

July 27, 2023



COPT Reports Second Quarter 2023 Results

**EPS of \$0.27 for 2Q23;
FFO per Share, as Adjusted for Comparability, of \$0.60
Exceeded High-End of Guidance**

Increased Midpoint of 2023 FFO per Share Guidance by 2-cents to \$2.40

Core Portfolio 93.6% Occupied and 95.0% Leased

*Same-Property Cash NOI Increased 5.8% in 2Q23 and 7.0% Year-to-Date
Raising Same-Property Cash NOI Guidance for the Year by 100 Basis Points, to 4.5%-5.5%*

1.5 million SF of Active Developments are 92% Leased

Strong Leasing Volume in 1H23; Well Positioned to Achieve 2023 Goals

Total Leasing of 891,000 SF in 2Q23 and 1.7 million SF Year-to-Date

*88,000 SF of Vacancy Leasing in 2Q23 and 187,000 SF Year-to-Date
On Track to Achieve Annual Goal of 400,000 SF*

*Tenant Retention of 89% in 2Q23 and 83% Year-to-Date
On Track to Achieve Annual Goal of 80%-85%*

*495,000 SF of Development Leasing Year-to-Date
On Track to Achieve Annual Goal of 700,000 SF*

COLUMBIA, Md.--(BUSINESS WIRE)-- Corporate Office Properties Trust ("COPT" or the "Company") (NYSE: OFC) announced results for the second quarter ended June 30, 2023.

Management Comments

Stephen E. Budorick, COPT's President & Chief Executive Officer, commented, "Our Defense/IT investment strategy, which has concentrated our portfolio near priority U.S. defense installations, continues to produce solid results. Since 2022, the significant growth in defense spending has materialized into elevated tenant demand for our portfolio, resulting in a 96.8% leased rate in our Defense/IT Locations segment, which accounts for 90% of our core portfolio annualized rental revenue. This is the highest leased rate since we started reporting the segment in 2015. Our second quarter results were strong as FFO per share exceeded the midpoint of our guidance range by \$0.02. Given our outperformance year to date, we are increasing the midpoint of our full year FFO per share guidance by \$0.02 to \$2.40 per share, which represents a 2% increase over 2022's results. Same-property cash NOI increased 5.8% for 2Q23 over 2Q22, and 7.0% for the first half of 2023 over the first half of 2022, which led us to again increase our full year change in cash NOI guidance by

100 basis points. Our leasing activity is right on track as we are roughly halfway towards our full year vacancy leasing goal and 70% towards our development leasing goal. Our investment grade rated balance sheet is well positioned to navigate the challenging capital markets environment as we have no significant debt maturities until 2026, with 96% of our NOI unencumbered. We remain confident in our strategy and expect to continue to allocate capital to investments at our Defense/IT Locations that will support continued growth in FFO per share and shareholder value.”

Financial Highlights

2nd Quarter Financial Results:

- Diluted earnings per share (“EPS”) was \$0.27 for the quarter ended June 30, 2023 compared to \$0.29 for the quarter ended June 30, 2022.
- Diluted funds from operations per share (“FFOPS”), as calculated in accordance with Nareit’s definition, and FFOPS, as adjusted for comparability, were \$0.60 for the quarter ended June 30, 2023 compared to \$0.59 for the quarter ended June 30, 2022.

Operating Performance Highlights

Operating Portfolio Summary:

- At June 30, 2023, the Company’s 22.9 million square foot core portfolio was 93.6% occupied and 95.0% leased.

Same-Property Performance:

- At June 30, 2023, the Company’s 20.6 million square foot same-property portfolio was 92.8% occupied and 94.4% leased.
- The Company’s same-property cash NOI increased 5.8% for the three months ended June 30, 2023 compared to the same period in 2022.

Leasing:

- Total Square Feet Leased: For the quarter ended June 30, 2023, the Company leased 891,000 square feet, including 803,000 square feet of renewals and 88,000 square feet of vacancy leasing. For the six months ended June 30, 2023, the Company executed 1.7 million square feet of total leasing, including 1.0 million square feet of renewals, 187,000 square feet of vacancy leasing, and 495,000 square feet in development projects.
- Tenant Retention Rates: During the quarter and six months ended June 30, 2023, the Company renewed 89.0% and 82.7%, respectively, of expiring square feet.
- Rent Spreads & Average Escalations on Renewing Leases: For the quarter and six months ended June 30, 2023, straight-line rents on renewals increased 7.4% and 6.9%, respectively, and cash rents on renewed space increased 1.3% and 1.1%, respectively. For the same time periods, annual escalations on renewing leases averaged 2.6%.
- Lease Terms: In the quarter ended June 30, 2023, lease terms averaged 5.0 years on renewing leases and 6.9 years on vacancy leasing. For the six months ended June 30, 2023, lease terms averaged 4.5 years on renewing leases, 7.4 years on vacancy

leasing, and 14.3 years on development leasing.

Investment Activity Highlights

- **Development Pipeline:** The Company's development pipeline consists of nine properties totaling 1.5 million square feet that were 92% leased at June 30, 2023. These projects represent a total estimated investment of \$480.8 million, of which \$222.1 million has been spent.

Balance Sheet and Capital Transaction Highlights

- For the quarter ended June 30, 2023, the Company's adjusted EBITDA fixed charge coverage ratio was 4.9x.
- At June 30, 2023, the Company's net debt to in-place adjusted EBITDA ratio was 6.3x and its net debt adjusted for fully-leased development to in-place adjusted EBITDA ratio was 5.7x.
- At June 30, 2023, and including the effect of interest rate swaps, the Company's weighted average effective interest rate on its consolidated debt portfolio was 3.1% with a weighted average maturity of 6.2 years; additionally, 95.6% of the Company's debt was subject to fixed interest rates.

Associated Supplemental Presentation

Prior to the call, the Company will post a slide presentation to accompany management's prepared remarks for its second quarter 2023 conference call; the presentation can be viewed and downloaded from the 'Financial Info – Financial Results' section of COPT's Investors website: <https://investors.copt.com/financial-information/financial-results>

2023 Guidance

Management is updating its full-year guidance for diluted EPS and diluted FFOPS, per Nareit and as adjusted for comparability, from the prior range of \$1.46-\$1.52, and \$2.35-\$2.41, respectively, to new ranges of \$1.49-\$1.53, and \$2.38-\$2.42, respectively. Management is establishing third quarter guidance for diluted EPS and diluted FFOPS per Nareit and as adjusted for comparability at \$0.26-\$0.28 and \$0.59-\$0.61, respectively. Reconciliations of projected diluted EPS to projected diluted FFOPS, in accordance with Nareit and as adjusted for comparability are as follows:

Reconciliation of Diluted EPS to FFOPS, per Nareit, and As Adjusted for Comparability	Quarter Ending September 30, 2023		Year Ending December 31, 2023	
	Low	High	Low	High
Diluted EPS	\$ 0.26	\$ 0.28	\$ 1.49	\$ 1.53
Real estate-related depreciation and amortization	0.33	0.33	1.32	1.32
Gain on sales of real estate	—	—	(0.43)	(0.43)
Diluted FFOPS, Nareit definition and as adjusted for comparability	<u>\$ 0.59</u>	<u>\$ 0.61</u>	<u>\$ 2.38</u>	<u>\$ 2.42</u>

Conference Call Information

Management will discuss second quarter 2023 results on its conference call tomorrow at 12:00 p.m. Eastern Time, details of which are listed below:

Conference Call Date:
Time:

Friday, July 28, 2023
12:00 p.m. Eastern Time

Participants must register for the conference call at the link below to receive the dial-in number and personal pin. Registering only takes a few moments and provides direct access to the conference call without waiting for an operator. You may register at any time, including up to and after the call start time:

<https://register.vevent.com/register/BI48eea2c0fe934b24aefdd77f5c963ea1>

The conference call will also be available via live webcast in the 'News & Events – IR Calendar' section of COPT's Investors website: <https://investors.copt.com/news-events/ir-calendar>

Replay Information

A replay of the conference call will be immediately available via webcast only on COPT's Investors website.

Definitions

For definitions of certain terms used in this press release, please refer to the information furnished in the Company's Supplemental Information Package furnished on a Form 8-K which can be found on its website (www.copt.com). Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the attached tables.

About COPT

COPT is a REIT that owns, manages, leases, develops and selectively acquires office and data center properties. The majority of its portfolio is 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 the Company believes are growing, durable, priority missions ("Defense/IT Locations"). The Company also owns a portfolio of office properties located in select urban submarkets in the Greater Washington, DC/Baltimore region with durable Class-A office fundamentals and characteristics ("Regional Office Properties"). As of June 30, 2023, the Company derived 90% of its core portfolio annualized rental revenue from Defense/IT Locations and 10% from its Regional Office Properties. As of the same date and including 24 properties owned through unconsolidated joint ventures, COPT's core portfolio of 192 properties encompassed 22.9 million square feet and was 95% leased.

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 and the Company undertakes no obligation to update or supplement any forward-looking statements.

The areas of risk that may affect these expectations, estimates and projections include, but are not limited to, those risks described in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Source: Corporate Office Properties Trust

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(dollars and shares in thousands, except per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues				
Lease revenue	\$ 153,682	\$ 142,277	\$ 304,242	\$ 283,666
Other property revenue	1,271	969	2,392	1,860
Construction contract and other service revenues	14,243	42,557	30,063	95,757
Total revenues	169,196	185,803	336,697	381,283
Operating expenses				
Property operating expenses	61,600	54,116	121,020	111,297
Depreciation and amortization associated with real estate operations	37,600	34,812	74,595	69,076
Construction contract and other service expenses	13,555	41,304	28,756	92,954
General and administrative expenses	7,287	6,467	15,283	13,137
Leasing expenses	2,345	1,888	4,344	3,762
Business development expenses and land carry costs	726	701	1,221	1,484
Total operating expenses	123,113	139,288	245,219	291,710
Interest expense	(16,519)	(14,808)	(32,961)	(29,232)
Interest and other income, net	2,143	1,593	4,399	3,802
Gain on sales of real estate	14	(19)	49,392	(4)
Loss on early extinguishment of debt	—	—	—	(342)
Income from continuing operations before equity in income of unconsolidated entities and income taxes	31,721	33,281	112,308	63,797
Equity in income of unconsolidated entities	111	318	47	1,206
Income tax expense	(190)	(4)	(315)	(157)
Income from continuing operations	31,642	33,595	112,040	64,846
Discontinued operations	—	—	—	29,573
Net Income	31,642	33,595	112,040	94,419
Net income attributable to noncontrolling interests:				
Common units in the Operating Partnership ("OP")	(516)	(496)	(1,809)	(1,352)
Other consolidated entities	(839)	(789)	(1,165)	(1,438)
Net income attributable to common shareholders	\$ 30,287	\$ 32,310	\$ 109,066	\$ 91,629
Earnings per share ("EPS") computation:				
Numerator for diluted EPS:				
Net income attributable to common shareholders	\$ 30,287	\$ 32,310	\$ 109,066	\$ 91,629
Amount allocable to share-based compensation awards	(98)	(75)	(349)	(259)
Redeemable noncontrolling interests	(51)	(30)	(115)	(69)
Numerator for diluted EPS	\$ 30,138	\$ 32,205	\$ 108,602	\$ 91,301
Denominator:				
Weighted average common shares - basic	112,188	112,082	112,157	112,052
Dilutive effect of share-based compensation awards	426	429	418	427
Dilutive effect of redeemable noncontrolling interests	62	126	77	129
Weighted average common shares - diluted	112,676	112,637	112,652	112,608
Diluted EPS	\$ 0.27	\$ 0.29	\$ 0.96	\$ 0.81

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(in thousands, except per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net income	\$ 31,642	\$ 33,595	\$ 112,040	\$ 94,419
Real estate-related depreciation and amortization	37,600	34,812	74,595	69,076
Gain on sales of real estate from continuing and discontinued operations	(14)	19	(49,392)	(28,560)
Depreciation and amortization on unconsolidated real estate JVs	805	525	1,606	1,051
Funds from operations ("FFO")	70,033	68,951	138,849	135,986
FFO allocable to other noncontrolling interests	(1,239)	(1,178)	(1,947)	(2,220)
Basic FFO allocable to share-based compensation awards	(480)	(357)	(946)	(719)
Basic FFO available to common share and common unit holders ("Basic FFO")	68,314	67,416	135,956	133,047
Redeemable noncontrolling interests	(28)	4	(58)	(2)
Diluted FFO adjustments allocable to share-based compensation awards	37	27	76	54
Diluted FFO available to common share and common unit holders ("Diluted FFO")	68,323	67,447	135,974	133,099
Loss on early extinguishment of debt	—	—	—	342
Executive transition costs	248	137	248	137
Diluted FFO comparability adjustments allocable to share-based compensation awards	(2)	—	(2)	(2)
Diluted FFO available to common share and common unit holders, as adjusted for comparability	68,569	67,584	136,220	133,576
Straight line rent adjustments and lease incentive amortization	(3,161)	(3,198)	(6,677)	(6,387)
Amortization of intangibles and other assets included in net operating income ("NOI")	17	49	(2)	(323)
Share-based compensation, net of amounts capitalized	2,213	2,154	3,946	4,265
Amortization of deferred financing costs	628	541	1,260	1,138
Amortization of net debt discounts, net of amounts capitalized	622	608	1,240	1,213
Replacement capital expenditures	(22,664)	(17,717)	(50,874)	(35,075)
Other	(221)	406	(494)	445
Diluted adjusted funds from operations available to common share and common unit holders ("Diluted AFFO")	\$ 46,003	\$ 50,427	\$ 84,619	\$ 98,852
Diluted FFO per share	\$ 0.60	\$ 0.59	\$ 1.19	\$ 1.17
Diluted FFO per share, as adjusted for comparability	\$ 0.60	\$ 0.59	\$ 1.19	\$ 1.17
Dividends/distributions per common share/unit	\$ 0.285	\$ 0.275	\$ 0.57	\$ 0.55

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(Dollars and shares in thousands, except per share data)

	June 30, 2023		December 31, 2022	
Balance Sheet Data				
Properties, net of accumulated depreciation	\$	3,672,235	\$	3,556,398
Total assets	\$	4,246,346	\$	4,257,275
Debt per balance sheet	\$	2,176,174	\$	2,231,794
Total liabilities	\$	2,447,436	\$	2,509,527
Redeemable noncontrolling interests	\$	22,215	\$	26,293
Total equity	\$	1,776,695	\$	1,721,455
Debt to assets		51.2%		52.4%
Net debt to adjusted book		38.4%		39.8%
Core Portfolio Data (as of period end)				
Number of operating properties		192		192
Total operational square feet (in thousands)		22,878		22,849
% Occupied		93.6%		92.8%
% Leased		95.0%		95.3%
	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
GAAP				
Payout ratio:				
Net income	103.1%	93.4%	58.3%	66.5%
Debt ratios:				
Net income to interest expense ratio	1.9x	2.3x	3.4x	3.2x
Debt to net income ratio	17.2x	16.2x	N/A	N/A
Non-GAAP				
Payout ratios:				
Diluted FFO	47.5%	46.3%	47.7%	47.0%
Diluted FFO, as adjusted for comparability	47.3%	46.3%	47.6%	46.8%
Diluted AFFO	70.5%	62.0%	76.6%	63.2%
Debt ratios:				
Adjusted EBITDA fixed charge coverage ratio	4.9x	5.3x	5.0x	5.3x
Net debt to in-place adjusted EBITDA ratio	6.3x	6.4x	N/A	N/A
Net debt adj. for fully-leased development to in-place adj. EBITDA ratio	5.7x	5.8x	N/A	N/A
Reconciliation of denominators for per share measures				
Denominator for diluted EPS	112,676	112,637	112,652	112,608
Weighted average common units	1,514	1,476	1,502	1,430
Denominator for diluted FFO per share and as adjusted for comparability	114,190	114,113	114,154	114,038

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Numerators for Payout Ratios				
Dividends on unrestricted common and deferred shares	\$ 31,995	\$ 30,842	\$ 63,984	\$ 61,679
Distributions on unrestricted common units	433	407	863	811
Dividends and distributions on restricted shares and units	204	135	419	293
Total dividends and distributions for GAAP payout ratio	32,632	31,384	65,266	62,783
Dividends and distributions on antidilutive shares and units	(205)	(123)	(421)	(268)
Dividends and distributions for non-GAAP payout ratios	<u>\$ 32,427</u>	<u>\$ 31,261</u>	<u>\$ 64,845</u>	<u>\$ 62,515</u>
Reconciliation of net income to earnings before interest, income taxes, depreciation and amortization for real estate ("EBITDAre"), adjusted EBITDA and in-place adjusted EBITDA				
Net income	\$ 31,642	\$ 33,595	\$ 112,040	\$ 94,419
Interest expense	16,519	14,808	32,961	29,232
Income tax expense	190	4	315	157
Real estate-related depreciation and amortization	37,600	34,812	74,595	69,076
Other depreciation and amortization	609	552	1,211	1,159
Gain on sales of real estate from continuing and discontinued operations	(14)	19	(49,392)	(28,560)
Adjustments from unconsolidated real estate JVs	1,559	760	3,263	1,518
EBITDAre	88,105	84,550	174,993	167,001
Loss on early extinguishment of debt	—	—	—	342
Net gain on other investments	—	1	—	(564)
Credit loss expense (recoveries)	238	225	305	(91)
Business development expenses	394	385	635	711
Executive transition costs	307	137	554	137
Adjusted EBITDA	89,044	85,298	<u>\$176,487</u>	<u>\$167,536</u>
Pro forma NOI adjustment for property changes within period	56	127		
Change in collectability of deferred rental revenue	28	231		
In-place adjusted EBITDA	<u>\$ 89,128</u>	<u>\$ 85,656</u>		
Reconciliations of tenant improvements and incentives, building improvements and leasing costs for operating properties to replacement capital expenditures				
Tenant improvements and incentives	\$ 32,619	\$ 10,655	\$ 52,605	\$ 20,665
Building improvements	2,766	6,751	4,907	13,583
Leasing costs	3,542	1,748	5,292	4,018
Net (exclusions from) additions to tenant improvements and incentives	(16,007)	474	(11,168)	2,282
Excluded building improvements and leasing costs	(256)	(1,911)	(762)	(5,473)
Replacement capital expenditures	<u>\$ 22,664</u>	<u>\$ 17,717</u>	<u>\$ 50,874</u>	<u>\$ 35,075</u>

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Reconciliation of interest expense to the denominator for fixed charge coverage-Adjusted EBITDA				
Interest expense	\$ 16,519	\$ 14,808	\$ 32,961	\$ 29,232
Less: Amortization of deferred financing costs	(628)	(541)	(1,260)	(1,138)
Less: Amortization of net debt discounts, net of amounts capitalized	(622)	(608)	(1,240)	(1,213)
COPT's share of interest expense of unconsolidated real estate JVs, excluding amortization of deferred financing costs and net debt premium and loss on interest rate derivatives	791	233	1,564	464
Scheduled principal amortization	746	844	1,536	1,618
Capitalized interest	1,194	1,376	1,964	2,905
Denominator for fixed charge coverage-Adjusted EBITDA	<u>\$ 18,000</u>	<u>\$ 16,112</u>	<u>\$ 35,525</u>	<u>\$ 31,868</u>
Reconciliation of net income to NOI from real estate operations, same properties NOI from real estate operations and same properties cash NOI from real estate operations				
Net income	\$ 31,642	\$ 33,595	\$ 112,040	\$ 94,419
Construction contract and other service revenues	(14,243)	(42,557)	(30,063)	(95,757)
Depreciation and other amortization associated with real estate operations	37,600	34,812	74,595	69,076
Construction contract and other service expenses	13,555	41,304	28,756	92,954
General and administrative expenses	7,287	6,467	15,283	13,137
Leasing expenses	2,345	1,888	4,344	3,762
Business development expenses and land carry costs	726	701	1,221	1,484
Interest expense	16,519	14,808	32,961	29,232
Interest and other income, net	(2,143)	(1,593)	(4,399)	(3,802)
Gain on sales of real estate from continuing operations	(14)	19	(49,392)	4
Loss on early extinguishment of debt	—	—	—	342
Equity in income of unconsolidated entities	(111)	(318)	(47)	(1,206)
Unconsolidated real estate JVs NOI allocable to COPT included in equity in income of unconsolidated entities	1,671	1,080	3,313	2,160
Income tax expense	190	4	315	157
Discontinued operations	—	—	—	(29,573)
Revenues from real estate operations from discontinued operations	—	—	—	1,980
Property operating expenses from discontinued operations	—	—	—	(971)
NOI from real estate operations	<u>95,024</u>	<u>90,210</u>	<u>188,927</u>	<u>177,398</u>
Non-Same Properties NOI from real estate operations	<u>(8,770)</u>	<u>(6,603)</u>	<u>(18,221)</u>	<u>(12,365)</u>
Same Properties NOI from real estate operations	<u>86,254</u>	<u>83,607</u>	<u>170,706</u>	<u>165,033</u>
Straight line rent adjustments and lease incentive amortization	1,232	(1,301)	2,624	(3,592)
Amortization of acquired above- and below-market rents	(129)	(97)	(295)	(616)
Lease termination fees, net	(1,059)	(399)	(2,280)	(620)
Tenant funded landlord assets and lease incentives	(1,191)	(1,311)	(2,379)	(2,821)
Cash NOI adjustments in unconsolidated real estate JVs	<u>(70)</u>	<u>(92)</u>	<u>(145)</u>	<u>(190)</u>
Same Properties Cash NOI from real estate operations	<u>\$ 85,037</u>	<u>\$ 80,407</u>	<u>\$ 168,231</u>	<u>\$ 157,194</u>

Corporate Office Properties Trust
Summary Financial Data
(unaudited)
(in thousands)

	June 30, 2023	December 31, 2022
Reconciliation of total assets to adjusted book		
Total assets	\$ 4,246,346	\$ 4,257,275
Accumulated depreciation	1,334,066	1,267,434
Accumulated depreciation included in assets held for sale	—	6,014
Accumulated amortization of intangibles on property acquisitions and deferred leasing costs	226,555	222,779
COPT's share of liabilities of unconsolidated real estate JVs	60,724	52,404
COPT's share of accumulated depreciation and amortization of unconsolidated real estate JVs	7,800	6,078
Less: Property - operating lease liabilities	(33,923)	(28,759)
Less: Property - finance lease liabilities	(426)	—
Less: Cash and cash equivalents	(14,273)	(12,337)
Less: COPT's share of cash of unconsolidated real estate JVs	(974)	(456)
Adjusted book	<u>\$ 5,825,895</u>	<u>\$ 5,770,432</u>

	June 30, 2023	December 31, 2022	June 30, 2022
Reconciliation of debt to net debt, net debt adjusted for fully-leased development and pro forma net debt adjusted for fully-leased development			
Debt per balance sheet	\$ 2,176,174	\$ 2,231,794	\$ 2,177,811
Net discounts and deferred financing costs	21,342	23,160	23,857
COPT's share of unconsolidated JV gross debt	52,364	52,100	26,250
Gross debt	2,249,880	2,307,054	2,227,918
Less: Cash and cash equivalents	(14,273)	(12,337)	(20,735)
Less: COPT's share of cash of unconsolidated real estate JVs	(974)	(456)	(457)
Net debt	2,234,633	2,294,261	2,206,726
Costs incurred on fully-leased development properties	(189,407)	(95,972)	(223,485)
Net debt adjusted for fully-leased development	<u>\$ 2,045,226</u>	<u>\$ 2,198,289</u>	<u>\$ 1,983,241</u>
Net debt	\$ 2,234,633	\$ 2,294,261	\$ 2,206,726
Pro forma debt adjustments from subsequent event transaction proceeds	N/A	(189,000)	N/A
Pro forma net debt	2,234,633	2,105,261	2,206,726
Costs incurred on fully-leased development properties	(189,407)	(95,972)	(223,485)
Pro forma net debt adjusted for fully-leased development	<u>\$ 2,045,226</u>	<u>\$ 2,009,289</u>	<u>\$ 1,983,241</u>

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20230727043433/en/>

IR Contacts:

Venkat Kommineni, CFA

443-285-5587

venkat.kommineni@copt.com

Michelle Layne

443-285-5452

michelle.layne@copt.com

Source: Corporate Office Properties Trust