



Investor Presentation  
Wells Fargo Real Estate Securities Conference  
May 2024

# DISCLAIMER

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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 was recognized as a 2024 Energy Star Partner of the Year - Sustained Excellence, a distinction awarded for earning Partner of the Year for multiple consecutive years as well as exceeding the criteria required for recognition. Currently, approximately 84% of the Company's square footage is Energy Star certified and nearly 72% is LEED certified. Piedmont is headquartered in Atlanta, GA.

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 includes our wholly-owned office properties and our office properties owned through consolidated joint ventures but excludes two out-of-service properties as of March 31, 2024.

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, 2023. 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 March 31, 2024. Such documents are available at [www.sec.gov](http://www.sec.gov) and under the heading Investor Relations on our website at [www.piedmontreit.com](http://www.piedmontreit.com).

**Unless otherwise noted, all financial and statistical information contained in this presentation is as of March 31, 2024 and includes all in-service properties and excludes two out-of-service properties.**



# PIEDMONT OVERVIEW

## SUNBELT-FOCUSED

portfolio of differentiated professional environments

## STRATEGIC

capital allocator

## NIMBLE,

well-capitalized owner

## SUSTAINABLE COMMUNITY

minded leader

1180 Peachtree



# PIEDMONT OVERVIEW



999 Peachtree



Properties	49
Square Footage	16.0 million
Percent Leased	87.8%
Weighted Average Lease Term	5.7 years
Percent ALR Derived from Sunbelt	69%
YTD Leasing <sup>1</sup>	670k SF
Current Dividend Yield <sup>1</sup>	7.3%

Moody's / S&P Ratings	Baa3 / BBB-
Net Debt to Gross Assets	38.8%
Net Debt to EBITDA (TTM)	6.5x
Percent SF LEED Certified	72%
Percent SF ENERGY-STAR Rated	84%
Energy STAR Partner of the Year	2021, 2022, 2023, 2024
GRESB Rating	★★★★★

<sup>1</sup> As of April 30, 2024



# PORTFOLIO BUILT FOR...

## HOSPITALITY-INFUSED SPACES

Galleria on the Park



US Bancorp Center



Three Galleria





# PORTFOLIO BUILT FOR...

## AMENITY-RICH ENVIRONMENTS

NoVA Farmer's Markets



Toyota Music Factory



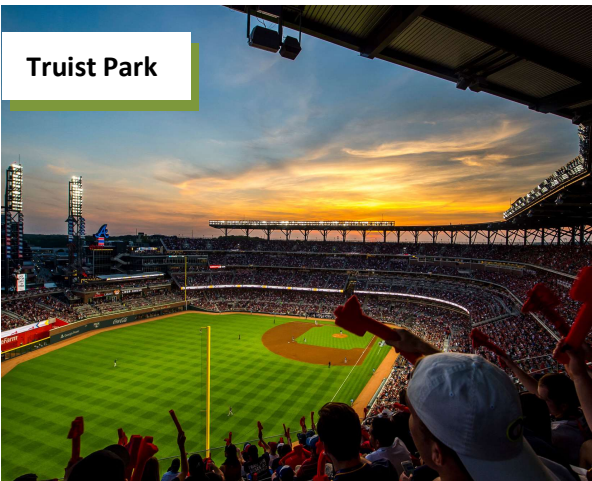
C+S Seafood at Galleria on the Park



Starbucks at Galleria on the Park



Truist Park



The Battery ATL



Colony Square Food Hall





# PORTFOLIO BUILT FOR...

## ROOM TO BREATHE

999 Peachtree



1180 Peachtree



CNL Center



Two Galleria



The Exchange





# PORTFOLIO BUILT FOR...

## HEALTH AND WELLNESS

Glenridge Highlands



IronWorx Studio



Galleria on the Park



US Bancorp Center



100% of Portfolio WELL Health-Safety Rating



# PORTFOLIO BUILT FOR...

## COMMUNITY-CENTERED EXPERIENCE

Masters Watch Party



Braves Tailgate



Make-A-Wish



Fall Festival



Tenant Pop-Up



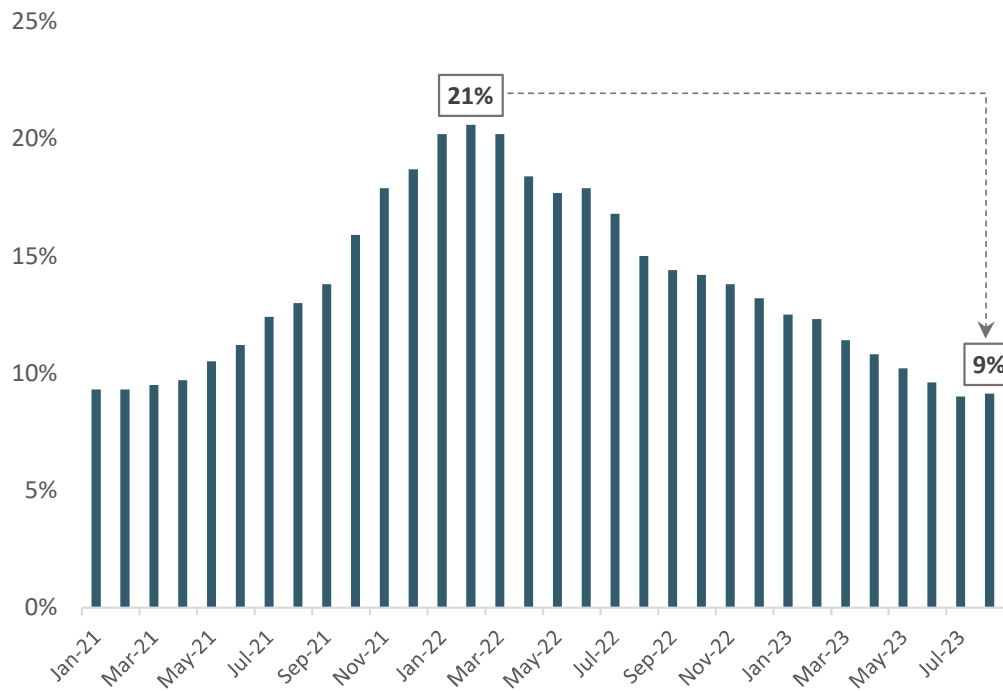
Tenant App



## Pendulum is Swinging Back to the Office

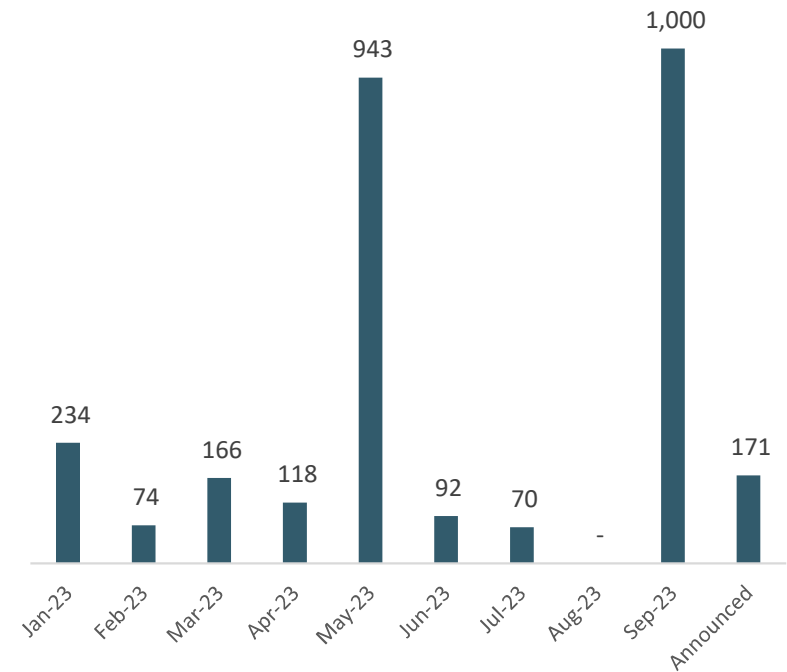
*“Supply of remote positions continues to fall, while office mandates impact larger share of workforce.”<sup>1</sup>*

National Remote-Only Share of Job Openings Has Fallen by Over Half in the Last 18 Months<sup>1</sup>



Nearly Three Million U.S. Employees Subject to Newly Effective Return to Work Mandates<sup>1</sup>

(000s of employees)



<sup>1</sup> Source: JLL (October 2023)

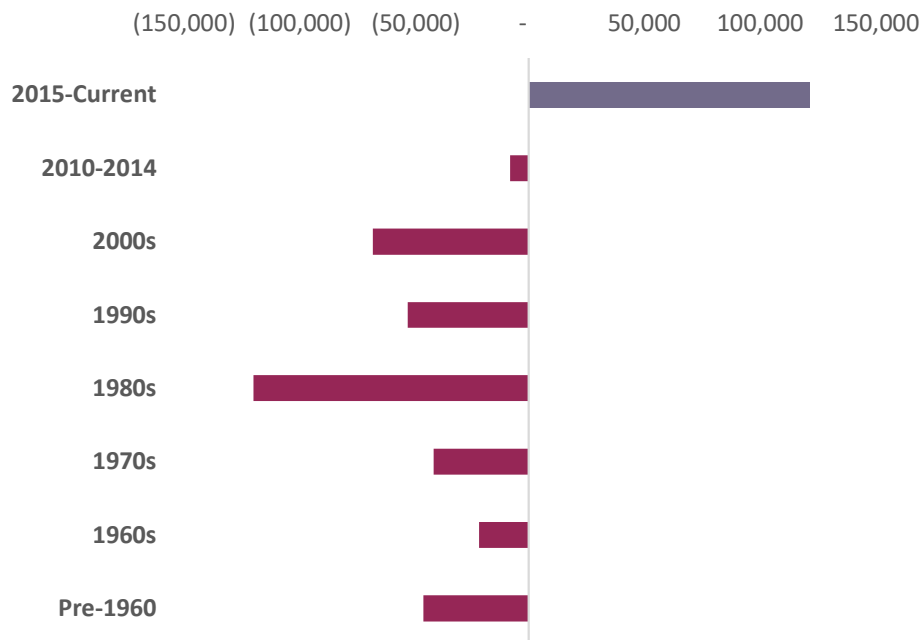


# NOT ALL OFFICE COMPETES EQUALLY

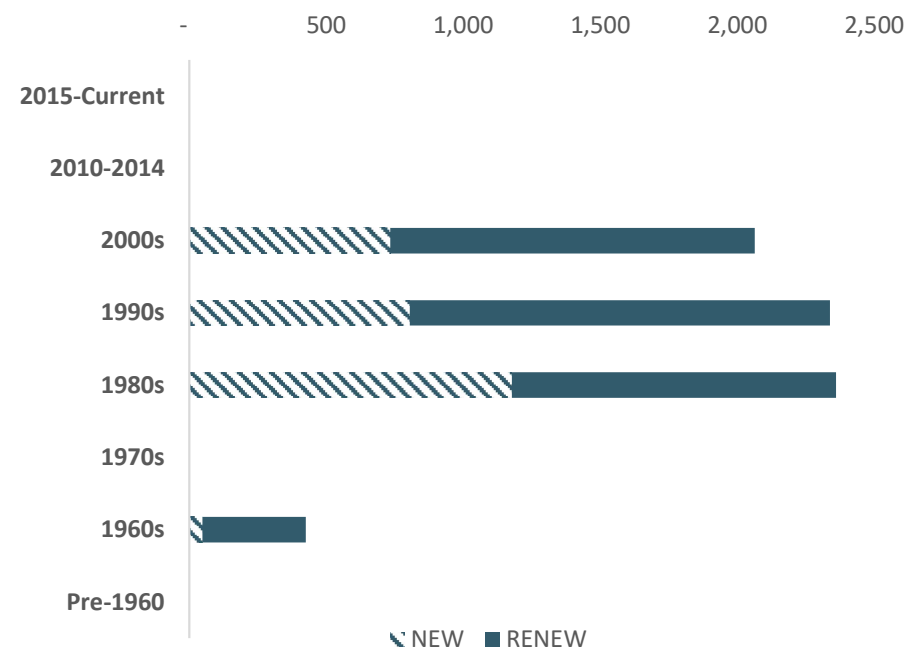
## Leasing Is Not Determined by “Year Built”

*Since the onset of COVID, Piedmont has leased almost 8 million square feet equating to ~50% of its current portfolio. Many factors influence a building’s demand profile.*

National Net Absorption by Age Since COVID-19 Onset<sup>1</sup>  
(SF in 000s)



Piedmont’s Total Leasing by Age Since 2Q 2020<sup>2</sup>  
(SF in 000s)



*Piedmont has achieved New leasing volumes at or above historical pre-covid levels almost every quarter since early 2021*

<sup>1</sup> Source: JLL (October 2023)

<sup>2</sup> As of March 31, 2024



# SAMPLE PIEDMONT ASSETS BUILT BEFORE 2015...

**CNL Center I & II | Built 1996, 2006**



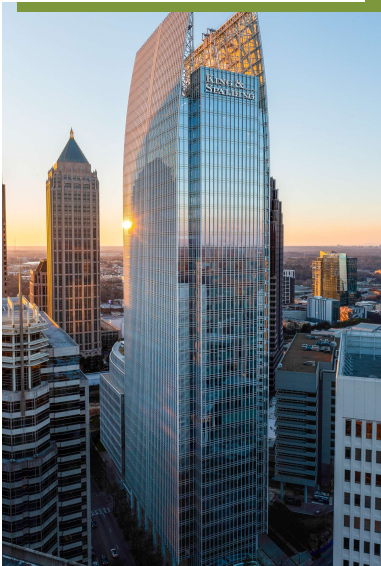
**Arlington Gateway | Built 2005**



**Galleria 600 | Built 2002**



**1180 Peachtree | Built 2006**



**999 Peachtree | Built 1987**



**US Bancorp | Built 2000**





# NOT ALL OFFICE COMPETES EQUALLY

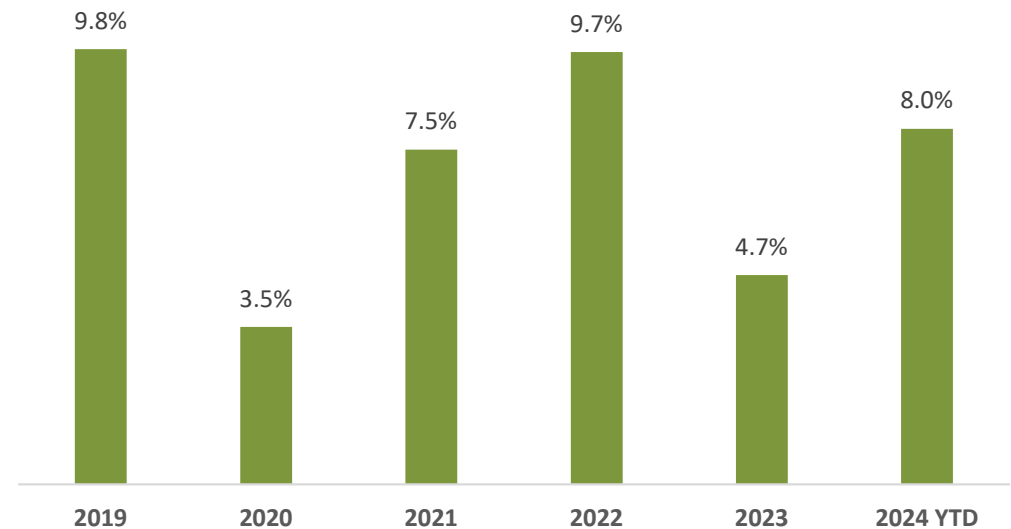
## News Headlines Have Influenced Market Perception vs. Reality

*“In our dataset of 2.7 billion RSF across the Top-25 MSAs...50% of vacancy is concentrated in the bottom 10% of assets.”<sup>1</sup>*

### How Piedmont Competes



### Piedmont Cash Rental Rate Roll-Ups



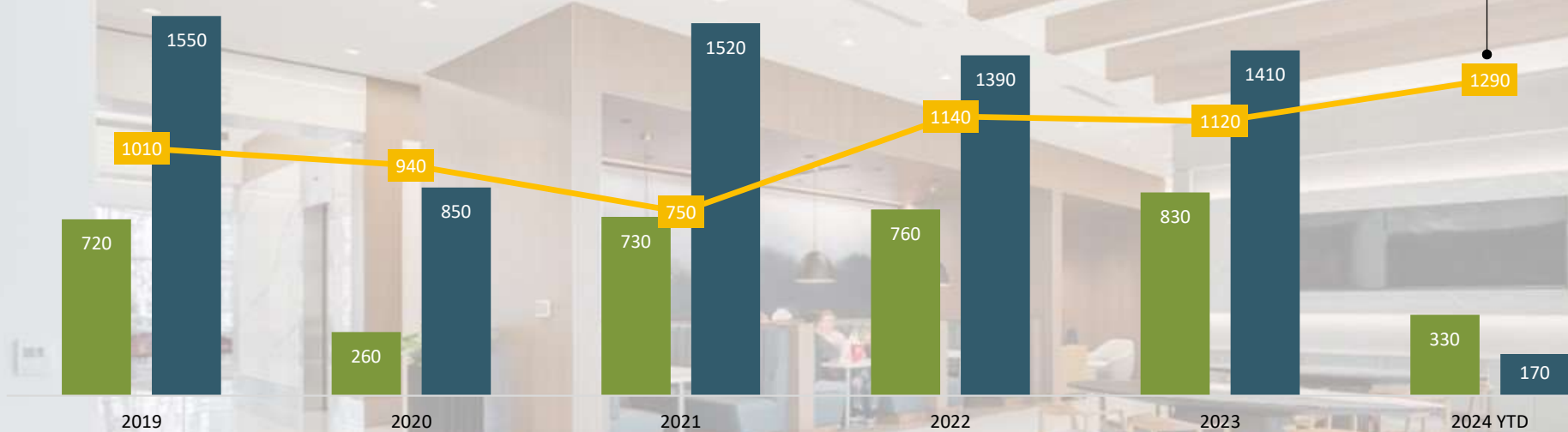
*Weighted average in-place rents have increased by 16% since the pandemic, a testament to the upgraded quality and profile of Piedmont's portfolio.*

<sup>1</sup> Source: JLL (October 2023)

2023 was a record year for new leasing performance and revenue backlog

## Leasing Volume (000 SF)

■ New ■ Renewal — SF in Abatement or Yet to Commence



**~\$42M**  
backlog of cash revenue<sup>3</sup>

### Post Covid Leasing

**59%**

Increase in  
<15K SF new deals<sup>2</sup>

**8.6 years**

Weighted Average  
Lease Term<sup>1</sup>

Market depth with  
small and medium  
enterprises

Still maintaining  
long lease terms

<sup>1</sup> For all new leasing activity from July 2020 through March 2024.

<sup>2</sup> Increase in the number of new lease transactions less than 15,000 square feet completed over the trailing twelve months compared to the number of new lease transactions less than 15,000 square feet completed in calendar year 2019 (representing a pre-pandemic year).

<sup>3</sup> Future cash revenue expected to be received from 1.3 million square feet of signed leases currently in abatement or yet to commence, which is greater than the impact of known future move outs.



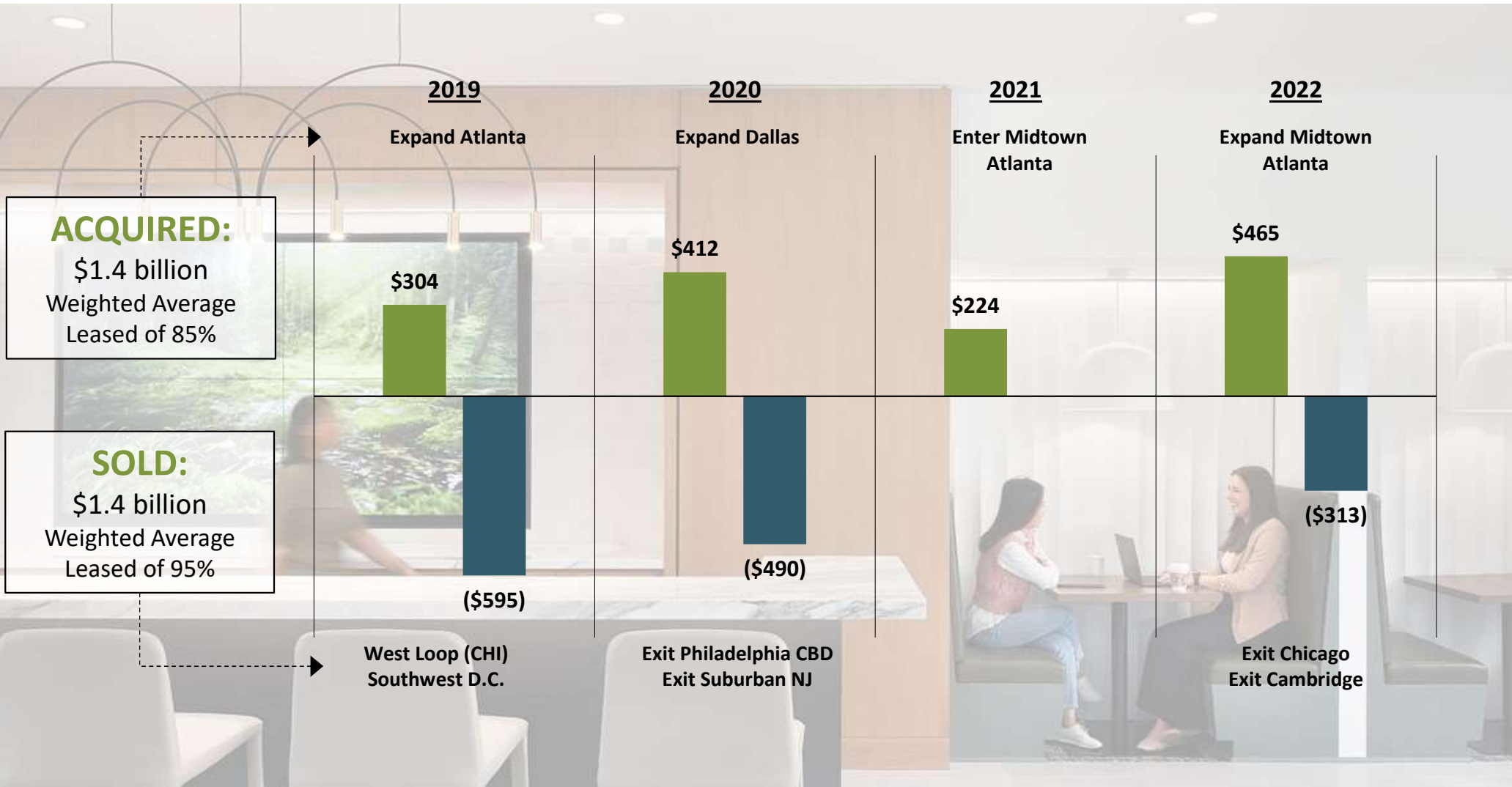
Portfolio Average Lease Size (SF)



## Looking Ahead

- *The average size of remaining 2024 expiring leases is 9,000 square feet...the sweet spot of the market.*
- *Other than one large move out in suburban Minneapolis expected in Q2, Piedmont has a very limited lease expiration schedule for the remainder of 2024...equating to only 5% of ALR rolling by year end.*

# EFFECTIVE CAPITAL ROTATION TO THE SUNBELT



**ALR GENERATED  
FROM SUNBELT**

YE 2018  
**43%**

Q1 2024  
**69%**

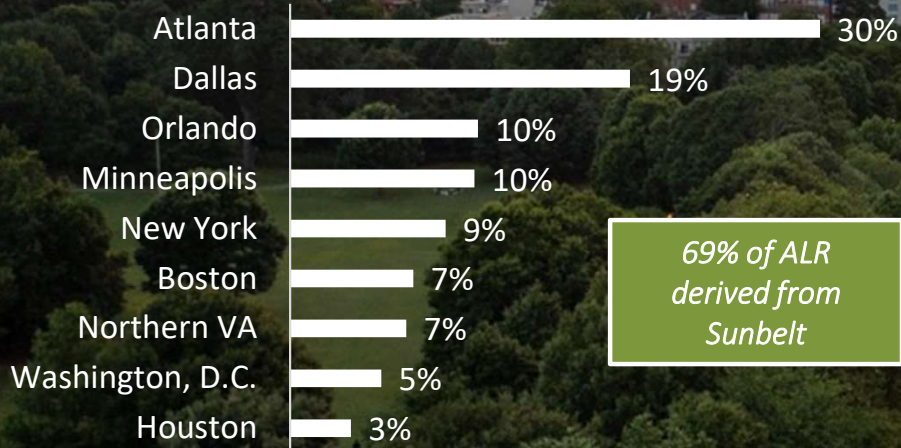


# PORTFOLIO OVERVIEW

999 Peachtree

1180 Peachtree

ALR by Market



69% of ALR derived from Sunbelt

ALR by Industry<sup>1</sup>



Less than 2% of ALR derived from coworking and limited technology exposure

<sup>1</sup> Please refer to page 30 of the Company's Q1 2024 Supplemental Information report for detail on industries included in the "Other" grouping, each individually representing less than 5% of total ALR.



# CONCENTRATED NODES IN MIXED USE ENVIRONMENTS YIELD DIFFERENTIATED RENTS

## ATLANTA – Cumberland / Galleria Submarket

**2.1M SF**

PDM owned

**28%**

Market share

**~\$525M**

Invested

~ \$31.95

Submarket rents

\$37.50

PDM Asking rents

## ORLANDO – CBD Submarket

**1.6M SF**

PDM owned<sup>1</sup>

**20%**

Market share

**~\$450M**

Invested

~ \$32.25

Submarket rents

\$34.50

PDM Asking rents

## ATLANTA – Midtown Submarket

**1.3M SF**

PDM owned

**9%**

Market share

**~\$700M**

Invested

~ \$47.25

Submarket rents

\$52.00

PDM Asking rents

## BOSTON – Burlington Submarket

**945K SF**

PDM owned

**20%**

Market share

**~\$300M**

Invested

~ \$38.50

Submarket rents

\$43.50

PDM Asking rents

Market data source: CoStar. Market share is calculated as PDM's owned SF in the submarket as a percentage of four and five star office assets in the submarket owned<sup>2</sup>.

<sup>1</sup> Includes 222 South Orange Avenue, a 127,000 square foot office building that is out of service for redevelopment.

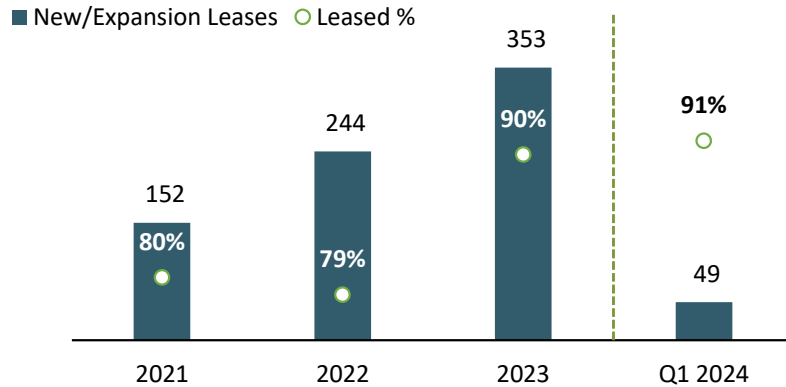
<sup>2</sup> Except for Atlanta Midtown, which is calculated as a percentage of only five star assets in the submarket.



# REDEVELOPMENT IN ACTION – GALLERIA ON THE PARK

## REIMAGINED 2.1M SF ENVIRONMENT IS DELIVERING RESULTS

Galleria New / Expansion Leasing Since 2021  
(000 SF)



**~ 800K**  
New/expansion  
leases signed  
since 2021

**8.4 Years**  
Weighted  
average  
lease term<sup>1</sup>

**15%**  
Average cash  
roll up<sup>1</sup>

**9**  
Full floor or  
greater new  
HQ relocations

**192K**  
Additional SF  
available for  
absorption

Galleria 300 | IronWorx Studio



Galleria 200



New/Expansion Tenants

<sup>1</sup> Based on the criteria for inclusion into the Roll Up / Roll Down Analysis calculation as defined in the Company's Q1 2024 Supplemental Report.

# REDEVELOPMENT IN ACTION – GALLERIA ON THE PARK

## CASE STUDY – GALLERIA 600

### AT ACQUISITION IN 2019:

Price: \$96.5 million (\$220/SF)  
Leased %: 34% after known vacates<sup>1</sup>  
In-place Rents: \$27/SF

<sup>1</sup> PDM's underwriting included over 100k SF of expected vacancies or downsizing during the first two years

### RESULTS FOLLOWING \$3.5M RENOVATION:

Leasing: 250k SF of new or expansion  
Leased %: 93%  
In-place Rents: \$34/SF  
Rent increase: 25%  
WALT: 7.8 years  
Current rate: \$38/SF





# FUTURE LEASEUP OPPORTUNITIES

## THE EXCHANGE | ORLANDO



89% Leased	1Q 2024 Redevelopment Complete	72k SF Leaseup Oppty	Walker's Paradise <sup>1</sup>
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## 60 BROAD | NEW YORK CITY



90% Leased	3Q 2024 Redevelopment Complete	106k SF Leaseup Oppty	Walker's Paradise <sup>1</sup>
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## 999 PEACHTREE | ATLANTA



89% Leased	4Q 2024 Redevelopment Complete	70k SF Leaseup Oppty	Walker's Paradise <sup>1</sup>
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## THREE GALLERIA | DALLAS



88% Leased <sup>2</sup>	3Q 2024 Redevelopment Complete	62k SF Leaseup Oppty <sup>2</sup>	Very Walkable <sup>1</sup>
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<sup>1</sup> Source: CoStar

<sup>2</sup> In addition to current building vacancy, Ryan will vacate 124,000 square feet in early 2025.

# FUTURE LEASEUP OPPORTUNITIES

## ARLINGTON GATEWAY | NORTHERN VA



80% Leased	3Q 2024 Redevelopment Complete	66k SF Leaseup Oppty	Walker's Paradise <sup>1</sup>
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## 25 BURLINGTON MALL | BOSTON



56% Leased	Done Redevelopment Complete	129k SF Leaseup Oppty	Unmatched Amenities
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## MERIDIAN CROSSINGS | MINNEAPOLIS



5% Leased <sup>2</sup>	4Q 2024 Redevelopment Complete	367k SF Leaseup Oppty <sup>2</sup>	Unmatched Amenities
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## GALLERIA 100 | ATLANTA



86% Leased	Done Redevelopment Complete	57k SF Leaseup Oppty	Unmatched Amenities
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<sup>1</sup> Source: CoStar

<sup>2</sup> Upon vacate of US Bank in June 2024



# FINANCIAL STRENGTH AND FLEXIBILITY



## PIEDMONT MAINTAINS A CONSERVATIVE, SIMPLE BALANCE SHEET

### PRO FORMA DEBT METRICS

**38.8%**

Net Debt to  
Gross Assets

**6.5x**

Net Debt to  
Core EBITDA (TTM)

**Baa3**

Moody's

**BBB-**

S&P

**5.81%**

Weighted Average  
Interest Rate

**\$0**

Ground-up  
Development  
to Fund

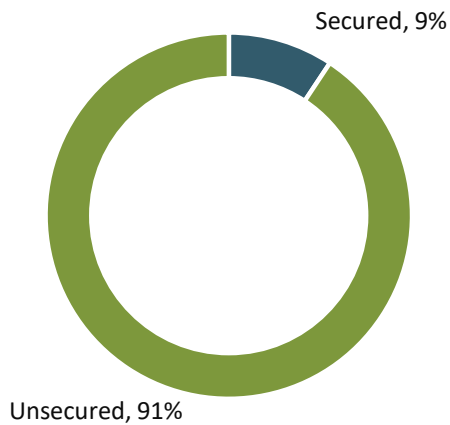
**No**

Joint  
Ventures

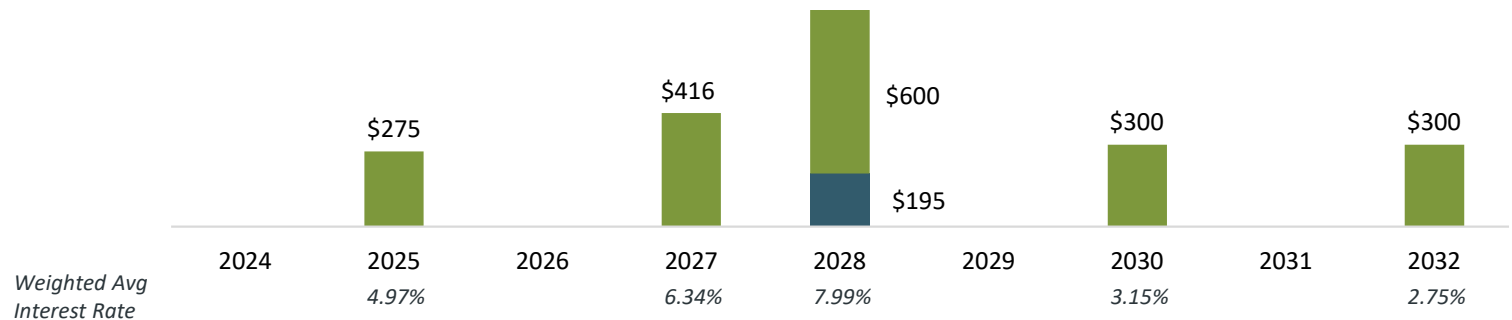
### CURRENT RUN-RATE – FUNDS AVAILABLE

EBITDA – 2024	<b>\$310M - \$320M</b>
Interest Expense – 2024	<b>\$123M - \$115M</b>
Building & Leasing CapEx	<b>\$105M - \$95M</b>
Equity Dividend – Current Annualized	<b>\$60M - \$60M</b>
Annual Excess Cash Flow	<b>\$22M - \$50M</b>

### DEBT PROFILE



### MATURITY SCHEDULE (\$ IN MILLIONS)



## PORTFOLIO ACCOMPLISHMENTS



Energy Star  
Partner of the Year Award –  
Sustained Excellence  
2024



Energy Star  
Partner of the Year Award  
2021, 2022, 2023



Green Lease Leader  
Silver Designation  
2022



BOMA 360  
Certified 97% of Total Square Footage  
Top 1% of program participants



Energy Star Certification Program –  
Premier Member



LEED  
Certified 72% of Total Square Footage



GRESB Rating  
2023



Energy Star  
Certified 84% of Total Square Footage

## ENVIRONMENTAL GOALS



20% Reduction Energy Use Intensity  
by 2026



20% Reduction Water Use Intensity  
by 2028



20% Reduction Greenhouse  
Gas Emissions  
by 2028



Decarbonization Plan to reduce  
emissions 50%  
by 2030





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