

Supplemental Information

June 30, 2016



ParkView Commerce Center
Flower Mound (Dallas), TX
276,000 Square Feet

Consolidated Balance Sheets	3
Consolidated Statements of Income and Comprehensive Income ..	4
Reconciliations of GAAP to Non-GAAP Measures	5
Consolidated Statements of Cash Flows	6
Property Net Operating Income By Type	7
Additional Financial Information	8
Development Summary	9
Debt-to-Total Market Capitalization	10
Debt Repayment Schedule.....	11
Continuous Equity Program.....	12
Adjusted Debt-to-Adjusted EBITDA Reconciliation	13
Acquisitions and Sales	14
Capital Expenditures and Leasing Costs.....	15
Occupancy Summary	16
Leasing Statistics Summary	17
Core Market Operating Statistics.....	18
Houston Market Summary.....	19
Lease Expiration Summary	20
Top 10 Customers By Square Footage	21
Unconsolidated Investment Information	22
Financial Statistics.....	23
Glossary of REIT Terms	24

FORWARD-LOOKING STATEMENTS

The Company's assumptions and financial projections in this supplemental package are based upon "forward-looking" information and are being made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are inherently subject to known and unknown risks and uncertainties, many of which the Company cannot predict, including, without limitation: changes in general economic conditions; the extent of customer defaults or of any early lease terminations; the Company's ability to lease or re-lease space at current or anticipated rents; the availability of financing; the failure to maintain credit ratings with rating agencies; changes in the supply of and demand for industrial/warehouse properties; increases in interest rate levels; increases in operating costs; natural disasters, terrorism, riots and acts of war, and the Company's ability to obtain adequate insurance; changes in governmental regulation, tax rates and similar matters; and other risks associated with the development and acquisition of properties, including risks that development projects may not be completed on schedule, development or operating costs may be greater than anticipated or acquisitions may not close as scheduled. Although the Company believes the expectations reflected in the forward-looking statements are based upon reasonable assumptions at the time made, the Company can give no assurance that such expectations will be achieved. The Company assumes no obligation whatsoever to publicly update or revise any forward-looking statements. See also the information contained in the Company's reports filed or to be filed from time to time with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

	<u>June 30, 2016</u> <u>(Unaudited)</u>	<u>December 31, 2015</u>
ASSETS		
Real estate properties	\$ 2,043,034	2,049,007
Development	166,758	170,441
	<u>2,209,792</u>	<u>2,219,448</u>
Less accumulated depreciation	<u>(664,093)</u>	<u>(657,454)</u>
	1,545,699	1,561,994
Real estate assets held for sale	3,232	-
Unconsolidated investment	7,807	8,004
Cash	10	48
Other assets	<u>98,100</u>	<u>91,858</u>
TOTAL ASSETS	<u>\$ 1,654,848</u>	<u>1,661,904</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Secured debt	\$ 340,730	350,285
Unsecured debt	592,674	528,210
Unsecured bank credit facilities	35,093	149,414
Accounts payable and accrued expenses	41,559	44,181
Other liabilities	<u>37,303</u>	<u>30,613</u>
Total Liabilities	<u>1,047,359</u>	<u>1,102,703</u>
EQUITY		
Stockholders' Equity:		
Common shares; \$.0001 par value; 70,000,000 shares authorized; 32,888,048 shares issued and outstanding at June 30, 2016 and 32,421,460 at December 31, 2015	3	3
Excess shares; \$.0001 par value; 30,000,000 shares authorized; no shares issued	-	-
Additional paid-in capital on common shares	918,043	887,207
Distributions in excess of earnings	(302,540)	(328,892)
Accumulated other comprehensive loss	<u>(12,315)</u>	<u>(3,456)</u>
Total Stockholders' Equity	603,191	554,862
Noncontrolling interest in joint ventures	<u>4,298</u>	<u>4,339</u>
Total Equity	<u>607,489</u>	<u>559,201</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,654,848</u>	<u>1,661,904</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
REVENUES				
Income from real estate operations	\$ 61,882	57,827	123,450	115,402
Other income	35	17	56	34
	<u>61,917</u>	<u>57,844</u>	<u>123,506</u>	<u>115,436</u>
EXPENSES				
Expenses from real estate operations	17,758	16,047	35,578	32,460
Depreciation and amortization	19,233	17,984	38,395	36,126
General and administrative	3,023	3,812	8,335	8,350
	<u>40,014</u>	<u>37,843</u>	<u>82,308</u>	<u>76,936</u>
OPERATING INCOME	21,903	20,001	41,198	38,500
OTHER INCOME (EXPENSE)				
Interest expense	(9,172)	(8,483)	(18,237)	(17,288)
Gain on sales of real estate investments	30,981	2,903	42,313	2,903
Other	381	242	649	609
NET INCOME	<u>44,093</u>	<u>14,663</u>	<u>65,923</u>	<u>24,724</u>
Net income attributable to noncontrolling interest in joint ventures	(180)	(130)	(299)	(261)
NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS	43,913	14,533	65,624	24,463
Other comprehensive income (loss) - cash flow hedges	(3,462)	3,122	(8,859)	587
TOTAL COMPREHENSIVE INCOME	<u>\$ 40,451</u>	<u>17,655</u>	<u>56,765</u>	<u>25,050</u>
BASIC PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS				
Net income attributable to common stockholders	\$ 1.36	0.45	2.03	0.76
Weighted average shares outstanding	<u>32,376</u>	<u>32,045</u>	<u>32,315</u>	<u>32,039</u>
DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS				
Net income attributable to common stockholders	\$ 1.35	0.45	2.03	0.76
Weighted average shares outstanding	<u>32,440</u>	<u>32,139</u>	<u>32,370</u>	<u>32,121</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
NET INCOME	\$ 44,093	14,663	65,923	24,724
Gain on sales of real estate investments	(30,981)	(2,903)	(42,313)	(2,903)
Gain on sales of non-operating real estate	(133)	-	(143)	(123)
Interest income	(64)	(65)	(128)	(130)
Other income	(35)	(17)	(56)	(34)
Interest rate swap ineffectiveness	-	-	5	-
Depreciation and amortization	19,233	17,984	38,395	36,126
Company's share of depreciation from unconsolidated investment	31	31	62	60
Interest expense ⁽¹⁾	9,172	8,483	18,237	17,288
General and administrative expense ⁽²⁾	3,023	3,812	8,335	8,350
Noncontrolling interest in PNOI of consolidated 80% joint ventures	(227)	(209)	(428)	(420)
PROPERTY NET OPERATING INCOME (PNOI)	\$ 44,112	41,779	87,889	82,938
COMPONENTS OF PNOI:				
PNOI from Same Properties	\$ 41,225	40,151	80,809	78,965
PNOI from 2015 Acquisitions	587	-	1,174	-
PNOI from 2015 and 2016 Development and Redevelopment Properties	2,044	533	4,800	1,717
PNOI from 2015 and 2016 Dispositions	326	1,128	1,234	2,327
Other PNOI	(70)	(33)	(128)	(71)
TOTAL PNOI	\$ 44,112	41,779	87,889	82,938
NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC.				
COMMON STOCKHOLDERS	\$ 43,913	14,533	65,624	24,463
Depreciation and amortization	19,233	17,984	38,395	36,126
Company's share of depreciation from unconsolidated investment	31	31	62	60
Depreciation and amortization from noncontrolling interest	(56)	(52)	(110)	(102)
Gain on sales of real estate investments	(30,981)	(2,903)	(42,313)	(2,903)
FUNDS FROM OPERATIONS (FFO) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 32,140	29,593	61,658	57,644
NET INCOME	\$ 44,093	14,663	65,923	24,724
Interest expense ⁽¹⁾	9,172	8,483	18,237	17,288
Depreciation and amortization	19,233	17,984	38,395	36,126
Company's share of depreciation from unconsolidated investment	31	31	62	60
Gain on sales of real estate investments	(30,981)	(2,903)	(42,313)	(2,903)
EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)	\$ 41,548	38,258	80,304	75,295
DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS				
Net income attributable to common stockholders	\$ 1.35	0.45	2.03	0.76
Funds from operations (FFO) attributable to common stockholders	\$ 0.99	0.92	1.90	1.79
Weighted average shares outstanding for EPS and FFO purposes	32,440	32,139	32,370	32,121

⁽¹⁾ Net of capitalized interest of \$1,191 and \$1,315 for the three months ended June 30, 2016 and 2015, respectively; and \$2,353 and \$2,494 for the six months ended June 30, 2016 and 2015, respectively.

⁽²⁾ Net of capitalized development costs of \$902 and \$1,115 for the three months ended June 30, 2016 and 2015, respectively; and \$1,793 and \$2,042 for the six months ended June 30, 2016 and 2015, respectively.

	Six Months Ended June 30,	
	2016	2015
OPERATING ACTIVITIES		
Net income	\$ 65,923	24,724
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	38,395	36,126
Stock-based compensation expense	3,324	3,607
Gain on sales of real estate investments and non-operating real estate	(42,456)	(3,026)
Changes in operating assets and liabilities:		
Accrued income and other assets	3,198	2,715
Accounts payable, accrued expenses and prepaid rent	(4,149)	(4,889)
Other	185	(226)
NET CASH PROVIDED BY OPERATING ACTIVITIES	64,420	59,031
INVESTING ACTIVITIES		
Real estate development	(37,669)	(48,226)
Real estate improvements	(10,759)	(11,593)
Proceeds from sales of real estate investments and non-operating real estate	73,467	5,156
Repayments on mortgage loans receivable	60	57
Changes in receivable for development infrastructure cost reimbursements	-	(2,020)
Changes in accrued development costs	905	(147)
Changes in other assets and other liabilities	(12,182)	(3,720)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	13,822	(60,493)
FINANCING ACTIVITIES		
Proceeds from unsecured bank credit facilities	168,283	195,545
Repayments on unsecured bank credit facilities	(282,802)	(161,618)
Repayments on secured debt	(9,376)	(68,042)
Proceeds from unsecured debt	65,000	75,000
Debt issuance costs	(1,164)	(585)
Distributions paid to stockholders (not including dividends accrued on unvested restricted stock)	(40,119)	(37,254)
Proceeds from common stock offerings	24,693	52
Proceeds from dividend reinvestment plan	123	126
Other	(2,918)	(1,760)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(78,280)	1,464
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(38)	2
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	48	11
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 10	13
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest, net of amounts capitalized of \$2,353 and \$2,494 for 2016 and 2015, respectively	\$ 17,370	16,985

	Three Months Ended June 30,			Six Months Ended June 30,			Without Straight-line Rent Adjustments					
							Three Months Ended June 30,			Six Months Ended June 30,		
	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change
COMPONENTS OF PNOI												
Same property without termination fees	\$ 40,970	40,131	2.1%	80,371	78,884	1.9%	41,077	40,038	2.6%	80,211	78,754	1.9%
Same property termination fees	255	20		438	81		265	22		486	92	
Same property	\$ 41,225	40,151	2.7%	80,809	78,965	2.3%	41,342	40,060	3.2%	80,697	78,846	2.3%
2015 acquisitions	587	-		1,174	-		572	-		1,130	-	
2015 development	1,660	420		4,226	1,529		1,527	310		3,616	1,107	
2016 development & redevelopment												
Transferred in prior quarters	135	35		287	35		110	7		225	7	
Transferred in current quarter	12	-		37	-		(35)	-		(49)	-	
Lease-up and under construction	237	78		250	153		24	80		21	160	
2015 and 2016 dispositions	326	1,128		1,234	2,327		342	1,151		1,263	2,369	
Other	(70)	(33)		(128)	(71)		(70)	(33)		(128)	(71)	
TOTAL PNOI	\$ 44,112	41,779		87,889	82,938		43,812	41,575		86,775	82,418	
REAL ESTATE INCOME & EXPENSE												
Income from real estate operations	\$ 61,882	57,827		123,450	115,402							
Expenses from real estate operations	(17,758)	(16,047)		(35,578)	(32,460)							
Noncontrolling interest in PNOI of consolidated 80% joint ventures	(227)	(209)		(428)	(420)							
PNOI from 50% owned unconsolidated investment	215	208		445	416							
TOTAL PNOI	\$ 44,112	41,779		87,889	82,938							
EXPENSE TO REVENUE RATIO	28.7%	27.8%		28.8%	28.1%							

SELECTED INCOME STATEMENT INFORMATION

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
	<i>(Items below represent increases or (decreases) in FFO)</i>			
Straight-line (S/L) rent income adjustment	\$ 348	177	1,224	729
Bad debt recovery (expense) on S/L rent	(38)	30	(62)	(197)
Net straight-line rent adjustment	310	207	1,162	532
Cash received for lease terminations	265	23	486	93
Less S/L rent write-offs	(10)	(3)	(48)	(12)
Net lease termination fee income	255	20	438	81
Bad debt expense (excluding S/L rent bad debt)	(296)	(13)	(396)	(141)
Stock-based compensation expense	(534)	(1,564)	(3,324)	(3,607)
Debt issuance costs amortization	(351)	(306)	(664)	(631)
Interest rate swap ineffectiveness	-	-	(5)	-
Acquired leases - market rent adjustment amortization	124	110	249	232
Assumed mortgages - fair value adjustment amortization	8	9	17	20

WEIGHTED AVERAGE COMMON SHARES

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Weighted average common shares	32,376	32,045	32,315	32,039
BASIC SHARES FOR EARNINGS PER SHARE (EPS)	32,376	32,045	32,315	32,039
Potential common shares:				
Unvested restricted stock	64	94	55	82
DILUTED SHARES FOR EPS AND FFO	32,440	32,139	32,370	32,121

		Square Feet (SF)	Costs Incurred		Projected Total Costs	Anticipated	% Leased	
			2nd Qtr	Cumulative		Conversion		
			2016	at 6/30/16		Date ⁽¹⁾	7/19/16	
Lease-up ⁽²⁾								
Horizon III	Orlando, FL	109,000	\$ 602	7,339	7,800	07/16	100%	
Kyrene 202 VI	Phoenix, AZ	123,000	386	7,571	9,500	09/16	23%	
ParkView 1-3	Dallas, TX	276,000	823	19,640	21,700	10/16	82%	
South 35th Avenue ⁽³⁾	Phoenix, AZ	124,000	220	1,566	1,900	01/17	34%	
Ten Sky Harbor	Phoenix, AZ	64,000	185	5,122	6,000	04/17	0%	
Total Lease-up		696,000	2,216	41,238	46,900		58%	Wgt Avg %

Projected Stabilized Yield ⁽⁴⁾ 8.1%

Under Construction ⁽²⁾								
Alamo Ridge III	San Antonio, TX	135,000	2,409	5,228	12,200	02/17	100%	
Eisenhower Point 1 & 2	San Antonio, TX	201,000	3,664	13,258	16,200	07/17	74%	
Steele Creek VI	Charlotte, NC	137,000	1,060	6,138	7,600	07/17	0%	
Madison IV & V	Tampa, FL	145,000	2,605	3,799	9,400	10/17	0%	
Horizon VII	Orlando, FL	109,000	2,975	2,975	8,000	11/17	0%	
Alamo Ridge IV	San Antonio, TX	97,000	833	1,947	6,000	12/17	0%	
CreekView 121 1 & 2	Dallas, TX	193,000	1,190	5,059	16,700	12/17	18%	
Eisenhower Point 3	San Antonio, TX	71,000	857	857	5,400	03/18	0%	
Eisenhower Point 4	San Antonio, TX	85,000	823	823	5,200	03/18	0%	
Total Under Construction		1,173,000	16,416	40,084	86,700		27%	Wgt Avg %

Projected Stabilized Yield ⁽⁴⁾ 8.0%

33% Wgt Avg %

Prospective Development	Acres	Projected SF			
Phoenix, AZ	20	261,000	120	3,758	
Tucson, AZ	4	70,000	-	417	
Fort Myers, FL	48	663,000	32	17,930	
Orlando, FL ⁽⁵⁾	98	803,000	(2,064)	18,000	
Tampa, FL	11	148,000	28	3,625	
Jackson, MS	3	28,000	-	706	
Charlotte, NC	73	756,000	560	8,999	
Dallas, TX ⁽⁶⁾	18	227,000	(830)	3,711	
El Paso, TX	13	251,000	-	2,444	
Houston, TX ⁽⁷⁾	104	1,476,000	(4,304)	20,798	
San Antonio, TX	45	544,000	1,995	5,048	
Total Prospective Development	437	5,227,000	(4,463)	85,436	
	437	7,096,000	\$ 14,169	166,758	

Completed Development and Transferred to Real Estate Properties During 2016 ⁽²⁾

		1st Quarter		SF		
Alamo Ridge I	San Antonio, TX	96,000	\$ 186	7,763		84%
Alamo Ridge II	San Antonio, TX	62,000	1,500	5,689		100%
Madison II & III	Tampa, FL	127,000	59	7,518		100%
West Road III	Houston, TX	78,000	2	4,844		0%
		363,000	1,747	25,814		
2nd Quarter						
Ten West Crossing 7	Houston, TX	67,000	12	4,175		75%
West Road IV	Houston, TX	65,000	602	5,509		100%
		132,000	614	9,684		
Total Transferred to Real Estate Properties		495,000	\$ 2,361	35,498		

Projected Stabilized Yield ⁽⁴⁾ 8.1%

⁽¹⁾ Transferred from Development to the Portfolio-earlier of 80% occupied or one year after completion date.

⁽²⁾ See PNOI schedule on Page 7 for net operating income by category.

⁽³⁾ This property is a manufacturing building undergoing redevelopment to a multi-tenant use building.

⁽⁴⁾ Weighted average yield based on property net operating income at 100% occupancy and rents computed on a straight-line basis.

⁽⁵⁾ Negative amount represents land inventory costs transferred to *Under Construction*.

⁽⁶⁾ Negative amount represents land moved to held for sale.

⁽⁷⁾ Negative amount represents land moved to held for sale and development infrastructure cost reimbursements.

	Interest Rate	Maturity Date	Balance at June 30, 2016	Weighted Average Interest Rate
FIXED RATE DEBT				
SECURED DEBT				
	5.680%	09/05/16	\$ 24,691	
	5.970%	10/05/16	51,795	
	5.570%	09/05/17	49,258	
	7.500%	05/05/19	53,482	
	5.390%	02/29/20	656	
	4.390%	01/05/21	59,862	
	4.750%	06/05/21	54,002	
	4.090%	01/05/22	45,550	
	3.850%	11/30/26	2,712	
Carrying amount of secured debt			342,008	5.4%
Unamortized debt issuance costs			(1,278)	
SECURED DEBT			340,730	
UNSECURED DEBT ⁽¹⁾				
	2.770%	08/15/18	80,000	
	3.910%	12/21/18	50,000	
	2.846%	07/31/19	75,000	
	3.800%	08/28/20	30,000	
	3.752%	12/20/20	75,000	
	3.031%	02/28/22	75,000	
	2.863%	04/01/23	65,000	
	3.800%	08/28/23	50,000	
	3.800%	08/28/25	20,000	
	3.970%	10/01/25	25,000	
	3.990%	10/07/25	50,000	
Carrying amount of unsecured debt			595,000	3.4%
Unamortized debt issuance costs			(2,326)	
UNSECURED DEBT			592,674	
VARIABLE RATE DEBT				
UNSECURED BANK CREDIT FACILITIES				
\$35MM line	1.465%	07/30/19	11,317	
\$300MM line	1.460%	07/30/19	25,000	
Carrying amount of unsecured bank credit facilities			36,317	1.5%
Unamortized debt issuance costs			(1,224)	
UNSECURED BANK CREDIT FACILITIES			35,093	
TOTAL CARRYING AMOUNT OF DEBT			973,325	4.0%
Unamortized debt issuance costs			(4,828)	
TOTAL DEBT			\$ 968,497	
EQUITY MARKET CAPITALIZATION				
Shares outstanding - common			32,888,048	
Price per share			\$ 68.92	
TOTAL EQUITY MARKET CAPITALIZATION			\$ 2,266,644	
TOTAL MARKET CAPITALIZATION (DEBT AND EQUITY) ⁽²⁾			\$ 3,239,969	
TOTAL DEBT / TOTAL MARKET CAPITALIZATION ⁽²⁾				30.0%

(1) These loans have a fixed interest rate or an effectively fixed interest rate due to interest rate swaps.

(2) Excluding unamortized debt issuance costs.

Year	Amortization		Balloon Payments		Total	
	Repayments	Weighted Average Interest Rate	Repayments	Weighted Average Interest Rate	Repayments	Weighted Average Interest Rate
SECURED						
Remainder of 2016	\$ 8,127	5.371%	\$ 75,285	5.876%	\$ 83,412	5.827%
2017	13,170	5.263%	45,069	5.570%	58,239	5.501%
2018	11,316	5.212%	-	N/A	11,316	5.212%
2019	9,844	4.751%	45,725	7.500%	55,569	7.013%
2020	9,097	4.426%	-	N/A	9,097	4.426%
2021 and beyond	4,570	4.238%	119,805	4.422%	124,375	4.416%
SECURED TOTAL / WEIGHTED AVERAGE	56,124	4.960%	285,884	5.478%	342,008	5.393%
UNSECURED						
2018	-	N/A	130,000	3.208%	130,000	3.208%
2019	-	N/A	75,000	2.846%	75,000	2.846%
2020	-	N/A	105,000	3.766%	105,000	3.766%
2021 and beyond	-	N/A	285,000	3.432%	285,000	3.432%
UNSECURED TOTAL / WEIGHTED AVERAGE	-	N/A	595,000	3.368%	595,000	3.368%
TOTAL / WEIGHTED AVERAGE	\$ 56,124	4.960%	\$ 880,884	4.053%	\$ 937,008	4.107%

Note: Excludes unsecured bank credit facilities.

	Shares Issued and Sold	Sales Price (Per Share)	Gross Proceeds	Offering-Related Fees and Expenses	Net Proceeds
1st Quarter 2016					
None					
2nd Quarter 2016	447,665	\$ 67.01	\$ 30,000	\$ 357	\$ 29,643 ⁽¹⁾

**Sales Agency Financing Agreements
Dated February 2014**

Total Shares Authorized for Issuance	10,000,000
Total Shares Issued Through June 30, 2016	<u>1,800,816</u>
Shares Remaining for Issuance as of June 30, 2016	<u>8,199,184</u>

⁽¹⁾ Reconciliation of Net Proceeds to *Proceeds from Common Stock Offerings* on the Consolidated Statements of Cash Flows:

Net Proceeds	\$ 29,643
Funds from June Sales Received in July	<u>(4,950)</u>
Proceeds from Common Stock Offerings	<u>\$ 24,693</u>

	Three Months Ended June 30, 2016	Six Months Ended June 30, 2016
EBITDA for the period	\$ 41,548	80,304
Adjust NOI for significant acquisitions as if owned for entire period	-	-
Subtract NOI from developments in lease-up or under construction	(237)	(250)
Subtract NOI from properties sold during the period	(326)	(1,234)
Adjusted EBITDA	<u>\$ 40,985</u>	<u>78,820</u>
ADJUSTED EBITDA – ANNUALIZED	<u>\$ 163,940</u>	<u>157,640</u>
Debt at June 30, 2016	\$ 968,497	968,497
Subtract developments in lease-up or under construction	(81,322)	(81,322)
Adjusted Debt	<u>\$ 887,175</u>	<u>887,175</u>
ADJUSTED DEBT-TO-ADJUSTED EBITDA RATIO	<u>5.41</u>	<u>5.63</u>

ACQUISITIONS

Date	Property Name	Location	Size	Price ⁽¹⁾
1st Quarter				
⁽²⁾	Steele Creek Phase III Land	Charlotte, NC	47.9 Acres	\$ 3,914
2nd Quarter				
05/06/16	Eisenhower Point 2 Land	San Antonio, TX	33.4 Acres	3,225
Total Acquisitions			81.3 Acres	\$ 7,139

SALES

Date	Property Name	Location	Size	Gross Sales Price	Basis	Closing Costs	Realized Gain
1st Quarter							
02/12/16	Northwest Point Distribution and Service Centers	Houston, TX	232,000 SF	\$ 15,550	5,080	361	10,109 ⁽³⁾
03/04/16	North Stemmons III	Dallas, TX	60,000 SF	3,300	1,908	169	1,223 ⁽³⁾
03/25/16	Horizon Land	Orlando, FL	1.2 Acres	673	644	19	10 ⁽⁴⁾
2nd Quarter							
04/12/16	North Stemmons II	Dallas, TX	26,000 SF	1,300	765	97	438 ⁽³⁾
04/14/16	Valwood Land	Dallas, TX	3.9 Acres	644	437	74	133 ⁽⁴⁾
04/18/16	Lockwood Distribution Center	Houston, TX	392,000 SF	14,325	4,154	301	9,870 ⁽³⁾
04/19/16	West Loop Distribution Center 1 & 2	Houston, TX	161,000 SF	13,500	3,564	346	9,590 ⁽³⁾
04/28/16	America Plaza	Houston, TX	121,000 SF	8,175	3,378	237	4,560 ⁽³⁾
05/31/16	Interstate Commons Distribution Center 1 & 2	Phoenix, AZ	142,000 SF	9,960	3,568	54	6,338 ⁽³⁾
06/28/16	Castilian Research Center ⁽⁵⁾	Santa Barbara, CA	30,000 SF	7,950	7,513	252	185 ⁽³⁾
Total Sales			5.1 Acres 1,164,000 SF	\$ 75,377	31,011	1,910	42,456

⁽¹⁾ Represents acquisition price plus closing costs.

⁽²⁾ The Steele Creek Phase III Land was acquired in separate transactions on February 25, 2016 and March 23, 2016.

⁽³⁾ Included in *Gain on sales of real estate investments* on the Consolidated Statements of Income and Comprehensive Income; not included in FFO.

⁽⁴⁾ Included in *Other* on the Consolidated Statements of Income and Comprehensive Income; included in FFO.

⁽⁵⁾ EastGroup owned 80% of Castilian Research Center through a joint venture. The information shown for this transaction also includes the 20% attributable to the Company's noncontrolling interest partner.

CAPITAL EXPENDITURES	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Upgrade on Acquisitions	\$ 248	3	287	3
Tenant Improvements:				
New Tenants	1,600	2,032	3,909	3,859
Renewal Tenants	846	597	1,337	997
Other:				
Building Improvements	1,177	1,190	2,477	1,997
Roofs	419	5,153	1,832	5,252
Parking Lots	106	49	279	191
Other	132	232	333	384
TOTAL CAPITAL EXPENDITURES ⁽³⁾	\$ 4,528	9,256	10,454	12,683

CAPITALIZED LEASING COSTS ⁽¹⁾				
Development	\$ 1,039	916	1,856	1,703
New Tenants	1,410	947	3,022	1,833
Renewal Tenants	949	774	2,219	2,009
TOTAL CAPITALIZED LEASING COSTS	\$ 3,398	2,637	7,097	5,545

AMORTIZATION OF LEASING COSTS ⁽²⁾	\$ 2,446	2,223	4,831	4,383
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⁽¹⁾ Included in *Other Assets*.

⁽²⁾ Included in *Depreciation and Amortization*.

⁽³⁾ Reconciliation of Total Capital Expenditures to *Real Estate Improvements* on the Consolidated Statements of Cash Flows:

	Six Months Ended June 30,	
	2016	2015
Total Capital Expenditures	\$ 10,454	12,683
Change in Real Estate Property Payables	305	(1,090)
Real Estate Improvements	\$ 10,759	11,593

	Three Months Ended June 30, 2016				Six Months Ended June 30, 2016			
	# of Leases	% of # Expiring	Total Square Feet	% of SF Expiring	# of Leases	% of # Expiring	Total Square Feet	% of SF Expiring
Percentage Leased			97.2%				97.2%	
Percentage Occupied			95.7%				95.7%	
Total Square Feet Operating Properties								
Beginning of Period			34,916,000				34,845,000	
Acquisitions			-				-	
Dispositions			(872,000)				(1,164,000)	
Development Transfers			132,000				495,000	
End of Period			<u>34,176,000</u>				<u>34,176,000</u>	
Change in Vacancy								
Beginning of Period Unoccupied			1,504,000	4.3% of Total Portfolio			1,344,000	3.9% of Total Portfolio
Less: New Leases Signed with Terms Commencing after end of Prior Period	19		<u>(354,000)</u>		21		<u>(371,000)</u>	
Beginning of Period Not Leased			<u>1,150,000</u>	3.3% of Total Portfolio			<u>973,000</u>	2.8% of Total Portfolio
Plus: Leases Expiring	89		1,493,000	4.4% of Total Portfolio	204		3,648,000	10.7% of Total Portfolio
Early Terminations/Bankruptcies	8		161,000		24		399,000	
New Development/Acquisition Vacancy			68,000				198,000	
Total			<u>1,722,000</u>				<u>4,245,000</u>	
Less: Renewal Leases Signed of Expiring SF	57	64%	(1,023,000)	69% Renewed of Expiring SF	132	65%	(2,452,000)	67% Renewed of Expiring SF
New Leases Signed of Expiring SF	12		(210,000)	14% Re-Leased of Expiring SF	32		(715,000)	20% Re-Leased of Expiring SF
New Leases Signed of Early Terminations/Bankruptcies	6		(146,000)		11		(246,000)	
New Leases Signed of Vacancy SF	24		<u>(482,000)</u>		52		<u>(817,000)</u>	
Total	99		<u>(1,861,000)</u>		227		<u>(4,230,000)</u>	
Total Net Change in Month to Month Leases			(29,000)				(6,000)	
Total Dispositions			<u>(23,000)</u>				<u>(23,000)</u>	
End of Period Not Leased			959,000	2.8% of Total Portfolio			959,000	2.8% of Total Portfolio
Plus: New Leases Signed with Terms Commencing after end of Current Period	23		502,000		23		502,000	
End of Period Unoccupied			<u>1,461,000</u>	4.3% of Total Portfolio			<u>1,461,000</u>	4.3% of Total Portfolio
Leases Signed after the End of Period								
Renewals after 06/30/16			75,000					
New Leases after 06/30/16			<u>186,000</u>					
			<u>261,000</u>					

Based on Leases Signed During the Period	Three Months Ended June 30, 2016				Six Months Ended June 30, 2016			
	New Leases ⁽¹⁾	Renewal Leases	New & Renewal Leases ⁽¹⁾	Per Year	New Leases ⁽¹⁾	Renewal Leases	New & Renewal Leases ⁽¹⁾	Per Year
Weighted Average Term in Years	5.9	3.4	4.4		5.1	3.3	4.0	
Average Lease Size (SF)	20,109	17,954	18,802		18,758	18,568	18,644	
Rental Change	8.3%	6.1%	6.9%		13.2%	11.1%	12.0%	
Rental Change without S/L Rent	-0.4%	-0.8%	-0.7%		3.4%	3.2%	3.3%	
Tenant Improvement PSF ⁽²⁾	\$ 3.52	0.51	1.78	0.40	\$ 2.68	0.53	1.40	0.36
Leasing Commission PSF ⁽²⁾	2.10	0.93	1.42	0.32	1.84	0.86	1.25	0.31
Total Leasing Costs	\$ 5.62	1.44	3.20	0.72	\$ 4.52	1.39	2.65	0.67

⁽¹⁾ Does not include 1st generation space on properties developed or acquired by EastGroup.

⁽²⁾ Per Square Foot (PSF) amounts represent total amounts for the life of the lease.

	Total		Annualized Base Rent ⁽¹⁾	% Leased	% Occupied	Lease Expirations in Square Feet		Same Property PNOI Change				Rental Change New and Renewal Leases			
	Square Feet of Properties	% of Total				2016 ⁽²⁾	2017	QTR		YTD		QTR		YTD	
								Unadjusted	Cash ⁽³⁾	Unadjusted	Cash ⁽³⁾	Unadjusted	Cash ⁽³⁾	Unadjusted	Cash ⁽³⁾
Florida															
Tampa	4,095,000	12.0%	11.1%	97.9%	96.8%	150,000	753,000	4.5%	6.1%	4.8%	7.0%	3.5%	-5.2%	7.5%	0.6%
Orlando	2,769,000	8.1%	9.0%	98.3%	96.7%	121,000	414,000	6.3%	8.1%	6.2%	7.7%	31.9%	15.9%	17.1%	6.1%
Jacksonville	1,915,000	5.6%	4.3%	99.2%	98.1%	89,000	364,000	3.8%	3.1%	1.6%	4.4%	15.8%	4.5%	15.8%	4.0%
Ft. Lauderdale	937,000	2.8%	3.5%	96.4%	96.4%	36,000	238,000	2.0%	2.8%	-0.5%	-2.2%	-1.6%	-13.3%	4.5%	-9.8%
Ft. Myers	218,000	0.6%	0.8%	100.0%	100.0%	26,000	16,000	13.2%	13.0%	6.7%	8.1%	-3.4%	-5.6%	10.0%	4.7%
	9,934,000	29.1%	28.7%	98.2%	97.1%	422,000	1,785,000	4.9%	6.0%	4.1%	5.7%	4.2%	-4.9%	10.2%	0.4%
Texas															
Dallas	2,533,000	7.4%	5.9%	98.8%	98.0%	90,000	420,000	7.2%	4.7%	6.6%	3.9%	15.3%	5.7%	14.4%	2.0%
Houston	5,942,000	17.4%	18.5%	94.4%	93.9%	342,000	1,011,000	1.5%	3.6%	1.5%	2.7%	5.8%	0.2%	9.9%	2.3%
El Paso	958,000	2.8%	2.0%	97.9%	97.9%	23,000	155,000	9.6%	3.1%	7.6%	2.2%	27.2%	19.9%	14.7%	2.8%
San Antonio	2,270,000	6.6%	7.5%	97.4%	93.2%	165,000	256,000	0.1%	-0.9%	-0.2%	-0.6%	11.5%	1.8%	11.1%	2.7%
Austin	600,000	1.8%	2.2%	100.0%	100.0%	60,000	62,000	-0.8%	2.5%	-0.2%	4.6%	N/A	N/A	N/A	N/A
	12,303,000	36.0%	36.1%	96.4%	95.2%	680,000	1,904,000	2.5%	2.8%	2.3%	2.2%	9.7%	2.0%	12.0%	2.4%
California															
San Francisco	1,045,000	3.0%	3.1%	100.0%	100.0%	41,000	126,000	11.6%	6.7%	6.9%	5.7%	N/A	N/A	39.0%	21.3%
Los Angeles ⁽⁴⁾	2,140,000	6.3%	7.1%	100.0%	93.1%	-	258,000	-10.6%	-11.4%	-5.4%	-7.2%	8.0%	2.3%	14.0%	6.8%
Santa Barbara ⁽⁴⁾	184,000	0.5%	2.0%	94.7%	89.2%	3,000	60,000	8.7%	11.1%	7.0%	9.5%	-11.0%	-13.6%	-6.3%	-9.7%
Fresno	398,000	1.2%	0.9%	94.6%	94.6%	-	67,000	-6.0%	-4.4%	2.5%	1.1%	7.4%	4.8%	4.2%	4.9%
San Diego	465,000	1.4%	1.3%	96.9%	96.9%	-	35,000	-2.1%	0.0%	1.5%	6.4%	20.8%	9.0%	21.5%	8.9%
	4,232,000	12.4%	14.4%	98.9%	95.2%	44,000	546,000	-2.4%	-3.0%	0.0%	-0.3%	0.9%	-4.0%	12.6%	4.9%
Arizona															
Phoenix	2,051,000	6.0%	5.4%	93.1%	89.5%	25,000	264,000	-0.8%	1.0%	-4.4%	-9.0%	14.7%	6.7%	13.2%	5.6%
Tucson	750,000	2.2%	2.0%	98.7%	98.7%	-	191,000	4.2%	10.1%	2.1%	-2.1%	16.9%	0.5%	16.9%	0.5%
	2,801,000	8.2%	7.4%	94.6%	92.0%	25,000	455,000	0.6%	3.5%	-2.5%	-6.9%	15.2%	5.1%	13.7%	4.9%
North Carolina															
Charlotte	2,874,000	8.4%	7.0%	98.6%	98.6%	21,000	812,000	7.6%	8.5%	5.6%	6.8%	11.5%	6.1%	11.1%	5.3%
	2,874,000	8.4%	7.0%	98.6%	98.6%	21,000	812,000	7.6%	8.5%	5.6%	6.8%	11.5%	6.1%	11.1%	5.3%
Total Core Markets	32,144,000	94.1%	93.6%	97.3%	95.8%	1,192,000	5,502,000	2.7%	3.3%	2.3%	2.5%	5.9%	-1.6%	11.7%	2.9%
Total Other Markets	2,032,000	5.9%	6.4%	95.2%	94.3%	48,000	502,000	2.7%	1.8%	2.1%	0.7%	20.0%	10.7%	15.5%	8.9%
Total Operating Properties	34,176,000	100.0%	100.0%	97.2%	95.7%	1,240,000	6,004,000	2.7%	3.2%	2.3%	2.3%	6.9%	-0.7%	12.0%	3.3%

⁽¹⁾ Based on the Annualized Base Rent as of the reporting period for occupied square feet (without S/L Rent).

⁽²⁾ Square Feet expiring during the remainder of the year.

⁽³⁾ Without straight-line rent adjustments.

⁽⁴⁾ Includes the Company's share of its less-than-wholly-owned real estate investments.

	EGP Total Square Feet	Houston Square Feet	% of EGP Total	Houston % Leased	Houston % Occupied
Operating Properties:					
Total 03/31/16	34,916,000	6,484,000	18.6%		
Acquisitions	-	-	N/A		
Dispositions	(872,000)	(674,000)	77.3%		
Development Transfers	132,000	132,000	100.0%		
Total 06/30/16	34,176,000	5,942,000 ⁽¹⁾	17.4%	94.4%	93.9%

Development:					
Properties in Lease-Up	696,000	-	0.0%		
Properties Under Construction	1,173,000	-	0.0%		
Properties Transferred in 2016	496,000	211,000	42.5%		
2nd QTR 2016 Development Starts	265,000	-	0.0%		
Projected 2016 Development Starts ⁽²⁾	513,000	-	0.0%		

Leases Expiring:					
Month-to-Month	130,000	-			
Vacancy	959,000	335,000			
2016 - remainder of year	1,240,000	342,000			
2017	6,004,000	1,011,000			
2018	5,457,000	503,000			
2019	4,961,000	739,000			
2020	4,519,000	628,000			
2021 and beyond	10,906,000	2,384,000			
Total	34,176,000	5,942,000			

	EGP Total	Houston	% of EGP Total
Property Net Operating Income (PNOI):			
Year 2015	\$ 167,507	\$ 34,379	20.5%
2nd QTR 2015	41,779	8,529	20.4%
2nd QTR 2016	44,112	8,280	18.8%
2nd QTR 2016 - Adjusted ⁽³⁾	43,979	8,147	18.5%

	Houston	
	2nd QTR 2016	YTD 06/30/16
Rental Change	5.8%	9.9%
Rental Change without S/L Rent	0.2%	2.3%
Same Property NOI Change		
Including termination fees	1.5%	1.5%
Excluding termination fees	-0.3%	0.6%
Same Property NOI Change without S/L Rent		
Including termination fees	3.6%	2.7%
Excluding termination fees	1.8%	1.8%

Top 5 Houston Tenants by Square Feet:	Square Feet	Expiration Year	Business Type
Kuehne and Nagel	125,000	2017	Freight Forwarding
	160,000	2023	Freight Forwarding
	285,000		
Mattress Firm	202,000	2024	Furniture
Crowley Maritime Corporation	129,000	2021	Freight Forwarding
United States Postal Service	110,000	2019	Government
Ceva Freight LLC	107,000	2017	Freight Forwarding

⁽¹⁾ Includes 5,207,000 Square Feet (87.6%) developed by EastGroup.

⁽²⁾ Total projected remaining development starts for 3rd QTR - 4th QTR 2016.

⁽³⁾ Adjusted to exclude PNOI for the Houston properties sold in 2016.

LEASE EXPIRATION	Square Footage of Leases Expiring	% of Total SF	Annualized Current Base Rent of Leases Expiring (without S/L Rent)	% of Total Base Rent of Leases Expiring (without S/L Rent)
Month-to-Month	130,000	0.4%	\$ 739	0.4%
Vacancy ⁽¹⁾	959,000	2.8%	-	0.0%
2016 - remainder of year	1,240,000	3.6%	7,066	3.8%
2017	6,004,000	17.6%	34,763	18.9%
2018	5,457,000	16.0%	31,166	16.9%
2019	4,961,000	14.5%	27,903	15.2%
2020	4,519,000	13.2%	26,599	14.5%
2021	4,998,000	14.6%	24,753	13.4%
2022	1,952,000	5.7%	10,642	5.8%
2023	1,737,000	5.1%	8,601	4.7%
2024	1,237,000	3.6%	6,437	3.5%
2025 and beyond	982,000	2.9%	5,406	2.9%
TOTAL	34,176,000	100.0%	\$ 184,075	100.0%

⁽¹⁾ Vacancy, end of period	1,461,000
New leases signed with terms commencing after end of period	<u>(502,000)</u>
Vacancy, based on leases signed	<u>959,000</u>

Total Square Feet as of 06/30/16 for Operating Properties 34,176,000

Total Annualized Base Rent as of 06/30/16 for Operating Properties (without S/L Rent) \$ 184,075

Customer	# of Leases	Location	Total SF Leased	% of Total Portfolio	Customer Annualized Base Rent ⁽¹⁾	% of Total Annualized Base Rent ⁽²⁾	Expiration Date ⁽³⁾
1 WNA Comet West, Inc.	1	Los Angeles, CA	411,000	1.2%	\$ 1,967	1.1%	01/31/21
2 Essendant Co. (formerly United Stationers Supply Co.)	1	Orlando, FL	404,000	1.2%	2,240	1.2%	04/19/18
3 Mattress Firm	2	Ft. Myers, FL	25,000		140		09/30/16
	1	Jacksonville, FL	16,000		109		10/31/16
	1	Jacksonville, FL	49,000		125		12/31/22
	1	Tampa, FL	109,000		586		12/31/22
	1	Houston, TX	202,000		992		09/30/24
				1.2%		1.1%	
4 Kuehne & Nagel, Inc.	1	Houston, TX	125,000		895		04/30/17
	1	Charlotte, NC	35,000		247		10/31/20
	1	Charlotte, NC	71,000		460		07/31/22
	1	Houston, TX	160,000		900		02/28/23
				1.1%		1.4%	
5 Iron Mountain Information Management, Inc.	1	Phoenix, AZ	39,000		150		01/31/18
	1	Ft. Lauderdale, FL	45,000		252		03/31/19
	1	Jacksonville, FL	40,000		144		09/30/19
	2	Tampa, FL	184,000		844		09/30/21
				0.9%		0.8%	
6 Repet, Inc.	1	Los Angeles, CA	300,000	0.9%	1,060	0.6%	01/31/22
7 Conn's, Inc.	1	Charlotte, NC	300,000	0.9%	1,321	0.7%	03/31/24
8 Tower Automotive	1	Madison, MS	280,000	0.8%	1,009	0.5%	12/31/20
9 U.S. Postal Service	1	New Orleans, LA	99,000		458		02/28/19
	1	Tampa, FL	39,000		276		06/30/19
	1	Houston, TX	110,000		564		06/30/19
	1	Tampa, FL	19,000		139		09/02/19
				0.8%		0.8%	
10 Price Transfer, Inc.	1	Los Angeles, CA	262,000	0.8%	1,731	0.9%	01/31/21
	<u>25</u>		<u>3,324,000</u>	<u>9.8%</u>	<u>\$ 16,609</u>	<u>9.1%</u>	

⁽¹⁾ Based on the Annualized Base Rent as of 06/30/16 (without S/L Rent).

⁽²⁾ Calculation: Customer Annualized Base Rent / Total Annualized Base Rent (without S/L Rent).

⁽³⁾ Expiration date reflects renewals as of 07/19/16.

Property	Industry Distribution Center II
Acquisition Date	November 23, 2004
Percent Leased	100%
Total Square Feet (100%)	309,000
Company Ownership	50%

**EastGroup's
Basis in 50%
Ownership**

Selected Financial Information

Balance Sheet Information as of June 30, 2016

ASSETS

Real estate properties	\$ 9,260
Less accumulated depreciation	(1,528)
	<u>7,732</u>
Other assets	132
TOTAL ASSETS	\$ 7,864

LIABILITIES AND EQUITY

Other liabilities	\$ 57
Equity	7,807
TOTAL LIABILITIES AND EQUITY	\$ 7,864

EastGroup's Net Investment at June 30, 2016

\$ 7,807 ⁽¹⁾

EastGroup's 50% Ownership

	Three Months Ended		Six Months Ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Income Statement Information				
Property NOI	\$ 215	208	445	416
Depreciation Expense	(31)	(31)	(62)	(60)
Equity in Earnings ⁽²⁾	\$ 184	177	383	356
Funds From Operations	\$ 215	208	445	416

⁽¹⁾ Presented as *Unconsolidated investment* on the Consolidated Balance Sheets.

⁽²⁾ Included in *Other* on the Consolidated Statements of Income and Comprehensive Income.

	Quarter Ended	Years Ended			
	6/30/2016	2015	2014	2013	2012
ASSETS/MARKET CAPITALIZATION					
Assets	\$ 1,654,848	1,661,904	1,572,112	1,468,963	1,350,586
Equity Market Capitalization	2,266,644	1,802,957	2,040,967	1,792,193	1,610,452
Total Market Capitalization (Debt and Equity) ⁽¹⁾	3,239,969	2,835,194	2,974,144	2,685,938	2,424,378
Shares Outstanding - Common	32,888,048	32,421,460	32,232,587	30,937,225	29,928,490
Price per share	\$ 68.92	55.61	63.32	57.93	53.81
FFO CHANGE					
FFO per diluted share	\$ 0.99	3.67	3.47	3.23	3.08
Change compared to same period prior year	7.6%	5.8%	7.4%	4.9%	4.1%
COMMON DIVIDEND PAYOUT RATIO					
Dividend distribution	\$ 0.60	2.34	2.22	2.14	2.10
FFO per diluted share	0.99	3.67	3.47	3.23	3.08
Dividend payout ratio	61%	64%	64%	66%	68%
COMMON DIVIDEND YIELD					
Dividend distribution	\$ 0.60	2.34	2.22	2.14	2.10
Price per share	68.92	55.61	63.32	57.93	53.81
Dividend yield	3.48%	4.21%	3.51%	3.69%	3.90%
FFO MULTIPLE					
FFO per diluted share	\$ 0.99	3.67	3.47	3.23	3.08
Price per share	68.92	55.61	63.32	57.93	53.81
Multiple	17.40	15.15	18.25	17.93	17.47
INTEREST & FIXED CHARGE COVERAGE RATIOS					
EBITDA	\$ 41,548	153,574	145,461	133,965	124,626
Interest expense	9,172	34,666	35,728	35,485	35,675
Interest and fixed charge coverage ratios	4.53	4.43	4.07	3.78	3.49
DEBT-TO-EBITDA RATIO					
Debt	\$ 968,497	1,027,909	929,465	889,296	810,411
EBITDA	41,548	153,574	145,461	133,965	124,626
Debt-to-EBITDA ratio	5.83	6.69	6.39	6.64	6.50
Adjusted Debt-to-Adjusted EBITDA ratio	5.41	6.11	5.74	6.08	6.02
DEBT-TO-TOTAL MARKET CAPITALIZATION ⁽¹⁾	30%	36%	31%	33%	34%
ISSUER RATINGS ⁽²⁾					
	Issuer Rating	Outlook			
Fitch Ratings	BBB	Stable			
Moody's Investors Service	Baa2	Stable			

⁽¹⁾ Excluding unamortized debt issuance costs.

⁽²⁾ A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency.

Listed below are definitions of commonly used real estate investment trust (REIT) industry terms. For additional information on REITs, please see the National Association of Real Estate Investment Trusts (NAREIT) web site at www.nareit.com.

Real Estate Investment Trust: A company that owns and, in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate. The shares of most REITs are freely traded, usually on a major stock exchange.

To qualify as a REIT, a company must distribute at least 90 percent of its taxable income to its stockholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its stockholders from its corporate taxable income. As a result, most REITs remit at least 100 percent of their taxable income to their stockholders and therefore owe no corporate federal income tax. Taxes are paid by stockholders on the dividends received. Most states honor this federal treatment and also do not require REITs to pay state income tax.

Industrial Properties: Generally consisting of four concrete walls tilted up on a slab of concrete. An internal office component is then added. Business uses include warehousing, distribution, light manufacturing and assembly, research and development, showroom, office, or a combination of some or all of the aforementioned.

Property Net Operating Income (PNOI): *Income from real estate operations less Expenses from real estate operations* (including market-based internal management fee expense) plus the Company's share of income and property operating expenses from its less-than-wholly-owned real estate investments.

EBITDA: Earnings, defined as Net Income excluding gains on sales of depreciable real estate property, before interest, taxes, depreciation and amortization.

Debt-to-EBITDA Ratio: A ratio calculated by dividing a company's debt by its EBITDA.

Adjusted Debt-to-Adjusted EBITDA Ratio: A ratio calculated by dividing a company's adjusted debt by its adjusted EBITDA. Debt is adjusted by subtracting the cost of developments in lease-up or under construction. EBITDA is adjusted by adding an estimate of NOI for significant acquisitions as if the acquired properties were owned for the entire period, and by subtracting NOI from developments in lease-up or under construction and from properties sold during the period.

Funds From Operations (FFO): FFO is the most commonly accepted reporting measure of a REIT's operating performance, and the Company computes FFO in accordance with standards established by NAREIT. It is equal to a REIT's net income (loss) attributable to common stockholders computed in accordance with generally accepted accounting principles, excluding gains or losses from sales of depreciable real estate property and impairment losses, plus real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

Total Return: A stock's dividend income plus capital appreciation over a specified period as a percentage of the stock price at the beginning of the period.

Straight-Lining: The process of averaging the customer's rent payments over the life of the lease. Generally accepted accounting principles require real estate companies to "straight-line" rents.

Debt-to-Total Market Capitalization Ratio: A ratio calculated by dividing a company's debt by the total amount of a company's equity (at market value) and debt.

Percentage Leased: The percentage of total leasable square footage for which there is a signed lease, including month-to-month leases, as of the close of the reporting period. Space is considered leased upon execution of the lease.

Percentage Occupied: The percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

Same Properties: Operating properties owned during the entire current period and prior year reporting period. Development properties are excluded until stabilized for both the current and prior year reporting periods.

Rental changes on new and renewal leases (before straight-line rents): Rental changes are calculated as the difference, weighted by square feet, of the annualized base rent due the first month of the new customer's term and the annualized base rent of the rent due the last month of the former customer's term. If free rent is given, then the first positive full rent value is used. Rental amounts exclude base stop amounts, holdover rent, and premium or discounted rent amounts. This calculation excludes leases with terms less than 12 months, as well as first generation space acquired or developed by EastGroup Properties.

Leases Expiring and Renewal Leases Signed of Expiring Square Feet: Includes renewals during the period with terms commencing during the period and after the end of the period.