



***Fixed Income Supplemental Presentation
June 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 June 30, 2023. Please review Piedmont's Supplemental report dated June 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 June 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, approximately 87% of the Company's square footage is Energy Star certified and approximately 64% 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 June 30, 2023	As of December 31, 2022
Number of consolidated in-service office properties ⁽¹⁾	51	51
Rentable square footage (in thousands) ⁽¹⁾	16,672	16,658
Percent leased ⁽²⁾	86.2 %	86.7 %
Capitalization (in thousands):		
Total debt - GAAP	\$2,049,236	\$1,983,681
Total principal amount of debt outstanding (excludes premiums, discounts, and deferred financing costs)	\$2,062,000	\$1,997,000
Equity market capitalization ⁽³⁾	\$899,238	\$1,131,941
Total market capitalization ⁽³⁾	\$2,961,238	\$3,128,941
Total principal amount of debt / Total market capitalization ⁽³⁾	69.6 %	63.8 %
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⁾	6.3 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	\$7.39	\$10.92
Low closing price during quarter	\$6.10	\$8.80
Closing price of common stock at period end	\$7.27	\$9.17
Weighted average fully diluted shares outstanding during quarter (in thousands)	123,749	123,633
Shares of common stock issued and outstanding at period end (in thousands)	123,692	123,440
Annual regular dividend per share ⁽⁷⁾	\$0.84	\$0.84
Ratings (Standard & Poor's / Moody's)	BBB / Baa2	BBB / Baa2
Employees	147	149

(1) As of June 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) Total of the regular dividends per share for which record dates occurred over the last four quarters.

Piedmont Office Realty Trust, Inc.

Quarterly Highlights

As of June 30, 2023

Highlights for the Three Months Ended June 30, 2023:

Financial Results:

<i>(in 000s other than per share amounts)</i>	Three Months Ended	
	June 30, 2023	June 30, 2022
Net income/(loss) applicable to Piedmont	\$(1,988)	\$7,966
Net income/(loss) per share applicable to common stockholders - diluted	\$(0.02)	\$0.06
Interest expense	\$23,389	\$13,775
Core Funds From Operations ("Core FFO") applicable to common stock	\$55,535	\$61,620
Core FFO per diluted share	\$0.45	\$0.50
Adjusted Funds From Operations applicable to common stock	\$44,444	\$48,900

- Net loss applicable to Piedmont for the three months ended June 30, 2023 was \$2.0 million, as compared to net income applicable to Piedmont of \$8.0 million for the three months ended June 30, 2022.
- Core FFO was \$0.45 per diluted share for the second quarter of 2023, as compared to \$0.50 per diluted share for the second quarter of 2022. The \$0.05 per diluted share decrease was almost exclusively attributable to a \$9.6 million, or \$0.08 per diluted share, increase in interest expense during the second quarter of 2023, partially offset by continued growth in Property Net Operating Income, as compared to the second quarter of 2022.

Leasing:

	Three Months Ended June 30, 2023
# of lease transactions	49
Total leasing sf	581,031
New tenant leasing sf	236,448
Cash rent roll up	14.3 %
Accrual rent roll up	19.6 %
Quarterly retention ratio	69.3 %
Leased percentage as of period end	86.2 %

- The Company completed approximately 581,000 square feet of leasing transactions during the second quarter, over 40% of which, or approximately 236,000 square feet, was for new tenant leasing.
- The average size lease executed during the second quarter of 2023 was approximately 12,000 square feet and the weighted average lease term was approximately six years.
- The two largest leases completed during the quarter were both for new tenants at Galleria Atlanta:
 - An insurance company leased approximately 70,000 square feet through 2036 at Galleria 300; and
 - An owner operator of single family residences leased approximately 51,000 square feet through 2035 at Galleria 600.
- Cash and accrual basis rents on leases executed during the quarter ended June 30, 2023 for space vacant one year or less increased approximately 14% and 20%, respectively.

- The Company's scheduled lease expirations for the remainder of 2023 represent less than 3% of its annualized lease revenue.
- During the second quarter of 2023, Same Store NOI - Cash basis increased 0.2% as new leases commencing or with expiring abatements began to outweigh leases that expired during the first six months of 2023. Same Store NOI on an accrual basis decreased 3.7% during the three months ended June 30, 2023 as compared to the same period in the prior year. The decrease was attributable to a combination of a decline in our overall leased percentage during the current period as compared to the prior period; an increase in leases under operating expense abatement due to recent leasing activity; and an increase in leases which are executed but not yet commenced.
- As of June 30, 2023, the Company had approximately 1.3 million square feet of executed leases for vacant space yet to commence or under rental abatement, representing approximately \$37 million of future additional annual cash revenue; consequently, the Company continues to estimate that Same Store NOI, on both a cash and accrual basis, will increase approximately 1-3% on an annual basis in 2023.
- The Company's leased percentage as of June 30, 2023 increased slightly to 86.2% from 86.1% at March 31, 2023. The Company projects its estimated year end leased percentage will be approximately 87%.

Balance Sheet:

<i>(in 000s except for ratios)</i>	June 30, 2023	December 31, 2022
Total Real Estate Assets	\$3,512,128	\$3,500,624
Total Assets	\$4,094,349	\$4,085,525
Total Debt	\$2,049,236	\$1,983,681
Weighted Average Cost of Debt	4.49 %	3.89 %
Debt-to-Gross Assets Ratio	38.4 %	37.6 %
Average Net Debt-to-Core EBITDA (ttm)	6.3 x	6.0 x

- During the three months ended June 30, 2023, the Company repaid \$350 million of maturing unsecured senior notes utilizing \$170 million of cash and investments on hand and its \$600 million line of credit. The balance outstanding on the line of credit as of June 30, 2023 was \$200 million.

ESG and Operations:

- The Company published its 2022 ESG report which is available electronically at [www.piedmontreit.com/ ESG / Annual ESG Reports](http://www.piedmontreit.com/ESG/AnnualESGReports).
- The Company renewed its WELL Health-Safety Rating for its entire 17 million square foot portfolio spanning 51 managed properties.
- US Bancorp Center in Minneapolis, MN won an International The Outstanding Building of the Year ("TOBY") award.
- All five Atlanta Galleria properties, as well as 4250 North Fairfax in Arlington, VA, achieved LEED Gold status, bringing the percentage of the portfolio that is LEED certified to 64%.
- The Company increased its financial needs-based scholarship program to six students for the 2023-24 academic year at Howard University in Washington, D.C. and Morehouse College in Atlanta, GA.

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

	As of June 30, 2023	As of December 31, 2022
Market Capitalization		
Common stock price	\$7.27	\$9.17
Total shares outstanding	123,692	123,440
Equity market capitalization ⁽¹⁾	\$899,238	\$1,131,941
Total debt - GAAP	\$2,049,236	\$1,983,681
Total principal amount of debt outstanding (excludes premiums, discounts, and deferred financing costs)	\$2,062,000	\$1,997,000
Total market capitalization ⁽¹⁾	\$2,961,238	\$3,128,941
Total principal amount of debt / Total market capitalization ⁽¹⁾	69.6 %	63.8 %
Ratios & Information for Debt Holders		
Total gross assets ⁽²⁾	\$5,367,236	\$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⁾	6.3 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
As of June 30, 2023
Unaudited

Bank Debt Covenant Compliance ⁽¹⁾	Required	Three Months Ended				
		6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022
Maximum leverage ratio	0.60	0.37	0.38	0.39	0.40	0.35
Minimum fixed charge coverage ratio ⁽²⁾	1.50	3.52	3.91	4.36	4.82	5.21
Maximum secured indebtedness ratio	0.40	0.04	0.04	0.04	0.04	—
Minimum unencumbered leverage ratio	1.60	2.66	2.64	2.56	2.46	2.87
Minimum unencumbered interest coverage ratio ⁽³⁾	1.75	3.67	4.10	4.55	4.93	5.26

Bond Covenant Compliance ⁽⁴⁾	Required	Three Months Ended				
		6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022
Total debt to total assets	60% or less	44.8%	47.1%	44.0%	46.8%	40.9%
Secured debt to total assets	40% or less	4.3%	4.2%	4.3%	4.3%	—%
Ratio of consolidated EBITDA to interest expense	1.50 or greater	3.97	4.44	4.95	5.49	5.92
Unencumbered assets to unsecured debt	150% or greater	223%	211%	227%	212%	245%

Other Debt Coverage Ratios for Debt Holders	Three Months Ended	Six Months Ended	Twelve Months Ended
	June 30, 2023	June 30, 2023	December 31, 2022
Average net principal amount of debt to core EBITDA ⁽⁵⁾	6.4 x	6.3 x	6.0 x
Fixed charge coverage ratio ⁽⁶⁾	3.2 x	3.3 x	4.5 x
Interest coverage ratio ⁽⁷⁾	3.2 x	3.3 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 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 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 (none during periods presented), capitalized interest and preferred dividends (none during periods presented). The Company had capitalized interest of \$1.4 million for the three months ended June 30, 2023, \$2.6 million for the six months ended June 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 \$1.4 million for the three months ended June 30, 2023, \$2.6 million for the six months ended June 30, 2023, and \$4.2 million for the twelve months ended December 31, 2022.

Piedmont Office Realty Trust, Inc.

Debt Summary

As of June 30, 2023

Unaudited (\$ in thousands)

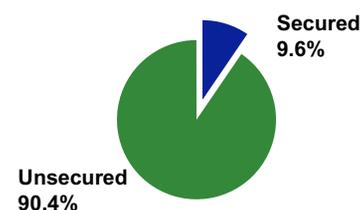
Floating Rate & Fixed Rate Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Floating Rate	\$615,000 ⁽³⁾	6.14%	30.0 months
Fixed Rate	1,447,000	3.80%	54.1 months
Total	\$2,062,000	4.49%	46.9 months



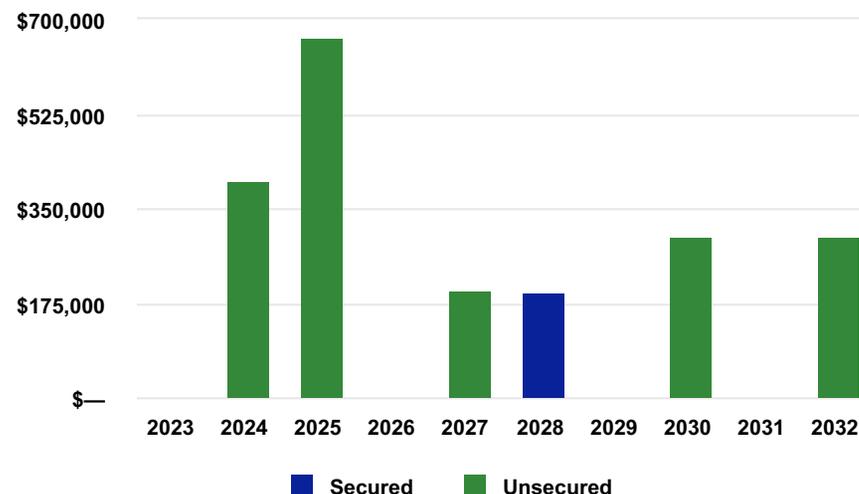
Unsecured & Secured Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Unsecured	\$1,865,000	4.54%	45.2 months
Secured	197,000	4.10%	63.1 months
Total	\$2,062,000	4.49%	46.9 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	—	400,000	4.45%	19.4%
2025	—	665,000	5.58%	32.3%
2026	—	—	N/A	—%
2027	—	200,000	6.00%	9.7%
2028	197,000	—	4.10%	9.6%
2029	—	—	N/A	—%
2030	—	300,000	3.15%	14.5%
2031	—	—	N/A	—%
2032	—	300,000	2.75%	14.5%
Total	\$197,000	\$1,865,000	4.49%	100.0%



(1) All of Piedmont's outstanding debt as of June 30, 2023, was interest-only debt or in an interest-only payment period.

(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 \$200 million outstanding balance as of June 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 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⁾	Property	Stated Rate	Maturity	Principal Amount Outstanding as of June 30, 2023
Secured				
\$197.0 Million Fixed-Rate Mortgage	1180 Peachtree Street	4.10 % ⁽²⁾	10/1/2028	\$ 197,000
Subtotal / Weighted Average ⁽³⁾		4.10 %		\$ 197,000
Unsecured				
\$400.0 Million Unsecured 2014 Senior Notes	N/A	4.45 % ⁽⁴⁾	3/15/2024	400,000
\$215.0 Million Unsecured 2023 Term Loan ⁽⁵⁾	N/A	6.20 % ⁽⁶⁾	1/31/2025	215,000
\$250.0 Million Unsecured 2018 Term Loan	N/A	4.54 % ⁽⁷⁾	3/31/2025	250,000
\$200.0 Million Unsecured 2022 Term Loan ⁽⁸⁾	N/A	6.20 % ⁽⁹⁾	6/18/2025	200,000
\$600.0 Million Unsecured Line of Credit ⁽¹⁰⁾	N/A	6.00 % ⁽¹¹⁾	6/30/2027	200,000
\$300.0 Million Unsecured 2020 Senior Notes	N/A	3.15 % ⁽¹²⁾	8/15/2030	300,000
\$300.0 Million Unsecured 2021 Senior Notes	N/A	2.75 % ⁽¹³⁾	4/1/2032	300,000
Subtotal / Weighted Average ⁽³⁾		4.54 %		\$ 1,865,000
Total Debt - Principal Amount Outstanding / Weighted Average Stated Rate ⁽³⁾		4.49 %		\$ 2,062,000
GAAP Accounting Adjustments ⁽¹⁴⁾				(12,764)
Total Debt - GAAP Amount Outstanding				\$ 2,049,236

(1) All of Piedmont's outstanding debt as of June 30, 2023, was interest-only debt or in an interest-only payment period.

(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. The loan is interest-only through September 2023; effective October 1, 2023, the loan will begin amortizing based on a 30-year amortization schedule.

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

(4) 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%.

(5) 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.

(6) 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 June 30, 2023) based on Piedmont's then current credit rating.

(7) 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 June 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.

(8) 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.

(9) 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 June 30, 2023) based on Piedmont's then current credit rating.

(10) All of Piedmont's outstanding debt as of June 30, 2023 was term debt with the exception of the \$200 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.

(11) 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, 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 (0.85% as of June 30, 2023) based on Piedmont's then current credit rating.

(12) 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%.

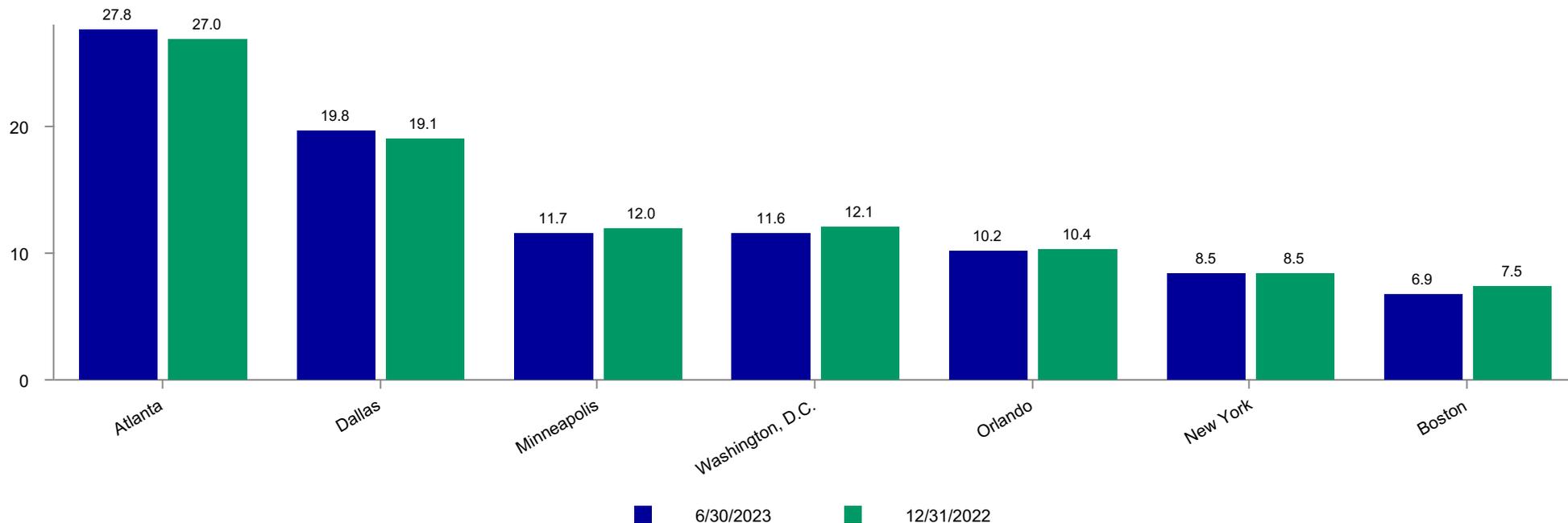
(13) The \$300 million unsecured senior notes were offered for sale at 99.510% of the principal amount. The resulting effective cost of the financing is approximately 2.80% before the consideration of transaction costs and the impact of interest rate hedges. After incorporating the results of the related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

(14) 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, 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	\$157,541	27.8	4,721	28.3	4,149	87.9
Dallas	13	112,619	19.8	3,534	21.2	2,860	80.9
Minneapolis	6	66,470	11.7	2,104	12.6	1,907	90.6
Washington, D.C.	6	65,954	11.6	1,620	9.7	1,239	76.5
Orlando	6	58,026	10.2	1,764	10.6	1,657	93.9
New York	1	48,222	8.5	1,045	6.3	912	87.3
Boston	6	39,153	6.9	1,270	7.6	1,081	85.1
Other	2	19,579	3.5	614	3.7	560	91.2
Total / Weighted Average	51	\$567,564	100.0	16,672	100.0	14,365	86.2

Percentage of Annualized Lease Revenue (%)



Piedmont Office Realty Trust, Inc.
Industry Diversification
As of June 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	82	11.4	\$85,782	15.1	2,218	15.4
Engineering, Accounting, Research, Management & Related Services	95	13.2	79,159	13.9	1,902	13.2
Legal Services	79	11.0	57,171	10.1	1,417	9.9
Governmental Entity	5	0.7	48,115	8.5	938	6.5
Depository Institutions	22	3.1	38,705	6.8	1,042	7.3
Real Estate	49	6.8	28,404	5.0	834	5.8
Oil and Gas Extraction	5	0.7	22,193	3.9	631	4.4
Miscellaneous Retail	9	1.3	20,885	3.7	467	3.3
Holding and Other Investment Offices	36	5.0	20,293	3.6	497	3.5
Security & Commodity Brokers, Dealers, Exchanges & Services	52	7.2	19,226	3.4	492	3.4
Health Services	32	4.4	14,726	2.6	376	2.6
Automotive Repair, Services & Parking	9	1.3	13,149	2.3	8	0.1
Insurance Agents, Brokers & Services	20	2.8	11,768	2.1	341	2.4
Membership Organizations	16	2.2	10,544	1.9	204	1.4
Eating & Drinking Places	31	4.3	8,638	1.5	224	1.6
Other	178	24.6	88,806	15.6	2,774	19.2
Total	720	100.0	\$567,564	100.0	14,365	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 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.

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.

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

	6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022
Assets:					
Real estate, at cost:					
Land assets	\$ 567,244	\$ 567,244	\$ 567,244	\$ 578,722	\$ 521,789
Buildings and improvements	3,768,456	3,714,572	3,682,000	3,751,722	3,389,650
Buildings and improvements, accumulated depreciation	(981,052)	(947,209)	(915,010)	(926,357)	(892,131)
Intangible lease asset	182,127	190,180	205,074	212,248	164,194
Intangible lease asset, accumulated amortization	(83,763)	(83,997)	(90,694)	(88,721)	(85,459)
Construction in progress	59,116	46,007	52,010	44,977	41,544
Total real estate assets	3,512,128	3,486,797	3,500,624	3,572,591	3,139,587
Cash and cash equivalents	5,167	170,593	16,536	10,653	6,397
Tenant receivables, net of allowance for doubtful accounts	5,387	6,280	4,762	7,796	5,164
Straight line rent receivable	180,339	176,320	172,019	173,122	168,797
Escrow deposits and restricted cash	5,055	4,183	3,064	2,191	1,459
Prepaid expenses and other assets	23,566	26,810	17,152	23,925	26,955
Goodwill	82,937	82,937	82,937	98,918	98,918
Interest rate swap	5,693	2,899	4,183	3,760	996
Deferred lease costs, gross	482,149	486,694	505,979	510,936	459,038
Deferred lease costs, accumulated amortization	(208,072)	(206,053)	(221,731)	(218,399)	(211,757)
Total assets	\$ 4,094,349	\$ 4,237,460	\$ 4,085,525	\$ 4,185,493	\$ 3,695,554
Liabilities:					
Unsecured debt, net of discount	\$ 1,852,236	\$ 2,000,955	\$ 1,786,681	\$ 1,948,408	\$ 1,674,778
Secured debt	197,000	197,000	197,000	197,000	—
Accounts payable, accrued expenses, and accrued capital expenditures	107,629	98,464	135,663	111,262	99,724
Deferred income	89,815	67,056	59,977	70,798	72,422
Intangible lease liabilities, less accumulated amortization	50,335	53,494	56,949	60,694	32,967
Interest rate swaps	—	394	—	—	—
Total liabilities	2,297,015	2,417,363	2,236,270	2,388,162	1,879,891
Stockholders' equity:					
Common stock	1,237	1,236	1,234	1,234	1,234
Additional paid in capital	3,712,688	3,710,767	3,711,005	3,709,234	3,707,833
Cumulative distributions in excess of earnings	(1,911,188)	(1,883,225)	(1,855,893)	(1,905,544)	(1,882,962)
Other comprehensive loss	(6,977)	(10,266)	(8,679)	(9,194)	(12,050)
Piedmont stockholders' equity	1,795,760	1,818,512	1,847,667	1,795,730	1,814,055
Non-controlling interest	1,574	1,585	1,588	1,601	1,608
Total stockholders' equity	1,797,334	1,820,097	1,849,255	1,797,331	1,815,663
Total liabilities, redeemable common stock and stockholders' equity	\$ 4,094,349	\$ 4,237,460	\$ 4,085,525	\$ 4,185,493	\$ 3,695,554
<i>Common stock outstanding at end of period</i>	<i>123,692</i>	<i>123,643</i>	<i>123,440</i>	<i>123,395</i>	<i>123,390</i>

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

	Three Months Ended					Six Months Ended	
	6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022	6/30/2023	6/30/2022
Net income / (loss) applicable to Piedmont	\$ (1,988)	\$ (1,367)	\$ 75,569	\$ 3,331	\$ 7,966	\$ (3,355)	\$ 67,930
Net income / (loss) applicable to noncontrolling interest	3	3	1	—	(1)	6	(1)
Interest expense	23,389	22,077	20,739	17,244	13,775	45,466	27,673
Depreciation	36,464	35,787	34,778	34,931	32,362	72,251	63,867
Amortization	21,323	22,021	23,905	23,278	21,468	43,344	43,708
Depreciation and amortization attributable to noncontrolling interests	21	20	20	21	22	41	44
Impairment loss	—	—	25,981	—	—	—	—
(Gain) / loss on sale of properties	—	—	(101,055)	—	(1)	—	(50,674)
EBITDAre	79,212	78,541	79,938	78,805	75,591	157,753	152,547
Severance costs associated with fourth quarter 2022 management reorganization	—	—	2,248	—	—	—	—
Core EBITDA	79,212	78,541	82,186	78,805	75,591	157,753	152,547