UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) **May 3, 2005 (May 2, 2005)**

CORPORATE OFFICE PROPERTIES TRUST

(Exact name of registrant as specified in its charter)

Maryland	**1-14023**	**23-2947217**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

8815 Centre Park Drive, Suite 400
Columbia, Maryland 21045
(Address of principal executive offices)

(410) 730-9092
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On May 2, 2005, the Registrant issued a press release relating to its financial results for the quarter ended March 31, 2005. A copy of the press release is included as Exhibit 99.1 to this report and is incorporated herein by reference.

The information included herein, including the exhibits, shall not be deemed "filed" for any purpose, including the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or subject to liabilities of that Section. The information included herein, including the exhibits, shall also not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act regardless of any general incorporation language in such filing.

The Registrant uses non-GAAP financial measures in earnings press releases and information furnished to the Securities and Exchange Commission. The Registrant believes that these measures are helpful to investors in measuring its performance and comparing such performance to other real estate investment trusts ("REITs"). Descriptions of these measures are set forth below.

<u>Funds from operations ("FFO")</u>
Funds from operations ("FFO") is defined as net income computed using GAAP, excluding gains (or losses) from sales of real estate, plus real estate-related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. Gains from sales of newly-developed properties less accumulated depreciation, if any, required under GAAP are included in FFO on the basis that development services are the primary revenue generating activity; the Registrant believes that inclusion of these development gains is in accordance with the National Association of Real Estate Investment Trusts' ("NAREIT") definition of FFO, although others may interpret the definition differently.

Accounting for real estate assets using historical cost accounting under GAAP assumes that the value of real estate assets diminishes predictably over time. NAREIT stated in its April 2002 White Paper on Funds from Operations that "since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves." As a result, the concept of FFO was created by NAREIT for the REIT industry to "address this problem." The Registrant agrees with the concept of FFO and believes that FFO is useful to investors as a supplemental measure of operating performance because, by excluding gains and losses related to sales of previously depreciated operating real estate properties and excluding real estate-related depreciation and amortization, FFO can help one compare the Registrant's operating performance between periods. In addition, since most equity REITs provide FFO information to the investment community, the Registrant believes that FFO is useful to investors as a supplemental measure for comparing its results to those of other equity REITs. The Registrant believes that net income is the most directly comparable GAAP measure to FFO.

Since FFO excludes certain items includable in net income, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. FFO is not necessarily an indication of the Registrant's cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The FFO presented by

the Registrant may not be comparable to the FFO presented by other REITs since they may interpret the current NAREIT definition of FFO differently or they may not use the current NAREIT definition of FFO.

Basic funds from operations ("Basic FFO")

Basic FFO is FFO adjusted to (1) subtract preferred share dividends and (2) add back GAAP net income allocated to common units in Corporate Office Properties, L.P. (the "Operating Partnership") not owned by the Registrant. With these adjustments, Basic FFO represents FFO available to common shareholders and common unitholders. Common units in the Operating Partnership are substantially similar to common shares of beneficial interest in the Registrant ("common shares"); common units in the Operating Partnership are also exchangeable into common shares, subject to certain conditions. The Registrant believes that Basic FFO is useful to investors due to the close correlation of common units to common shares. The Registrant believes that net income is the most directly comparable GAAP measure to Basic FFO. Basic FFO has essentially the same limitations as FFO; management compensates for these limitations in essentially the same manner as described above for FFO.

Diluted funds from operations per share ("Diluted FFO per share")

Diluted FFO per share is (1) Basic FFO adjusted to add back any convertible preferred share dividends and any other changes in Basic FFO that would result from the assumed conversion of securities that are convertible or exchangeable into common shares divided by (2) the sum of the (a) weighted average common shares outstanding during a period, (b) weighted average common units outstanding during a period and (c) weighted average number of potential additional common shares that would have been outstanding during a period if other securities that are convertible or exchangeable into common shares were converted or exchanged. However, the computation of Diluted FFO per share does not assume conversion of securities that are convertible into common shares if the conversion of those securities would increase Diluted FFO per share in a given period. The Registrant believes that Diluted FFO per share is useful to investors because it provides investors with a further context for evaluating its FFO results in the same manner that investors use earnings per share in evaluating net income available to common shareholders. In addition, since most equity REITs provide Diluted FFO per share information to the investment community, the Registrant believes Diluted FFO per share is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that diluted EPS is the most directly comparable GAAP measure to Diluted FFO per share. Diluted FFO per share has most of the same limitations as Diluted FFO (described below); management compensates for these limitations in essentially the same manner as described below for Diluted FFO.

Diluted funds from operations ("Diluted FFO")

Diluted FFO is Basic FFO adjusted to add back any convertible preferred share dividends and any other changes in Basic FFO that would result from the assumed conversion of securities that are convertible or exchangeable into common shares. However, the computation of Diluted FFO does not assume conversion of securities that are convertible into common shares if the conversion of those securities would increase Diluted FFO per share in a given period. The Registrant believes that Diluted FFO is useful to investors because it is the numerator used to compute Diluted FFO per share. In addition, since most equity REITs provide Diluted FFO information to the investment community, the Registrant believes Diluted FFO is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the numerator to diluted EPS is the most directly comparable GAAP measure to Diluted FFO. Since Diluted FFO excludes certain items includable in the numerator to diluted EPS, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. Diluted FFO is not necessarily an indication of

the Registrant's cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The Diluted FFO presented by the Registrant may not be comparable to the Diluted FFO presented by other REITs.

Diluted adjusted funds from operations ("Diluted AFFO")

Diluted AFFO is Diluted FFO adjusted for the following: (1) the elimination of the effect of (a) noncash rental revenues (comprised of straight-line rental adjustments, which includes the amortization of recurring tenant incentives, and amortization of deferred market rental revenue, both of which are described under "Cash NOI" below) and (b) accounting charges for original issuance costs associated with redeemed preferred shares; and (2) recurring capital expenditures (defined below). The Registrant believes that Diluted AFFO is an important supplemental measure of liquidity for an equity REIT because it provides management and investors with an indication of its ability to incur and service debt and to fund dividends and other cash needs. In addition, since most equity REITs provide Diluted AFFO information to the investment community, the Registrant believes that Diluted AFFO is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant believes that the numerator to diluted EPS is the most directly comparable GAAP measure to Diluted AFFO. Since Diluted AFFO excludes certain items includable in the numerator to diluted EPS, reliance on the measure has limitations; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. In addition, see the discussion below regarding the limitations of recurring capital expenditures, which is used to derive Diluted AFFO. Diluted AFFO is not necessarily an indication of the Registrant's cash flow available to fund cash needs. Additionally, it should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The Diluted AFFO presented by the Registrant may not be comparable to similar measures presented by other equity REITs.

Recurring capital expenditures

Recurring capital expenditures are defined as capital improvements, tenant improvements and incentives and leasing costs associated with operating properties that are not (1) items contemplated prior to the acquisition of a property, (2) improvements associated with the expansion of a building or its improvements, (3) renovations to a building which change the underlying classification of the building (for example, from industrial to office or Class C office to Class B office) or (4) capital improvements that represent the addition of something new to the property rather than the replacement of something (for example, the addition of a new heating and air conditioning unit that is not replacing one that was previously there). The Registrant believes that recurring capital expenditures is an important measure of performance for a REIT because it provides a measure of the capital expenditures that the Registrant can expect to incur on an ongoing basis, which is significant to how the Registrant manages its business since these expenditures are funded using cash flow from operations. As a result, the measure provides a further indication of the cash flow from operations that is available to fund other uses. The Registrant believes that tenant improvements and incentives, capital improvements and leasing costs associated with operating properties are the most directly comparable GAAP measures. Recurring capital expenditures do not reflect all capital expenditures incurred by the Registrant for the periods reported; the Registrant compensates for this limitation by also using the comparable GAAP measure. The recurring capital expenditures presented by the Registrant may not be comparable to the recurring capital expenditures presented by other REITs.

Net operating income ("NOI")

NOI is total revenue from real estate operations, including rental revenue and tenant recoveries and other revenue, reduced by total property expenses associated with real estate operations, including discontinued operations; total property expenses, as used in this definition, do not include depreciation, amortization or interest expense associated with real estate operations. The Registrant believes that NOI is an important supplemental measure of operating performance for a REIT's operating real estate because it provides a measure of the core real estate operations, rather than factoring in depreciation and amortization or corporate financing and general and administrative expenses; this measure is particularly useful in the opinion of the Registrant in evaluating the performance of geographic segments, same-office property groupings and individual properties. The Registrant believes that net income is the most directly comparable GAAP measure to NOI. The measure excludes many items that are includable in net income, including construction contract and other service operations revenues, as well as expenses including those mentioned above; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. NOI presented by the Registrant may not be comparable to NOI presented by other equity REITs that define the measure differently.

Cash net operating income ("Cash NOI")
Cash NOI is NOI (defined above) adjusted to eliminate the effects of noncash rental revenues (comprised of straight-line rental adjustments, which includes the amortization of recurring tenant incentives, and amortization of deferred market rental revenue). Under GAAP, rental revenue is recognized evenly over the term of tenant leases. Many leases provide for contractual rent increases and the effect of accounting under GAAP for such leases is to accelerate the recognition of lease revenue. Since some leases provide for periods under the lease in which rental concessions are provided to tenants, the effect of accounting under GAAP is to allocate rental revenue to such periods. Also under GAAP, when a property is acquired, in-place operating leases carrying rents above or below market are valued as of the date of the acquisition; such value is then amortized into rental revenue over the lives of the related leases.

The Registrant believes that Cash NOI is an important supplemental measure of operating performance for a REIT's operating real estate because it makes adjustments to NOI for revenue that is not associated with cash to the Registrant. As is the case with NOI, the measure is useful in the opinion of the Registrant in evaluating and comparing the performance of geographic segments, same-office property groupings and individual properties, although, since it adjusts for noncash items, it provides management and investors with a further indication of the Registrant's ability to incur and service debt and to fund dividends and other cash needs. The Registrant believes that net income is the most directly comparable GAAP measure to Cash NOI. The measure excludes many items that are includable in net income; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. The Cash NOI that the Registrant presents may not be comparable to similar measures presented by other equity REITs.

Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA")
EBITDA is net income adjusted for the effects of interest expense, depreciation and amortization, income taxes and minority interests. The Registrant believes that EBITDA is an important measure

of performance for a REIT because it provides a further tool to evaluate the Registrant's ability to incur and service debt and to fund dividends and other cash needs that supplements the previously described non-GAAP measures and to compare the Registrant's operating performance with that of other companies. The Registrant believes that net income is the most directly comparable GAAP measure to EBITDA. EBITDA excludes items that are included in net income, including some that require cash outlays; management compensates for this limitation by using the measure simply as a supplemental measure that is weighed in the balance with other GAAP and non-GAAP measures. It should not be used as an alternative to net income when evaluating the Registrant's financial performance or to cash flow from operating, investing and financing activities when evaluating the Registrant's liquidity or ability to make cash distributions or pay debt service. Additionally, EBITDA as reported by the Registrant may not be comparable to EBITDA reported by other equity REITs.

EBITDA Interest Coverage Ratio
EBITDA Interest Coverage Ratio divides EBITDA by interest expense on continuing and discontinued operations. The Registrant believes that this ratio is a useful measure in evaluating the relationship of earnings to the total cash flow requirements for interest on loans associated with operating properties and, as such, is an important tool in the Registrant's finance policy management.

EBITDA Fixed Charge Coverage Ratio
EBITDA Fixed Charge Coverage Ratio divides EBITDA by the sum of (1) interest expense on continuing and discontinued operations, (2) dividends on preferred shares and (3) distributions on preferred units in the Operating Partnership not owned by the Registrant. The Registrant believes that this ratio is a useful measure in evaluating the relationship of earnings to the cash flow requirements of (1) interest expense on loans associated with operating properties and (2) dividends to preferred equity holders and, as such, is an important tool in the Registrant's finance policy management.

Diluted FFO Payout Ratio and Diluted AFFO Payout Ratio
These measures are defined as (1) the sum of (A) dividends on common shares and (B) dividends on restricted common and convertible preferred shares and distributions to holders of interests in the Operating Partnership when such dividends and distributions are included in Diluted FFO and Diluted AFFO, divided by (2) either Diluted FFO or Diluted AFFO. The Registrant believes that these ratios are useful to investors as supplemental measures of its ability to make distributions to investors. In addition, since most equity REITs provide these ratios, the Registrant believes they are useful supplemental measures for comparing the Registrant to other equity REITs. The Registrant believes that Earnings Payout Ratio is the most comparable GAAP measure. Earnings Payout Ratio is defined as dividends on common shares divided by net income available to common shareholders. Since Payout-FFO Diluted and Payout-AFFO Diluted are derived from Diluted FFO and Diluted AFFO, they share the limitations previously discussed for those measures; management compensates for these limitations by using the measures simply as supplemental measures that are weighed in the balance with other GAAP and non-GAAP measures.

Debt to Undepreciated Book Value of Real Estate Assets
This measure is defined as mortgage loans payable divided by net investment in real estate presented on the Registrant's consolidated balance sheet excluding the effect of accumulated depreciation incurred to date on such real estate. The Registrant believes that the measure of Debt to Undepreciated Book Value of Real Estate Assets is useful to management and investors as a supplemental measure of its borrowing levels. In addition, since most equity REITs provide Debt to Undepreciated Book Value of Real Estate Asset information, the Registrant believes that this measure is a useful supplemental measure for comparing the Registrant to other equity REITs. The Registrant

believes that the measure of Debt to Total Assets, defined as mortgage loans payable divided by total assets, is the most comparable GAAP measure. Debt to Undepreciated Book Value of Real Estate Assets excludes the effect of accumulated depreciation, other assets and other liabilities; management compensates for these limitations by using the measure simply as a supplemental measure that is weighed with the comparable GAAP measure and other GAAP and non-GAAP measures.

Item 9.01. Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired

None

(b) Pro Forma Financial Information

None

(c) Exhibits

Exhibit Number	Exhibit Title
99.1	Press release dated May 2, 2005 for Corporate Office Properties Trust.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 3, 2005

CORPORATE OFFICE PROPERTIES TRUST

By: /s/ Randall M. Griffin
Name: Randall M. Griffin
Title: President and Chief Executive Officer

By: /s/ Roger A. Waesche, Jr.
Name: Roger A. Waesche, Jr.
Title: Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Exhibit Title
99.1	Press release dated May 2, 2005 for Corporate Office Properties Trust.

Exhibit 99.1

CORPORATE OFFICE PROPERTIES

Corporate Office Properties Trust
8815 Centre Park Drive, Suite 400
Columbia, Maryland 21045
Telephone 410-730-9092
Facsimile 410-740-1174
Website www.copt.com

Contact:
Mary Ellen Fowler
Vice President
Finance and Investor Relations
410-992-7324
maryellen.fowler@copt.com

NEWS RELEASE

For Immediate Release

CORPORATE OFFICE PROPERTIES TRUST REPORTS STRONG FIRST QUARTER 2005 RESULTS

COLUMBIA, MD May 2, 2005 - Corporate Office Properties Trust (NYSE: OFC) announced today financial and operating results for the quarter ended March 31, 2005.

Highlights

- Earnings per diluted share ("EPS") of $.14 for the first quarter 2005 compared to $.14 per diluted share for the first quarter 2004.
- 12.5% increase in FFO per diluted share to $.45 or $21.1 million for first quarter 2005 from $.40 or $16.3 million for first quarter 2004.
- $76.8 million in acquisitions for 691,000 square feet and 25.4 acres acquired so far this year.
- 92.4% occupied and 93.2% leased as of March 31, 2005.
- 1,161,000 square feet under construction, 286,000 square feet under development and 469,000 square feet under redevelopment.
- $32.0 million construction facility closed during the quarter.
- 80.3% of leases expiring during the quarter were renewed, with a 5.0% increase in total straight line rent.

"This was a strong quarter for the Company as reflected in the FFO per diluted share growth and the excellent lease renewal statistics," stated Randall M. Griffin, President and Chief Executive Officer. "We made good progress on acquisitions that included the initiation of our core customer expansion strategy. In addition, we have approximately two million square feet under construction, development and redevelopment that will add significantly to our 2006 and 2007 FFO."

Financial Results

EPS for the quarter ended March 31, 2005 totaled $.14 per diluted share, or $5.4 million of net income available to common shareholders, as compared to $.14 per diluted share, or $4.5 million for the quarter ended March 31, 2004. Revenues from real estate operations for the quarter ended March 31, 2005 were $60.6 million, as compared to revenue for the quarter ended March 31, 2004 of $49.0 million.

Diluted FFO for the quarter ended March 31, 2005 totaled $21.1 million, or $.45 per diluted share, as compared to $16.3 million, or $.40 per diluted share, for the quarter ended March 31, 2004, representing a 12.5% increase on a per share basis. FFO Payout ratio was 54.5% for first quarter 2005 compared to 56.9% for the comparable 2004 period.

Adjusted funds from operations ("AFFO") diluted increased 20.9% to $14.8 million for first quarter 2005 as compared to $12.2 million for first quarter 2004. The Company's AFFO payout ratio was 78.1% for first quarter 2005 compared to 76.0% for first quarter 2004.

As of March 31, 2005, the Company had a total market capitalization of $2.5 billion, with $1.1 billion in debt outstanding, equating to a 44.1% debt-to-total market capitalization ratio. Debt to undepreciated book value of real estate assets was 59.5% at quarter end. The Company's total quarterly weighted average interest rate was 5.75% and 66.7% of total debt is subject to fixed interest rates. Subsequent to quarter end, the Company entered into a forward interest rate swap for a notional amount of $73.4 million that increased fixed debt to 73.4%. For the first quarter 2005, EBITDA Interest coverage ratio was 2.95x and EBITDA Fixed Charge coverage was 2.29x.

Operating Results

At March 31, 2005, the Company's portfolio of 145 office properties totaling 12.0 million square feet was 92.4% occupied and 93.2% leased.

During the quarter, 361,299 square feet was renewed equating to an 80.3% renewal rate, at an average capital cost of $1.80 per square foot. The Company achieved a 5.0% increase in total straight line rent and a 1.9% decrease in total cash rent for 472,000 square feet of renewed and retenanted space. The average capital cost for renewed and retenanted space was $5.66 per square foot.

Same property cash NOI decreased slightly by 1.2% for the quarter compared to the quarter ended March 31, 2004. Included in cash NOI for the same office portfolio, among other effects, is a decrease of $1.1 million in base rent and termination fees associated with the former tenant, AT&T, at 431 Ridge Road in central New Jersey.

Significant leases signed during the quarter include 126,000 square feet with a large credit worthy tenant at 318 Carina Road (known as 318 NBP). This building is under construction with an anticipated occupancy in the fourth quarter of 2005.

Development Activity

The Company commenced construction on two buildings during the quarter. The first building is a 126,000 square foot office building known as 322 NBP. This will be the fourth building to be built in Phase II of The National Business Park (NBP). In addition, the Company started construction on 6711 Columbia Gateway Drive, a 125,000 square foot office building located in Columbia Gateway Business Park.

At March 31, the Company has two buildings under development: 320 NBP, a 126,000 square foot building and 302 NBP, a 160,000 square foot building both located in Phase II of The National Business Park. In addition, the Company has a two building complex (discussed below) totaling approximately 469,000 square feet located at 8611 Military Drive, San Antonio, Texas, that is under redevelopment.

Acquisition Activity
As of March 31, the Company has acquired two buildings with 469,000 square feet for a total cost of $30.5 million that were 100.0% leased at closing in San Antonio, Texas. The buildings are located at the intersection of Loop 410 and Military Drive. This acquisition marks the initiation of the Company's expansion strategy, which is built around meeting the multi-location requirements of the Company's existing strategic tenants.

The Company also acquired a total of 74 acres of land during the quarter for a total cost of $11.3 million. Land was acquired in three locations: 19 acres in Westfields Corporate Center for $7.1 million, 39 acres at the Dahlgren Technology Center for $1.2 million and 16 acres adjacent to the buildings acquired in San Antonio, Texas for $3.0 million. In connection with the land in San Antonio, Texas, the Company has under contract another contiguous 27 acres of developable land.

Financing and Capital Transactions
In March, the Company closed on a $32.0 million construction facility to fund the construction of Washington Technology Park II in Chantilly, Virginia.

Subsequent Events
Since March 31, 2005, the Company has:

- Acquired a 222,000 square foot office building complex in Rockville, Maryland for $43.3 million which includes a contiguous 9.7 acre parcel of land approved to build approximately 215,000 square feet of office space.

- Formed a joint venture with a limited partnership affiliated with Somerset Construction Company, to develop up to 1.8 million square feet of office space in 13 buildings on 63 acres of land in a planned mixed-use community to be known as Arundel Preserve along the B/W Corridor, Hanover, Maryland. The Company will make an initial investment of $2.2 million and will develop, lease and manage the office buildings.

- Closed on a $55 million bridge loan with the proceeds used to acquire the Rockville property.

- Entered into a $73.4 million notional forward swap on April 7, 2005 at a fixed rate of 5.02%.

Earnings Guidance
The Company's 2005 FFO guidance is $1.78 to $1.85 per diluted share and EPS guidance is $.49 to $.56 per share for 2005. The Company's 2005 FFO guidance projections include acquisitions of $200.0 million of properties ratably over the year, dispositions of $50.0 million, placement into service of 314,000 square feet currently under construction and an increase in occupancy to 95.0% by year-end. The Company's FFO guidance for second quarter 2005 is $.44 to $.46 per diluted share and EPS guidance for the second quarter is $.13 to $.15 per diluted share.

Conference Call
The Company will hold an investor/analyst conference call:

Conference Call and Webcast Date: Tuesday, May 3, 2005
Time: 4:00 p.m. ET
Dial In Number: (800) 478-6251
Confirmation Code for the call: 2994976

A replay of this call will be available beginning Tuesday, May 3, 2005 at 7:00 p.m. ET through Tuesday, May 17, 2005 at midnight ET. To access the replay, please call 888-203-1112 and use confirmation code 2994976.

The conference call will also be available via live webcast in the Investor Relations section of the Company's website at www.copt.com. A replay of the conference call will be immediately available via webcast in the Investor Relations section of the Company's website.

Definitions
Please refer to our Form 8-K or our website (www.copt.com) for definitions of certain terms used in this press release. Reconciliations of GAAP and non-GAAP measurements are included in the attached tables.

Company Information
Corporate Office Properties Trust (COPT) is a fully integrated, self-managed real estate investment trust (REIT) that focuses on the ownership, management, leasing, acquisition and development of suburban office properties primarily in select Mid-Atlantic submarkets. The Company is among the largest owners of suburban office properties in the Greater Washington, DC region. The Company currently owns 147 office properties totaling 12.2 million rentable square feet. The Company has implemented a core customer expansion strategy that is built around meeting, through acquisitions and development, the multi-location requirements of the Company's existing strategic tenants. The Company's property management services team provides comprehensive property and asset management to company owned properties and select third party clients. The Company's development and construction services team provides a wide range of development and construction management services for company owned properties, as well as land planning, design/build services, consulting, and merchant development to select third party clients. The Company's shares are traded on the New York Stock Exchange under the symbol OFC. More information on Corporate Office Properties Trust can be found on the Company's website at www.copt.com.

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", "expect", "estimate" 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:

- *the Company's ability to borrow on favorable terms;*
- *general economic and business conditions, which will, among other things, affect office property demand and rents, tenant creditworthiness, interest rates and financing availability;*
- *adverse changes in the real estate markets including, among other things, increased competition with other companies;*
- *risk of real estate acquisition and development, 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;*

- *governmental actions and initiatives; 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 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2004.

Financial Tables Attached

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

	Three months ended March 31, 2005	2004
Revenues		
Real estate revenues	$ 60,627	$ 48,971
Service operations revenues	17,097	7,652
Total revenues	77,724	56,623
Expenses		
Property operating	18,918	15,039
Depreciation and other amortization associated with real estate operations	14,666	10,359
Service operations expenses	16,188	6,910
General and administrative expenses	3,276	2,286
Total operating expenses	53,048	34,594
Operating income	24,676	22,029
Interest expense	(13,358)	(10,262)
Amortization of deferred financing costs	(396)	(859)
Income from continuing operations before gain (loss) on sales of real estate, equity in loss of unconsolidated entities, income taxes and minority interests	10,922	10,908
Gain (loss) on sales of real estate	24	(222)
Equity in loss of unconsolidated entities	—	(88)
Income tax expense	(457)	(200)
Income from continuing operations before minority interests	10,489	10,398
Minority interests in income from continuing operations of consolidated subsidiaries	(1,449)	(1,405)
Net income	9,040	8,993
Preferred share dividends	(3,654)	(4,456)
Net income available to common shareholders	**$ 5,386**	**$ 4,537**
Earnings per share "EPS" computation		
Numerator:		
Net income available to common shareholders	$ 5,386	$ 4,537
Dividends on convertible preferred shares	—	21
Numerator for diluted EPS	$ 5,386	$ 4,558
Denominator:		
Weighted average common shares - basic	36,555	29,814
Assumed conversion of dilutive options	1,537	1,749
Assumed conversion of preferred shares	—	539
Weighted average common shares - diluted	38,092	32,102
EPS		
Basic	**$ 0.15**	**$ 0.15**
Diluted	**$ 0.14**	**$ 0.14**

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

	Three months ended March 31, 2005	2004

Net income	$ 9,040	$ 8,993
Add: Real estate-related depreciation and amortization	14,505	10,261
Add: Depreciation and amortization on unconsolidated real estate entities	—	106
Less: Depreciation and amortization allocable to minority interests in other consolidated entities	(32)	—
Less: Gain on sales of real estate, excluding development portion	(24)	(23)
Funds from operations ("FFO")	23,489	19,337
Add: Minority interests-common units in the Operating Partnership	1,308	1,405
Less: Preferred share dividends	(3,654)	(4,456)
Funds from Operations - basic ("Basic FFO")	21,143	16,286
Add: Convertible preferred share dividends	—	21
Funds from Operations - diluted ("Diluted FFO")	**21,143**	**16,307**
Less: Straight-line rent adjustments	(1,583)	(766)
Less: Recurring capital expenditures	(4,734)	(3,023)
Less: Amortization of deferred market rental revenue	(70)	(309)
Adjusted Funds from Operations - diluted ("Diluted AFFO")	**$ 14,756**	**$ 12,209**
Weighted average shares		
Weighted average common shares	36,555	29,814
Conversion of weighted average common units	8,544	8,863
Weighted average common shares/units - basic FFO per share	45,099	38,677
Assumed conversion of share options	1,537	1,749
Assumed conversion of weighted average convertible preferred shares	—	539
Weighted average common shares/units - diluted FFO per share	46,636	40,965
Diluted FFO per common share	$ 0.45	$ 0.40
Dividends/distributions per common share/unit	$ 0.255	$ 0.235
Earnings payout ratio	173 %	158 %
Diluted FFO payout ratio	54 %	57 %
Diluted AFFO payout ratio	78 %	76 %
EBITDA interest coverage ratio	2.95	3.13
EBITDA fixed charge coverage ratio	2.29	2.18
Reconciliation of denominators for diluted EPS and diluted FFO per share		
Denominator for diluted EPS	38,092	32,102
Weighted average common units	8,544	8,863
Denominator for diluted FFO per share	46,636	40,965

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

	March 31, 2005	December 31, 2004
Balance Sheet Data (in thousands) (as of period end):		
Investment in real estate, net of accumulated depreciation	$ 1,617,276	$ 1,544,501
Total assets	1,798,920	1,732,026
Mortgage and other loans payable	1,091,688	1,022,688
Total liabilities	1,180,425	1,111,224
Minority interests	98,038	98,878
Beneficiaries' equity	520,457	521,924
Debt to Total Assets	60.7 %	59.0 %
Debt to Undepreciated Book Value of Real Estate Assets	59.5 %	58.3 %
Debt to Total Market Capitalization	44.1 %	40.4 %
Property Data, including joint ventures (as of period ended):		
Number of operating properties owned	145	145
Total net rentable square feet owned (in thousands)	11,982	11,978
Occupancy	92.4 %	94.0 %

	Three Months Ended March 31, 2005	Three Months Ended March 31, 2004
Reconciliation of tenant improvements and incentives, capital improvements and leasing costs for operating properties to recurring capital expenditures		
Total tenant improvements and incentives on operating properties	$ 13,163	$ 2,268
Total capital improvements on operating properties	2,105	836
Total leasing costs on operating properties	668	566
Less: Nonrecurring tenant improvements and incentives on operating properties	(9,551)	(112)
Less: Nonrecurring capital improvements on operating properties	(1,630)	(505)
Less: Nonrecurring leasing costs incurred on operating properties	(21)	(30)
Recurring capital expenditures	$ 4,734	$ 3,023

Corporate Office Properties Trust
Summary Financial Data
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2005	Three Months Ended March 31, 2004
Reconciliation of dividends for Earnings Payout Ratio to dividends and distributions for FFO & AFFO Payout Ratio		
Common share dividends for earnings payout ratio	$ 9,339	$ 7,178
Common unit distributions	2,179	2,074
Convertible preferred share dividends	—	21
Dividends and distributions for FFO & AFFO payout ratio	$ 11,518	$ 9,273
Reconciliation of GAAP net income to earnings before interest, income taxes, depreciation and amortization (“EBITDA”)		
Net income	$ 9,040	$ 8,993
Interest expense on continuing operations	13,358	10,262
Income tax expense	457	200
Real estate-related depreciation and amortization	14,505	10,261
Amortization of deferred financing costs	396	859
Other depreciation and amortization	161	98
Minority interests	1,449	1,405
EBITDA	$ 39,366	$ 32,078
Reconciliation of interest expense from continuing operations to the denominator for fixed charge coverage-EBITDA		
Interest expense from continuing operations	$ 13,358	$ 10,262
Preferred share dividends	3,654	4,456
Preferred unit distributions	165	—
Denominator for fixed charge coverage-EBITDA	$ 17,177	$ 14,718
Reconciliation of same property net operating income to same property cash net operating income		
Same property net operating income	$ 33,133	$ 33,702
Less: Straight-line rent adjustments	(746)	(762)
Less: Amortization of deferred market rental revenue	(157)	(313)
Same property cash net operating income	$ 32,230	$ 32,627

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

	March 31, 2005	December 31, 2004
Reconciliation of denominator for debt to total assets to denominator for debt to undepreciated book value of real estate assets		
Denominator for debt to total assets	$ 1,798,920	$ 1,732,026
Assets other than assets included in investment in real estate	(181,644)	(187,525)
Accumulated depreciation on real estate assets	153,127	141,716
Intangible assets on real estate acquisitions, net	64,965	67,560
Denominator for debt to undepreciated book value of real estate assets	$ 1,835,368	$ 1,753,777

	Three Months Ending June 30, 2005		Twelve Months Ending December 31, 2005	
	Low	High	Low	High
Reconciliation of projected EPS-diluted to projected diluted FFO per share				
Reconciliation of numerators				
Numerator for projected EPS-diluted	$ 5,150	$ 5,850	$ 19,575	$ 22,350
Real estate-related depreciation and amortization	14,850	14,850	62,469	62,469
Minority interests-common units	1,260	1,432	4,790	5,469
Numerator for projected diluted FFO per share	$ 21,260	$ 22,132	$ 86,834	$ 90,288
Reconciliation of denominators				
Denominator for projected EPS-diluted	39,710	39,710	40,222	40,222
Weighted average common units	8,660	8,660	8,645	8,645
Denominator for projected diluted FFO per share	48,370	48,370	48,867	48,867
EPS - diluted	$ 0.13	$ 0.15	$ 0.49	$ 0.56
FFO per share - diluted	$ 0.44	$ 0.46	$ 1.78	$ 1.85

Top Twenty Office Tenants as of March 31, 2005
(Dollars and square feet in thousands)

Tenant		Number of Leases	Total Occupied Square Feet	Percentage of Total Occupied Square Feet	Total Annualized Rental Revenue (1)	Percentage of Total Annualized Rental Revenue	Weighted Average Remaining Lease Term (2)
United States of America	(3)	30	1,338,315	12.1%	$ 30,495	13.3%	4.8
Booz Allen Hamilton, Inc.		10	471,067	4.3%	11,473	5.0%	7.4
Computer Sciences Corporation	(4)	5	485,527	4.4%	11,372	5.0%	5.8
General Dynamics Corporation		11	440,913	4.0%	8,870	3.9%	4.6
The Titan Corporation	(4)	5	232,136	2.1%	8,438	3.7%	8.4
Northrop Grumman Corporation		9	396,607	3.6%	8,293	3.6%	3.1
Unisys	(5)	3	741,284	6.7%	7,901	3.4%	4.3
AT&T Corporation	(4)	7	316,148	2.9%	6,716	2.9%	3.4
The Aerospace Corporation		3	222,366	2.0%	5,724	2.5%	9.7
Wachovia Bank		3	176,470	1.6%	5,324	2.3%	13.7
VeriSign, Inc.		2	162,841	1.5%	4,596	2.0%	9.3
The Boeing Company	(4)	8	162,699	1.5%	4,101	1.8%	3.8
Ciena Corporation		3	221,609	2.0%	3,293	1.4%	3.1
Commonwealth of Pennsylvania	(4)	6	205,386	1.9%	3,008	1.3%	4.3
Magellan Health Services, Inc.		2	142,199	1.3%	2,778	1.2%	6.3
PricewaterhouseCoopers		1	97,638	0.9%	2,720	1.2%	0.9
Johns Hopkins University	(4)	7	106,473	1.0%	2,545	1.1%	2.4
Merck & Co., Inc. (Unisys)	(5)	1	219,065	2.0%	2,372	1.0%	4.3
Carefirst, Inc. and Subsidiaries	(4)	3	94,223	0.9%	2,277	1.0%	2.8
BAE Systems		7	199,212	1.8%	2,229	1.0%	1.7
Subtotal Top 20 Office Tenants		**126**	**6,432,178**	**58.1%**	**134,525**	**58.7%**	**5.6**
All remaining tenants		495	4,644,315	41.9%	94,575	41.3%	4.0
Total/Weighted Average		621	11,076,493	100.0%	$ 229,100	100.0%	4.9

(1) Total Annualized Rental Revenue is the monthly contractual base rent as of March 31, 2005 multiplied by 12 plus the estimated annualized expense reimbursements under existing office leases.
(2) The weighting of the lease term was computed using Total Rental Revenue.
(3) Many of our government leases are subject to early termination provisions which are customary to government leases. The weighted average remaining lease term was computed assuming no exercise of such early termination rights.
(4) Includes affiliated organizations or agencies.
(5) Merck & Co., Inc. subleases 219,065 rentable square feet from Unisys' 960,349 leased rentable square feet.