January 26, 2018

COPT Announces Tax Treatment of 2017 Distributions

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the Company) (NYSE: OFC) announced the 2017 tax treatment of its Common and Preferred share distributions as described below. Shareholders are encouraged to consult with their tax advisors as to their specific tax treatment of COPT Common and Preferred Share distributions.

The Common share distributions with a record date of December 29, 2017 (with a payment date of January 16, 2018) will be allocable to 2018 for income tax purposes as the Company had already distributed in excess of 100% of its 2017 taxable earnings and profits to shareholders prior to making its fourth quarter distributions.

The tables below summarize the income tax treatment of 2017 distributions.

Common Shares (CUSIP #22002T108)

Record Date	Payment Date	Total Distribution per Share	Total Distribution Allocable to 2017	2017 Taxable Ordinary Dividends	2017 Qualified Dividends	2017 Total Capital Gain Distribution	Return of Capital (1)	2017 Unrecaptured Section 1250 Gain
12/30/2016	1/17/2017	$ 0.2750	$ 0.2750	$ 0.2380	$ -	$ -	$ 0.0370	$ -
3/31/2017	4/17/2017	$ 0.2750	$ 0.2750	$ 0.2380	$ -	$ -	$ 0.0370	$ -
6/30/2017	7/17/2017	$ 0.2750	$ 0.2750	$ 0.2380	$ -	$ -	$ 0.0370	$ -
9/30/2017	10/16/2017	$ 0.2750	$ 0.2750	$ 0.2380	$ -	$ -	$ 0.0370	$ -
12/29/2017	1/16/2018	$ 0.2750	$ -	$ -	$ -	$ -	$ -	$ -
		$ 1.3750	$ 1.1000	$ 0.9518	$ -	$ -	$ 0.1482	$ -

(1) Represents a return of shareholder investment.

Series K Preferred Shares (CUSIP# 22002T801)

Record Date	Payment Date	Total Distribution per Share	Total Distribution Allocable to 2017	2017 Taxable Ordinary Dividends	2017 Qualified Dividends	2017 Total Capital Gain Distribution	Return of Capital	2017 Unrecaptured Section 1250 Gain
12/30/2016	1/17/2017	$ 0.7000	$ 0.7000	$ 0.7000	$ -	$ -	$ -	$ -
1/21/2017	1/21/2017	$ 0.0544	$ 0.0544	$ 0.0544	$ -	$ -	$ -	$ -
		$ 0.7544	$ 0.7544	$ 0.7544	$ -	$ -	$ -	$ -

Series L Preferred Shares (CUSIP# 22002T884)

Record Date	Payment Date	Total Distribution per Share	Total Distribution Allocable to 2017	2017 Taxable Ordinary Dividends	2017 Qualified Dividends	2017 Total Capital Gain Distribution	Return of Capital	2017 Unrecaptured Section 1250 Gain
12/30/2016	1/17/2017	$ 0.4609	$ 0.4609	$ 0.4609	$ -	$ -	$ -	$ -
3/31/2017	4/17/2017	$ 0.4609	$ 0.4609	$ 0.4609	$ -	$ -	$ -	$ -
6/27/2017	6/27/2017	$ 0.3687	$ 0.3687	$ 0.3687	$ -	$ -	$ -	$ -
		$ 1.2905	$ 1.2905	$ 1.2905	$ -	$ -	$ -	$ -

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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