



***Fixed Income Supplemental Presentation  
March 31, 2021***

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**Note to Readers:**

The information presented herein is excerpted from Piedmont Office Realty Trust, Inc.'s Quarterly Supplemental Information (the "Supplemental") dated March 31, 2021. Please review Piedmont's Supplemental report dated March 31, 2021 for more complete details, including a discussion of important risks related to the business of Piedmont Office Realty Trust, Inc., as well as an investment in its securities, including risks that could cause actual results and events to differ materially from results and events referred to in the forward-looking information. Considering these risks, uncertainties, assumptions, and limitations, the forward-looking statements about leasing, financial operations, leasing prospects, acquisitions, dispositions, etc. contained in this presentation may differ from actual results. Please also refer to Piedmont's Supplemental report dated March 31, 2021 for definitions and reconciliations of non-GAAP measures to their most comparable GAAP metric.

## Piedmont Office Realty Trust, Inc. Corporate Data

Piedmont Office Realty Trust, Inc. (also referred to herein as "Piedmont" or the "Company") (NYSE: PDM) is an owner, manager, developer, redeveloper and operator of high-quality, Class A office properties in select submarkets located primarily within seven major Eastern U.S. office markets, with over half of its revenue generated from the Sunbelt. Its geographically-diversified, approximately \$5 billion portfolio is comprised of approximately 17 million square feet (as of the date of release of this report). The Company is a fully-integrated, self-managed real estate investment trust ("REIT") with local management offices in each of its markets and is investment-grade rated by Standard & Poor's and Moody's. At the end of the first quarter of 2021, approximately 74% of the Company's portfolio was Energy Star certified and approximately 43% was LEED certified. Piedmont is headquartered in Atlanta, GA.

This data supplements the information provided in our reports filed with the Securities and Exchange Commission and should be reviewed in conjunction with such filings.

	As of March 31, 2021	As of December 31, 2020
Number of consolidated in-service office properties <sup>(1)</sup>	54	54
Rentable square footage (in thousands) <sup>(1)</sup>	16,434	16,428
Percent leased <sup>(2)</sup>	86.0 %	86.8 %
Capitalization (in thousands):		
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,671,425	\$1,632,610
Equity market capitalization <sup>(3)</sup>	\$2,154,384	\$2,009,914
Total market capitalization <sup>(3)</sup>	\$3,825,809	\$3,642,524
Total debt / Total market capitalization <sup>(3)</sup>	43.7 %	44.8 %
Average net debt to Core EBITDA	5.6 x	5.8 x
Total debt / Total gross assets	34.9 %	34.4 %
Common stock data:		
High closing price during quarter	\$18.56	\$16.95
Low closing price during quarter	\$15.18	\$11.42
Closing price of common stock at period end	\$17.37	\$16.23
Weighted average fully diluted shares outstanding during quarter (in thousands)	124,450	125,544
Shares of common stock issued and outstanding at period end (in thousands)	124,029	123,839
Annual regular dividend per share <sup>(4)</sup>	\$0.84	\$0.84
<b>Rating / Outlook:</b>		
<b>Standard &amp; Poor's</b>	<b>BBB / Stable</b>	<b>BBB / Stable</b>
<b>Moody's</b>	<b>Baa2 / Stable</b>	<b>Baa2 / Stable</b>
Employees	131	137

(1) As of March 31, 2021, our consolidated office portfolio consisted of 54 properties (exclusive of one 127,000 square foot property that was out of service for redevelopment, 222 South Orange Avenue in Orlando, FL).

(2) Calculated as square footage associated with commenced leases plus square footage associated with executed but uncommenced leases for vacant spaces at our in-service properties, divided by total rentable in-service square footage, all as of the relevant date, expressed as a percentage.

(3) Reflects common stock closing price, shares outstanding and outstanding debt as of the end of the reporting period, as appropriate.

(4) Total of the regular dividends per share for which record dates occurred over the prior four quarters.

**Piedmont Office Realty Trust, Inc.**  
**Financial Highlights**  
**As of March 31, 2021**

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**Financial Results**

Net income applicable to Piedmont for the quarter ended March 31, 2021 was \$9.3 million, or \$0.08 per share (diluted), compared to \$8.7 million, or \$0.07 per share (diluted), for the same quarter in 2020.

Core funds from operations (Core FFO) for the quarter ended March 31, 2021 was \$60.1 million, or \$0.48 per share (diluted), compared to \$59.9 million, or \$0.47 per share (diluted), for the same quarter in 2020.

**Operations and Leasing**

As of March 31, 2021, Piedmont had 54 in-service office properties located primarily in select submarkets within seven major office markets in the eastern portion of the United States, with over half of our revenue coming from the Sunbelt. On a square footage leased basis, our total in-service office portfolio was 86.0% leased as of March 31, 2021, as compared to 86.8% at December 31, 2020.

As a result of our diversification, limited exposure to the sectors of the economy most impacted by the pandemic and strong tenant credit profile, our collections have returned to near pre-pandemic levels. To date, of the approximately 1,000 leases in our portfolio, we have entered into rent relief agreements with approximately 70 tenants predominately with tenants operating in the retail, hospitality, travel, consulting and co-working sectors. Of the rent deferrals granted to tenants as a result of COVID-19, only approximately \$3.3 million in deferred rent remains to be repaid as of March 31, 2021.

The weighted average remaining lease term of our in-service portfolio was 6.0 years as of March 31, 2021 as compared to 6.1 years as of December 31, 2020.

During the three months ended March 31, 2021, the Company completed approximately 678,000 square feet of leasing activity. Of the total leasing activity completed during the quarter, we signed new tenant leases for approximately 154,000 square feet.

**Financing and Capital Activity**

*Dispositions*

There were no dispositions completed during the quarter ended March 31, 2021.

*Acquisitions*

There were no acquisitions completed during the quarter ended March 31, 2021.

*Development / Redevelopment*

During the fourth quarter of 2019, Piedmont commenced an approximately \$18.5 million redevelopment of 200 South Orange Avenue in Orlando, FL. The project will allow the Company to reposition the property, creating a premier environment for downtown office tenants. The redevelopment plan includes a redesigned lobby and entry experience, an energized outdoor park, the addition of new food and beverage options, an upgraded conference center, a tenant lounge, and a new crown lighting system. As of March 31, 2021, the project is near completion and remains on budget.

*Finance*

As of March 31, 2021, our ratio of total debt to total gross assets was 34.9%, and the same measure at December 31, 2020 was 34.4%. This debt ratio is based on total principal amount outstanding for our various loans as of the relevant measurement date.

As of March 31, 2021, our average net debt to Core EBITDA ratio was 5.6 x, compared to 5.8 x as of December 31, 2020.

**Other**

Piedmont has been recognized by the U.S. Environmental Protection Agency and the U.S. Department of Energy as a 2021 Energy Star Partner of the Year. Each year, the Energy Star program honors a group of businesses and organizations that have made outstanding contributions to protecting the environment through superior energy achievements. Energy Star award winners lead their industries in the production, sale, and adoption of energy-efficient products, services, and strategies. Piedmont is honored to have been selected as a leader in real estate sustainability, which benefits our tenants and shareholders by lowering operating expenses as well as reducing our portfolio's (and tenants') carbon footprint.

**Piedmont Office Realty Trust, Inc.**  
**Capitalization Analysis**  
*Unaudited (in thousands except for per share data)*

	As of March 31, 2021	As of December 31, 2020
<b>Market Capitalization</b>		
Common stock price	\$17.37	\$16.23
Total shares outstanding	124,029	123,839
Equity market capitalization <sup>(1)</sup>	\$2,154,384	\$2,009,914
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,671,425	\$1,632,610
Total market capitalization <sup>(1)</sup>	\$3,825,809	\$3,642,524
Total debt / Total market capitalization <sup>(1)</sup>	43.7 %	44.8 %
<b>Ratios &amp; Information for Debt Holders</b>		
Total gross assets <sup>(2)</sup>	\$4,785,848	\$4,747,821
Total debt / Total gross assets <sup>(2)</sup>	34.9 %	34.4 %
Average net debt to Core EBITDA <sup>(3)</sup>	5.6 x	5.8 x

(1) Reflects common stock closing price, shares outstanding, and outstanding debt as of the end of the reporting period, as appropriate.

(2) Total gross assets is defined as total assets with the add-back of accumulated depreciation and accumulated amortization related to real estate assets and accumulated amortization related to deferred lease costs.

(3) For the purposes of this calculation, we annualize the Core EBITDA for the quarter and use the average daily balance of debt outstanding during the quarter, less cash and cash equivalents and escrow deposits and restricted cash as of the end of the quarter.

**Piedmont Office Realty Trust, Inc.**  
**Debt Covenant & Ratio Analysis**  
**As of March 31, 2021**  
**Unaudited**

Bank Debt Covenant Compliance <sup>(1)</sup>	Required	Three Months Ended				
		3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Maximum leverage ratio	0.60	0.36	0.35	0.35	0.34	0.38
Minimum fixed charge coverage ratio <sup>(2)</sup>	1.50	4.96	4.71	4.54	4.32	4.14
Maximum secured indebtedness ratio	0.40	0.01	0.01	0.01	0.01	0.04
Minimum unencumbered leverage ratio	1.60	2.72	2.77	2.85	2.91	2.71
Minimum unencumbered interest coverage ratio <sup>(3)</sup>	1.75	5.44	5.26	5.13	4.92	4.74

Bond Covenant Compliance <sup>(4)</sup>	Required	Three Months Ended				
		3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Total debt to total assets	60% or less	41.1%	40.6%	40.3%	40.5%	46.0%
Secured debt to total assets	40% or less	0.7%	0.7%	0.7%	0.7%	4.5%
Ratio of consolidated EBITDA to interest expense	1.50 or greater	5.93	5.66	5.52	5.15	4.88
Unencumbered assets to unsecured debt	150% or greater	243%	247%	249%	248%	224%

Other Debt Coverage Ratios for Debt Holders	Three Months Ended	Twelve Months Ended
	March 31, 2021	December 31, 2020
Average net debt to core EBITDA <sup>(5)</sup>	5.6 x	5.8 x
Fixed charge coverage ratio <sup>(6)</sup>	5.4 x	5.2 x
Interest coverage ratio <sup>(7)</sup>	5.4 x	5.3 x

(1) Bank debt covenant compliance calculations relate to specific calculations detailed in the relevant credit agreements.

(2) Defined as EBITDA for the trailing four quarters (including the Company's share of EBITDA from unconsolidated interests), excluding one-time or non-recurring gains or losses, less a \$0.15 per square foot capital reserve, and excluding the impact of straight line rent leveling adjustments and amortization of intangibles divided by the Company's share of fixed charges, as more particularly described in the credit agreements. This definition of fixed charge coverage ratio as prescribed by our credit agreements is different from the fixed charge coverage ratio definition employed elsewhere within this report.

(3) Defined as net operating income for the trailing four quarters for unencumbered assets (including the Company's share of net operating income from partially-owned entities and subsidiaries that are deemed to be unencumbered) less a \$0.15 per square foot capital reserve divided by the Company's share of interest expense associated with unsecured financings only, as more particularly described in the credit agreements.

(4) Bond covenant compliance calculations relate to specific calculations prescribed in the relevant debt agreements. Please refer to the Indenture dated May 9, 2013, the Indenture and the First Supplemental Indenture dated March 6, 2014, and the Second Supplemental Indenture dated August 12, 2020, for detailed information about the calculations.

(5) For the purposes of this calculation, we use the average daily balance of debt outstanding during the period, less cash and cash equivalents and escrow deposits and restricted cash as of the end of the period.

(6) Fixed charge coverage ratio is calculated as Core EBITDA divided by the sum of interest expense, principal amortization, capitalized interest and preferred dividends. The Company had no preferred dividends during the periods ended March 31, 2021 and December 31, 2020. The Company had capitalized interest of \$812,649 for the three months ended March 31, 2021 and \$965,142 for the twelve months ended December 31, 2020. The Company had principal amortization of \$185,368 for the three months ended March 31, 2021 and \$1,076,993 for the twelve months ended December 31, 2020.

(7) Interest coverage ratio is calculated as Core EBITDA divided by the sum of interest expense and capitalized interest. The Company had capitalized interest of \$812,649 for the three months ended March 31, 2021 and \$965,142 for the twelve months ended December 31, 2020.

**Piedmont Office Realty Trust, Inc.**

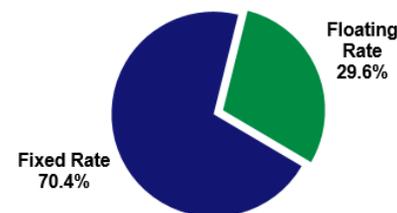
**Debt Summary**

**As of March 31, 2021**

**Unaudited (\$ in thousands)**

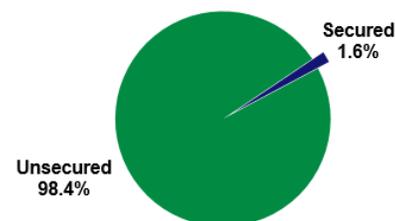
**Floating Rate & Fixed Rate Debt**

Debt <sup>(1)</sup>	Principal Amount Outstanding	Weighted Average Stated Interest Rate <sup>(2)</sup>	Weighted Average Maturity
Floating Rate	\$494,000 <sup>(3)</sup>	1.09%	22.1 months
Fixed Rate	1,177,425	3.76%	52.7 months
<b>Total</b>	<b>\$1,671,425</b>	<b>2.97%</b>	<b>43.7 months</b>



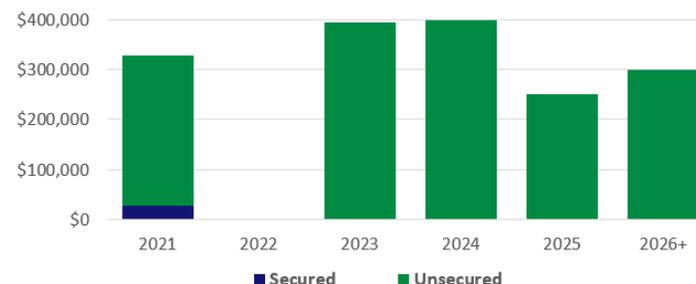
**Unsecured & Secured Debt**

Debt <sup>(1)</sup>	Principal Amount Outstanding	Weighted Average Stated Interest Rate <sup>(2)</sup>	Weighted Average Maturity
Unsecured	\$1,644,000	2.92%	44.3 months
Secured	27,425	5.55%	5.1 months
<b>Total</b>	<b>\$1,671,425</b>	<b>2.97%</b>	<b>43.7 months</b>



**Debt Maturities <sup>(4)</sup>**

Maturity Year	Secured Debt - Principal Amount Outstanding <sup>(1)</sup>	Unsecured Debt - Principal Amount Outstanding <sup>(1)</sup>	Weighted Average Stated Interest Rate <sup>(2)</sup>	Percentage of Total
2021	\$27,425	\$300,000	1.48%	19.6%
2022	—	—	N/A	—%
2023	—	394,000	3.13%	23.6%
2024	—	400,000	4.45%	23.9%
2025	—	250,000	2.06%	15.0%
2026 +	—	300,000	3.15%	17.9%
<b>Total</b>	<b>\$27,425</b>	<b>\$1,644,000</b>	<b>2.97%</b>	<b>100.0%</b>



(1) All of Piedmont's outstanding debt as of March 31, 2021 was interest-only debt with the exception of the \$27.4 million mortgage associated with 5 Wall Street located in Burlington, MA.

(2) Weighted average stated interest rate is calculated based upon the principal amounts outstanding.

(3) The amount of floating rate debt is comprised of the \$44 million outstanding balance as of March 31, 2021 on the \$500 million unsecured revolving credit facility, \$150 million in principal amount of the \$250 million unsecured term loan that closed in 2018 that remained unhedged as of March 31, 2021, and the entire principal balance of the \$300 million unsecured term loan that closed in 2011. The \$250 million unsecured term loan that closed in 2018 has a stated variable rate. However, Piedmont entered into \$100 million in notional amount of seven-year interest rate swap agreements resulting in an effectively fixed interest rate for \$100 million in principal amount of the term loan (at 3.56% as of March 31, 2021; this rate can change only with a credit rating change for the Company) through the loan's maturity date of March 31, 2025. Additional details regarding the floating rate debt can be found on the following page.

(4) For loans which provide extension options that are conditional solely upon the Company providing proper notice to the loan's administrative agent and the payment of an extension fee, the final extended maturity date is reflected herein.

**Piedmont Office Realty Trust, Inc.**

**Debt Detail**

*Unaudited (\$ in thousands)*

Facility <sup>(1)</sup>	Property	Stated Rate	Maturity	Principal Amount Outstanding as of March 31, 2021
<b>Secured</b>				
\$35.0 Million Fixed-Rate Loan <sup>(2)</sup>	5 Wall Street	5.55 % <sup>(3)</sup>	9/1/2021	\$ 27,425
<b>Subtotal / Weighted Average <sup>(4)</sup></b>		<b>5.55 %</b>		<b>\$ 27,425</b>
<b>Unsecured</b>				
\$300.0 Million Unsecured 2011 Term Loan	N/A	1.11 % <sup>(5)</sup>	11/30/2021	\$ 300,000
\$350.0 Million Unsecured 2013 Senior Notes	N/A	3.40 % <sup>(6)</sup>	6/1/2023	350,000
\$500.0 Million Unsecured Line of Credit <sup>(7)</sup>	N/A	1.01 % <sup>(8)</sup>	9/29/2023	44,000
\$400.0 Million Unsecured 2014 Senior Notes	N/A	4.45 % <sup>(9)</sup>	3/15/2024	400,000
\$250.0 Million Unsecured 2018 Term Loan	N/A	2.06 % <sup>(10)</sup>	3/31/2025	250,000
\$300.0 Million Unsecured 2020 Senior Notes	N/A	3.15 % <sup>(11)</sup>	8/15/2030	300,000
<b>Subtotal / Weighted Average <sup>(4)</sup></b>		<b>2.92 %</b>		<b>\$ 1,644,000</b>
<b>Total Debt - Principal Amount Outstanding / Weighted Average Stated Rate <sup>(4)</sup></b>		<b>2.97 %</b>		<b>\$ 1,671,425</b>
GAAP Accounting Adjustments <sup>(12)</sup>				(9,978)
<b>Total Debt - GAAP Amount Outstanding</b>				<b>\$ 1,661,447</b>

(1) All of Piedmont's outstanding debt as of March 31, 2021, was interest-only debt with the exception of the \$27.4 million mortgage associated with 5 Wall Street located in Burlington, MA.

(2) The loan is amortizing based on a 25-year amortization schedule.

(3) The loan has a stated interest rate of 5.55%; however, upon acquiring 5 Wall Street and assuming the loan, the Company marked the debt to its estimated fair value as of that time, resulting in an effective interest rate of 3.75%.

(4) Weighted average is based on the principal amounts outstanding and interest rates at March 31, 2021.

(5) The \$300 million unsecured 2011 term loan has a variable interest rate. Piedmont may select from multiple interest rate options, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (1.00% as of March 31, 2021) based on Piedmont's then current credit rating.

(6) The \$350 million unsecured senior notes were offered for sale at 99.601% of the principal amount. The resulting effective cost of the financing is approximately 3.45% before the consideration of transaction costs and proceeds from interest rate hedges. After the application of proceeds from interest rate hedges, the effective cost of the financing is approximately 3.43%.

(7) All of Piedmont's outstanding debt as of March 31, 2021, was term debt with the exception of \$44 million outstanding on our unsecured revolving credit facility. The \$500 million unsecured revolving credit facility has an initial maturity date of September 30, 2022; however, there are two, six-month extension options available under the facility providing for a total extension of up to one year to September 29, 2023. The final extended maturity date is presented on this schedule.

(8) The interest rate presented for the \$500 million unsecured revolving credit facility is the weighted average interest rate for all outstanding draws as of March 31, 2021. Piedmont may select from multiple interest rate options with each draw under the facility, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (0.90% as of March 31, 2021) based on Piedmont's then current credit rating.

(9) The \$400 million unsecured senior notes were offered for sale at 99.791% of the principal amount. The resulting effective cost of the financing is approximately 4.48% before the consideration of transaction costs and proceeds from interest rate hedges. After the application of proceeds from interest rate hedges, the effective cost of the financing is approximately 4.10%.

(10) The \$250 million unsecured term loan that closed in 2018 has a stated variable interest rate; however, Piedmont entered into \$100 million in notional amount of seven-year interest rate swap agreements that effectively fixed the interest rate on \$100 million of the term loan (at 3.56% as of March 31, 2021; this rate can change only with a credit rating change for the Company) through the loan's maturity date of March 31, 2025. For the portion of the loan that continues to have a variable interest rate, Piedmont may select from multiple interest rate options, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (0.95% as of March 31, 2021) based on Piedmont's then current credit rating.

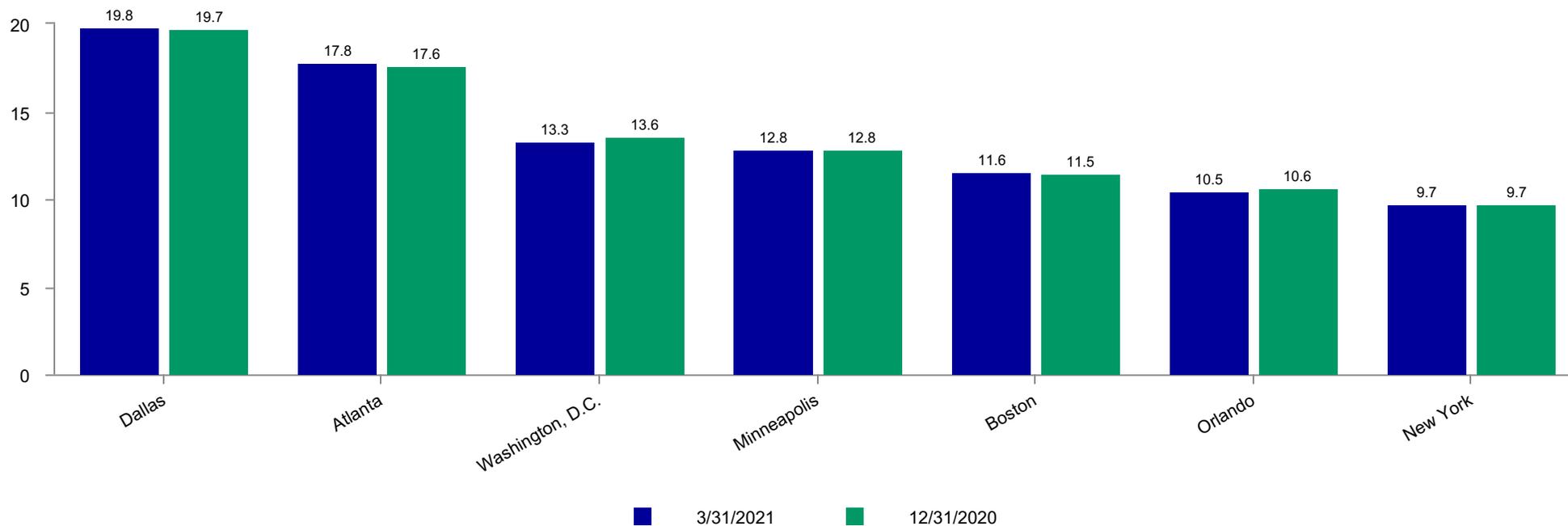
(11) The \$300 million unsecured senior notes were offered for sale at 99.236% of the principal amount. The resulting effective cost of the financing is approximately 3.24% before the consideration of transaction costs and the impact of interest rate hedges. After incorporating the results of the related interest rate hedging activity, the effective cost of the financing is approximately 3.90%.

(12) The GAAP accounting adjustments relate to original issue discounts, third-party fees, and lender fees resulting from the procurement processes for our various debt facilities, along with debt fair value adjustments associated with the assumed 5 Wall Street debt. The original issue discounts and fees, along with the debt fair value adjustments, are amortized to interest expense over the contractual term of the related debt.

**Piedmont Office Realty Trust, Inc.**  
**Geographic Diversification**  
**As of March 31, 2021**  
*(\$ and square footage in thousands)*

Location	Number of Properties	Annualized Lease Revenue	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)	Leased Square Footage	Percent Leased (%)
Dallas	13	\$102,295	19.8	3,550	21.6	2,984	84.1
Atlanta	9	91,745	17.8	3,393	20.6	2,871	84.6
Washington, D.C.	6	68,336	13.3	1,620	9.8	1,320	81.5
Minneapolis	6	65,849	12.8	2,104	12.8	1,947	92.5
Boston	10	59,586	11.6	1,885	11.5	1,720	91.2
Orlando	6	54,028	10.5	1,754	10.7	1,619	92.3
New York	1	49,802	9.7	1,029	6.3	950	92.3
Other	3	23,506	4.5	1,099	6.7	726	66.1
<b>Total / Weighted Average</b>	<b>54</b>	<b>\$515,147</b>	<b>100.0</b>	<b>16,434</b>	<b>100.0</b>	<b>14,137</b>	<b>86.0</b>

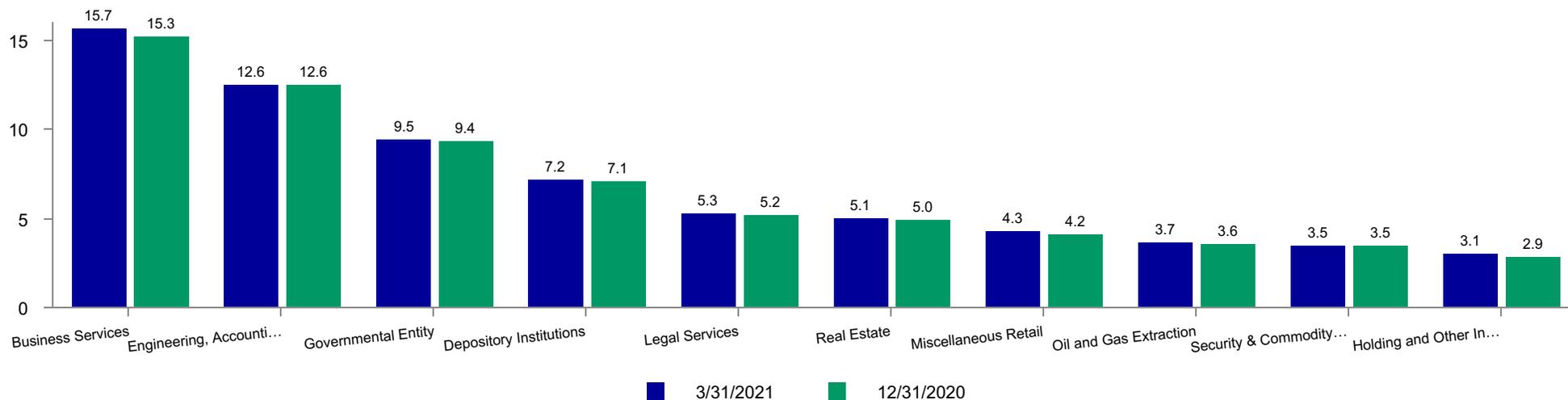
**Percentage of Annualized Lease Revenue (%)**



**Piedmont Office Realty Trust, Inc.**  
**Industry Diversification**  
**As of March 31, 2021**  
*(\$ and square footage in thousands)*

Industry	Number of Tenants	Percentage of Total Tenants (%)	Annualized Lease Revenue	Percentage of Annualized Lease Revenue (%)	Leased Square Footage	Percentage of Leased Square Footage (%)
Business Services	93	13.2	\$80,962	15.7	2,289	16.2
Engineering, Accounting, Research, Management & Related Services	108	15.3	65,051	12.6	1,736	12.3
Governmental Entity	6	0.8	48,822	9.5	970	6.9
Depository Institutions	17	2.4	37,339	7.2	1,013	7.2
Legal Services	68	9.6	27,328	5.3	766	5.4
Real Estate	40	5.7	26,179	5.1	763	5.4
Miscellaneous Retail	9	1.3	21,952	4.3	590	4.2
Oil and Gas Extraction	5	0.7	18,850	3.7	562	4.0
Security & Commodity Brokers, Dealers, Exchanges & Services	50	7.1	18,160	3.5	505	3.6
Holding and Other Investment Offices	30	4.2	15,952	3.1	430	3.0
Health Services	23	3.3	14,507	2.8	386	2.7
Educational Services	6	0.8	13,543	2.6	257	1.8
Measuring, Analyzing, And Controlling Instruments; Medical and Other Goods	5	0.7	12,300	2.4	587	4.2
Communications	45	6.4	11,394	2.2	266	1.9
Insurance Carriers	16	2.3	9,738	1.9	288	2.0
Other	185	26.2	93,070	18.1	2,729	19.2
<b>Total</b>	<b>706</b>	<b>100.0</b>	<b>\$515,147</b>	<b>100.0</b>	<b>14,137</b>	<b>100.0</b>

**Percentage of Annualized Lease Revenue (%)**



# **Appendix**

### **Definitions of Non-GAAP Financial Measures**

Core EBITDA: The Company calculates Core EBITDA as net income (computed in accordance with GAAP) before interest, taxes, depreciation and amortization and incrementally removing any impairment losses, gains or losses from sales of property and other significant infrequent items that create volatility within our earnings and make it difficult to determine the earnings generated by our core ongoing business. Core EBITDA is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that Core EBITDA is helpful to investors as a supplemental performance measure because it provides a metric for understanding the performance of the Company's results from ongoing operations without taking into account the effects of non-cash expenses (such as depreciation and amortization), as well as items that are not part of normal day-to-day operations of the Company's business. Other REITs may not define Core EBITDA in the same manner as the Company; therefore, the Company's computation of Core EBITDA may not be comparable to that of other REITs.

Gross Assets: Gross Assets is defined as total assets with the add-back of accumulated depreciation and accumulated amortization related to real estate assets and accumulated amortization related to deferred lease costs.

### **Definitions of Other Terms**

Annualized Lease Revenue ("ALR"): ALR is calculated by multiplying (i) rental payments (defined as base rent plus operating expense reimbursements, if payable by the tenant on a monthly basis under the terms of a lease that has been executed, but excluding a) rental abatements and b) rental payments related to executed but not commenced leases for space that was covered by an existing lease), by (ii) 12. In instances in which contractual rents or operating expense reimbursements are collected on an annual, semi-annual, or quarterly basis, such amounts are multiplied by a factor of 1, 2, or 4, respectively, to calculate the annualized figure. For leases that have been executed but not commenced relating to un-leased space, ALR is calculated by multiplying (i) the monthly base rental payment (excluding abatements) plus any operating expense reimbursements for the initial month of the lease term, by (ii) 12. Unless stated otherwise, this measure excludes revenues associated with development properties and properties taken out of service for redevelopment, if any.

### **Contacts**

#### **Robert E. Bowers**

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**Piedmont Office Realty Trust, Inc.**  
**Consolidated Balance Sheets**  
*Unaudited (in thousands)*

	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
<b>Assets:</b>					
Real estate, at cost:					
Land assets	\$ 484,467	\$ 484,466	\$ 505,228	\$ 505,228	\$ 505,234
Buildings and improvements	3,239,199	3,191,767	3,283,980	3,258,713	3,249,947
Buildings and improvements, accumulated depreciation	(793,064)	(767,542)	(803,160)	(776,870)	(755,152)
Intangible lease asset	155,634	158,444	161,870	164,145	167,972
Intangible lease asset, accumulated amortization	(72,475)	(67,850)	(63,353)	(58,148)	(52,538)
Construction in progress	47,498	56,749	56,393	51,045	42,028
Real estate assets held for sale, gross	—	—	—	—	233,951
Real estate assets held for sale, accumulated depreciation & amortization	—	—	—	—	(96,164)
<b>Total real estate assets</b>	<b>3,061,259</b>	<b>3,056,034</b>	<b>3,140,958</b>	<b>3,144,113</b>	<b>3,295,278</b>
Cash and cash equivalents	10,689	7,331	23,958	36,469	7,920
Tenant receivables, net of allowance for doubtful accounts	4,545	8,448	11,301	8,494	10,596
Straight line rent receivable	156,257	151,153	154,620	147,418	139,617
Notes receivable	118,500	118,500	—	—	—
Escrow deposits and restricted cash	1,741	1,883	1,781	1,769	1,758
Prepaid expenses and other assets	22,647	23,277	28,074	33,017	23,933
Goodwill	98,918	98,918	98,918	98,918	98,918
Deferred lease costs, gross	445,753	446,885	463,447	459,398	463,760
Deferred lease costs, accumulated amortization	(182,435)	(172,619)	(169,975)	(159,883)	(148,972)
Other assets held for sale, gross	—	—	—	—	63,524
Other assets held for sale, accumulated amortization	—	—	—	—	(35,516)
<b>Total assets</b>	<b>\$ 3,737,874</b>	<b>\$ 3,739,810</b>	<b>\$ 3,753,082</b>	<b>\$ 3,769,713</b>	<b>\$ 3,920,816</b>
<b>Liabilities:</b>					
Unsecured debt, net of discount	\$ 1,633,819	\$ 1,594,068	\$ 1,588,411	\$ 1,592,693	\$ 1,743,905
Secured debt	27,628	27,936	28,424	28,784	188,779
Accounts payable, accrued expenses, and accrued capital expenditures	92,183	137,680	120,763	95,419	90,459
Deferred income	56,638	36,891	36,613	35,226	35,443
Intangible lease liabilities, less accumulated amortization	32,607	35,440	38,324	41,179	44,646
Interest rate swaps	7,654	9,834	10,618	28,575	26,709
Other liabilities held for sale	—	—	—	—	7,158
<b>Total liabilities</b>	<b>\$ 1,850,529</b>	<b>\$ 1,841,849</b>	<b>\$ 1,823,153</b>	<b>\$ 1,821,876</b>	<b>\$ 2,137,099</b>
<b>Stockholders' equity:</b>					
Common stock	1,240	1,238	1,260	1,260	1,259
Additional paid in capital	3,697,801	3,693,996	3,692,634	3,691,377	3,690,821
Cumulative distributions in excess of earnings	(1,791,558)	(1,774,856)	(1,740,670)	(1,723,147)	(1,889,109)
Other comprehensive loss	(21,813)	(24,100)	(24,993)	(23,360)	(20,976)
<b>Piedmont stockholders' equity</b>	<b>1,885,670</b>	<b>1,896,278</b>	<b>1,928,231</b>	<b>1,946,130</b>	<b>1,781,995</b>
Non-controlling interest	1,675	1,683	1,698	1,707	1,722
<b>Total stockholders' equity</b>	<b>1,887,345</b>	<b>1,897,961</b>	<b>1,929,929</b>	<b>1,947,837</b>	<b>1,783,717</b>
<b>Total liabilities, redeemable common stock and stockholders' equity</b>	<b>\$ 3,737,874</b>	<b>\$ 3,739,810</b>	<b>\$ 3,753,082</b>	<b>\$ 3,769,713</b>	<b>\$ 3,920,816</b>
<i>Common stock outstanding at end of period</i>	<i>124,029</i>	<i>123,839</i>	<i>126,029</i>	<i>126,025</i>	<i>125,921</i>

**Piedmont Office Realty Trust, Inc.**  
**Reconciliation of Core EBITDA to Net Income**  
*Unaudited (in thousands)*

	Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
<b>Net income attributable to Piedmont</b>	<b>\$ 9,344</b>	<b>\$ 22,609</b>	<b>\$ 8,943</b>	<b>\$ 192,427</b>	<b>\$ 8,709</b>
Net income / (loss) attributable to noncontrolling interest	(1)	(1)	(3)	(1)	2
Interest expense	12,580	13,048	12,725	13,953	15,264
Depreciation	28,094	27,228	28,247	27,192	27,876
Amortization	22,900	22,312	22,976	24,336	23,618
Depreciation and amortization attributable to noncontrolling interests	21	20	22	21	21
Loss / (gain) on sale of properties	—	(14,634)	340	(191,369)	(3)
<b>EBITDAre</b>	<b>72,938</b>	<b>70,582</b>	<b>73,250</b>	<b>66,559</b>	<b>75,487</b>
(Gain) / loss on extinguishment of debt	—	—	—	9,336	—
<b>Core EBITDA</b>	<b>72,938</b>	<b>70,582</b>	<b>73,250</b>	<b>75,895</b>	<b>75,487</b>