

January 28, 2019



COPT Announces Tax Treatment of 2018 Distributions

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the Company) (NYSE: OFC) announced the 2018 tax treatment of its Common share distributions as described below. Shareholders are encouraged to consult with their tax advisors as to their specific tax treatment of COPT Common share distributions.

The Common share distributions with a record date of December 31, 2018, and payment date of January 15, 2019, will be allocable to 2019 for income tax purposes as the Company made distributions in excess of its 2018 earnings and profits prior to making its fourth quarter distribution.

The table below summarizes the income tax treatment of 2018 distributions.

Common Shares (CUSIP #22002T108)

Record Date	Payment Date	Total Distribution per Share	Total Distribution Allocable to 2018	2018 Taxable Ordinary Dividends	2018 Total Capital Gain Distribution	Return of Capital (1)	2018 Unrecaptured Section 1250 Gain	2018 Section 199A Dividend
12/29/2017	01/16/2018	\$ 0.2750	\$ 0.2750	\$ 0.2285	\$ -	\$ 0.0465	\$ -	\$ 0.2285
03/30/2018	04/16/2018	\$ 0.2750	\$ 0.2750	\$ 0.2285	\$ -	\$ 0.0465	\$ -	\$ 0.2285
06/29/2018	07/16/2018	\$ 0.2750	\$ 0.2750	\$ 0.2285	\$ -	\$ 0.0465	\$ -	\$ 0.2285
09/28/2018	10/15/2018	\$ 0.2750	\$ 0.2750	\$ 0.2285	\$ -	\$ 0.0465	\$ -	\$ 0.2285
12/31/2018	01/15/2019	\$ 0.2750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 1.3750	\$ 1.1000	\$ 0.9140	\$ -	\$ 0.1860	\$ -	\$ 0.9140

(1) Represents a return of shareholder investment.

(2) Section 199A Dividend is a subset of, and is included in, the Taxable Ordinary Dividend Amount

Company Information

COPT is a REIT that owns, manages, leases, 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 what it believes are growing, durable, priority missions ("Defense/IT Locations"). The Company also owns a portfolio of office properties located in select urban/urban-like submarkets in the Greater Washington, DC/Baltimore region with durable Class-A office fundamentals and characteristics ("Regional Office Properties"). As of September 30, 2018, the Company derived 88% of its core portfolio annualized revenue from Defense/IT Locations and 12% from its Regional Office Properties. As of the same date and including six buildings owned through an unconsolidated joint venture, COPT's core portfolio of 159 office and data center shell properties encompassed 17.7 million square feet and was 94.0% leased; 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. Although the Company believes that the expectations, estimates and projections reflected in such forward-looking statements are based on reasonable assumptions at the time made, 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;*
- *possible adverse changes in tax laws;*
- *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, 2017.

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