



***Fixed Income Supplemental Presentation
September 30, 2023***

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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 September 30, 2023. Please review Piedmont's Supplemental report dated September 30, 2023 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 September 30, 2023 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 major U.S. Sunbelt markets. 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 2021, 2022 and 2023, and it was the only office REIT headquartered in the Southeast to receive those designations. Currently, nearly 90% of the Company's square footage is Energy Star certified and approximately two-thirds is 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 September 30, 2023	As of December 31, 2022
Number of consolidated in-service office properties ⁽¹⁾	51	51
Rentable square footage (in thousands) ⁽¹⁾	16,635	16,658
Percent leased ⁽²⁾	86.7 %	86.7 %
Capitalization (in thousands):		
Total debt - GAAP	\$2,050,319	\$1,983,681
Total principal amount of debt outstanding (excludes premiums, discounts, and deferred financing costs)	\$2,068,875	\$1,997,000
Equity market capitalization ⁽³⁾	\$695,174	\$1,131,941
Total market capitalization ⁽³⁾	\$2,764,049	\$3,128,941
Average net principal amount of debt to Core EBITDA - quarterly ⁽⁴⁾	6.4 x	6.4 x
Average net principal amount of debt to Core EBITDA - trailing twelve months ⁽⁵⁾	6.4 x	6.0 x
Total principal amount of debt / Total gross assets ⁽⁶⁾	38.4 %	37.6 %
Common stock data:		
High closing price during quarter	\$7.98	\$10.92
Low closing price during quarter	\$5.47	\$8.80
Closing price of common stock at period end	\$5.62	\$9.17
Weighted average fully diluted shares outstanding during quarter (in thousands)	123,781	123,633
Shares of common stock issued and outstanding at period end (in thousands)	123,696	123,440
Annualized current dividend per share ⁽⁷⁾	\$0.50	\$0.84
Ratings (Standard & Poor's / Moody's)	BBB / Baa2	BBB / Baa2
Employees	152	149

(1) As of September 30, 2023, our consolidated office portfolio consisted of 51 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 principal amount of debt outstanding as of the end of the reporting period, as appropriate.

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

(5) For the purposes of this calculation, we use the sum of Core EBITDA for the trailing four quarters and the average daily principal 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 month in the trailing four quarter period.

(6) 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.

(7) Annualized amount based on the regular dividends per share recorded for the most recent quarter.

Piedmont Office Realty Trust, Inc.
Quarterly Highlights
As of September 30, 2023

Highlights for the Three Months Ended September 30, 2023:

Financial Results:

<i>(in 000s other than per share amounts)</i>	Three Months Ended	
	September 30, 2023	September 30, 2022
Net income/(loss) applicable to Piedmont	\$(17,002)	\$3,331
Net income/(loss) per share applicable to common stockholders - diluted	\$(0.14)	\$0.03
Goodwill impairment charge	\$10,957	—
Interest expense	\$27,361	\$17,244
Loss on early extinguishment of debt	\$820	—
NAREIT Funds From Operations ("FFO") applicable to common stock	\$51,896	\$61,352
Core FFO applicable to common stock	\$52,716	\$61,352
NAREIT FFO per diluted share	\$0.42	\$0.50
Core FFO per diluted share	\$0.43	\$0.50
Adjusted FFO applicable to common stock	\$39,939	\$43,482
Dividends Paid to Common Stockholders	\$15,462	\$25,913

- Despite a \$2.9 million increase in total revenues for the three months ended September 30, 2023 as compared to the three months ended September 30, 2022, Piedmont recognized a net loss of \$17.0 million, or \$0.14 per diluted share, for the third quarter of 2023, which included the following:
 - An approximately \$11.0 million non-cash impairment charge associated with a partial write down of the Company's goodwill balance;
 - An approximately \$10.1 million increase in interest expense driven by higher interest rates on the Company's debt during the three months ended September 30, 2023 as compared to the three months ended September 30, 2022; and
 - An approximately \$0.8 million loss on early extinguishment of debt associated with refinancing activity during the three months ended September 30, 2023, as further described below.
- Core FFO, which removes the impact of the impairment loss and loss on extinguishment of debt noted above, as well as depreciation and amortization expense, was \$0.43 per diluted share for the third quarter of 2023, as compared to \$0.50 per diluted share for the third quarter of 2022. The \$0.07 per diluted share decrease was attributable to the \$10.1 million, or \$0.08 per diluted share, increase in interest expense during the third quarter of 2023, partially offset by continued growth in operating income from the Company's properties, as compared to the third quarter of 2022.

Leasing (including subsequent events):

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
# of lease transactions	45	140
Total leasing sf	302,217	1,426,808
New tenant leasing sf	170,276	676,278
Cash rent roll up	11.7%	9.8%
Accrual rent roll up	10.3%	13.5%
Retention ratio	76.0%	
Leased percentage as of period end	86.7%	

- The Company completed approximately 302,000 square feet of leasing transactions during the third quarter, the majority of which, or approximately 170,000 square feet, was for new tenant leasing, which is consistent with pre-COVID leasing levels.
- The largest new lease completed during the quarter was for a financial services tenant for approximately 32,000 square feet at Crescent Ridge II in Minneapolis, MN.
- Cash and accrual basis rents on leases executed during the quarter ended September 30, 2023 for space vacant one year or less increased approximately 12% and 10%, respectively.
- The Company's leased percentage as of September 30, 2023 increased to 86.7% from 86.2% as of June 30, 2023 with scheduled lease expirations for the remainder of 2023 representing approximately 2% of annualized lease revenue.
- Both Same Store NOI - Cash basis and Same Store NOI - Accrual basis increased 5.3% and 1.7%, respectively, for the three months ended September 30, 2023, as compared to the same period in the prior year, as new leases commencing or with expiring abatements outweighed expired leases.
- The average size lease executed during the third quarter of 2023 was approximately 13,000 square feet and the weighted average lease term was approximately seven years.
- As of September 30, 2023, the Company had approximately 1.1 million square feet of executed leases for vacant space yet to commence or under rental abatement, representing approximately \$36 million of future additional annual cash revenue.
- Subsequent to quarter end, the Company has already completed over 600,000 square feet of executed leases including: a new tenant lease with GE Vernova for approximately 77,000 square feet at Galleria 600 in Atlanta, GA through 2036; and the renewal of US Bancorp's entire 447,000 square foot headquarters lease at US Bancorp Center in downtown Minneapolis, MN through 2034.

Balance Sheet:

<i>(in 000s except for ratios)</i>	September 30, 2023	December 31, 2022
Total Real Estate Assets	\$3,502,576	\$3,500,624
Total Assets	\$4,073,778	\$4,085,525
Total Debt	\$2,050,319	\$1,983,681
Weighted Average Cost of Debt	5.46 %	3.89%
Debt-to-Gross Assets Ratio	38.4 %	37.6%
Average Net Debt-to-Core EBITDA (ttm)	6.4 x	6.0 x

- During the three months ended September 30, 2023, the Company's operating partnership, Piedmont Operating Partnership, LP, issued \$400 million aggregate principal amount of 9.25% senior unsecured notes due 2028 (the "2028 Notes"), rated BBB by S&P and Baa2 by Moody's. Approximately \$350 million of the net proceeds from the issuance was used to fund the Company's tender offer for its outstanding unsecured senior notes due 2024 (the "2024 Notes"), which resulted in the recognition of an approximately \$0.8 million loss on early extinguishment of debt during the quarter. The remaining net proceeds from the bond issuance were used to pay down the Company's line of credit.

ESG and Operations:

- During the three months ended September 30, 2023, the Company received notice that it achieved the highest sustainability rating of "5 Star" and a second consecutive "Green Star" recognition from GRESB® based on 2022 performance.

Fourth Quarter 2023 Dividend:

- As previously announced, on October 25, 2023, the board of directors of Piedmont declared a dividend for the fourth quarter of 2023 in the amount of \$0.125 per share on its common stock to stockholders of record as of the close of business on November 24, 2023, payable on January 2, 2024.

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

	As of September 30, 2023	As of December 31, 2022
Market Capitalization		
Common stock price	\$5.62	\$9.17
Total shares outstanding	123,696	123,440
Equity market capitalization ⁽¹⁾	\$695,174	\$1,131,941
Total debt - GAAP	\$2,050,319	\$1,983,681
Total principal amount of debt outstanding (excludes premiums, discounts, and deferred financing costs)	\$2,068,875	\$1,997,000
Total market capitalization ⁽¹⁾	\$2,764,049	\$3,128,941
Total principal amount of debt / Total market capitalization ⁽¹⁾	74.8 %	63.8 %
Ratios & Information for Debt Holders		
Total gross assets ⁽²⁾	\$5,390,798	\$5,312,960
Total principal amount of debt / Total gross assets ⁽²⁾	38.4 %	37.6 %
Average net principal amount of debt to Core EBITDA - quarterly ⁽³⁾	6.4 x	6.4 x
Average net principal amount of debt to Core EBITDA - trailing twelve months ⁽⁴⁾	6.4 x	6.0 x

(1) Reflects common stock closing price, shares outstanding, and principal amount of debt outstanding 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 principal balance of debt outstanding during the quarter, less cash and cash equivalents and escrow deposits and restricted cash as of the end of each month 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 principal 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 month in the trailing four quarter period.

Piedmont Office Realty Trust, Inc.
Debt Covenant & Ratio Analysis (for Debt Holders)
As of September 30, 2023
Unaudited

Bank Debt Covenant Compliance ⁽¹⁾	Required	Three Months Ended				
		9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Maximum leverage ratio	0.60	0.36	0.37	0.38	0.39	0.40
Minimum fixed charge coverage ratio ⁽²⁾	1.50	3.16	3.52	3.91	4.36	4.82
Maximum secured indebtedness ratio	0.40	0.03	0.04	0.04	0.04	0.04
Minimum unencumbered leverage ratio	1.60	2.74	2.66	2.64	2.56	2.46
Minimum unencumbered interest coverage ratio ⁽³⁾	1.75	3.28	3.67	4.10	4.55	4.93

Bond Covenant Compliance ⁽⁴⁾	Required	Three Months Ended				
		9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Total debt to total assets	60% or less	44.7%	44.8%	47.1%	44.0%	46.8%
Secured debt to total assets	40% or less	4.3%	4.3%	4.2%	4.3%	4.3%
Ratio of consolidated EBITDA to interest expense	1.50 or greater	3.56	3.97	4.44	4.95	5.49
Unencumbered assets to unsecured debt	150% or greater	223%	223%	211%	227%	212%

Other Debt Coverage Ratios for Debt Holders	Three Months Ended	Nine Months Ended	Twelve Months Ended
	September 30, 2023	September 30, 2023	December 31, 2022
Average net principal amount of debt to core EBITDA ⁽⁵⁾	6.4 x	6.4 x	6.0 x
Fixed charge coverage ratio ⁽⁶⁾	2.7 x	3.1 x	4.5 x
Interest coverage ratio ⁽⁷⁾	2.7 x	3.1 x	4.5 x

(1) Bank debt covenant compliance calculations relate to the most restrictive of the specific calculations detailed in the relevant credit agreements. Please refer to such agreements for relevant defined terms.

(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 and the First Supplemental Indenture dated March 6, 2014, the Second Supplemental Indenture dated August 12, 2020, the Third Supplemental Indenture dated September 20, 2021, and the Fourth Supplemental Indenture dated July 20, 2023 for defined terms and detailed information about the calculations.

(5) For the purposes of this calculation, we use the average daily principal 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 month 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 (none during periods presented). The Company had principal amortization of \$0.3 million for the three months ended September 30, 2023, \$0.3 million for the nine months ended September 30, 2023, and none for the twelve months ended December 31, 2022. The Company had capitalized interest of \$1.9 million for the three months ended September 30, 2023, \$4.5 million for the nine months ended September 30, 2023, and \$4.2 million for the twelve months ended December 31, 2022.

(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 \$1.9 million for the three months ended September 30, 2023, \$4.5 million for the nine months ended September 30, 2023, and \$4.2 million for the twelve months ended December 31, 2022.

Piedmont Office Realty Trust, Inc.

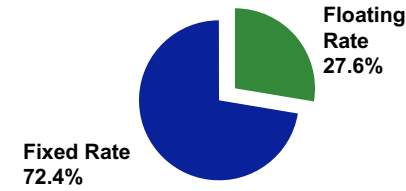
Debt Summary

As of September 30, 2023

Unaudited (\$ in thousands)

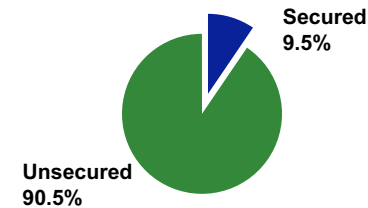
Floating Rate & Fixed Rate Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Floating Rate	\$572,000 ⁽³⁾	6.39%	25.6 months
Fixed Rate	1,496,875	5.10%	63.5 months
Total	\$2,068,875	5.46%	53.0 months



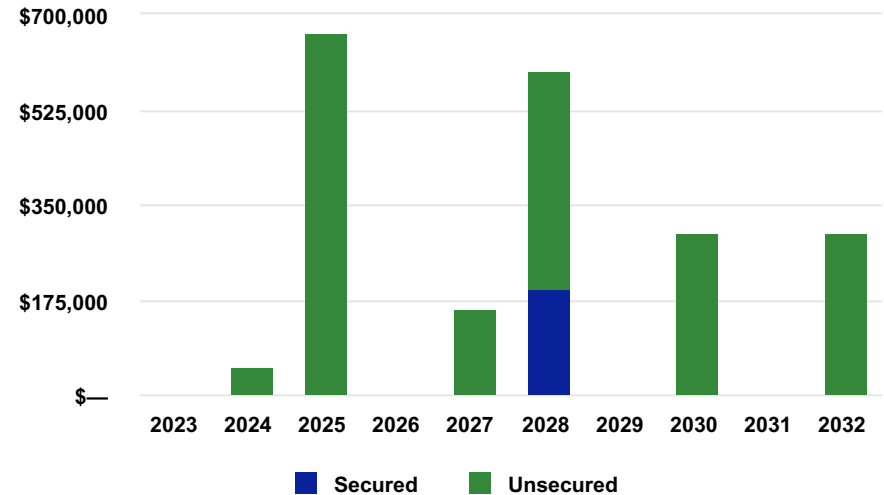
Unsecured & Secured Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Unsecured	\$1,872,154	5.60%	52.3 months
Secured	196,721	4.10%	60.1 months
Total	\$2,068,875	5.46%	53.0 months



Debt Maturities ⁽⁴⁾

Maturity Year	Secured Debt - Principal Amount Outstanding ⁽¹⁾	Unsecured Debt - Principal Amount Outstanding ⁽¹⁾	Weighted Average Stated Interest Rate ⁽²⁾	Percentage of Total
2023	\$—	\$—	N/A	—%
2024	—	50,154	4.45%	2.4%
2025	—	665,000	5.73%	32.1%
2026	—	—	N/A	—%
2027	—	157,000	6.24%	7.6%
2028	196,721	400,000	7.55%	28.9%
2029	—	—	N/A	—%
2030	—	300,000	3.15%	14.5%
2031	—	—	N/A	—%
2032	—	300,000	2.75%	14.5%
Total	\$196,721	\$1,872,154	5.46%	100.0%



(1) All of Piedmont's outstanding debt as of September 30, 2023, was interest-only debt with the exception of the \$197 million mortgage associated with 1180 Peachtree Street in Atlanta, GA.

(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 \$157 million outstanding balance as of September 30, 2023 on the \$600 million unsecured revolving credit facility, the entire principal balance of the \$200 million unsecured term loan that closed in 2022, and the entire principal balance of the \$215 million unsecured term loan that closed in 2023.

(4) For loans that 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⁾	Property	Stated Rate	Maturity	Principal Amount Outstanding as of September 30, 2023
Secured				
\$197.0 Million Fixed-Rate Mortgage	1180 Peachtree Street	4.10 % ⁽²⁾	10/1/2028	\$ 196,721
Subtotal / Weighted Average ⁽³⁾		4.10 %		\$ 196,721
Unsecured				
\$400.0 Million Unsecured 2014 Senior Notes ⁽⁴⁾	N/A	4.45 % ⁽⁵⁾	3/15/2024	50,154
\$215.0 Million Unsecured 2023 Term Loan ⁽⁶⁾	N/A	6.45 % ⁽⁷⁾	1/31/2025	215,000
\$250.0 Million Unsecured 2018 Term Loan	N/A	4.54 % ⁽⁸⁾	3/31/2025	250,000
\$200.0 Million Unsecured 2022 Term Loan ⁽⁹⁾	N/A	6.43 % ⁽¹⁰⁾	6/18/2025	200,000
\$600.0 Million Unsecured Line of Credit ⁽¹¹⁾	N/A	6.24 % ⁽¹²⁾	6/30/2027	157,000
\$400.0 Million Unsecured 2023 Senior Notes	N/A	9.25 % ⁽¹³⁾	7/20/2028	400,000
\$300.0 Million Unsecured 2020 Senior Notes	N/A	3.15 % ⁽¹⁴⁾	8/15/2030	300,000
\$300.0 Million Unsecured 2021 Senior Notes	N/A	2.75 % ⁽¹⁵⁾	4/1/2032	300,000
Subtotal / Weighted Average ⁽³⁾		5.60 %		\$ 1,872,154
Total Debt - Principal Amount Outstanding / Weighted Average Stated Rate ⁽³⁾		5.46 %		\$ 2,068,875
GAAP Accounting Adjustments ⁽¹⁶⁾				(18,556)
Total Debt - GAAP Amount Outstanding				\$ 2,050,319

(1) All of Piedmont's outstanding debt as of September 30, 2023, was interest-only debt with the exception of the \$197 million mortgage associated with 1180 Peachtree Street in Atlanta, GA.

(2) Upon acquiring the property, Piedmont assumed the mortgage. The stated interest rate of the loan was estimated to be an at-market rate as of the date of closing. Effective with the October 1, 2023 payment, the loan began amortizing based on a 30-year amortization schedule.

(3) Weighted average is based on the principal amounts outstanding and interest rates at September 30, 2023.

(4) Through a tender offer completed in July 2023, Piedmont repaid \$349.9 million of its \$400 million unsecured senior notes due in 2024, resulting in an outstanding principal balance of \$50.2 million with a maturity date of March 15, 2024.

(5) 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%.

(6) The \$215 million unsecured term loan has an initial maturity date of January 31, 2024. There is a one-year extension option available under the facility for a final maturity of January 31, 2025. The final extended maturity date is presented on this schedule.

(7) The \$215 million unsecured term loan has a variable interest rate. Piedmont may select from multiple interest rate options, 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 (1.05% as of September 30, 2023) based on Piedmont's then current credit rating.

(8) The \$250 million unsecured term loan has a stated variable interest rate; however, Piedmont entered into various interest rate swap agreements in a total notional amount equal to the size of the facility which effectively fix the interest rate for the term loan (at 4.54% as of September 30, 2023; this rate can change only with a credit rating change for the Company) through the loan's maturity date of March 31, 2025.

(9) The \$200 million unsecured term loan has an initial maturity date of December 16, 2024. There is a six-month extension option available under the facility for a final maturity of June 18, 2025. The final extended maturity date is presented on this schedule.

(10) The \$200 million unsecured term loan has a variable interest rate. Piedmont may select from multiple interest rate options, including the prime rate and various term 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 (1.00% as of September 30, 2023) based on Piedmont's then current credit rating.

(11) All of Piedmont's outstanding debt as of September 30, 2023 was term debt with the exception of the \$157 million balance on our unsecured revolving credit facility. The \$600 million unsecured revolving credit 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.

(12) The interest rate presented for the \$600 million unsecured revolving credit facility is the weighted average interest rate for all outstanding draws as of September 30, 2023. 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 (0.84% as of September 30, 2023) based on Piedmont's then current credit rating.

(13) The \$400 million unsecured senior notes were offered for sale at 99.000% of the principal amount. The resulting effective cost of the financing is approximately 9.50% before the consideration of transaction costs.

(14) 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%.

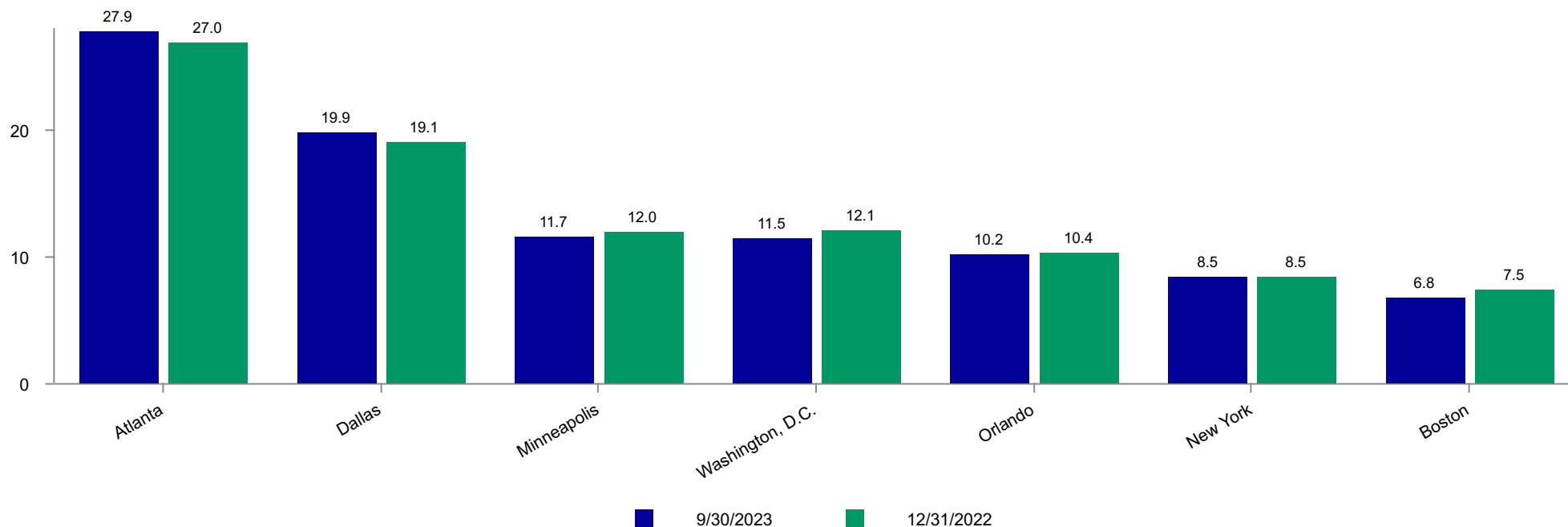
(15) The \$300 million unsecured senior notes were offered for sale at 99.510% of the principal amount. The resulting effective cost of the financing is approximately 2.80% before the consideration of transaction costs and the impact of interest rate hedges. After incorporating the results of the related interest rate hedging activity, the effective cost of the financing is approximately 2.78%.

(16) 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 September 30, 2023
(\$ 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	11	\$159,510	27.9	4,722	28.4	4,174	88.4
Dallas	13	113,769	19.9	3,527	21.2	2,882	81.7
Minneapolis	6	66,631	11.7	2,104	12.6	1,910	90.8
Washington, D.C.	6	66,030	11.5	1,589	9.6	1,240	78.0
Orlando	6	58,466	10.2	1,764	10.6	1,664	94.3
New York	1	48,581	8.5	1,045	6.3	912	87.3
Boston	6	39,060	6.8	1,270	7.6	1,077	84.8
Other	2	19,729	3.5	614	3.7	560	91.2
Total / Weighted Average	51	\$571,776	100.0	16,635	100.0	14,419	86.7

Percentage of Annualized Lease Revenue (%)



Piedmont Office Realty Trust, Inc.
Industry Diversification
As of September 30, 2023
(\$ 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	81	11.2	\$85,769	15.0	2,203	15.3
Engineering, Accounting, Research, Management & Related Services	96	13.2	78,972	13.8	1,899	13.2
Legal Services	81	11.2	57,634	10.1	1,425	9.9
Governmental Entity	5	0.7	48,231	8.4	938	6.5
Depository Institutions	22	3.0	38,427	6.7	1,038	7.2
Real Estate	50	6.9	28,845	5.0	835	5.8
Oil and Gas Extraction	5	0.7	22,783	4.0	644	4.5
Miscellaneous Retail	9	1.2	21,053	3.7	467	3.2
Holding and Other Investment Offices	36	5.0	20,537	3.6	499	3.5
Security & Commodity Brokers, Dealers, Exchanges & Services	51	7.0	19,235	3.4	489	3.4
Health Services	33	4.5	15,131	2.6	384	2.7
Automotive Repair, Services & Parking	9	1.2	12,961	2.3	8	0.1
Insurance Agents, Brokers & Services	20	2.8	11,859	2.1	341	2.4
Membership Organizations	17	2.3	11,039	1.9	215	1.5
Eating & Drinking Places	31	4.3	8,711	1.5	224	1.6
Other	180	24.8	90,589	15.9	2,810	19.2
Total	726	100.0	\$571,776	100.0	14,419	100.0

Appendix

Definitions of Non-GAAP Financial Measures

Core EBITDA: The Company calculates Core EBITDA as net income/(loss) (computed in accordance with GAAP) before interest, taxes, depreciation and amortization and removing any impairment charges, 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.

Total Gross Assets: 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.

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

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

	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Assets:					
Real estate, at cost:					
Land assets	\$ 567,244	\$ 567,244	\$ 567,244	\$ 567,244	\$ 578,722
Buildings and improvements	3,782,385	3,768,456	3,714,572	3,682,000	3,751,722
Buildings and improvements, accumulated depreciation	(1,013,019)	(981,052)	(947,209)	(915,010)	(926,357)
Intangible lease asset	177,584	182,127	190,180	205,074	212,248
Intangible lease asset, accumulated amortization	(86,197)	(83,763)	(83,997)	(90,694)	(88,721)
Construction in progress	74,579	59,116	46,007	52,010	44,977
Total real estate assets	3,502,576	3,512,128	3,486,797	3,500,624	3,572,591
Cash and cash equivalents	5,044	5,167	170,593	16,536	10,653
Tenant receivables, net of allowance for doubtful accounts	8,806	5,387	6,280	4,762	7,796
Straight line rent receivable	181,843	180,339	176,320	172,019	173,122
Escrow deposits and restricted cash	5,983	5,055	4,183	3,064	2,191
Prepaid expenses and other assets	26,156	23,566	26,810	17,152	23,925
Goodwill	71,980	82,937	82,937	82,937	98,918
Interest rate swap	5,841	5,693	2,899	4,183	3,760
Deferred lease costs, gross	483,353	482,149	486,694	505,979	510,936
Deferred lease costs, accumulated amortization	(217,804)	(208,072)	(206,053)	(221,731)	(218,399)
Total assets	\$ 4,073,778	\$ 4,094,349	\$ 4,237,460	\$ 4,085,525	\$ 4,185,493
Liabilities:					
Unsecured debt, net of discount	\$ 1,853,598	\$ 1,852,236	\$ 2,000,955	\$ 1,786,681	\$ 1,948,408
Secured debt	196,721	197,000	197,000	197,000	197,000
Accounts payable, accrued expenses, and accrued capital expenditures	120,579	107,629	98,464	135,663	111,262
Deferred income	89,990	89,815	67,056	59,977	70,798
Intangible lease liabilities, less accumulated amortization	45,825	50,335	53,494	56,949	60,694
Interest rate swaps	—	—	394	—	—
Total liabilities	2,306,713	2,297,015	2,417,363	2,236,270	2,388,162
Stockholders' equity:					
Common stock	1,237	1,237	1,236	1,234	1,234
Additional paid in capital	3,714,629	3,712,688	3,710,767	3,711,005	3,709,234
Cumulative distributions in excess of earnings	(1,943,652)	(1,911,188)	(1,883,225)	(1,855,893)	(1,905,544)
Other comprehensive loss	(6,718)	(6,977)	(10,266)	(8,679)	(9,194)
Piedmont stockholders' equity	1,765,496	1,795,760	1,818,512	1,847,667	1,795,730
Non-controlling interest	1,569	1,574	1,585	1,588	1,601
Total stockholders' equity	1,767,065	1,797,334	1,820,097	1,849,255	1,797,331
Total liabilities, redeemable common stock and stockholders' equity	\$ 4,073,778	\$ 4,094,349	\$ 4,237,460	\$ 4,085,525	\$ 4,185,493
<i>Common stock outstanding at end of period</i>	123,696	123,692	123,643	123,440	123,395

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

	Three Months Ended					Nine Months Ended	
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	9/30/2023	9/30/2022
Net income / (loss) applicable to Piedmont	\$ (17,002)	\$ (1,988)	\$ (1,367)	\$ 75,569	\$ 3,331	\$ (20,357)	\$ 71,261
Net income / (loss) applicable to noncontrolling interest	1	3	3	1	—	7	(1)
Interest expense	27,361	23,389	22,077	20,739	17,244	72,827	44,917
Depreciation	38,140	36,464	35,787	34,778	34,931	110,391	98,799
Amortization	20,151	21,323	22,021	23,905	23,278	63,495	66,986
Depreciation and amortization attributable to noncontrolling interests	20	21	20	20	21	60	65
Impairment charge	10,957	—	—	25,981	—	10,957	—
(Gain) / loss on sale of properties	—	—	—	(101,055)	—	—	(50,674)
EBITDAre	79,628	79,212	78,541	79,938	78,805	237,380	231,353
Severance costs associated with fourth quarter 2022 management reorganization	—	—	—	2,248	—	—	—
(Gain) / loss on early extinguishment of debt	820	—	—	—	—	820	—
Core EBITDA	80,448	79,212	78,541	82,186	78,805	238,200	231,353