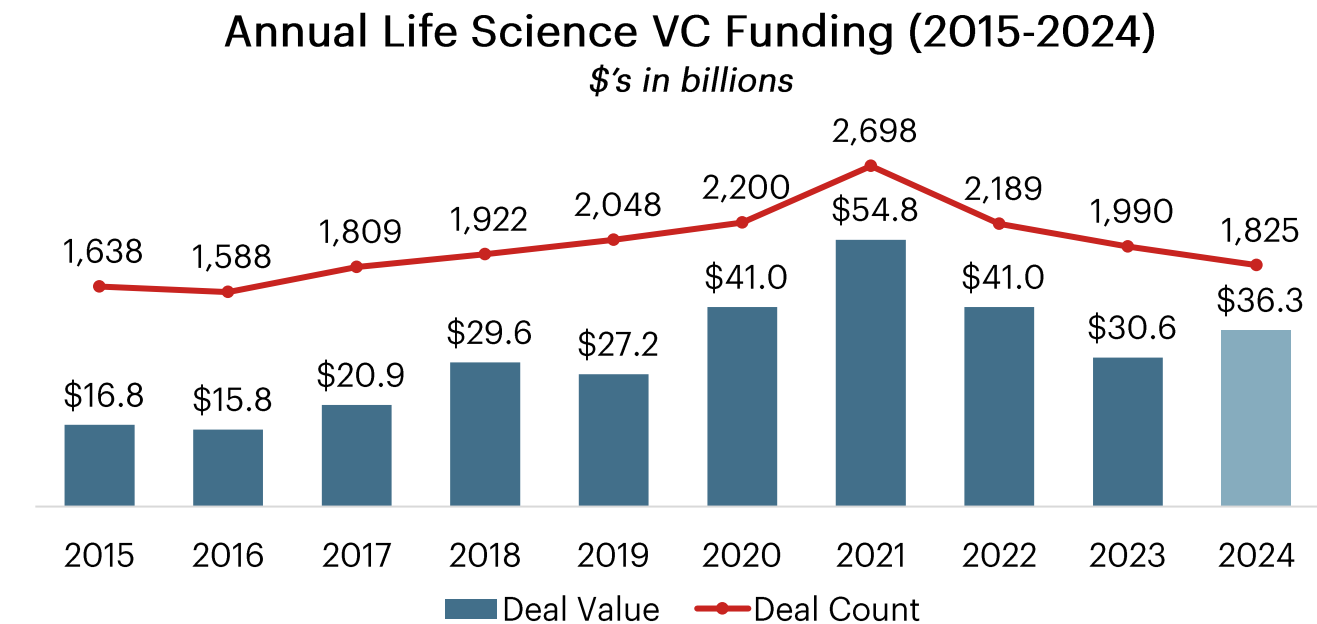




# West Coast Recovery

## Life Science Sector Remains Poised for Long-Term Growth, Driven by Sustained R&D and Technological Advancements

- U.S. life science venture capital funding exceeded \$36B in 2024, representing a ~19% increase YoY, or a ~33% increase versus pre-pandemic levels
  - The San Francisco Bay Area and San Diego consistently attract close to 40% of annual life science venture capital funding
- Following a record year for drug approvals in 2023, approvals remained elevated in 2024, with the FDA approving 50 novel drugs. The progression of new drugs and treatments through the pipeline has historically driven demand for additional research, development, and manufacturing space



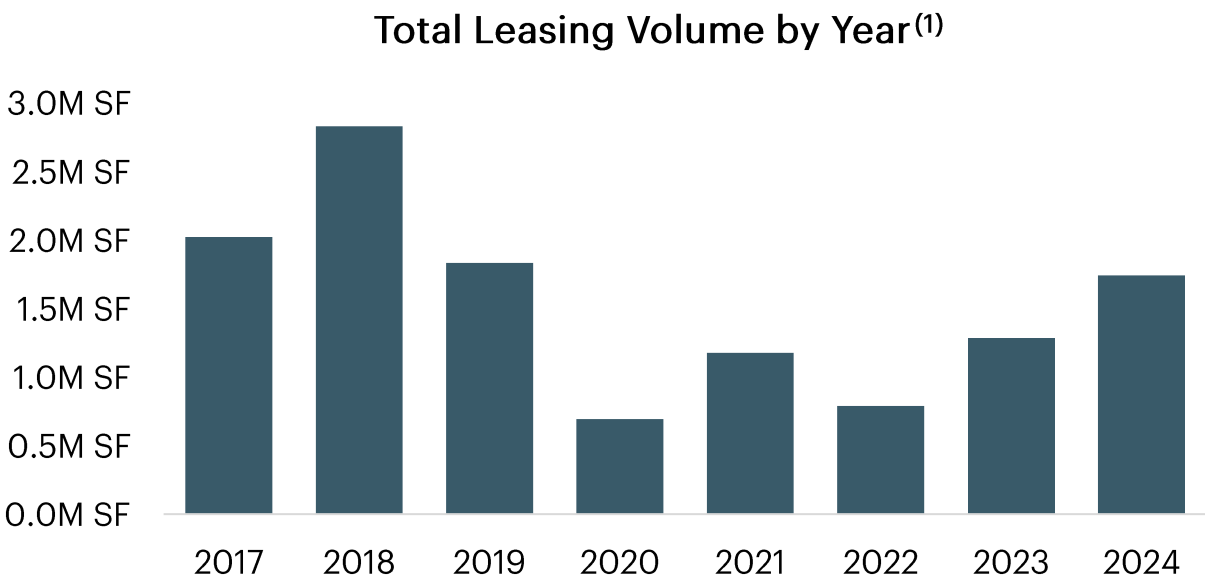
# Leasing Performance and Outlook

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# Leasing Performance and Outlook

## Strong Full Year and Fourth Quarter Leasing Performance

- In 2024, KRC’s well-located, highly amenitized assets capitalized on improving West Coast market fundamentals, reflecting growing confidence in long-term decision making from tenants, as business needs accelerate and return-to-office mandates continue to gain momentum
- Q4 2024 leasing was robust, with 708K SF executed, resulting in full-year leasing of 1.8M SF, a 32% increase over 2023. The fourth quarter and full year marked the Company’s highest level of leasing activity since Q4 2019 and 2019, respectively



### Notable Q4 Leasing Deals

#### Global Technology Company

274K SF Net New Lease  
Mathilda Campus, Silicon Valley

Successfully executed a lease with the subtenant occupying KRC’s largest 2026 expiration. Over 70% of the square footage for this expiration has now been addressed through the lease signed this quarter and a 157K SF lease signed with the same tenant in Q4 2023



94K SF New Lease  
Skyline Tower, Bellevue

Worked creatively to accommodate Walmart’s significant requirement and accelerated timeline, simultaneously executing an early termination with an existing tenant for a portion of the space that Walmart will occupy, addressing a late 2025 expiration

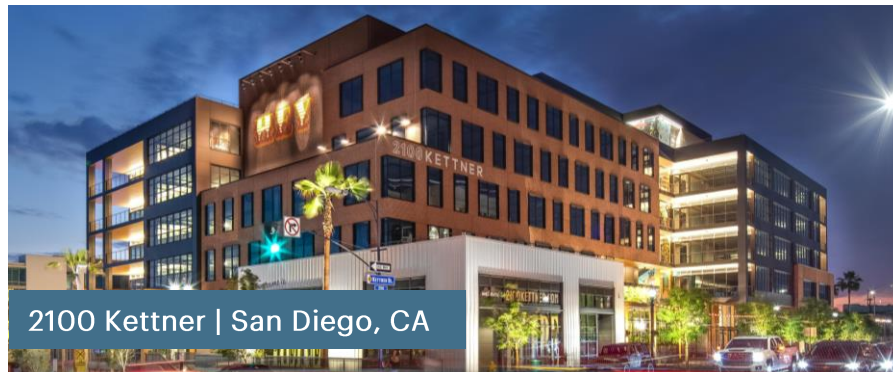
(1) Excludes development leasing.



# Leasing Performance and Outlook

## High-Quality Remaining Vacancies Are Uniquely Positioned to Benefit From Improving Dynamics

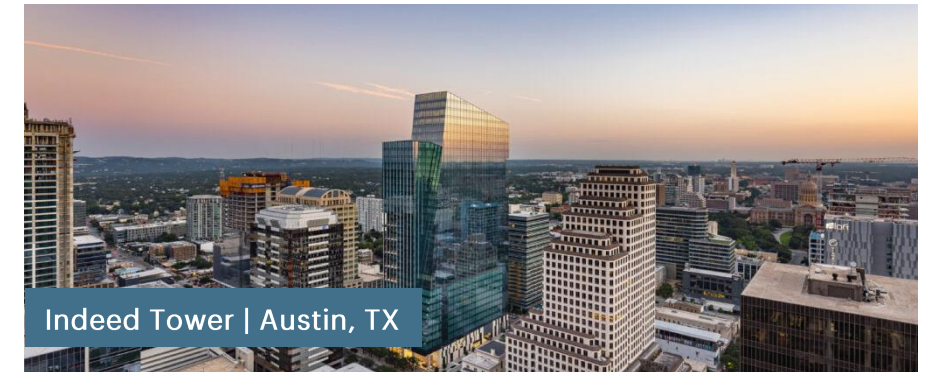
- As of December 31, 2024, approximately **410bps** of portfolio vacancy was concentrated in the Company's recently developed or repositioned assets<sup>(1)</sup>
  - These assets are ideally positioned to capture outsized market share as the environment continues to improve



- 2100 Kettner was completed in September 2021 and had ~140K SF of remaining vacancy as of December 31, 2024
- KRC has implemented a full-floor spec suites buildout and curated an outstanding lineup of compelling retail tenants on-site to capture current market demand



- West8 was recently subject to a major repositioning project, which was completed in September 2024. As of December 31, 2024, remaining vacancy totaled ~418K SF
- KRC's recent \$25M investment included a complete redesign of the building's main lobby and the addition of a new full-floor suite of amenities



- Indeed Tower was acquired in June 2021 and had ~147K SF of remaining vacancy as of December 31, 2024
- Indeed Tower offers tenants extensive office amenities, including a high-performance fitness center, dedicated conference center, outdoor terraces, and a private urban plaza

(1) Includes 2100 Kettner, West8, and Indeed Tower.

# Life Science Opportunity

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# Life Science Opportunity

## Growing KRC's Life Science Portfolio with Discipline

- As the population ages and novel drug approvals accelerate, the life science sector is poised for long-term growth, and the Company's portfolio is well-positioned to benefit
- The West Coast remains a dominant life science investment hub, with San Francisco and San Diego consistently attracting ~40% of U.S. life science venture capital funding
- By providing high-quality, flexible lab and office spaces, KRC continues to meet the evolving needs of life science companies, from early-stage startups to well-established industry leaders

Operating Portfolio<sup>(1)</sup>



Pro Forma for Under Construction<sup>(2)</sup>



Pro Forma for Future Development<sup>(3)</sup>



Note: Venture capital funding data from PitchBook as of 12/31/24.

(1) Includes the following stabilized properties: Kilroy Centre Del Mar, DMCC I-III, One Paseo Plaza, 401 Terry Avenue North, 1701 Page Mill Road, OPTC, 350, 352, and 354 Oyster Point Blvd.

(2) Under construction life science properties include Kilroy Oyster Point Phase 2, 4400 Bohannon, and 4690 Executive Drive.

(3) Future development life science properties include Kilroy Oyster Point Phases 3-4.



# Life Science Opportunity

## Existing and Future Life Science Portfolio

~2.4M SF of Stabilized Life Science Properties<sup>(1)</sup>



~975K SF of Development and Redevelopment Properties<sup>(2)</sup>



~1.0M SF of Future Properties in the Entitled Land Pipeline<sup>(3)</sup>



(1) Includes the following stabilized properties: Kilroy Centre Del Mar, DMCC I-III, One Paseo Plaza, 401 Terry Avenue North, 1701 Page Mill Road, OPTC, 350, 352, and 354 Oyster Point Blvd.  
(2) Under construction life science properties include Kilroy Oyster Point Phase 2, 4400 Bohannon, and 4690 Executive Drive.  
(3) Future development life science properties include Kilroy Oyster Point Phases 3-4.



# Life Science Opportunity

## In-Process Development – Kilroy Oyster Point (“KOP”) Phase 2

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### Project Overview:

- KOP Phase 2 is a three-building, 875K SF life science development within KRC’s broader five-phase KOP project, located on a 50-acre waterfront site in South San Francisco. KOP Phase 2 was delivered in January 2025

### Competitive Advantage:

- Located in the center of the Bay Area’s life science ecosystem, KOP Phase 2 offers a premier, purpose-built workplace to meet the needs of even the most demanding life science tenants
- The project features differentiated, flexible collaboration and event spaces and world-class amenities that have been tailored to uniquely provide for outdoor engagement and sustainable commuting options
- Available inventory can accommodate the full range of potential tenants in the market, from early-stage companies interested in the 90K SF of move-in ready spec suites recently delivered, to mid and late-stage companies interested in customizing their space



KOP Phase 2 | South San Francisco, CA

# Strong Balance Sheet and Robust Liquidity Profile

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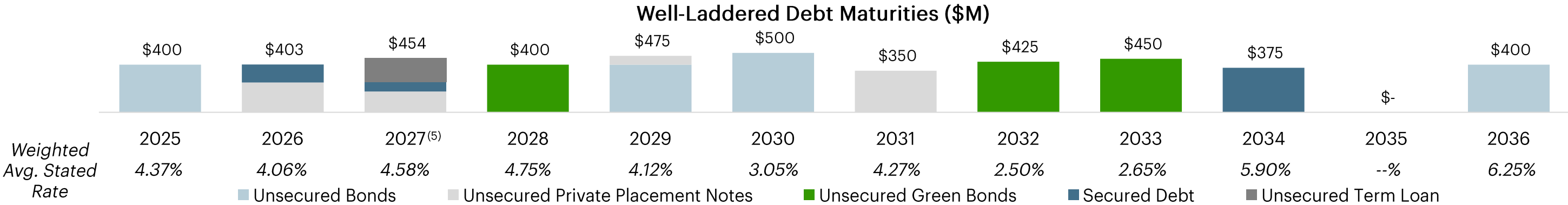


# Strong Balance Sheet and Robust Liquidity Profile

Well-Laddered Debt Maturity Profile and Substantial Unencumbered Asset Base Provide Valuable Financial and Operational Flexibility

- \$1.3B of available liquidity, as of December 31, 2024, comprised of ~\$165M of cash on hand and ~\$1.1B available under the fully undrawn unsecured revolving credit facility
  - Repaid the December 2024 bond at maturity with cash on hand and ended the year with substantial cash and a fully undrawn credit facility
- Well-covered dividend
  - Declared a quarterly cash dividend of \$0.54 per common share (\$2.16 per annum) for the fourth quarter of 2024, representing a 44% FFO payout ratio (current quarter) and a 6.1% dividend yield<sup>(1)</sup>

Statistics and Ratios (as of 12/31/24)	
Debt Statistics	
Weighted avg. stated interest rate	4.17%
Weighted avg. maturity	5.5 years
Fixed / Variable	96% / 4%
Unencumbered portfolio % <sup>(2)</sup>	90%
Leverage and Coverage Ratios	
Net debt to adjusted EBITDA <sup>(3)</sup>	6.8x
Fixed charge coverage <sup>(4)</sup>	3.6x
Debt Statistics	
S&P Global Ratings	BBB- / Stable
Moody's	Baa3 / Stable



(1) As of 2/28/25.  
(2) As defined per the Company's credit agreement.  
(3) Adjusted less interest income and calculated on a trailing 12-month basis.  
(4) Fixed charge coverage calculation based on EBITDA approach.  
(5) The maturity date of the unsecured term loan assumes the exercise of the two 12-month extensions, at the Company's election.

# Environmental, Social, and Governance

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# Environmental, Social, and Governance

## Sustainability Strategy

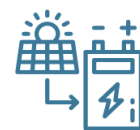
KRC’s vision is to improve the environmental and social performance of its portfolio and the Company, increasing the health and productivity of its tenants, employees, and communities, and enhancing its financial and operational performance

### Environmental

Minimizing KRC’s environmental footprint



Energy, Carbon,  
Water, and Waste  
Reduction Projects



Renewable Energy  
Generation and  
Storage



Environmental  
Building  
Certifications

### Social

Promoting the wellness of KRC’s tenants,  
employees, communities, and partners



Diversity, Equity,  
and Inclusion  
Training



Healthy  
Building  
Certifications



Supply  
Chain  
Engagement

### Governance

Maintaining best-in-class Environmental, Social,  
and Governance (“ESG”) leadership and  
transparency



Board of Directors  
Governance of  
ESG Issues



Excellence  
in ESG  
Reporting

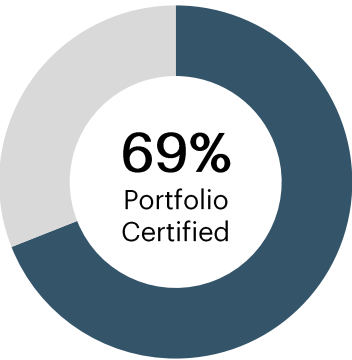


Third Party  
Assurance of ESG  
Disclosures



# Environmental, Social, and Governance

## Building Certifications

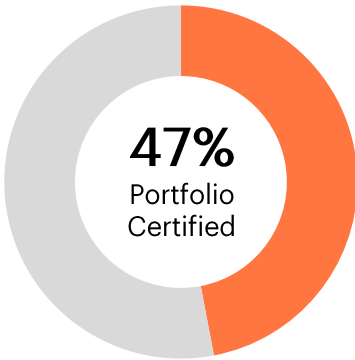


LEED



12,848,335 Total Certified SF

69% of KRC’s stabilized portfolio is LEED certified, of which 92% is certified at the highest Gold and Platinum levels

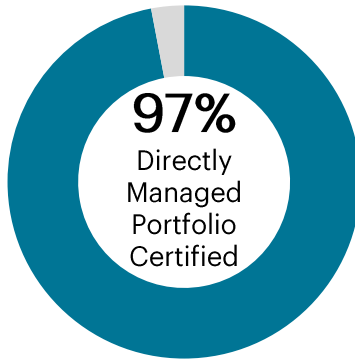


Fitwel



8,637,669 Total Certified SF

47% of KRC’s total stabilized portfolio is Fitwel certified

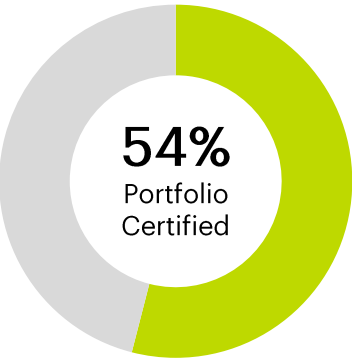


WELL Health-Safety



11,575,487 Total Certified SF

97% of KRC’s Directly Managed Portfolio is WELL Health-Safety Rated

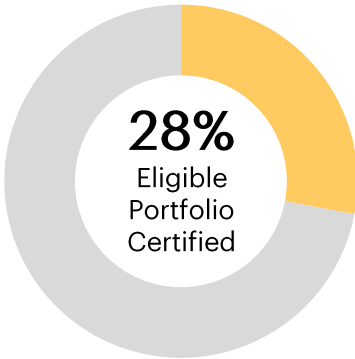


ENERGY STAR



10,078,171 Total Certified SF

54% of KRC’s total stabilized portfolio is ENERGY STAR certified



BOMA 360



4,702,477 Total Certified SF

28% of KRC’s eligible Office portfolio is BOMA 360 certified



WELL Building Standard



Columbia Square Living  
One Paseo Living  
Jardine

# Environmental, Social, and Governance

## Achievements and Accolades



**Carbon Neutral Operations**  
KRC achieved Carbon Neutral Operations,  
2020-2024



**Energy Star**  
Partner of the Year, 2014-2024  
Sustained Excellence, 2016-2024



**GRESB**  
5-Star Designation for Standing Assets and  
Development, 2015-2024



**US EPA Green Power Partnership**  
Member of National Top 100  
Green Power Users, 2021-2024



**Best in Building Health**  
Fitwel Excellence Award,  
Most Certifications of All Time, 2019-2022



**Newsweek**  
Listed on America's Most Responsible  
Companies, 2020-2025



**Green Lease Leader**  
Leader, 2014-2024  
Gold Level, 2018-2024  
Champion of the Decade, 2024



**K I L R O Y**

Where Innovation Works