



PIEDMONT COMPLETES SALE OF 14-PROPERTY PORTFOLIO

January 8, 2018



Atlanta, GA -January 8, 2018 - Piedmont Office Realty Trust (NYSE: PDM) announced today the completion of the sale of fourteen assets to two buyers for a total gross sales price of approximately \$425.9 million (subject to an additional \$4.5 million in contingent proceeds). The previously announced sale completes the company's exit from the Phoenix, Detroit, Nashville, and South Florida office markets and also included sales of three assets from suburban Chicago, two buildings in suburban Maryland, and one each from suburban Boston and suburban Atlanta.

The sales proceeds from the transactions and the Company's line of credit were used to repurchase 2.9 million shares of the company's common stock during the fourth quarter of 2017; to repay, on January 4, 2018, \$470 million of term loans which were scheduled to mature in 2018 and early 2019; as well as to acquire on December 28, 2017, Norman Pointe I, a \$35 million asset located in close proximity to the Company's existing Minneapolis holdings. Details of this acquisition and strategic rationale will be posted on Piedmont's corporate website at www.piedmontreit.com.

"We believe we have reached the point in this real estate cycle where many property valuations are near full pricing levels and we felt it was an opportune time to monetize the value on certain non-core assets in our portfolio. We used the disposition proceeds to reduce our leverage; to repurchase our own stock at what we estimate is a substantial discount to net asset value; and, in the case of the Minneapolis property, to acquire in an off-market transaction a high quality, value-add asset at a great basis and with the potential for a high return on cost once stabilized," commented C. Brent Smith, Piedmont's Chief Investment Officer. "Additionally, with the reduction in outstanding debt, our net debt-to-EBITDA ratio is now below a 5 times multiple, which we think places Piedmont in an excellent position to take advantage of future investment opportunities as they become available in our eight core markets."

About Piedmont Office Realty Trust

Piedmont Office Realty Trust, Inc. (NYSE: PDM) is an owner, manager, developer, and operator of high-quality, Class A office properties in select submarkets located primarily within eight major Eastern U.S. office markets. Its geographically-diversified, almost \$5 billion portfolio is comprised of approximately 17 million square feet. The Company is a fully-integrated, self-managed real estate investment trust (REIT) with local management offices in each of its major markets and is investment-grade rated by Standard & Poor's (BBB) and Moody's (Baa2). For more information, see www.piedmontreit.com.

Contact: [Stephanie Scurlock](mailto:Stephanie.Scurlock@piedmontreit.com)
Company: [Piedmont Office Realty Trust](http://www.piedmontreit.com)
Phone: 1 770 418 8800
Email: investor.relations@piedmontreit.com

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