

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Duke Realty Corporation		35-1740409	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Ms. Tracy Swearingen, SVP, Taxation	(317) 808-6133	tracy.swearingen@dukerealty.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
600 East 96th Street, Suite 100		Indianapolis, IN 46240	
<b>8</b> Date of action		<b>9</b> Classification and description	
12/24/2014 - Settlement Date		Series 'K' 6.50% Nonvoting Preferred Stock Redemption	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
264411760	N/A	DREPRK	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **Duke Realty Corporation repurchased all of the outstanding shares of its 6.50% Preferred 'K' Series stock at a purchase price of \$25.00 per share. [Notice of Redemption Date - 11/24/2014; Settlement Date - 12/24/2014]**

**The Company paid all accrued and unpaid dividends on the Preferred 'K' Series stock through the date of repurchase.**

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The repurchase will be treated as a sale or exchange within the meaning of IRC Section 302(b) if it (a) is "substantially disproportionate" with respect to the holder; (b) results in a "complete termination" of the holder's share interest in Duke Realty; or (c) is "not essentially equivalent to a dividend" with respect to the holder. In determining whether any of these tests have been met, depositary shares considered to be owned by the holder by reason of certain constructive ownership rules set forth in the IRC, as well as depositary shares actually owned by the holder, must generally be taken into account. If a particular holder of depositary shares owns (actually or constructively) no shares of our common stock, or an insubstantial percentage of the outstanding shares of common stock, a redemption of shares of that holder is likely to qualify for sale or exchange treatment because the redemption would not be "essentially equivalent to a dividend." However, because the determination as to whether any of the alternative tests of Section 302(b) will be satisfied with respect to any particular shareholder depends on the facts and circumstances at the time that the determination must be made, shareholders are advised to consult their own tax advisors to determine such tax treatment.**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Each shareholder must determine their adjusted tax basis in the repurchased shares in order to calculate the gain or loss to recognize. We encourage shareholders to consult with their personal tax advisors as to their adjusted tax basis in the repurchased shares and the specific tax treatment.**

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_  
**Internal Revenue Code Sections 302 and 1001**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**18** Can any resulting loss be recognized? ▶ **Yes, a tax loss may be recognized by shareholders if their adjusted tax basis in the repurchased shares exceeds the net proceeds received.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **All accrued dividends on the 6.50% Preferred 'K' Series shares paid through the date of redemption will be reported as taxable dividend income to the shareholders on their 2014 Form 1099-DIV.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature ▶ **Original signed copy available at Company's corporate headquarters** Date ▶ **1/12/2015**

Print your name ▶ **Neal A. Lewis** Title ▶ **Senior Vice President, Taxation**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.