

STRONG AND SOLID

Financial Highlights

<i>(in thousands, except per share amounts)</i>	2015	2014	2013
Consolidated revenues	\$ 981,981	\$ 1,167,735	\$ 1,127,856
Net income (loss) attributable to common shareholders	615,310	204,893	153,044
Funds from operations (FFO) - diluted	303,955	367,768	351,780
Core FFO - diluted	412,172	406,161	363,827
Adjusted FFO (AFFO) - diluted	354,710	330,019	296,447
AFFO payout ratio	68.3%	70.8%	75.6%
PER SHARE:			
Net income (loss) - diluted	\$ 1.77	\$ 0.60	\$ 0.47
FFO - diluted	0.86	1.07	1.07
Core FFO - diluted	1.17	1.18	1.10
AFFO - diluted	1.01	0.96	0.90
Regular dividends paid	0.69	0.68	0.68
Special dividends paid	0.20	0.00	0.00
AT YEAR END:			
Common stock price	\$ 21.02	\$ 20.20	\$ 15.04
Total assets before accumulated depreciation	8,116,721	9,260,516	9,135,371

This annual report contains a number of forward-looking statements that are not necessarily indicative of future results. For more information, refer to the company's fourth quarter and full-year 2015 results and SEC filings on the Investor Relations section of our website. This report also references non-GAAP financial measures including funds from operations or FFO and Core FFO; adjusted funds from operations or AFFO; and net operating income or NOI. These financial measures are commonly used in the real estate industry, and we believe they provide useful information to investors when used in conjunction with GAAP measures. For a definition of these non-GAAP measures and reconciliations to their most directly comparable GAAP measures, refer to the company's fourth quarter and full-year results on the Investor Relations/Financials page at www.dukerealty.com.



Front cover photos: **Gateway Northwest Two**, Houston, Texas | **Baylor Emergency Medical Center**, Murphy, Texas
Gateway North 5, Minneapolis, Minnesota | **801 West Linden Avenue**, Linden, New Jersey

Back Cover: **Duke Perris Logistics Center II**, Perris, California | **301 Pleasant Street**, Linden, New Jersey

TO OUR SHAREHOLDERS



Mark Denien | Chief Financial Officer | **Denny Oklak** | Executive Chairman, Board of Directors; Retired Chairman and Chief Executive Officer, Duke Realty | **Jim Connor** | President and Chief Executive Officer

I am pleased to report that in 2015 the Duke Realty team delivered another impressive year of overall performance. More importantly, with our accomplishments this year, we have advanced well beyond the strategic goals we outlined six years ago to restructure our portfolio, improve our operational results and deleverage our balance sheet, and are now solidly positioned for ongoing success in the future.

Today Duke Realty is an industrial REIT that provides supply chain real estate solutions across the United States with an incremental focus on medical office facilities. Our portfolio is comprised of best-in-class assets positioned to deliver consistent cash flow through all real estate cycles. Our balance sheet is strong, and we are well-positioned to self-fund our business for the foreseeable future.

Before I review in detail our successes in 2015 and their impact on our long-term prospects for future success, I want to touch on the most direct and tangible outcome of the progress we've made—the increase in our quarterly

dividend to shareholders. As a result of the overall quality of our portfolio and strong, sustainable cash flows from our properties, our Board of Directors voted in October to increase our quarterly dividend to shareholders for the fourth quarter of 2015 by 5.9 percent from \$0.17 to \$0.18 per share, which translates into \$0.72 per share on an annualized basis. We appreciate your patience as we've worked to reposition and strengthen our company so that we could provide you with this increased return.

Another positive outcome for our shareholders this year was the \$0.20 per share special dividend that resulted from our disposition activities. This dividend, which was paid on December 15, was driven by taxable gains on sales of nearly \$2.0 billion of assets. These sales not only provided our shareholders a direct return on investment but, as you will read later, helped strengthen our company in a number of ways.

Now let's look at our 2015 highlights.



1341-1343 Enterprise Drive | Chicago, Illinois

Solid Property Performance

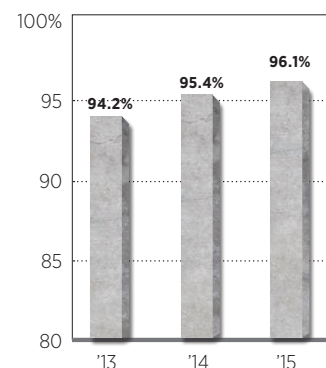
On the operational side, our market-based teams' ability to earn new business and retain existing tenants drove our success in increasing occupancy and improving same-property net operating income through rental rate growth. Leases signed during the year totaled 21.7 million square feet, driving overall net absorption of space in our portfolio totaling 7.2 million square feet.

Occupancy in our 134 million-square-foot, in-service portfolio at the end of 2015 was 96.1 percent, the highest year-end occupancy in our history, and up from 95.4 percent at year-end 2014. This increase is particularly impressive considering that several bulk warehouse projects we developed on a speculative basis were placed in service during the year. All of these buildings are in markets with low vacancy rates and strong tenant demand which bodes well for quick lease up, some of which has already taken place.

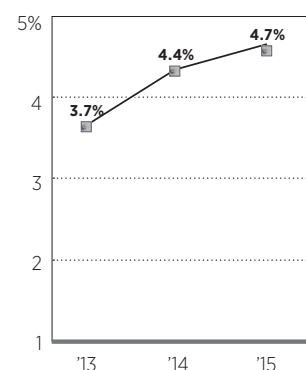
In addition to increasing occupancy in our portfolio, another area of focus for our leasing team this year was rental rate growth. Their efforts, aided by the quality of our portfolio and healthy market demand, led to 9.2 million square feet of renewal leases, representing a 76 percent tenant retention rate. This activity fueled our 11.9 percent increase in rental rates on lease renewals compared to an 8.8 percent increase in 2014. This increase was largely due to rental rate growth in our industrial assets of 12.7 percent for the year compared to 9.7 percent in 2014. Rental rate growth in our medical office properties also grew at a strong 12.3 percent, compared to 13.0 percent in 2014.

High occupancy and rental rate escalations translated into an increase in same-property net operating income as well. For the 12 months ended December 31, 2015, same-property net operating income grew 4.7 percent compared to the 12 months ended December 31, 2014.

One of the key reasons for our asset repositioning out of capital intensive suburban office properties and into industrial and medical office was to reduce the level of capital expenditures. The success we've had with this strategy, which is discussed in greater detail below, along with continued improvement in our property operations translated into a 5.2 percent increase in core Adjusted Funds from Operations (AFFO) per share. In 2015, we generated AFFO per share of \$1.01, compared to \$0.96 in 2014. With our current annualized dividend of \$0.72 per share, we have a conservative AFFO payout ratio of 71 percent.



IN-SERVICE OCCUPANCY



SAME PROPERTY NOI GROWTH



St. Vincent Women's Center | Carmel, Indiana

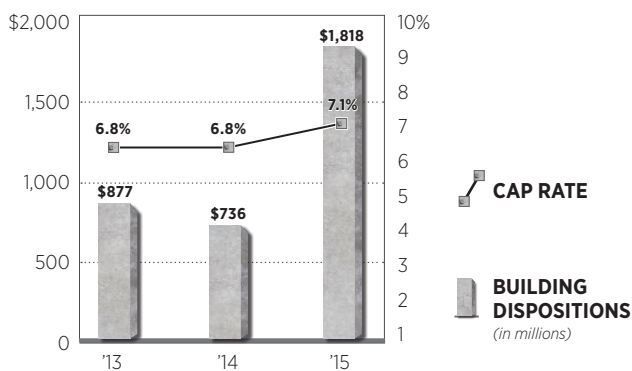
Active Investment Management

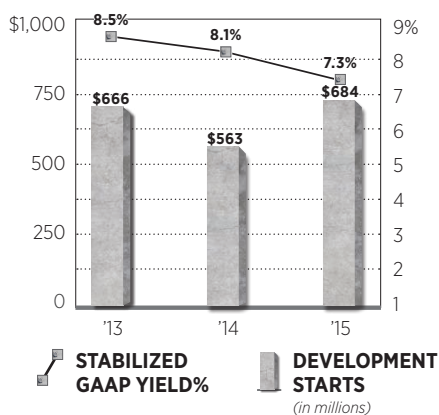
In 2015, we maintained our practice of continuously reviewing our assets and making strategic investment decisions to ensure that we have the highest quality portfolio with the best prospects for long-term performance.

Taking advantage of a strong investment market, we aggressively marketed non-strategic assets that no longer align with our goals and were successful in selling them at pricing that was accretive to our AFFO. Though the majority of dispositions were suburban office assets, we also sold some industrial properties whose value, we believed, had been maximized.

In 2015, we sold \$1.8 billion of mostly suburban office properties at a 7.1 percent cap rate, which allowed us to accelerate our goal of becoming an industrial REIT with the highest-quality bulk industrial assets in the most desirable markets, complemented by best-in-class medical office properties. These dispositions helped us raise the overall quality of our portfolio as well as generate capital that was used to fund new development and improve our leverage position.

The largest of our dispositions in 2015 was the \$1.1 billion sale of 61 suburban office properties in four markets. With this sale and subsequent office dispositions during the year, our transition out of the suburban office sector is nearly complete with less than 8 percent of our net operating income at year-end coming from this product type. With the additional suburban office asset dispositions we anticipate in 2016, our exit from this property type will be substantially complete.





Our investment strategy this year was again focused on leveraging our development expertise and land bank to meet customers' space needs and create value and growth in our portfolio. We had \$684 million of development starts in 2015 that were 55 percent preleased in the aggregate. \$528 million of these starts were industrial projects and \$156 million were medical office projects. Though many of these starts were build-to-suit or significantly preleased before construction began, we also embarked on select speculative industrial projects. In every instance, we continued to take a conservative approach to these projects, evaluating many factors to determine if, where and when a speculative building was warranted. Because all of our speculative industrial projects are located in top-tier industrial markets where vacancy is low, demand is high and we have limited or non-existent space available, we anticipate a quick lease-up of these assets. In the medical office side of our business, our strong relationships with existing health system clients continue to result in additional development projects, but we also are earning business from new relationships as health systems adjust their service delivery models.

Of the 6.2 million square feet of development projects we placed in service in 2015, 71 percent is leased and has a stabilized GAAP yield of 7.7 percent. Our development pipeline at year-end includes another 7.8 million square feet with stabilized project costs of \$665 million. These projects are 58 percent preleased in the aggregate and are expected to generate a 7.5 percent weighted average stabilized GAAP yield.



Huntley Distribution Center | Huntley, Illinois

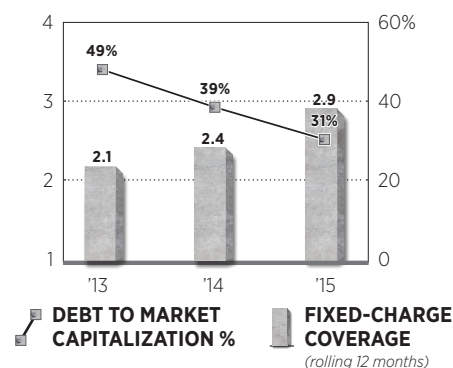
Through our development activities in 2015, we were able to monetize \$93 million of land. Our disposition activity also included \$132 million of non-strategic land sales. Strong market pricing helped us convert these non-income generating assets into capital that could be redeployed into new development and used for deleveraging.

Strengthening Our Financial Position

In 2015, improving the quality of our balance sheet by reducing leverage, extending and balancing debt maturities and maximizing liquidity continued to be a priority. As noted earlier, we were extremely active on the disposition front this year. We used the proceeds from these dispositions to repay a total of \$1.1 billion of debt that had a weighted average interest rate of 6.3 percent. We also were able to fund all of our development activities without the need for additional capital.

As a result of these strategic capital transactions, the company's overall balance sheet is much stronger, with significant improvements the past 12 months in all key leverage metrics. Our fixed-charge coverage ratio improved to 2.9 times from 2.4 times, and our debt to EBITDA declined from 7.0 times to 5.8 times. The company's debt to market capitalization also improved from 39 percent at the beginning of 2015 to 31 percent at the close of the year.

Our strong operating results and improved financial position has not gone unnoticed. For the 21st year in a row, the company is investment-grade rated by Standard & Poor's (currently BBB positive outlook) and Moody's (currently Baa2 positive outlook). Most notably, Duke Realty's total shareholder return was 8.8 percent for 2015 compared to 2.5 percent for all other REITs and 1.5 percent for the S&P 500.



Pompano Commerce Center | Pompano Beach, Florida



Park 70 at West Jefferson | Columbus, Ohio



Duke Realty's Future

Looking ahead, we are optimistic about Duke Realty's prospects for positive performance and solid returns for our shareholders. Our portfolio is comprised of the highest-quality industrial and medical office assets with characteristics that bode well for continued strong occupancy, consistent rental rate growth and superior cash flow returns.

Our development platform is in a dominant position to drive incremental cash flow growth in the future as well. We have some of the best located land positions in the country that can support more than 32 million square feet of primarily bulk industrial product. Plus we have a strong track record of winning build-to-suit projects with top companies and repeat business with satisfied customers.

Our balance sheet is strong as well and now among the best in the industry. We have worked diligently to reduce our debt and manage our maturities so that we can comfortably meet our obligations in the years ahead. The weighted average interest rate of our debt maturing over the next three years is 6.0 percent which is substantially in excess of our current borrowing rate. This will translate into further cash flow growth and improvements in our leverage metrics. We also are well-positioned to self-fund our future growth with capital to be generated from anticipated

dispositions without increasing leverage. Overall, we believe the strength of our balance sheet puts us in an excellent position for future growth.

Based on the strength of Duke Realty today and the outlook we have for continued performance, we believe we are in a great position for continued growth in AFFO. We intend to review our dividend to shareholders on an annual basis, and size it appropriately while adhering to a conservative AFFO dividend payout ratio of 65 to 75 percent.

The solid position that Duke Realty is now in is a positive factor that led to my decision to retire as CEO of Duke Realty effective the end of 2015. I am proud of all of our accomplishments during my nearly 30 years with the company and the last 12 as CEO, especially what we've accomplished to ensure a bright future for you, our shareholders. Thank you for the confidence and trust you have placed in our company over the years.

I'd also like to express my appreciation to our Board of Directors. The guidance and support they have provided this past year, as well throughout our portfolio transformation, has been instrumental in Duke Realty's success. I look forward to continuing to work with you in my new role as Executive Chairman of the Board of Directors.

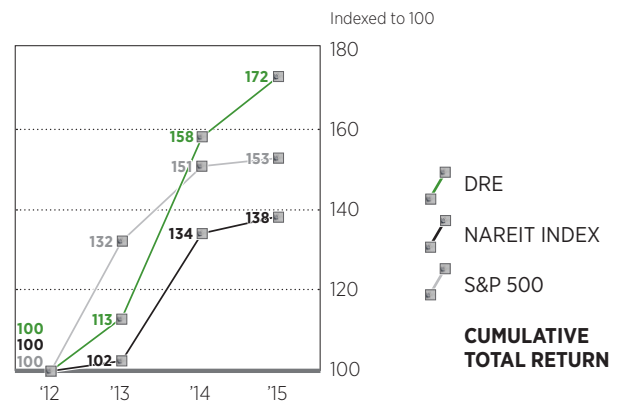
Point West VIII | Dallas, Texas



The contributions by all Duke Realty associates in 2015, as well as in years past, also deserve recognition. Each person in our organization has been committed to meeting the goals we've outlined each year and has consistently performed at a commendable level.

Duke Realty's future is in good hands. Jim Connor, my successor, has the experience, knowledge and desire to make Duke Realty an even more formidable player in the industry. He is supported by a long-tenured, experienced management team with a proven record of success. Together they will build on the accomplishments the company has made over the past several years and remain focused on delivering growth, performance and value. I trust that you will continue to support their efforts in the future.

Executive Chairman, Board of Directors;
Retired Chairman and Chief Executive Officer, Duke Realty



BOARD OF DIRECTORS



Thomas J. Baltimore, Jr.
*President and Chief Executive Officer,
RLJ Lodging Trust*



Charles R. Eitel
*Chief Executive Officer, WS Packaging
Group, Inc. and Former Chairman
and Chief Executive Officer,
Simmons Bedding Company*



Jack R. Shaw
*President, The Regenstrief
Foundation and Retired Managing
Partner, Ernst & Young in
Indianapolis, Indiana*



William Cavanaugh III
*Lead Director; Retired Chairman
and Chief Executive Officer,
Progress Energy, Inc.*



Dr. Martin C. Jischke
*President Emeritus,
Purdue University*



Michael E. Szymanczyk
*Retired Chairman and
Chief Executive Officer,
Altria Group*



Alan H. Cohen
*Retired Co-Founder and Chairman,
The Finish Line*



Dennis D. Oklak
*Executive Chairman;
Retired Chairman and Chief
Executive Officer, Duke Realty*



Lynn C. Thurber
*Non-Executive Chairman,
LaSalle Investment Management*



James B. Connor
*President and Chief Executive Officer,
Duke Realty*



Melanie R. Sabelhaus
*Vice Chair, Board of Governors,
American Red Cross*



Robert J. Woodward, Jr.
*Chairman, Palmer-Donavin
Manufacturing Co. and Retired
Chief Investment Officer,
Nationwide Insurance*



Ngaire E. Cuneo
Partner, Red Associates, LLC



Peter M. Scott
*Retired Chief Financial Officer
and Executive Vice President,
Progress Energy, Inc.*

LEADERSHIP TEAM

James B. Connor
President and Chief Executive Officer

Nicholas C. Anthony
Chief Investment Officer

Jeffrey D. Turner
Executive Vice President, Western Region

Dennis D. Oklak
*Executive Chairman, Board of
Directors; Retired Chairman and Chief
Executive Officer, Duke Realty*

Ann C. Dee
General Counsel

Steven R. Kennedy
Executive Vice President, Construction

Mark A. Denien
Chief Financial Officer

Keith J. Konkoli
Executive Vice President, Healthcare

Denise K. Dank
Chief Human Resources Officer

J. Samuel O'Briant
Executive Vice President, Eastern Region

Paul R. Quinn
*Chief Information Officer and
Strategic Execution Officer*

Steven W. Schnur
Executive Vice President, Central Region

HOW TO REACH US

Corporate Headquarters

600 East 96th Street, Suite 100
Indianapolis, Indiana 46240
317.808.6000

Transfer Agent and Registrar

American Stock Transfer & Trust Company
6201 15th Avenue
Brooklyn, New York 11219
800.937.5449
www.amstock.com

Investor Relations

Duke Realty Corporation
Attn: Investor Relations
600 East 96th Street, Suite 100
Indianapolis, Indiana 46240
317.808.6005 or 800.875.3366
317.808.6794 (fax)
IR@dukerealty.com
www.dukerealty.com

GENERAL INFORMATION

Duke Realty Corporation's Direct Stock Purchase and Dividend Reinvestment Plan provides shareholders with an opportunity to conveniently acquire the Company's common stock. Shareholders may have all or part of their cash dividends automatically reinvested, and may make optional cash payments toward the purchase of additional shares of common stock. Information regarding the Plan may be obtained from our transfer agent, American Stock Transfer & Trust Company, at www.amstock.com or by calling 800.937.5449.

ELECTRONIC DEPOSIT OF DIVIDENDS

Registered holders of Duke Realty Corporation's common stock may have their quarterly dividends deposited to their checking or savings account free of charge. Call the Investor Relations department at 317.808.6005 to sign up for this service.

MARKET PRICE AND DIVIDENDS

New York Stock Exchange: DRE

The table to the right sets forth the high and low prices of the Company's common stock for the periods indicated and the dividend paid per share during such period.

HOLDERS OF COMMON STOCK

As of February 15, 2016, there were 6,021 record holders of the company's common stock.

2015

Quarter Ended	High	Low	Dividend
December 31	\$ 21.46	\$ 18.84	\$ 0.180
September 30	20.42	17.60	0.170
June 30	22.25	18.49	0.170
March 31	22.70	19.93	0.170

2014

Quarter Ended	High	Low	Dividend
December 31	\$ 20.83	\$ 17.06	\$ 0.170
September 30	18.80	16.94	0.170
June 30	18.24	16.62	0.170
March 31	17.03	14.48	0.170

On January 27, 2016, the Company declared a quarterly cash dividend of \$0.18 per share, payable as of February 29, 2016 to common shareholders of record on February 16, 2016.



Duke Realty has been guided by only four leaders during its 43-year history: Founder Phil Duke, 1972–1986, represented by J.P. Duke and Jon Duke, grandson and son; Jim Connor, current CEO; Tom Hefner, CEO 1986–2004; and Denny Oklak, CEO 2004–2015.



600 East 96th Street, Suite 100 | Indianapolis, IN 46240 | 317.808.6000 | dukerealty.com