



WELLS FARGO REAL ESTATE SECURITIES CONFERENCE

February 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 includes our wholly-owned office properties and our office properties owned through consolidated joint ventures.

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 reports on Form 10-Q for the periods ended March 31, 2017, June 30, 2017, and September 30, 2017 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 December 31, 2017. 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 December 31, 2017, adjusted on a pro forma basis for the disposition of 14 properties and the subsequent repayment of debt in January 2018 .

CORPORATE OVERVIEW

AS OF 12/31/2017
(INCLUDING PRO FORMA ADJUSTMENTS)

Ticker (NYSE)	PDM
Market Cap as of 2/23/2018 (billions)	\$2.5
Three-Year Total Return (1/1/15-12/31/17)	21.5%
Gross Assets (billions)	\$4.5
Ratings (Moody's/S&P)	Baa2/BBB
Debt (billions)	\$1.3
Net Debt to Gross Assets	Approximately 30%
Net Debt to Core EBITDA	Under 5x
Dividend / Yield	\$0.84 / 4.6%

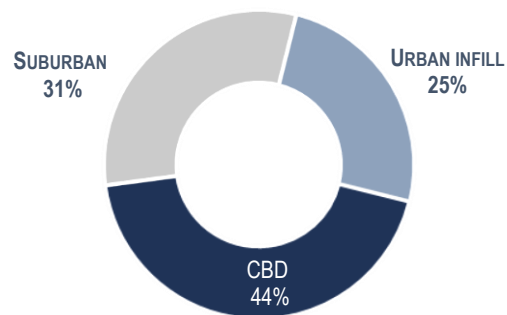
PORTFOLIO OVERVIEW

AS OF 12/31/2017
(INCLUDING PRO FORMA ADJUSTMENTS)

Square Feet (millions)	16.5
Number of Properties	53
% Leased	91.8%
Weighted Average Lease Term	6.6 years
Annualized Lease Revenue (millions)	\$507.1
% of ALR from Credit Tenants ¹	64%
Asset Quality (Green Street Office Sector Update, 12/6/2017)	A-
Median Building Age	18.5 years
% of ALR Energy-Star Rated	86%

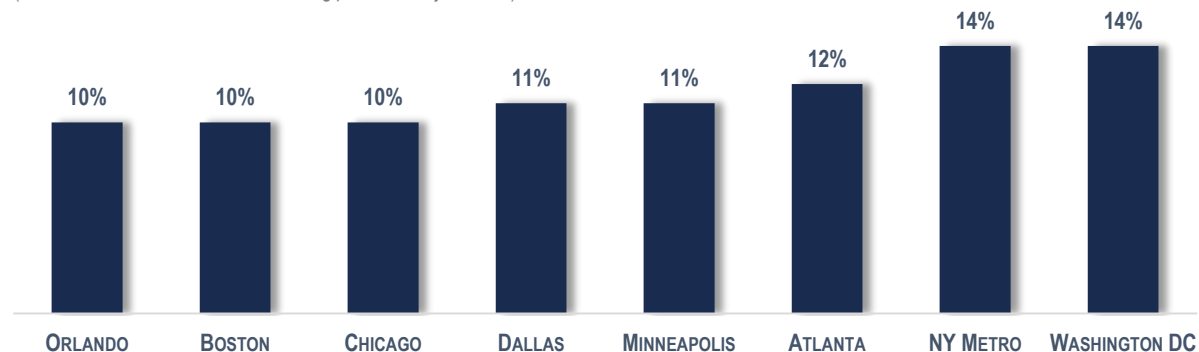
Portfolio Location

(as % of ALR as of 12/31/2017, including pro forma adjustments)



Core Markets

(as % of ALR as of 12/31/2017, including pro forma adjustments)



WHO IS PIEDMONT?



ARLINGTON GATEWAY
Arlington, VA



ONE BRATTLE SQUARE
Cambridge, MA

DIFFERENTIATED PORTFOLIO

DISCIPLINED CAPITAL ALLOCATOR

FINANCIAL STRENGTH AND FLEXIBILITY

PROACTIVE OPERATIONAL MANAGEMENT

PATHS TO GROWTH

SUPERIOR VALUE PROPOSITION

DIFFERENTIATED PORTFOLIO

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

- Why These Markets:
 - 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

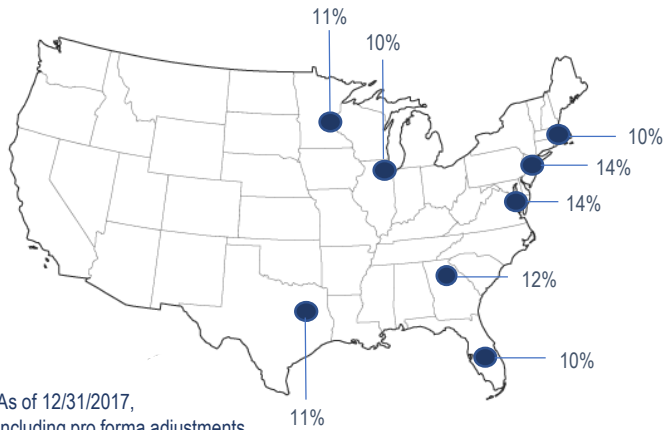
Chicago
CBD

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



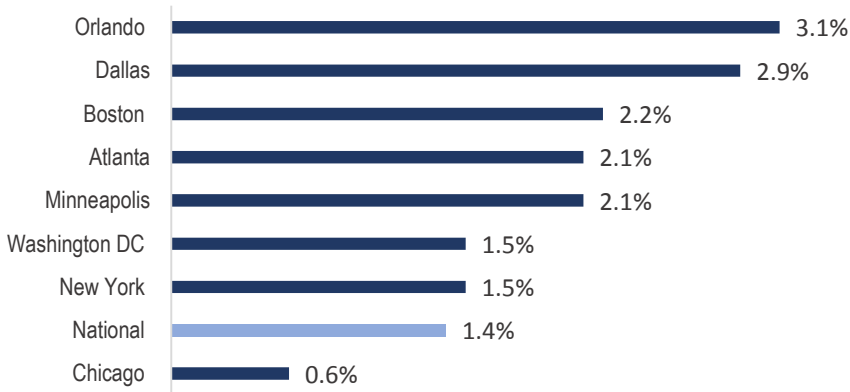
As of 12/31/2017,
including pro forma adjustments

Differentiated Portfolio

PIEDMONT'S MARKETS OFFER ATTRACTIVE FUNDAMENTALS AND FAVORABLE OUTLOOK

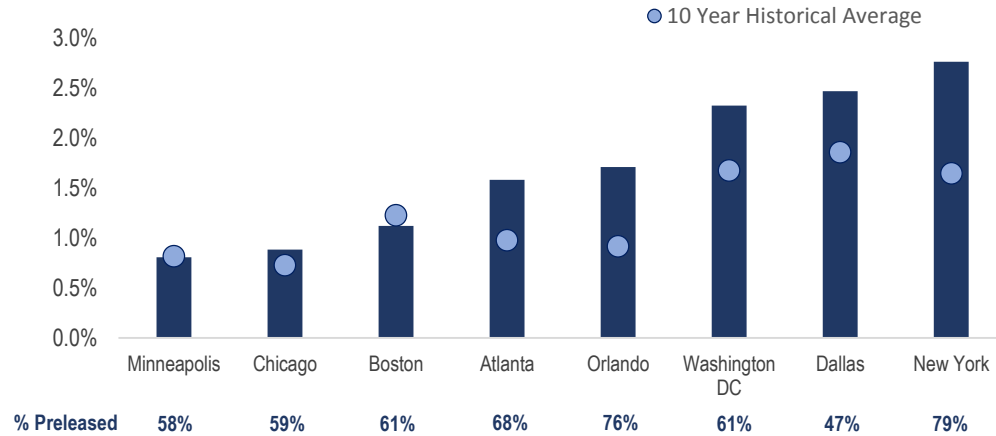
LTM Employment Growth

JLL Office Outlook US, Q4 2017



Construction as a % of Total Inventory

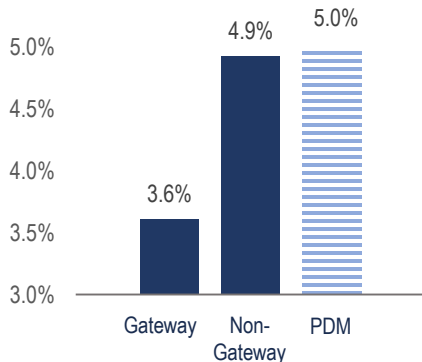
CoStar Office Statistics, Q4 2017



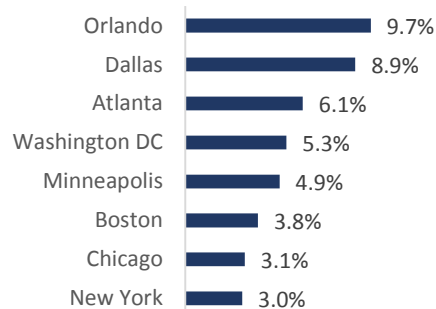
2018-2022 Employment Growth

Green Street Advisors, January 2018

Weighted Average by Market ²



Projected Growth in Piedmont's Strategic Markets



Number of Fortune 1000 Headquarters per 1 million of Population

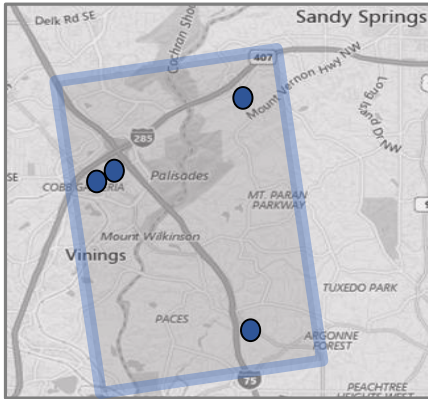
Geolounge 2016 Fortune 1000 Information, US Census Bureau 2016 Population Estimates



DISCIPLINED CAPITAL ALLOCATOR

ACQUISITION ACTIVITY SINCE IPO - DOMINANT POSITIONS WITHIN TARGET SUBMARKETS

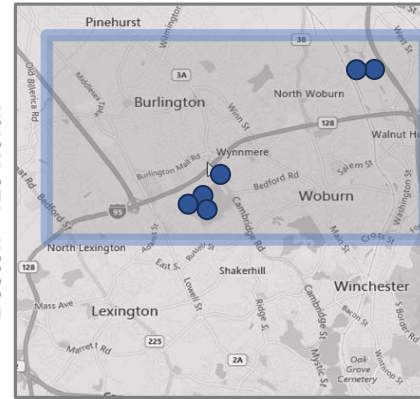
Atlanta - Northwest



GALLERIA 200, ATLANTA, GA

Invested (# buildings, \$MM) ³ 4 bldgs, \$192 million
 Discount to Replacement Cost ⁴ 43%
 Submarket Vacancy ⁵ 15.3%
 '15-'17 Submarket CI A Rent Growth ⁶ 18.9%
 '18-'19 Submarket CI A Rent Growth ⁶ 5.1%

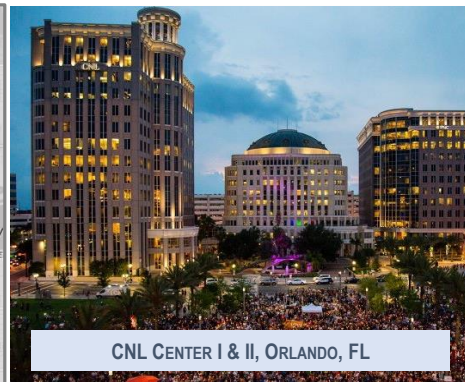
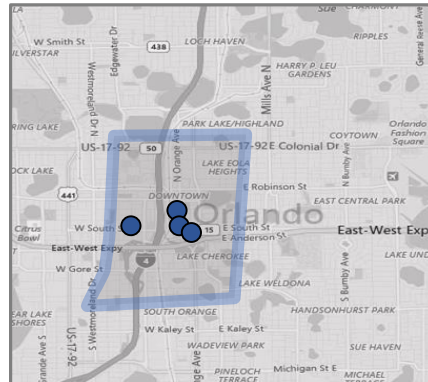
Boston - 128 North



5 WALL STREET, BURLINGTON, MA

Invested (# buildings, \$MM) ³ 6 bldgs, \$280 million
 Discount to Replacement Cost ⁴ 25%
 Submarket Vacancy ⁵ 10.4%
 '15-'17 Submarket CI A Rent Growth ⁶ 11.2%
 '18-'19 Submarket CI A Rent Growth ⁶ 0.2%

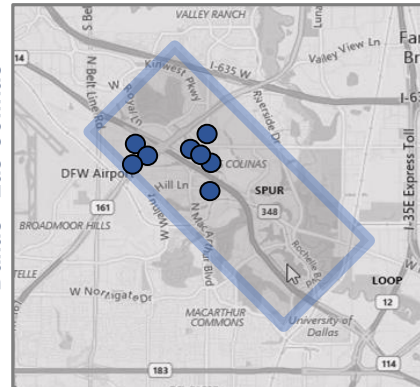
Orlando - CBD



CNL CENTER I & II, ORLANDO, FL

Invested (# buildings, \$MM) ³ 4 bldgs, \$366 million
 Discount to Replacement Cost ⁴ 28%
 Submarket Vacancy ⁵ 9.4%
 '15-'17 Submarket CI A Rent Growth ⁶ 19.8%
 '18-'19 Submarket CI A Rent Growth ⁶ 2.7%

Dallas - Las Colinas

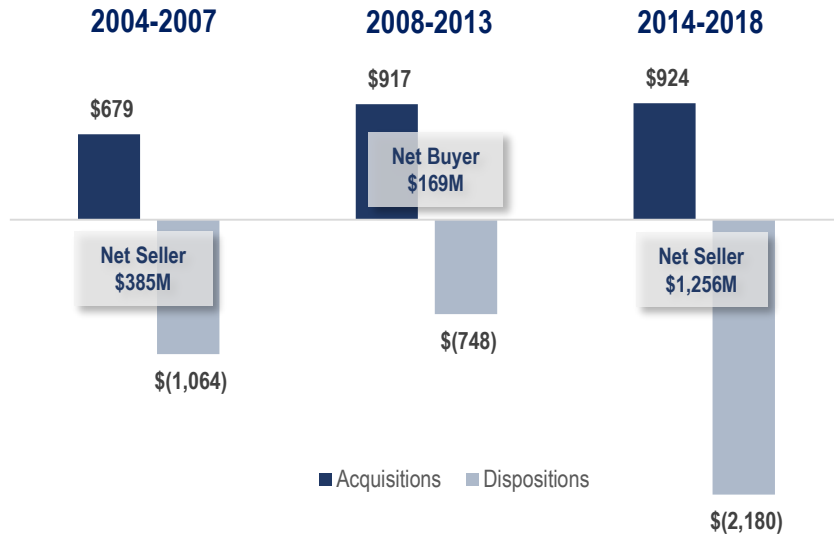


750 WEST JOHN CARPENTER, IRVING, TX

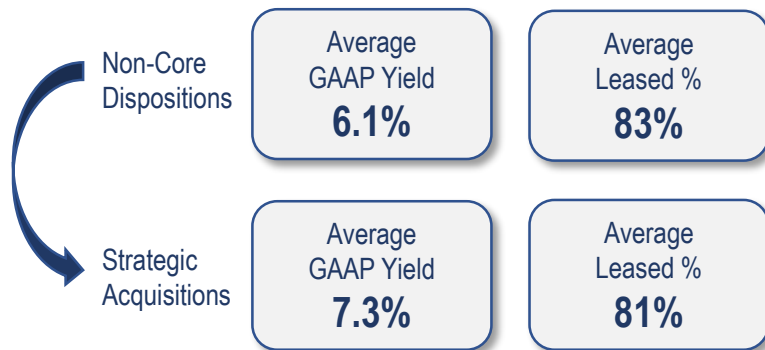
Invested (# buildings, \$MM) ³ 3 bldgs, \$114 million
 Discount to Replacement Cost ⁴ 37%
 Submarket Vacancy ⁵ 14.3%
 '15-'17 Submarket CI A Rent Growth ⁶ 2.8%
 '18-'19 Submarket CI A Rent Growth ⁶ 0.3%

DISCIPLINED CAPITAL ALLOCATOR

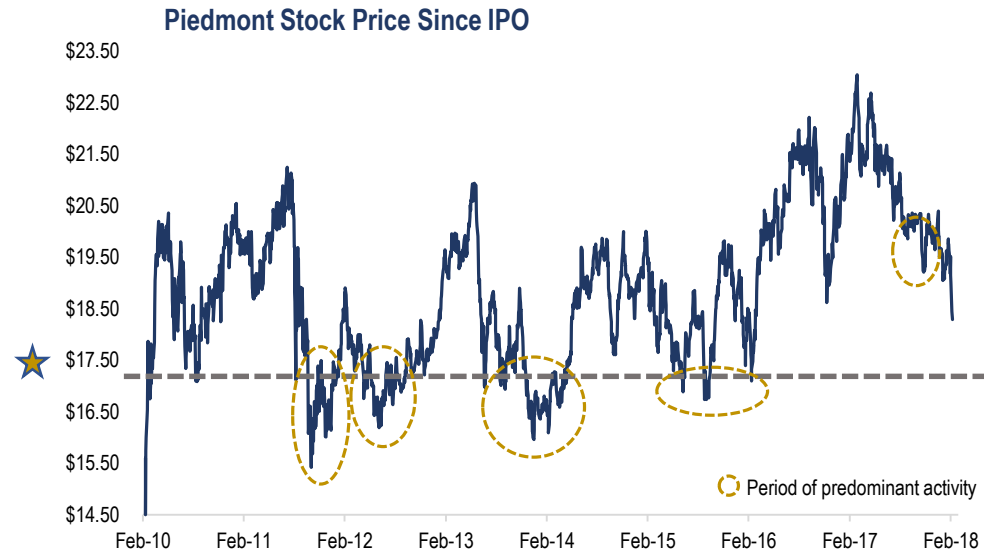
SINCE 2014, PIEDMONT HAS SOLD \$2.2 BILLION OF NON-CORE HOLDINGS, EXITING MULTIPLE MARKETS



Capital Recycling Since 2014



PIEDMONT HAS CREATED VALUE THROUGH THE OPPORTUNISTIC ACQUISITION OF ~\$550M OF ITS STOCK



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

GreenStreet Advisors, PDM Company Snapshot August 23, 2017

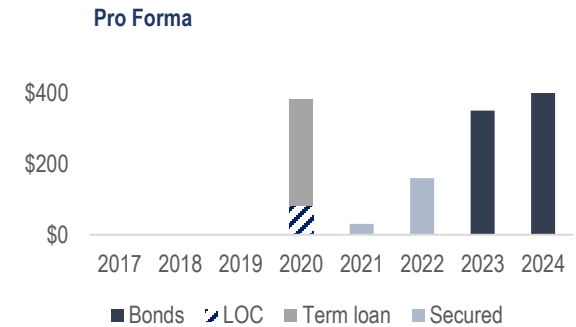
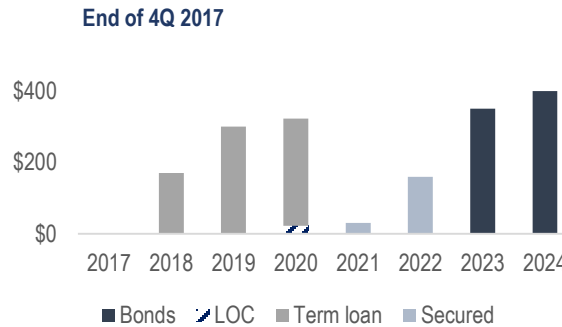
FINANCIAL STRENGTH AND FLEXIBILITY

WELL-LADDERED MATURITY SCHEDULE WITH ACCESS TO DEBT AND EQUITY MARKETS



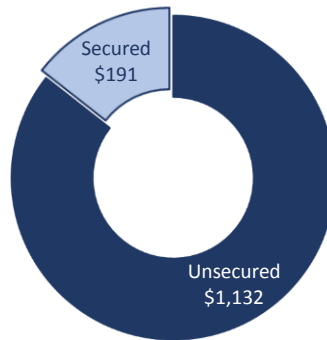
500 WEST MONROE
Chicago, IL

Debt Maturity Schedule - Using Sale Proceeds to Reduce Debt



Debt Composition

Pro Forma



Ratings

As of 12/31/2017

Moody's
Baa2

S&P
BBB

Metrics

Pro Forma

Net Debt /
Gross Assets
~30%

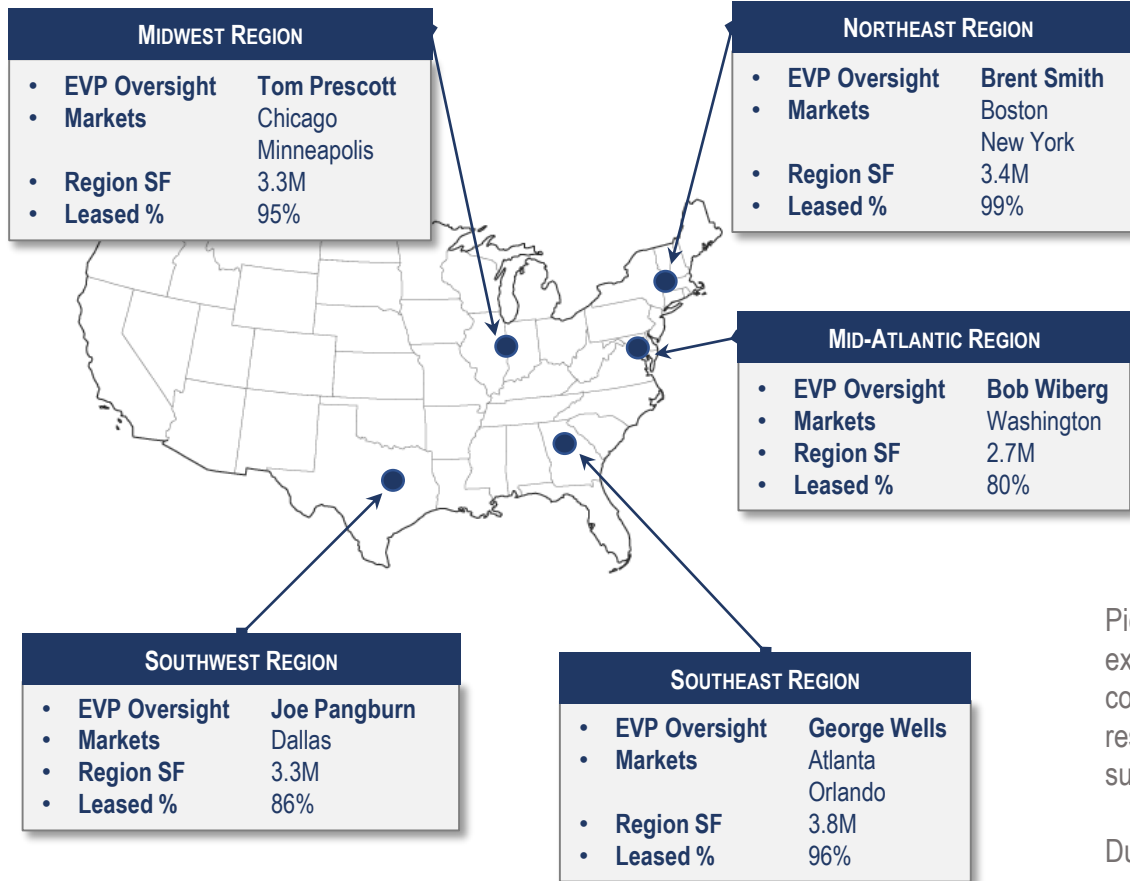
Net Debt /
Core EBITDA
Under 5x

Fixed Charge
Coverage Ratio
Over 5x

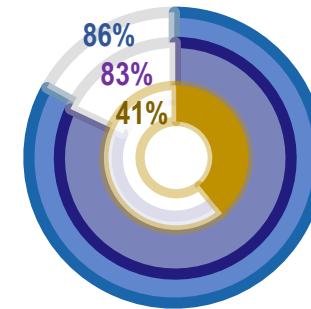
Weighted Avg
Interest Rate
~3.7%

PROACTIVE OPERATIONAL MANAGEMENT

PIEDMONT MAINTAINS FIVE REGIONAL OFFICE LOCATIONS TO OPTIMIZE EFFICIENCY AND TENANT-CENTRIC FOCUS



As of 12/31/2017,
including pro forma adjustments



As of 12/31/2017,
including pro forma adjustments

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.



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

ORGANIC NOI GROWTH POTENTIAL



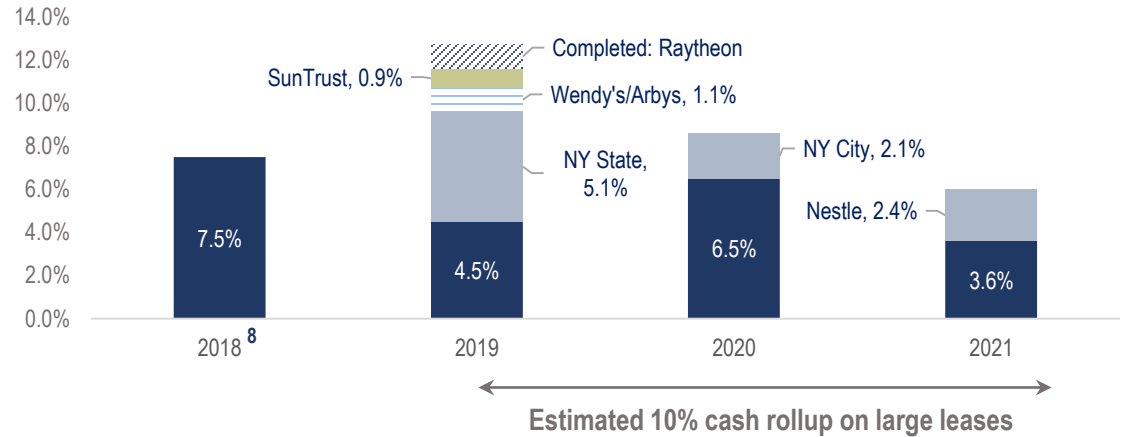
3100 CLARENDON BOULEVARD
Arlington, VA



5 & 15 WAYSIDE
Burlington, MA

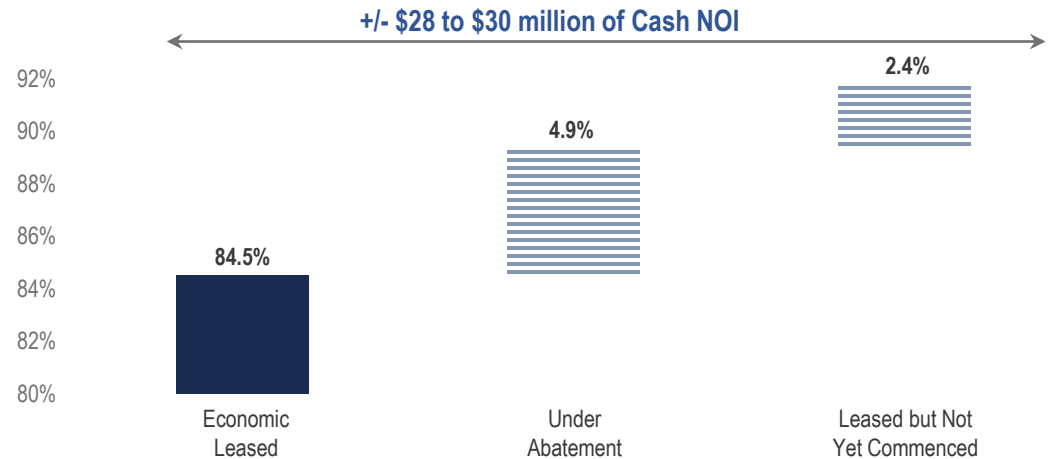
Capitalizing on Future Expirations (% of ALR ⁷)

As of 12/31/2017, including pro forma adjustments



Realizing Contractual Cash Flow

As of 12/31/2017, including pro forma adjustments



SELECTIVE DEVELOPMENT TO EXPAND POSITIONS

AS OF 12/31/2017

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: \$6.2M
Submarket Class A Direct Vacancy: 6.3% (Lake Mary)



250,000 SF

Atlanta, GA
Adjacent to Glenridge Highlands One & Two

Land Basis: \$1.9M
Submarket Class A Direct Vacancy: 14.1% (Central Perimeter)



250,000 SF

Atlanta, GA
Adjacent to The Medici

Land Basis: \$2.7M
Submarket Class A Direct Vacancy: 13.8% (West Buckhead)



500,000 SF

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

Land Basis: \$2.8M
Submarket Class A Direct Vacancy: 14.2%
(Las Colinas)



400,000 SF

Irving, TX
Adjacent to 750 West John Carpenter Freeway

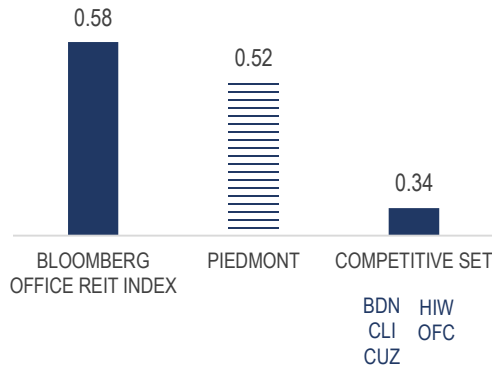
Land Basis: \$1.0M
Submarket Class A Direct Vacancy: 14.2%
(Las Colinas)

SUPERIOR VALUE PROPOSITION

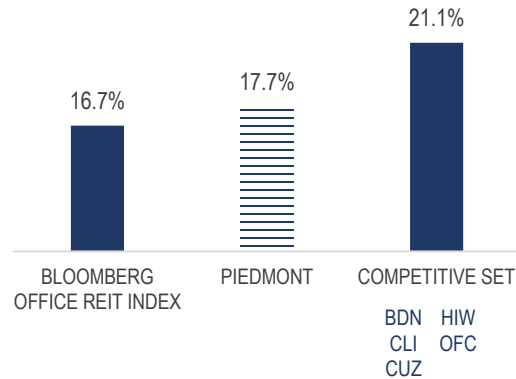
ATTRACTIVE RISK-ADJUSTED RETURNS

PIEDMONT INCEPTION THROUGH JANUARY 31, 2018

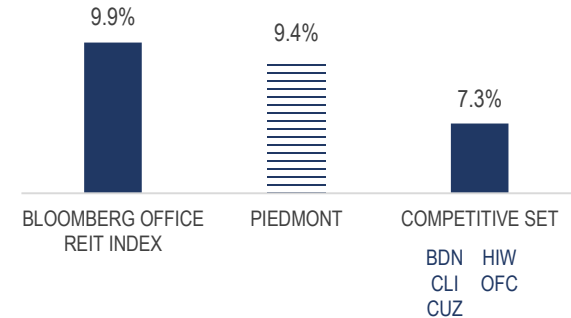
Sharpe Ratio ⁹



Annual Standard Deviation

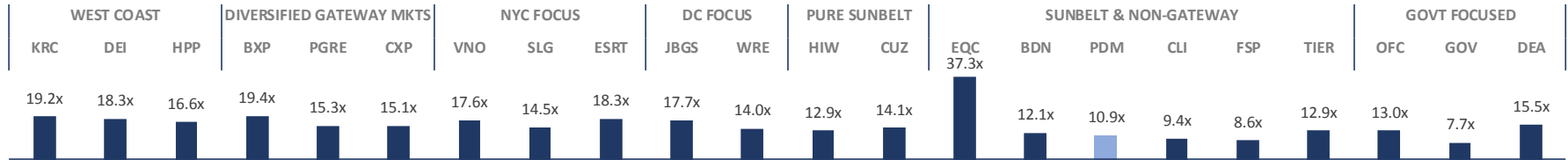


Annualized Total Return

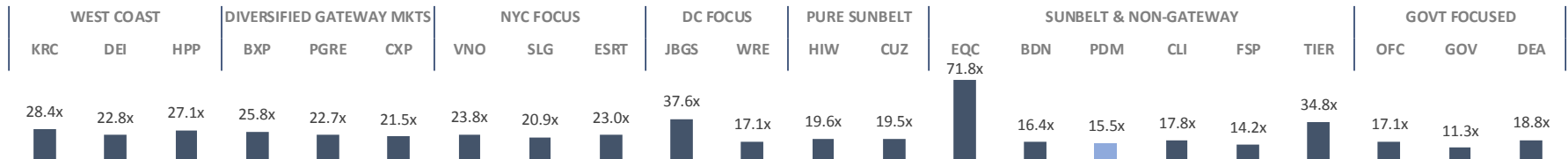


UNDERVALUED WITHIN THE OFFICE REIT SECTOR ¹⁰

Price/2018 FFO- by Market Focus



Price/2018 AFFO- by Market Focus



- 1 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, Towers Watson, Brother International, and RaceTrac Petroleum.
- 2 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.
- 3 Represents the number of buildings acquired in the submarket since IPO.
- 4 Aggregated basis for acquired buildings since IPO as compared to the Company's estimate of aggregated replacement cost. Orlando includes 501 W. Church Street, an acquisition for which Piedmont entered into a binding contract on February 19, 2018.
- 5 Submarket vacancy rate for 2018 per CoStar Submarket Analysis, 2/9/2018.
- 6 Cumulative submarket Class A rent growth for 2015-2017 and 2018-2019 per CoStar Submarket Analysis, 2/9/2018.
- 7 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.
- 8 Includes leases with an expiration date of December 31, 2017, comprised of 65,000 square feet and Annualized Lease Revenue of \$1.7 million.
- 9 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 January 31, 2018.
- 10 Source: SNL, updated 2.23.2018