



***Fixed Income Supplemental Presentation
June 30, 2022***

Corporate Headquarters

5565 Glenridge Connector, Suite 450
Atlanta, GA 30342
Telephone: 770.418.8800

Institutional Analyst Contact

Telephone: 770.418.8592
research.analysts@piedmontreit.com

Investor Relations

Telephone: 866.354.3485
investor.services@piedmontreit.com
www.piedmontreit.com

Note to Readers:

The information presented herein is excerpted from Piedmont Office Realty Trust, Inc.'s Quarterly Supplemental Information (the "Supplemental") dated June 30, 2022. Please review Piedmont's Supplemental report dated June 30, 2022 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 June 30, 2022 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 located primarily in the Sunbelt. 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. The Company was designated an Energy Star Partner of the Year for both 2021 and 2022, and it was the only office REIT headquartered in the Southeast to receive those designations. At the end of the second quarter of 2022, approximately 84% of the Company's square footage was Energy Star certified and approximately 47% 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 June 30, 2022	As of December 31, 2021
Number of consolidated in-service office properties ⁽¹⁾	52	55
Rentable square footage (in thousands) ⁽¹⁾	16,129	17,051
Percent leased ⁽²⁾	87.0 %	85.5 %
Capitalization (in thousands):		
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,689,000	\$1,890,000
Equity market capitalization ⁽³⁾	\$1,618,883	\$2,262,150
Total market capitalization ⁽³⁾	\$3,307,883	\$4,152,150
Total debt / Total market capitalization ⁽³⁾	51.1 %	45.5 %
Average net debt to Core EBITDA - quarterly	5.5 x	6.0 x
Average net debt to Core EBITDA - trailing twelve months	5.7 x	5.7 x
Total debt / Total gross assets	34.6 %	37.1 %
Common stock data:		
High closing price during quarter	\$17.34	\$19.37
Low closing price during quarter	\$12.81	\$17.11
Closing price of common stock at period end	\$13.12	\$18.38
Weighted average fully diluted shares outstanding during quarter (in thousands)	123,679	124,412
Shares of common stock issued and outstanding at period end (in thousands)	123,390	123,077
Annual regular dividend per share ⁽⁴⁾	\$0.84	\$0.84
Rating / Outlook:		
Standard & Poor's	BBB / Stable	BBB / Stable
Moody's	Baa2 / Stable	Baa2 / Stable
Employees	137	134

(1) As of June 30, 2022, our consolidated office portfolio consisted of 52 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.

Quarterly Highlights

As of June 30, 2022

Financial Results:

- The Company recognized net income applicable to Piedmont of \$8.0 million, or \$0.06 per diluted share, for the quarter ended June 30, 2022, as compared to \$9.9 million, or \$0.08 per diluted share, for the quarter ended June 30, 2021.
- Core Funds From Operations ("Core FFO"), was \$0.50 per diluted share for the quarter ended June 30, 2022, compared to \$0.48 per diluted share for the quarter ended June 30, 2021.
- Same Store Net Operating Income ("Same Store NOI") increased 1.8% and 2.8% on a cash and accrual basis, respectively, for the quarter ended June 30, 2022 as compared to the quarter ended June 30, 2021.

Leasing:

- The Company completed approximately 724,000 square feet of leasing during the quarter ended June 30, 2022, including approximately 233,000 square feet related to new tenant leasing.
- The largest new tenant lease was with Kimley-Horn and Associates for approximately 61,000 square feet through 2034 at 200 South Orange Avenue in Orlando, FL.
- Renewal leasing completed during the quarter included an intermediate extension of US Bank's approximately 340,000 square feet at One and Two Meridian Crossings in Minneapolis through 2024, which is part of Piedmont's negotiation with US Bank on a longer term extension for the majority of their space in Minneapolis.
- Cash and accrual basis rents on leases executed during the quarter ended June 30, 2022 for space vacant one year or less increased approximately 3% and 12%, respectively.
- The portfolio increased to 87.0% leased as of June 30, 2022, from 85.5% as of December 31, 2021.
- The Company's scheduled lease expirations for the remainder of the year ending December 31, 2022 and the year ending December 31, 2023 are low, representing approximately 3% and 8%, respectively, of its annualized lease revenue.
- Excluding the one large renewal for US Bank mentioned above, the weighted average lease term for the over 50 leases executed during the second quarter was approximately 6.5 years.
- As of June 30, 2022, the Company had approximately 1.2 million square feet of executed leases for vacant space yet to commence or under rental abatement, representing approximately \$36 million of annual revenue.

Capital Markets:

- Piedmont entered into a binding contract to purchase 1180 Peachtree Street, an iconic, 41-story, Class AA office building located at the epicenter of Midtown Atlanta, GA, for a net purchase price of \$465 million, which includes the assumption of an existing \$197 million, 4.1% fixed rate mortgage maturing in 2028 secured by the property. The LEED Platinum, 95% leased building has over seven years of weighted-average lease term at roughly 20% below-market rents and provides tenants with a best-in-class amenity set along with unmatched views of the city of Atlanta across its full-glass façade. With this second skyline defining acquisition in the Midtown Atlanta submarket in the last twelve months, Piedmont will own 1.3 million square feet in this dynamic submarket and will be the largest office owner along Peachtree Street in Midtown. The transaction is expected to close during the third quarter of 2022 with an initial accrual-basis NOI yield of 6.3%. On an interim basis, the cash portion of the net purchase price will be funded primarily from the proceeds of a new \$200 million bridge loan described below; however, the Company anticipates using the net sales proceeds from the disposition of non-strategic assets over the next 12 months, including a 1031 Exchange of its Cambridge assets, to ultimately fund the acquisition.

Balance Sheet (including subsequent event):

- Amended and restated our \$500 million line of credit, increasing the capacity to \$600 million and pushing the final extended maturity out to 2027.
- The Company's net debt-to-Core EBITDA ratio for the second quarter of 2022 was 5.5 x on an annualized basis and 5.7 x on a trailing twelve month basis.
- The Company has no secured debt and its Debt-to-Gross Assets ratio was 34.6% as of June 30, 2022.
- On July 22, 2022, Piedmont entered into a \$200 million delayed-draw, unsecured, floating rate term loan facility initially bearing interest at Adjusted Term SOFR Rate (as defined in the term loan agreement) + 100 bps. The proceeds will be used to fund, on an interim basis, a majority of the cash portion of the 1180 Peachtree Street acquisition mentioned above, pending subsequent dispositions of assets intended to make the acquisition leverage neutral from a balance sheet perspective.

ESG and Operations:

- Piedmont was recognized as a 2022 ENERGY STAR® Partner of the Year, marking the second year in a row that the Company has achieved the designation.
- The Company was selected as a 2022 Green Lease Leader by the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance.
- Piedmont funded need-based scholarships at Howard University and Morehouse College.

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

	As of June 30, 2022	As of December 31, 2021
Market Capitalization		
Common stock price	\$13.12	\$18.38
Total shares outstanding	123,390	123,077
Equity market capitalization ⁽¹⁾	\$1,618,883	\$2,262,150
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,689,000	\$1,890,000
Total market capitalization ⁽¹⁾	\$3,307,883	\$4,152,150
Total debt / Total market capitalization ⁽¹⁾	51.1 %	45.5 %
Ratios & Information for Debt Holders		
Total gross assets ⁽²⁾	\$4,884,901	\$5,098,443
Total debt / Total gross assets ⁽²⁾	34.6 %	37.1 %
Average net debt to Core EBITDA - quarterly ⁽³⁾	5.5 x	6.0 x
Average net debt to Core EBITDA - trailing twelve months ⁽⁴⁾	5.7 x	5.7 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.

(4) For the purposes of this calculation, we use the sum of Core EBITDA for the trailing four quarters and the average daily balance of debt outstanding for the trailing four quarters, less the average of cash and cash equivalents and escrow deposits and restricted cash as of the end of each quarter in the trailing four quarter period.

Piedmont Office Realty Trust, Inc.
Debt Covenant & Ratio Analysis
As of June 30, 2022
Unaudited

Bank Debt Covenant Compliance ⁽¹⁾	Required	Three Months Ended				
		6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
Maximum leverage ratio	0.60	0.35	0.34	0.38	0.35	0.35
Minimum fixed charge coverage ratio ⁽²⁾	1.50	5.21	5.30	5.32	5.28	5.15
Maximum secured indebtedness ratio	0.40	—	—	—	—	—
Minimum unencumbered leverage ratio	1.60	2.87	2.84	2.49	2.74	2.74
Minimum unencumbered interest coverage ratio ⁽³⁾	1.75	5.26	5.28	5.36	5.49	5.48

Bond Covenant Compliance ⁽⁴⁾	Required	Three Months Ended				
		6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
Total debt to total assets	60% or less	40.9%	40.9%	43.5%	40.4%	40.8%
Secured debt to total assets	40% or less	—%	—%	—%	—%	—%
Ratio of consolidated EBITDA to interest expense	1.50 or greater	5.92	6.04	6.13	6.11	6.06
Unencumbered assets to unsecured debt	150% or greater	245%	244%	230%	248%	245%

Other Debt Coverage Ratios for Debt Holders	Three Months Ended	Six Months Ended	Twelve Months Ended
	June 30, 2022	June 30, 2022	December 31, 2021
Average net debt to core EBITDA ⁽⁵⁾	5.5 x	5.7 x	5.7 x
Fixed charge coverage ratio ⁽⁶⁾	5.1 x	5.1 x	5.4 x
Interest coverage ratio ⁽⁷⁾	5.1 x	5.1 x	5.4 x

(1) Bank debt covenant compliance calculations relate to the most restrictive of the 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, the Second Supplemental Indenture dated August 12, 2020, and the Third Supplemental Indenture dated September 20, 2021 for detailed information about the calculations.

(5) For the purposes of this calculation, we use the average daily balance of debt outstanding during the identified period, less the average of cash and cash equivalents and escrow deposits and restricted cash as of the end of each quarter in the relevant 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 June 30, 2022 and December 31, 2021. The Company had capitalized interest of \$1,117,131 for the three months ended June 30, 2022, \$2,080,481 for the six months ended June 30, 2022 and \$3,693,032 for the twelve months ended December 31, 2021. The Company had no principal amortization for the six months ended June 30, 2022, as it repaid its last remaining amortizing loan during the second quarter of 2021; the Company had principal amortization of \$372,455 for the twelve months ended December 31, 2021.

(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 \$1,117,131 for the three months ended June 30, 2022, \$2,080,481 for the six months ended June 30, 2022 and \$3,693,032 for the twelve months ended December 31, 2021.

Piedmont Office Realty Trust, Inc.

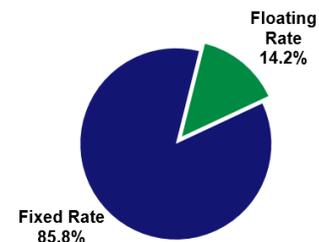
Debt Summary

As of June 30, 2022

Unaudited (\$ in thousands)

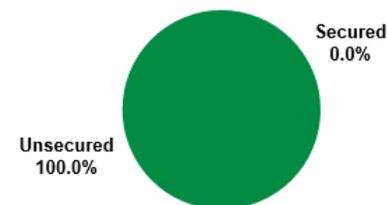
Floating Rate & Fixed Rate Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Floating Rate	\$239,000 ⁽³⁾	2.55%	43.1 months
Fixed Rate	1,450,000	3.51%	55.0 months
Total	\$1,689,000	3.38%	53.3 months



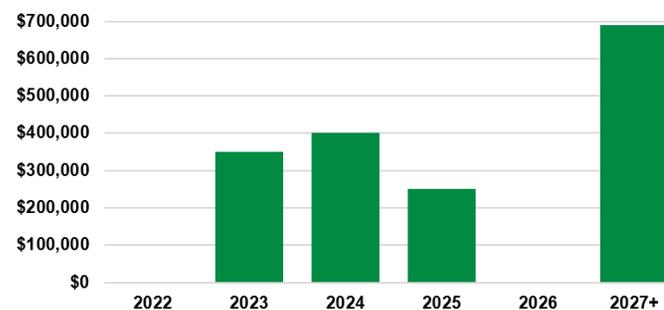
Unsecured & Secured Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Unsecured	\$1,689,000	3.38%	53.3 months
Secured	—	—%	N/A
Total	\$1,689,000	3.38%	53.3 months



Debt Maturities ⁽⁴⁾

Maturity Year	Unsecured Debt - Principal Amount Outstanding ⁽¹⁾	Weighted Average Stated Interest Rate ⁽²⁾	Percentage of Total
2022	—	N/A	—%
2023	350,000	3.40%	20.7%
2024	400,000	4.45%	23.7%
2025	250,000	2.98%	14.8%
2026	—	N/A	—%
2027 +	689,000	2.89%	40.8%
Total	\$1,689,000	3.38%	100.0%



(1) All of Piedmont's outstanding debt as of June 30, 2022, was unsecured, interest-only debt.

(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 \$89 million outstanding balance as of June 30, 2022 on the \$600 million unsecured revolving credit facility and \$150 million in principal amount of the \$250 million unsecured term loan that closed in 2018 that remained unhedged as of June 30, 2022.

(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 ⁽¹⁾	Stated Rate	Maturity	Principal Amount Outstanding as of June 30, 2022
\$350.0 Million Unsecured 2013 Senior Notes	3.40 % ⁽²⁾	6/1/2023	\$ 350,000
\$400.0 Million Unsecured 2014 Senior Notes	4.45 % ⁽³⁾	3/15/2024	400,000
\$250.0 Million Unsecured 2018 Term Loan	2.98 % ⁽⁴⁾	3/31/2025	250,000
\$600.0 Million Unsecured Line of Credit ⁽⁵⁾	2.45 % ⁽⁶⁾	6/30/2027	89,000
\$300.0 Million Unsecured 2020 Senior Notes	3.15 % ⁽⁷⁾	8/15/2030	300,000
\$300.0 Million Unsecured 2021 Senior Notes	2.75 % ⁽⁸⁾	4/1/2032	300,000
Total Debt - Principal Amount Outstanding / Weighted Average Stated Rate ⁽⁹⁾	3.38 %		\$ 1,689,000
GAAP Accounting Adjustments ⁽¹⁰⁾			(14,222)
Total Debt - GAAP Amount Outstanding			\$ 1,674,778

(1) All of Piedmont's outstanding debt as of June 30, 2022, was unsecured, interest-only debt.

(2) 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%.

(3) 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%.

(4) 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 June 30, 2022; 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 June 30, 2022) based on Piedmont's then current credit rating. As of June 30, 2022, the interest rate associated with the \$150 million variable portion of the loan was 2.60%.

(5) All of Piedmont's outstanding debt as of June 30, 2022, was term debt with the exception of \$89 million outstanding on our unsecured revolving credit facility. On June 14, 2022, Piedmont closed on a new \$600 million unsecured revolving credit facility that replaced the previous facility that had an initial maturity of September 30, 2022. The new facility has an initial maturity date of June 30, 2026; however, there are two, six-month extension options available under the facility providing for a total extension of up to one year to June 30, 2027. The final extended maturity date is presented on this schedule.

(6) The interest rate presented for the \$600 million unsecured revolving credit facility is the weighted average interest rate for all outstanding draws as of June 30, 2022. Piedmont may select from multiple interest rate options with each draw under the facility, including the prime rate and various SOFR rates. The all-in interest rate associated with each SOFR interest period selection is comprised of the relevant adjusted SOFR rate (comprised of the relevant base SOFR interest rate plus a fixed adjustment of 0.10%) plus a credit spread (0.85% as of June 30, 2022) based on Piedmont's then current credit rating.

(7) 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%.

(8) The \$300 million unsecured senior notes were offered for sale at 99.510% of the principal amount. The resulting effective cost of the financing is approximately 2.80% 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 2.78%.

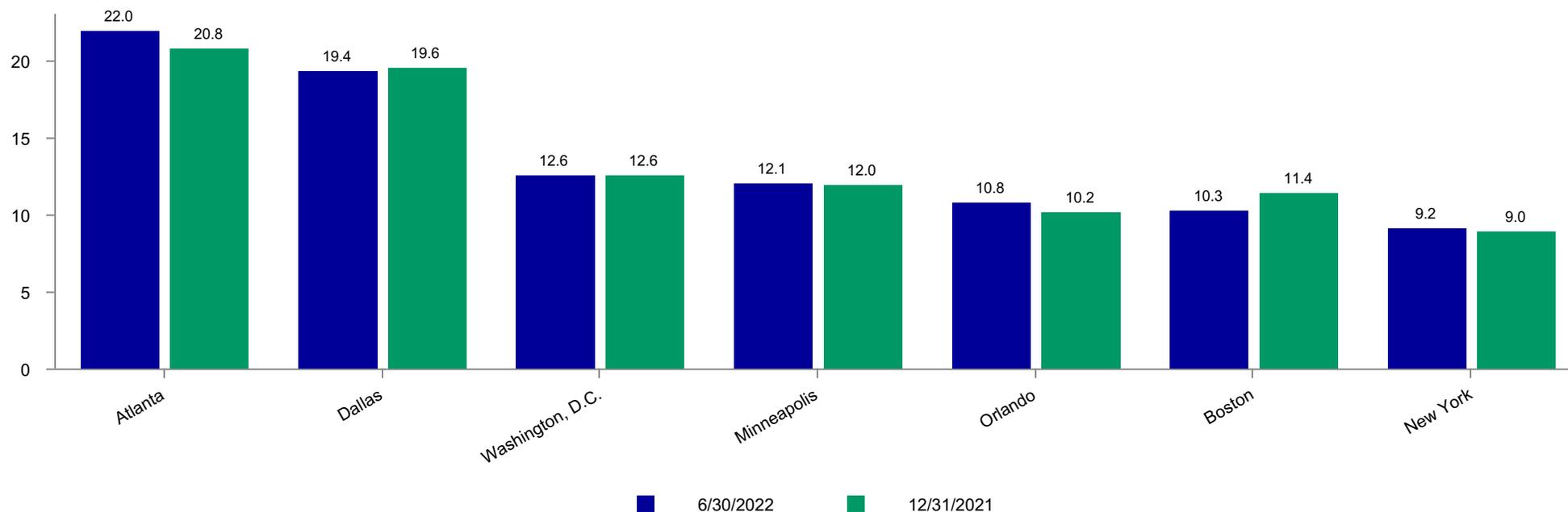
(9) Weighted average is based on the principal amounts outstanding and interest rates at June 30, 2022.

(10) 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. The original issue discounts and fees are amortized to interest expense over the contractual term of the related debt.

Piedmont Office Realty Trust, Inc.
Geographic Diversification
As of June 30, 2022
(\$ 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 (%)
Atlanta	10	\$117,097	22.0	4,021	24.9	3,406	84.7
Dallas	13	103,430	19.4	3,534	21.9	2,932	83.0
Washington, D.C.	6	66,760	12.6	1,620	10.0	1,292	79.8
Minneapolis	6	64,406	12.1	2,104	13.1	1,895	90.1
Orlando	6	57,351	10.8	1,764	10.9	1,693	96.0
Boston	8	54,966	10.3	1,443	9.0	1,328	92.0
New York	1	48,804	9.2	1,029	6.4	923	89.7
Other	2	18,979	3.6	614	3.8	560	91.2
Total / Weighted Average	52	\$531,793	100.0	16,129	100.0	14,029	87.0

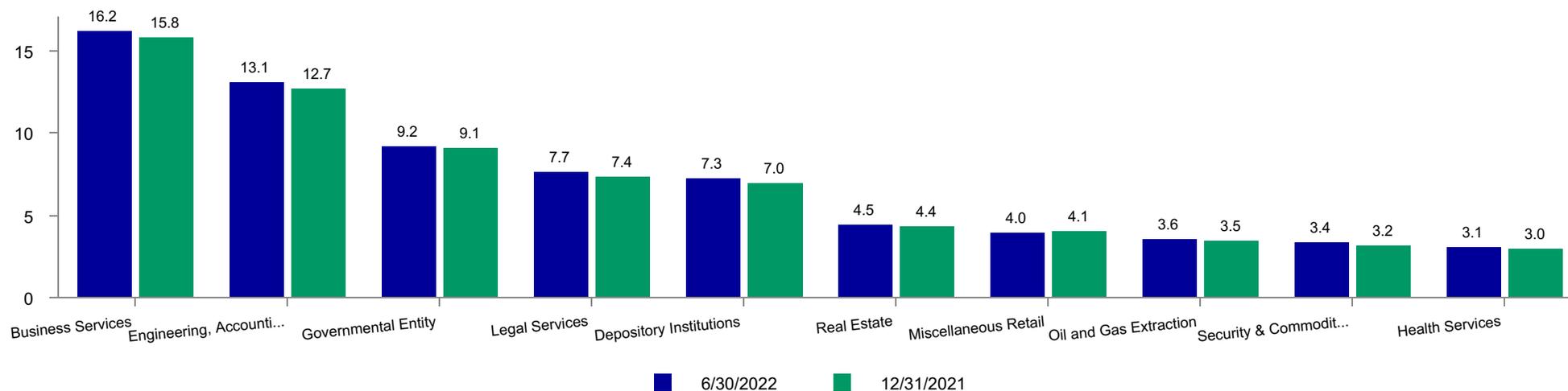
Percentage of Annualized Lease Revenue (%)



Piedmont Office Realty Trust, Inc.
Industry Diversification
As of June 30, 2022
(\$ 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	89	12.2	\$86,118	16.2	2,323	16.6
Engineering, Accounting, Research, Management & Related Services	101	13.8	69,825	13.1	1,826	13.0
Governmental Entity	6	0.8	49,013	9.2	958	6.8
Legal Services	80	10.9	41,091	7.7	1,104	7.9
Depository Institutions	19	2.6	38,669	7.3	1,030	7.3
Real Estate	45	6.2	24,064	4.5	755	5.4
Miscellaneous Retail	10	1.4	21,470	4.0	563	4.0
Oil and Gas Extraction	3	0.4	19,028	3.6	558	4.0
Security & Commodity Brokers, Dealers, Exchanges & Services	51	7.0	17,909	3.4	477	3.4
Health Services	32	4.4	16,348	3.1	426	3.0
Holding and Other Investment Offices	32	4.4	15,471	2.9	410	2.9
Educational Services	6	0.8	12,117	2.3	206	1.5
Insurance Agents, Brokers & Services	18	2.5	11,681	2.2	354	2.5
Membership Organizations	17	2.3	10,055	1.9	199	1.4
Automotive Repair, Services & Parking	7	1.0	9,608	1.8	4	—
Other	215	29.3	89,326	16.8	2,836	20.3
Total	731	100.0	\$531,793	100.0	14,029	100.0

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

Chief Financial and Administrative Officer

770.418.8800

robert.bowers@piedmontreit.com

Edward H. Guilbert, III

Executive Vice President, Finance and Treasurer

770.418.8800

eddie.guilbert@piedmontreit.com

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

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Assets:					
Real estate, at cost:					
Land assets	\$ 521,789	\$ 521,789	\$ 529,941	\$ 476,717	\$ 476,717
Buildings and improvements	3,389,650	3,351,807	3,374,903	3,259,369	3,203,286
Buildings and improvements, accumulated depreciation	(892,131)	(863,306)	(861,206)	(829,832)	(804,400)
Intangible lease asset	164,194	173,017	178,157	148,945	155,002
Intangible lease asset, accumulated amortization	(85,459)	(86,664)	(83,777)	(80,072)	(79,149)
Construction in progress	41,544	50,719	43,406	48,226	67,033
Real estate assets held for sale, gross	—	—	80,586	78,803	77,917
Real estate assets held for sale, accumulated depreciation & amortization	—	—	(16,699)	(16,699)	(16,699)
Total real estate assets	3,139,587	3,147,362	3,245,311	3,085,457	3,079,707
Cash and cash equivalents	6,397	7,211	7,419	8,189	8,122
Tenant receivables, net of allowance for doubtful accounts	5,164	3,095	2,995	8,678	6,530
Straight line rent receivable	168,797	164,776	162,632	159,871	156,912
Notes receivable	—	—	118,500	118,500	118,500
Escrow deposits and restricted cash	1,459	1,457	1,441	6,093	1,578
Prepaid expenses and other assets	26,955	21,318	20,485	24,915	29,469
Goodwill	98,918	98,918	98,918	98,918	98,918
Interest rate swap	996	—	—	—	—
Deferred lease costs, gross	459,038	466,234	469,671	437,020	441,488
Deferred lease costs, accumulated amortization	(211,757)	(210,731)	(205,100)	(195,255)	(191,045)
Other assets held for sale, gross	—	—	9,389	9,258	9,128
Other assets held for sale, accumulated amortization	—	—	(996)	(996)	(996)
Total assets	\$ 3,695,554	\$ 3,699,640	\$ 3,930,665	\$ 3,760,648	\$ 3,758,311
Liabilities:					
Unsecured debt, net of discount	\$ 1,674,778	\$ 1,669,553	\$ 1,877,790	\$ 1,665,101	\$ 1,666,570
Accounts payable, accrued expenses, and accrued capital expenditures	99,724	83,609	140,501	127,675	111,562
Deferred income	72,422	79,493	80,686	73,614	70,594
Intangible lease liabilities, less accumulated amortization	32,967	36,077	39,341	26,924	29,761
Interest rate swaps	—	434	4,924	6,715	7,316
Total liabilities	1,879,891	1,869,166	2,143,242	1,900,029	1,885,803
Stockholders' equity:					
Common stock	1,234	1,233	1,231	1,241	1,241
Additional paid in capital	3,707,833	3,706,207	3,701,798	3,700,208	3,698,656
Cumulative distributions in excess of earnings	(1,882,962)	(1,865,016)	(1,899,081)	(1,822,441)	(1,807,679)
Other comprehensive loss	(12,050)	(13,573)	(18,154)	(20,036)	(21,368)
Piedmont stockholders' equity	1,814,055	1,828,851	1,785,794	1,858,972	1,870,850
Non-controlling interest	1,608	1,623	1,629	1,647	1,658
Total stockholders' equity	1,815,663	1,830,474	1,787,423	1,860,619	1,872,508
Total liabilities, redeemable common stock and stockholders' equity	\$ 3,695,554	\$ 3,699,640	\$ 3,930,665	\$ 3,760,648	\$ 3,758,311
<i>Common stock outstanding at end of period</i>	<i>123,390</i>	<i>123,331</i>	<i>123,077</i>	<i>124,136</i>	<i>124,132</i>

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

	Three Months Ended					Six Months Ended	
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021	6/30/2022	6/30/2021
Net income / (loss) applicable to Piedmont	\$ 7,966	\$ 59,964	\$ (31,750)	\$ 11,306	\$ 9,947	\$ 67,930	\$ 19,291
Net income / (loss) applicable to noncontrolling interest	(1)	—	(5)	(5)	(3)	(1)	(4)
Interest expense	13,775	13,898	13,917	12,450	12,345	27,673	24,925
Depreciation	32,362	31,505	31,943	30,552	29,989	63,867	58,083
Amortization	21,468	22,240	22,003	20,362	20,681	43,708	43,581
Depreciation and amortization attributable to noncontrolling interests	22	22	22	21	21	44	42
Impairment loss	—	—	41,000	—	—	—	—
(Gain) / loss on sale of properties	(1)	(50,673)	—	—	—	(50,674)	—
EBITDAre and Core EBITDA	75,591	76,956	77,130	74,686	72,980	152,547	145,918