



INVESTOR PRESENTATION

SEPTEMBER 2018

Piedmont Office Realty Trust, Inc. (also referred to herein as “Piedmont” or the “Company”) (NYSE: PDM) is an owner, manager, developer and operator of high-quality, Class A office properties in select sub-markets located primarily within eight major eastern U.S. office markets. The Company’s geographically-diversified portfolio is comprised of almost \$5 billion in gross assets and 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).

We use market data and industry forecasts and projections throughout this presentation which have been obtained from publicly available industry publications. These sources are believed to be reliable, but the accuracy and completeness of the information are not guaranteed. Certain statements contained in this presentation constitute forward-looking statements which we intend to be covered by the safe-harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as applicable. Such information is subject to certain risks and uncertainties, as well as known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of our performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “anticipate,” “believe,” “continue” or similar words or phrases that are predictions of future events or trends and which do not relate solely to historical matters. Some examples of risk factors that could cause our actual results and expectations to differ materially from those described in our forward-looking statements are detailed in our most recent Annual Report on Form 10-K and other documents we file with the Securities and Exchange Commission (“SEC”). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation.

Unless the context indicates otherwise, the term “properties” as used in this document and the statistical information presented in this document regarding our properties include our wholly-owned office properties and our office properties owned through consolidated joint ventures, but exclude one out-of-service property as of June 30, 2018.

The information and non-GAAP financial terms contained in this presentation do not contain all of the information and definitions that may be important to you and should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2017, and our quarterly report on Form 10-Q for the period ended June 30, 2018 and our other filings with the SEC. Other information important to you may also be found in documents that we furnish to the SEC, such as our Quarterly Supplemental Information dated as of June 30, 2018. Such documents are available at www.sec.gov and under the heading Investor Relations on our website at www.piedmontreit.com.

Unless otherwise noted, all financial and statistical information contained in this presentation is as of June 30, 2018.

CORPORATE OVERVIEW

AS OF 6/30/2018

Ticker (NYSE)	PDM
Market Cap as of 8/31/2018 (billions)	\$2.5
Three-Year Total Return (8/31/15-8/31/18)	36.3%
Gross Assets (billions)	\$4.5
Ratings (Moody's/S&P)	Baa2/BBB
Debt (billions)	\$1.7
Net Debt to Gross Assets	37.9%
Net Debt to Core EBITDA ¹	6.2x
Dividend / Yield as of 7/31/2018	\$0.84 / 4.2%

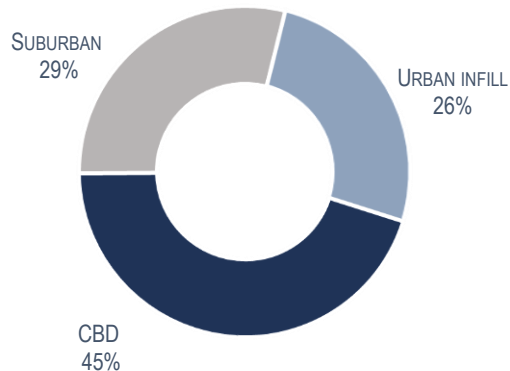
PORTFOLIO OVERVIEW ²

AS OF 6/30/2018

Square Feet (millions)	16.2
Number of In-Service Properties	53
% Leased	90.6%
Weighted Average Lease Term	6.7 years
Annualized Lease Revenue (millions)	\$500.6
% of ALR from Credit Tenants ³	62%
Asset Quality (Green Street Office Sector Update, 5/31/2018)	A-
Median Building Age	19.0 years
% of SF Energy-Star Rated (Includes Out of Service Property)	84%

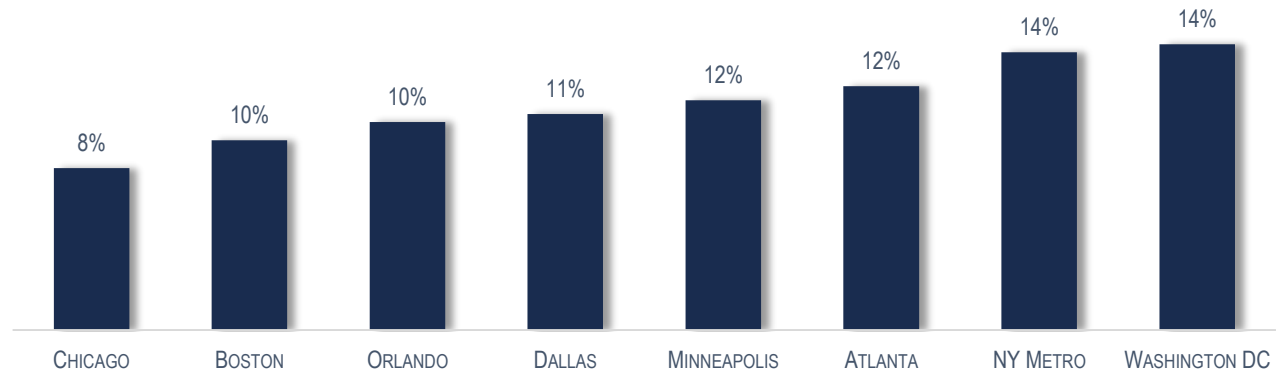
Portfolio Location

(as % of ALR as of 6/30/2018)



Core Markets (Over 90% of ALR from 8 Strategic Markets)

(% of ALR as of 6/30/2018)





ARLINGTON GATEWAY
Arlington, VA



ONE BRATTLE SQUARE
Cambridge, MA

DIVERSIFIED PORTFOLIO

PATHS TO GROWTH

DISCIPLINED CAPITAL ALLOCATOR

PROACTIVE OPERATIONAL MANAGEMENT

FINANCIAL STRENGTH AND FLEXIBILITY

SUPERIOR RISK / REWARD PROPOSITION

PORTFOLIO CONCENTRATED WITHIN EIGHT OF THE NATION'S LARGEST EASTERN MARKETS

Why These Markets and Specific Submarkets:

- Historical and projected rental rate growth
- Barriers to entry
- Heavy amenity base
- Proximity to transportation hubs
- Ideal for large, corporate users
- Ample size and scale for liquidity
- Fragmented / limited REIT ownership
- Favorable business environment / supportive local government

Atlanta

Northwest, Central Perimeter

Washington, DC

District, R-B Corridor

Boston

Cambridge, Burlington/Route 128

Minneapolis

CBD, West/SW

Chicago

CBD

New York

Financial District

Dallas

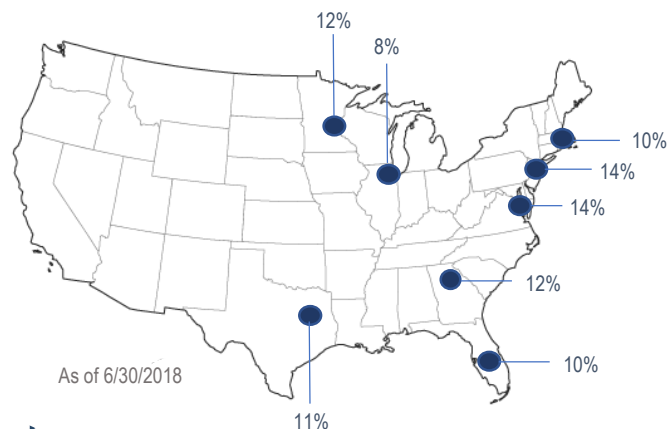
Las Colinas, Uptown, Preston Center

Orlando

CBD, Lake Mary

ALR by Target Market

Over 90% of ALR in top 8 Markets



PIEDMONT'S MARKETS OFFER ATTRACTIVE FUNDAMENTALS AND FAVORABLE OUTLOOK

LTM Employment Growth

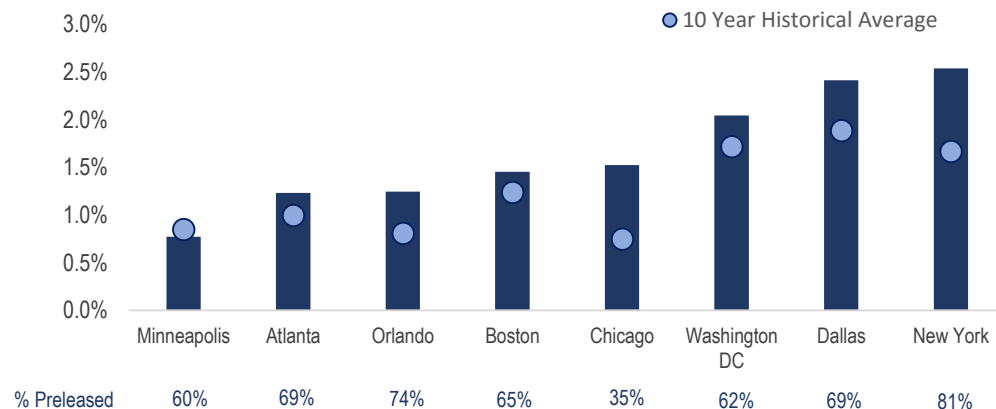
JLL Office Outlook US, Q2 2018



* Based on weighted average of Piedmont's strategic markets

Construction as a % of Total Inventory

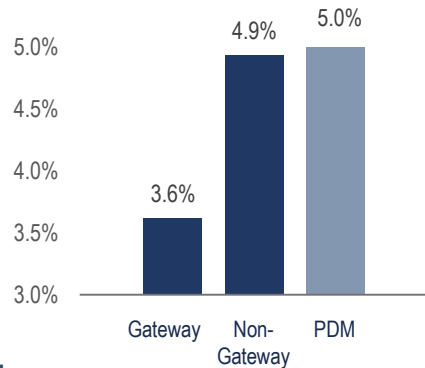
CoStar Office Statistics, Q2 2018



2018-2022 Employment Growth

Green Street Advisors, January 2018

Weighted Average by Market ⁴



Number of Fortune 1000 Headquarters per 1 million of Population

Kaggle 2018 Fortune 1000 Information, US Census Bureau 2017 Population Estimates



ORGANIC NOI GROWTH POTENTIAL



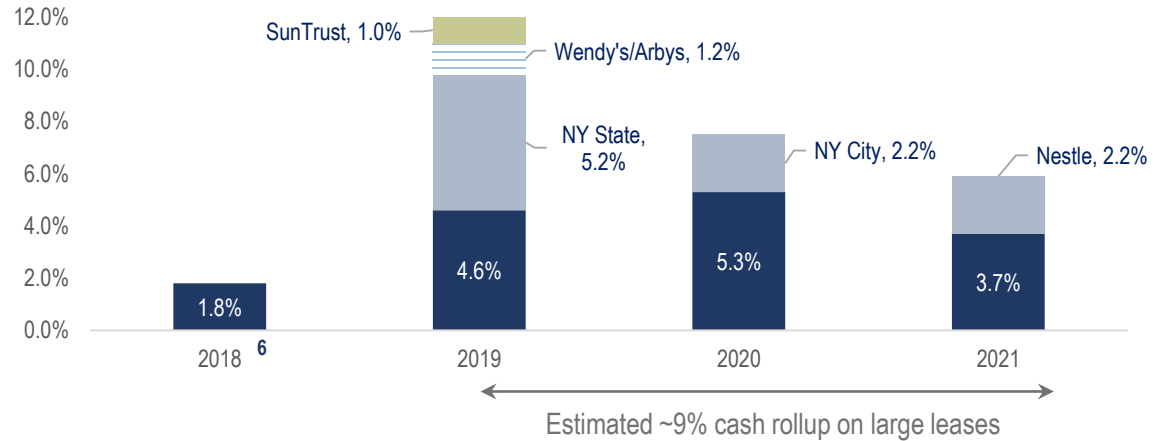
3100 CLARENDON BOULEVARD
Arlington, VA



5 & 15 WAYSIDE
Burlington, MA

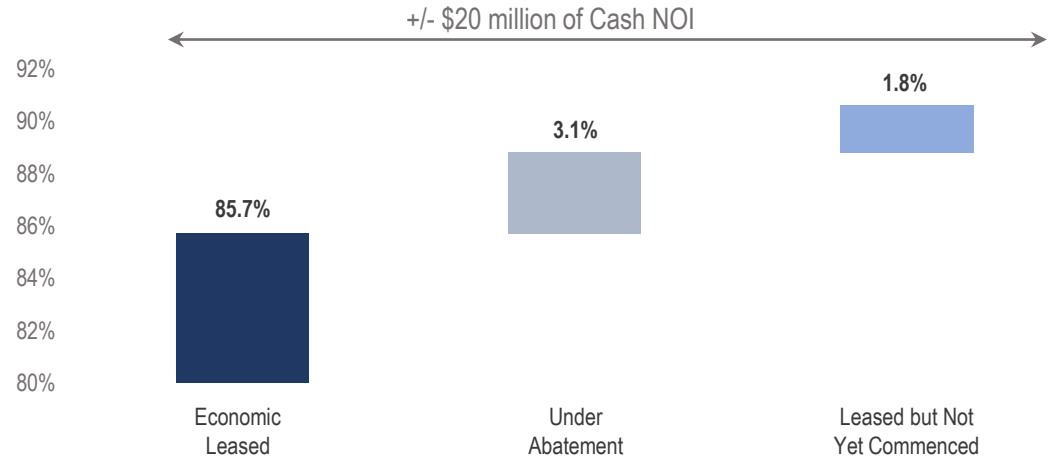
Capitalizing on Future Expirations (% of ALR ⁵)

As of 6/30/2018



Realizing Contractual Cash Flow

As of 6/30/2018



SELECTIVE DEVELOPMENT TO EXPAND LARGE-SCALE POSITIONS

AS OF 6/30/2018

Strategically-Located Land Holdings for Future Development (minimum 70% pre-lease); All Land Holdings are Adjacent to Existing Core Locations



1,000,000 SF

Lake Mary, FL
Adjacent to 400 & 500 TownPark

Land Basis: \$6.3M
Submarket Class A Direct Vacancy: 10.2% (Lake Mary)*



250,000 SF

Atlanta, GA
Adjacent to Glenridge Highlands One & Two

Land Basis: \$1.9M
Submarket Class A Direct Vacancy: 14.8% (Central Perimeter)*



250,000 SF

Atlanta, GA
Adjacent to The Medici

Land Basis: \$2.7M
Submarket Class A Direct Vacancy: 13.3% (West Buckhead)*



500,000 SF

Irving, TX
Adjacent to 6011, 6021 & 6031 Connection Drive

Land Basis: \$2.8M
Submarket Class A Direct Vacancy: 12.4%
(Las Colinas)*



400,000 SF

Irving, TX
Adjacent to 750 West John Carpenter Fwy

Land Basis: \$1.0M
Submarket Class A Direct Vacancy: 12.4%
(Las Colinas)*

STRATEGIC INVESTMENTS

Since 2014, Piedmont has recycled \$1 billion of disposition capital into real estate assets at roughly 130 bps higher yield

Acquisition Strategy

- Recycle non-core/mature assets into accretive and value-enhancing acquisitions
- Synergistic with current assets
- Discounted to replacement cost
- Opportunity to create value through operational skill and/or lease-up

Non-Core Dispositions

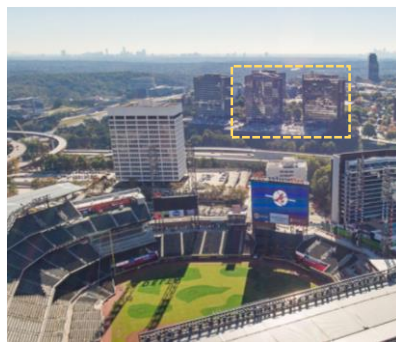
6.1%
Avg GAAP Yield

83%
Avg Leased %

Strategic Acquisitions

7.4%
Avg GAAP Yield

81%
Avg Leased %



POSITION ESTABLISHED

INVESTMENT IN SUBMARKET

DISCOUNT TO REPLACEMENT COST

GALLERIA/CUMBERLAND

~ \$200M

> 40%

**BURLINGTON
(SUBURBAN BOSTON)**

~ \$300M

> 25%

ORLANDO CBD

~ \$375M

> 25%

SEIZING OPPORTUNITIES - CONCENTRATED CAPITAL DEPLOYMENT IN SELECT MARKETS

Burlington (Boston), MA

Dallas, TX

Northwest Atlanta, GA

Orlando/Lake Mary, FL

DALLAS CASE STUDY - CREATING VALUE IN A STRATEGIC MARKET

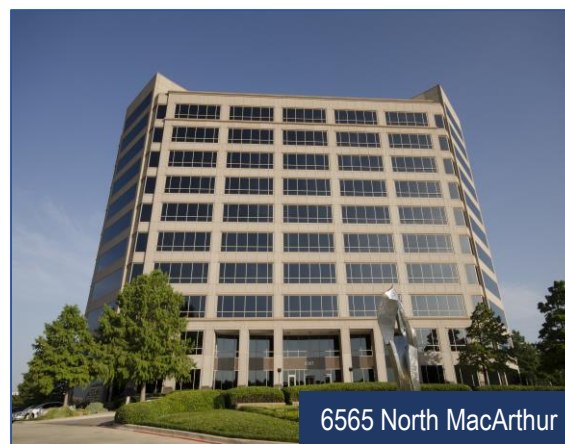
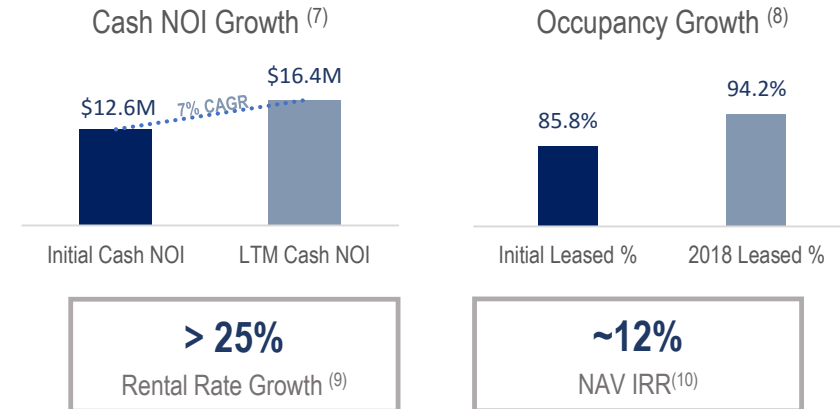
Recognizing the Opportunity

- In 2013, we observed strengthening fundamentals in the Dallas market- job growth outperformance, leasing market improvement, & limited new office development.
- Strong job growth was driving office demand and leading to higher rental rates; **however, the pricing of assets did not reflect the market momentum.**

Reaction: Acquired Properties with Income Growth Potential

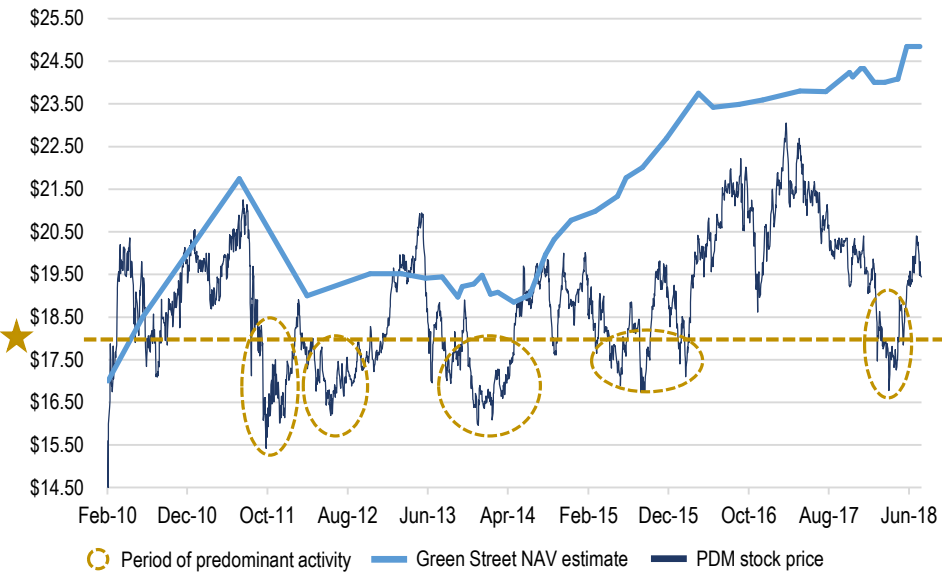
- Completed five acquisitions of Class A Office properties totaling \$215 Million in the Dallas market since late 2013, three of which were purchased at the beginning of the period.

Results: Strong NOI Growth and Value Accretion



PIEDMONT HAS CREATED VALUE THROUGH THE OPPORTUNISTIC ACQUISITION OF ~\$813M OF ITS STOCK

Piedmont Stock Price Since IPO



★ **Average Stock Buyback Price of \$17.74 per Share**
~46 Million Total Shares Repurchased Since IPO

As of 6/30/2018

“Management has smartly bought back stock (with sales proceeds) multiple times this cycle...”

GreenStreet Advisors, PDM Company Snapshot May 7, 2018

MEASURING THE IMPACT OF RECENT CAPITAL ALLOCATION

NAV Impact Scenarios: Q4 17 through Q2 18 Activity

Calculated using different assumed starting NAVs per share and otherwise publicly available data

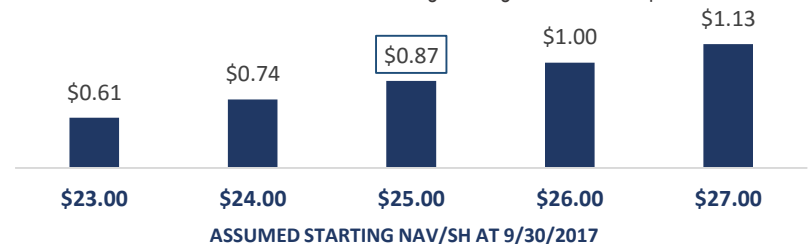
Sample Calculation- Assuming \$25.00 Starting NAV

	9/30/2017	Change in RE ⁽¹¹⁾	6/30/2018
Real Estate Value	\$5,416,392	(\$356,044)	\$5,060,347
Less: Debt	(\$1,710,903)		(\$1,728,195)
Plus: Working Capital ⁽¹²⁾	(\$73,114)		(\$75,211)
Net Value	\$3,632,375		\$3,256,941
Shares Outstanding	145,295		128,371
Net Asset Value per share	\$25.00		\$25.37
Plus: Special Dividend	\$0.00		\$0.50
Total Net Asset Value per share	\$25.00		\$25.87

Sale of 14-Property Portfolio, Acquisition of Norman Pointe I, 501 West Church Street

\$0.60 to \$1.10 per share Gain in Value from Buying Back Stock Below NAV ¹³

HYPOTHETICAL Value Accretion at Differing Starting NAV/sh Assumptions



Opportunity: Delivering Unique Environments

US BANK, MINNEAPOLIS



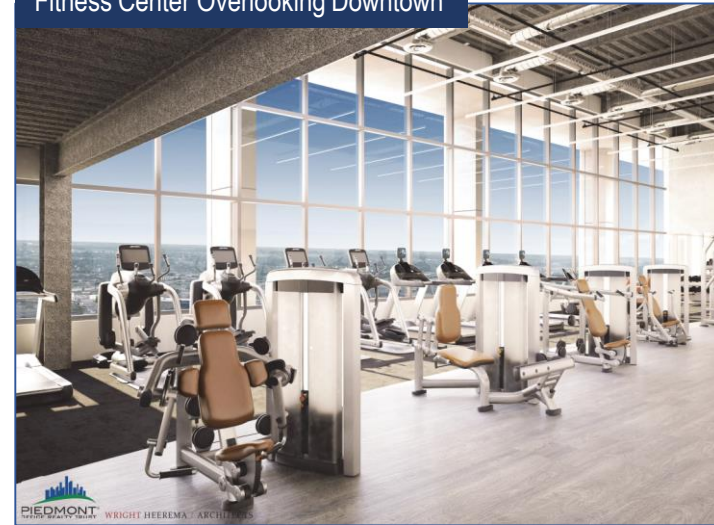
Built 2000, acquired May 2003
Iconic asset in Minneapolis CBD

Planned Scope of Work

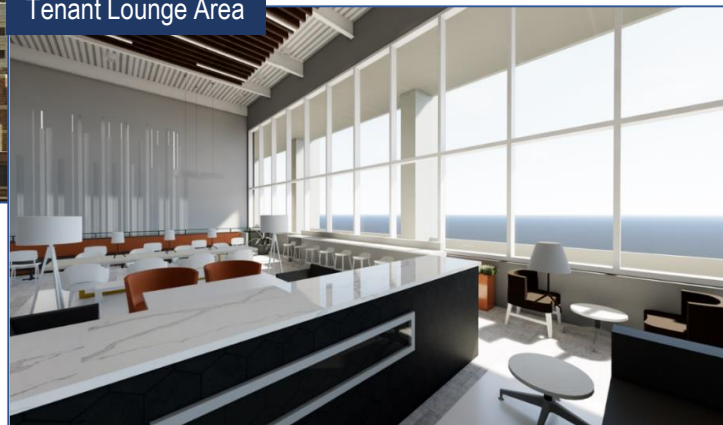
- Full conversion of 31st floor (previously housed mechanical systems) to tenant-only amenity center
- Full fitness center, conference rooms, lounge / casual meeting areas
- Sweeping views of downtown

FYE 2017 reported basis:	\$220/SF
Projected investment:	\$10/SF
Est replacement cost:	\$450/SF
Class A CBD gross rents:	Upper \$30's
Discount to replacement cost:	49%
Market yield on projected basis:	8.7%

Fitness Center Overlooking Downtown



Tenant Lounge Area



Convertible Conference Space



Opportunity: Delivering Unique Environments

SUNTRUST CENTER, ORLANDO



Built 1988, acquired November 2015
Pin corner location at Orange and Church Street

Planned Scope of Work

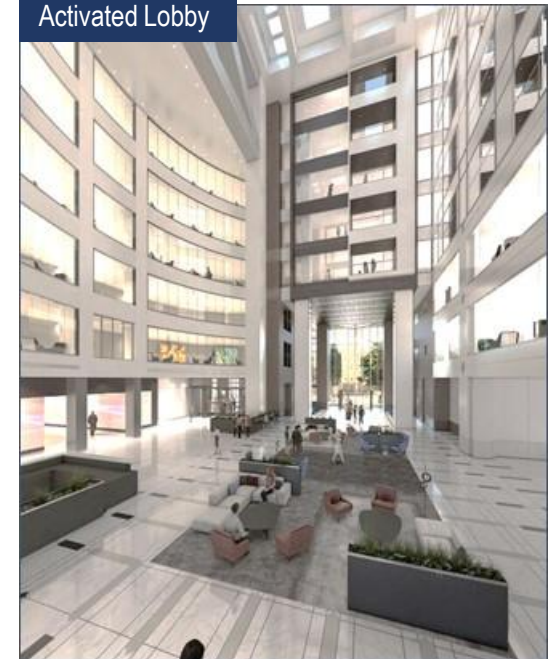
- Planned lobby conversion including the addition of downtown's first food hall and tenant collaboration area
- Construction of outdoor balconies
- Activation of outdoor park area

FYE 2017 reported basis:	\$215/SF
Projected investment:	\$19/SF
Est replacement cost:	\$425/SF
Class A CBD gross rents:	Low \$30's
Discount to replacement cost:	45%
Market yield on projected basis:	8.6%

Balcony Overlooking Park



Activated Lobby



Current Park Setting



Activated Park Setting



Operational EXCELLENCE

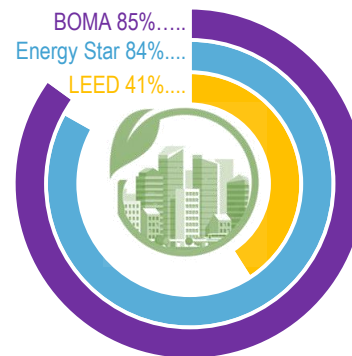
Piedmont maintains five regional offices to ensure local expertise is leveraged and relationships are cultivated within our markets.

Real Estate is a Local Business...



SUSTAINABILITY...Committed to Initiatives

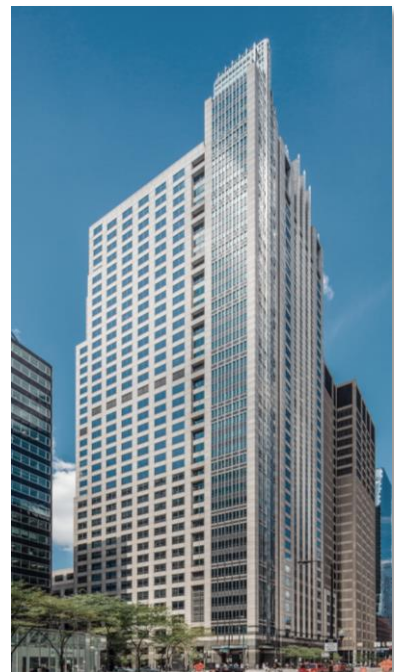
Piedmont leverages industry partnerships including BOMA, ENERGY STAR, and U.S. Green Building Council, to advance the energy and sustainability performance of its assets.



Piedmont values operational excellence and is committed to continual improvement in resource efficiency and sustainability.

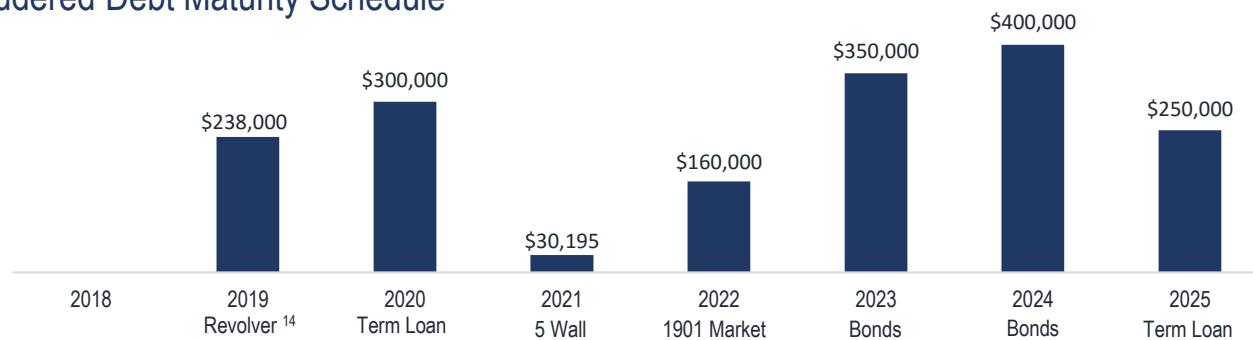
In 2017, Piedmont's energy-saving initiatives resulted in savings of over 5.7 million kWh.



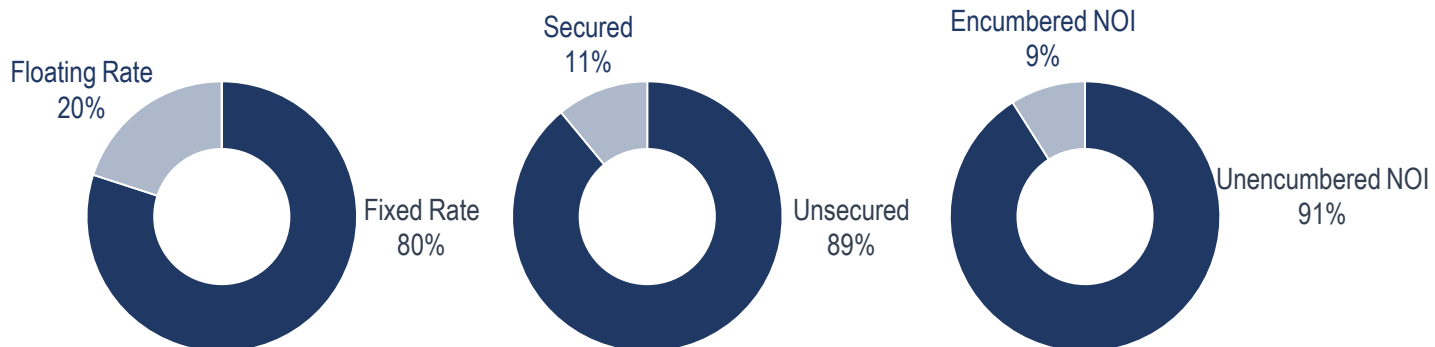


500 WEST MONROE – CHICAGO, IL

Laddered Debt Maturity Schedule



Debt Profile



Debt Metrics

Net Debt /
Gross Assets
37.9%

Net Debt /
Core EBITDA
6.2x

Fixed Charge
Coverage Ratio
4.2x

Weighted Avg
Interest Rate
3.7%

Credit Ratings

Moody's
Baa2

S&P
BBB

*Why you should consider
Piedmont...*

Growing Income

- ~\$20 million of NOI currently under abatement or not yet commenced
- Average lease term of 6.7 years
- 62% of rents derived from invest. grade or nationally-recognized companies

Risk-Adjusted Returns

- One of the highest Sharpe ratios in the office sector
- Diversified markets- not vulnerable to the macroeconomic conditions of one region

Accretive Capital Redeployment

- Reinvest sale proceeds of low-yielding assets into higher yielding opportunities within our target markets

Balance Sheet

- Simple and flexible debt structure- 2019 and 2020 maturities are pre-payable without penalty
- BBB (stable), Baa2 (stable)

Dividend

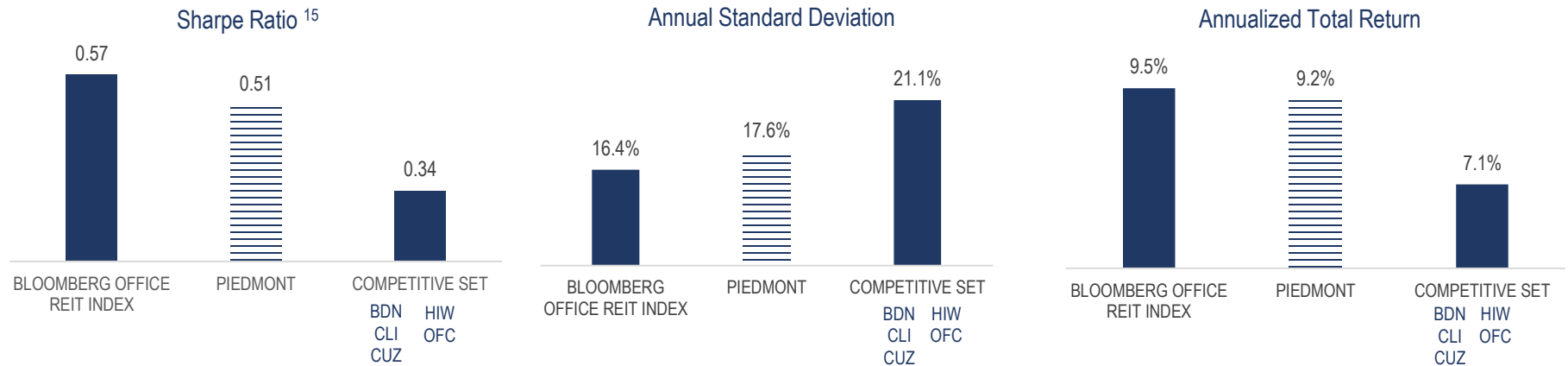
- Currently yielding 4.3% vs office average of 3.8%
- Well-covered at 65% AFFO payout ratio

Value Opportunity

- Piedmont currently trades at a 11.4x forward estimated FFO multiple vs the office average of 16.1x
- Currently trading at a 22% discount to GreenStreet's NAV of \$25.00/sh

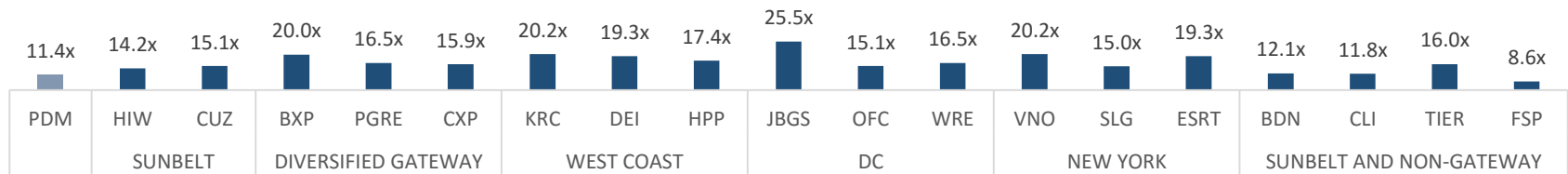
Attractive Risk-Adjusted Returns

Piedmont IPO through July 31, 2018

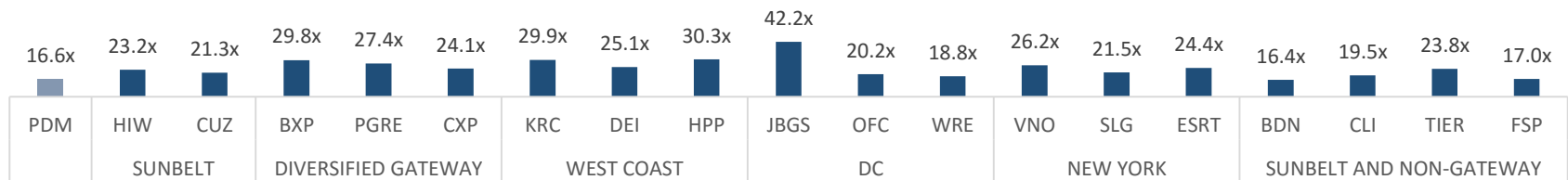


Undervalued within the Office REIT Sector ¹⁶

P/2018 EST FFO Multiple



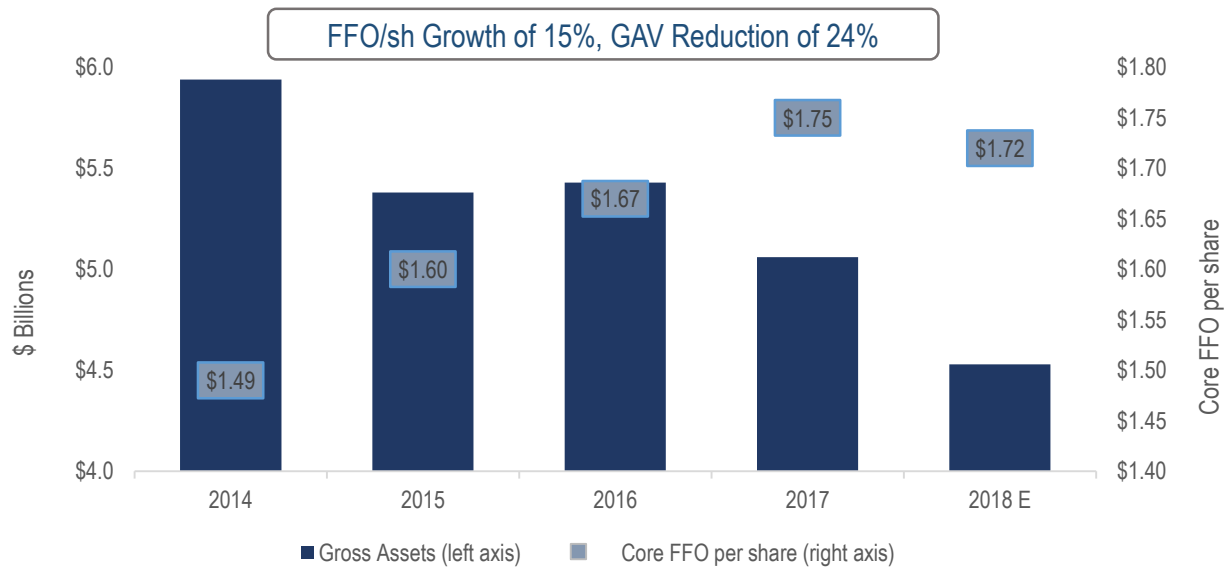
P/2018 EST AFFO Multiple



2018 Guidance

- Anticipated Core FFO of **\$1.69 to \$1.75 per share**
- Despite the sale of over \$750 million (net) of assets since the beginning of 2017, the mid-point of our guidance range represents a decrease of only \$0.03 per share
- For the remainder of 2018, anticipate net neutral to modest net selling transactional activity (dispositions, acquisitions, and stock repurchases)

Consistent FFO Growth Despite Capital Base Reduction



PARK PLACE
Dallas, TX

- 1 For the purposes of the calculation, we annualize the quarter's Core EBITDA and 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 quarter.
- 2 Statistical information presented throughout the document regarding the company's portfolio of properties includes all in-service properties and excludes one out-of-service property as of June 30, 2018, unless otherwise noted.
- 3 Includes Annualized Lease Revenue attributable to tenants with an investment grade credit rating and tenants that do not have a credit rating but have well-established businesses, such as Independence Blue Cross, Piper Jaffray, Brother International, and RaceTrac Petroleum.
- 4 Weighted averages are calculated by applying Green Street Advisor's estimated asset value concentration in each geographic market to the 2018-2022 projected employment growth for each market. Companies included in the Gateway average include BXP, DEI, ESRT, KRC, PGRE, SLG, VNO, and WRE. Companies included in the Non-gateway average include BDN, CLI, CUZ, EQC, HIW, and OFC.
- 5 Annualized rental income associated with newly executed leases for currently occupied space is incorporated herein only at the expiration date for the current lease. Annualized rental income associated with such new leases is removed from the expiry year of the current lease and added to the expiry year of the new lease.
- 6 Includes leases with an expiration date of June 30, 2018, comprised of 1,600 square feet and Annualized Lease Revenue of \$48,000.
- 7 Initial Cash NOI represents the aggregated NOI contribution from each asset during the first twelve months of ownership. LTM Cash NOI represents the aggregated NOI contribution from each asset over the twelve month period ending 6/30/18. The displayed NOI growth CAGR represents the weighted average of each asset's NOI growth CAGR.
- 8 Initial Leased % represents the average occupancy for the acquired properties as of their respective acquisition dates and 2018 Lease % represents the average occupancy for those same properties as of 6/30/18.
- 9 Rental rate growth information was sourced from CoStar and represents the growth in market rental rates from mid-year 2013 to mid-year 2018.
- 10 Represents the weighted average of each asset's IRR. In order to calculate the IRR for each property, an assumption is made that each property is sold at 6/30/18 at the Company's estimate of its current value.
- 11 Amount represents deduction of assets sold during the period (less closings costs) plus the addition of assets bought during the period.
- 12 Working Capital is Current Assets less Current Liabilities.
- 13 Depending upon ascribed starting NAV (at 9/30/17).
- 14 The initial maturity date of the \$500 million unsecured revolving credit facility is June 18, 2019; however, there are two six-month extension options available under the facility providing for a final extended maturity date of June 18, 2020.
- 15 Sharpe Ratio is the average return earned in excess of the risk-free rate per unit of volatility. The relevant performance period is from February 10, 2010 (Piedmont's IPO) through July 31, 2018.
- 16 Source: SNL, updated 9/17/2018.