November 2, 2017

COPT Closes Offering of Common Shares

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust (“COPT” or the “Company”) (NYSE: OFC) has closed a public offering of 9,200,000 of its common shares, at a price to the public of $31.00 per share. The public offering included 1,200,000 common shares sold pursuant to an option granted to the underwriters to purchase additional shares that was exercised prior to closing.

Wells Fargo Securities, BofA Merrill Lynch, and J.P. Morgan acted as joint book-running managers for the offering. Barclays and Citigroup acted as senior co-managers and BTIG, Capital One Securities, KeyBanc Capital Markets and PNC Capital Markets LLC acted as co-managers for the offering.

In connection with the offering, the Company entered into forward sale agreements with Wells Fargo Bank (the "Forward Purchaser"), with respect to an aggregate of 9,200,000 common shares covered by the offering. As contemplated by the forward sale agreements and the underwriting agreement, Wells Fargo Securities borrowed common shares from third parties and sold 9,200,000 of COPT's common shares to the underwriters.

Pursuant to the terms of the forward sale agreements, and subject to the Company’s right to elect cash or net share settlement under the forward sale agreements, COPT intends to issue and sell, upon physical settlement of such forward sale agreements, 9,200,000 common shares to the Forward Purchaser in exchange for cash proceeds per share equal to the applicable forward sale price, which will initially be $31.00 per share, less underwriting discounts and commissions, and subject to certain adjustments as provided in the forward sale agreements. The Company expects to physically settle the forward sale agreements in full, which settlement or settlements will occur by April 30, 2019.

The Company did not receive any proceeds from the sale of the 9,200,000 common shares in the offering. The Company intends to contribute, directly and indirectly, the net proceeds from any settlement of the forward sale agreements to its operating partnership, Corporate Office Properties, L.P. (the "Operating Partnership"), in exchange for an equivalent number of newly issued common units of limited partnership interests in the Operating Partnership. The Operating Partnership is expected to use any net proceeds to fund development of the buildings that it plans to develop over the next 18 months and/or for general corporate purposes.

The shares were offered pursuant to an effective shelf registration statement filed by COPT with the Securities and Exchange Commission. The offering was made only by means of a prospectus supplement and accompanying prospectus. The final prospectus supplement and accompanying prospectus related to the offering has been filed with the SEC and is available on the SEC's website at http://www.sec.gov. A copy of the final prospectus supplement and accompanying prospectus related to the offering may be obtained by contacting Wells Fargo Securities, LLC Attention: Equity Syndicate Department, 375 Park Avenue, New York, NY 10152 at (800) 326-5987 or email a request to cmclientsupport@wellsfargo.com, BofA Merrill Lynch, NC1-004-03-43, 200 North College

Street, 3rd Floor, Charlotte, NC 28255-0001, Attn: Prospectus Department, Email: dg.prospectus_requests@baml.com or J.P. Morgan Securities LLC, Attention: Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, Telephone: (866) 803-9204.

This news release shall not constitute an offer to sell, or the solicitation of an offer to buy, these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Company Information

COPT is an office REIT that owns, manages, develops and selectively acquires office and data center properties in locations that support the United States Government and its contractors, most of whom are engaged in national security, defense and information technology ("IT") related activities servicing priority missions ("Defense/IT Locations"). The Company also owns a portfolio of office properties located in select urban/urban-like submarkets within its regional footprint with durable Class-A office fundamentals and characteristics ("Regional Office Properties"). As of September 30, 2017, the Company derived 87% of core portfolio annualized revenue from Defense/IT Locations and 13% from its Regional Office Properties. As of September 30, 2017 and including six buildings owned through an unconsolidated joint venture, COPT's core portfolio of 153 office properties encompassed 16.7 million square feet and was 95.1% leased. As of the same date, the Company also owned one wholesale data center with a critical load of 19.25 megawatts.

Forward-Looking Information

This press release may contain "forward-looking" statements, as defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, that are based on the Company's current expectations, estimates and projections about future events and financial trends affecting the Company. Forward-looking statements can be identified by the use of words such as "may," "will," "should," "could," "believe," "anticipate," "expect," "estimate," "plan" or other comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which the Company cannot predict with accuracy and some of which the Company might not even anticipate. Accordingly, the Company can give no assurance that these expectations, estimates and projections will be achieved. Future events and actual results may differ materially from those discussed in the forward-looking statements.

Important factors that may affect these expectations, estimates, and projections include, but are not limited to:

- *general economic and business conditions, which will, among other things, affect office property and data center demand and rents, tenant creditworthiness, interest rates, financing availability and property values;*
- *adverse changes in the real estate markets including, among other things, increased competition with other companies;*
- *governmental actions and initiatives, including risks associated with the impact of a prolonged government shutdown or budgetary reductions or impasses, such as a*

reduction in rental revenues, non-renewal of leases, and/or a curtailment of demand for additional space by the Company's strategic customers;

- *the Company's ability to borrow on favorable terms;*
- *risks of real estate acquisition and development activities, including, among other things, risks that development projects may not be completed on schedule, that tenants may not take occupancy or pay rent or that development or operating costs may be greater than anticipated;*
- *risks of investing through joint venture structures, including risks that the Company's joint venture partners may not fulfill their financial obligations as investors or may take actions that are inconsistent with the Company's objectives;*
- *changes in the Company's plans for properties or views of market economic conditions or failure to obtain development rights, either of which could result in recognition of significant impairment losses;*
- *the Company's ability to satisfy and operate effectively under Federal income tax rules relating to real estate investment trusts and partnerships;*
- *the Company's ability to achieve projected results;*
- *the dilutive effects of issuing additional common shares; and*
- *environmental requirements.*

The Company undertakes no obligation to update or supplement any forward-looking statements. For further information, please refer to the Company's filings with the Securities and Exchange Commission, particularly the section entitled "Risk Factors" in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

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Source: Corporate Office Properties Trust