

EASTGROUP PROPERTIES, INC.
CORPORATE GOVERNANCE GUIDELINES
(As amended May 27, 2009)

THE MISSION OF THE BOARD OF DIRECTORS

The mission of the Board of Directors (the "Board") is to foster the long-term success of EastGroup Properties, Inc. (the "Corporation") consistent with its fiduciary responsibilities to shareholders. The Board performs a central role in achieving this goal by ensuring that management is capable of implementing its duties and achieving its objectives. Foremost among these objectives is the Corporation's focus on creating value for its shareholders. The Board also requires the directors, officers and employees of the Corporation to comply with applicable legal and regulatory requirements.

Directors must perform their duties, keeping in mind their primary fiduciary duty to the shareholders and the Corporation. That duty includes the obligation to ensure that the Corporation's disclosures contain accurate information that fairly present the Corporation and its operations to shareholders and the public in conformity with applicable laws, rules and regulations.

CORPORATE GOVERNANCE GUIDELINES

Board Responsibilities

1. Description of Board Responsibilities

The Board of Directors' role is to maximize long-term shareholder value. The Board is responsible for oversight of strategy, the operation of the business and performance evaluation, so as to promote the long-term successful performance of the Corporation. In order to maximize long-term shareholder value, the directors' primary functions are:

- Review management's business strategies to evaluate their efficacy;
- Review, and where appropriate, approve and evaluate financial and internal controls;
- Select the Chief Executive Officer and other senior officers;
- Develop and periodically review a management succession plan; and
- Seek to ensure that the Corporation's business is conducted in conformity with applicable laws and regulations.
- Seek to ensure that the Corporation's compensation program for key executives is effective in attracting and retaining key executives, that it links pay to performance, and that it is administered fairly and in the shareholders' interests.

A director is expected to spend the time and effort necessary to properly discharge such director's responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and committees on which such director sits, with the understanding that on occasion a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to

notify the Chairman of the Board or the Chair of the appropriate committee in advance of such meeting.

Directors will attend corporate governance and other educational programs related to their service on the Board that will enhance their performance as Directors of the Corporation.

2. Code of Ethics and Business Conduct

The Board believes that in order to oversee the successful perpetuation of the Corporation's business, the Board should institute a Code of Ethics and Business Conduct (the "Code of Conduct") regarding: (i) conflicts of interest; (ii) corporate opportunities; (iii) confidentiality; (iv) fair dealing; (v) protection and proper use of company assets; (vi) compliance with laws, rules and regulations; and (vii) such other matters as the Board deems appropriate. The Code of Conduct should encourage the reporting of unethical or illegal behavior and call for prompt and consistent action against violations of the Code of Conduct. Any waivers of the Code of Conduct for directors or executive officers may be made only by the Board or a Board committee, if so delegated, and will be disclosed as required by applicable regulations.

Selection and Composition of the Board

1. Board Size

The Board of Directors shall consist of a number of directors not less than the minimum number required by the Maryland General Corporation law and not more than fifteen, as determined by a majority of the full Board of Directors.

2. Independence of the Board

The Board shall be comprised of a majority of directors who qualify as independent directors ("Independent Directors") under the listing standards of the New York Stock Exchange. The Board will review annually the relationship that each director has with the Corporation (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Corporation). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Corporation will be considered Independent Directors, subject to additional qualifications prescribed under the listing standards of the New York Stock Exchange. The basis for any determination that a relationship is not material will be published in the Corporation's annual proxy statement.

3. Board Membership Criteria

The Nominating and Corporate Governance Committee, comprised entirely of Independent Directors, is responsible for identifying, screening and recommending directors for nomination by the Board for election as members of the Board.

An assessment of the skills and characteristics needed by the Board in the context of the current status of the Board must be performed on a regular basis. Skills and characteristics to consider are: (i) judgment; (ii) accountability and integrity; (iii) experience; (iv) financial literacy; (v)

time; (vi) other board appointments; (vii) industry knowledge; (viii) networking/contacts; and (ix) degree of independence from management.

4. Selection of New Directors

The Nominating and Corporate Governance Committee is responsible for selecting and recommending to the Board candidates for election as directors; shareholders also have the opportunity to nominate directors in accordance with the Articles of Incorporation and Bylaws of the Corporation.

The Board delegates the process of screening director candidates to the Nominating and Corporate Governance Committee, which may solicit advice from the Chairman of the Board (the "Chairman"), the Chief Executive Officer and other members of the Board.

After the screening process is completed, the Board nominates an appropriate slate of director candidates for election.

5. Extending the Invitation to a Potential Director to Join the Board

The invitation to join the Board is extended on behalf of the Board by the Chairman and/or Chairman of the Nominating and Corporate Governance Committee and some combination of the remaining directors, as appropriate.

6. Orientation of New Board and Committee Member

The Corporation will provide each newly elected director and committee member with information about the Corporation, its business, properties and management and shall make available to the director any other materials the director requests that will provide the director with insight and an overview of the Corporation.

Board Leadership

1. Chairman of the Board, Chief Executive Officer and Lead Independent Director.

The Chairman of the Board, who may also be the Chief Executive Officer, shall be a director and presides at all meetings of the Board of Directors and, in the absence or inability to act of the Chief Executive Officer, meetings of the shareholders. The director who is appointed Chairman of the Board is appointed on an annual basis by at least a majority vote of the remaining directors.

The Chief Executive Officer, who may also be the Chairman of the Board, will be a director and presides at all meetings of the shareholders.

In the event that the Chairman is determined to be non-independent, the Board shall also appoint one of the independent members of the Board as Lead Independent Director. The Lead Independent Director's responsibilities shall be to (i) preside at meetings of the Board of Directors if the Chairman of the Board is absent or unable to act, (ii) preside over the executive

sessions of non-management directors, and (iii) provide input to management in setting the agenda for meetings of the Board.

2. Former Chairman and Chief Executive Officer's Board Membership

If the Chairman or Chief Executive Officer tenders a resignation to the Board from that position, he or she shall submit a resignation for the Board's consideration. A former Chairman or Chief Executive Officer who is allowed to stay on the Board will not be considered an Independent Director for purposes of corporate governance for a period of at least five years following termination of employment. However, a director who serves as an interim Chairman of the Board or Chief Executive Officer may be deemed an Independent Director immediately after his services as Chairman or Chief Executive Officer ends, so long as the director meets the remaining requirements for independence.

3. Change in Job Responsibilities of Directors

Directors who change the primary job responsibility they held at the time of their election to the Board shall offer a letter of resignation for Board consideration. The Board of Directors shall, in its sole discretion, determine whether such change in responsibilities will impair the director's ability to effectively serve on the Board of Directors, and may waive such requirement for resignation where it has determined the ability of the director to serve is not impaired.

4. Term Limits

The Board does not believe it should limit the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Corporation based on their experience with and understanding of the Corporation's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new viewpoints through the evaluation and nomination process described in these guidelines.

5. Limit on Other Board Services

The Board believes that it is appropriate to limit the number of public company boards on which its members serve to no more than six boards of directors for non-management directors and no more than three for management directors in recognition of the time commitments required.

Board Communications

1. Disclosure Policy

The Board believes that it is imperative that timely and accurate disclosure in compliance with applicable laws, rules and regulations is made on all material matters.

To ensure clarity and consistency of outside communication, the Chief Executive Officer shall be solely responsible for the dissemination of information to outside parties. A director or other

officer may make disclosures of information on behalf of the Company if authorized to do so by the Chief Executive Officer. In the event that the Board feels it necessary and appropriate to communicate with outside parties without the involvement of the Chief Executive Officer, the Lead Independent Director shall be responsible for such communication.

2. Board's Interaction with Institutional Investors, Press, Customers, etc.

Directors receiving inquiries about the Corporation should interact with press and other third parties only in concurrence with the Chief Executive Officer or his designee.

Board Performance

The Nominating and Corporate Governance Committee will administer an annual self-evaluation of the Board. This self-evaluation focuses on whether the Board and its committees are functioning effectively.

Board Compensation

Directors (other than those who also are salaried officers of the Corporation or any of its subsidiaries) are entitled to receive reasonable compensation for their services as well as reimbursement of expenses, as may be determined from time to time by the Board, taking into account the recommendations of the Compensation Committee and the Nominating and Corporate Governance Committee.

Board Meetings

1. Agenda Items

Agenda items are designated by the Chairman in consultation with other Board members, the Chief Executive Officer, management, shareholders, or others as determined by the Chairman.

2. Distribution of Board Materials in Advance

Materials for review, discussion and/or action of the Board should, to the extent practicable, be distributed sufficiently in advance of meetings, thereby allowing time for review prior to the meeting. However, it is recognized that certain exigent circumstances may cause written materials to be unavailable in advance of the meeting.

3. Executive Sessions of Non-Management Directors

The non-management directors will meet in executive session on a regularly scheduled basis. The Lead Independent Director shall preside at each executive session. The Company shall disclose the means by which a shareholder may communicate with the non-management directors.

Board Relationship to Senior Management

1. Attendance of Non-Directors At Board Meetings

The Board welcomes Corporation management to attend, from time to time, Board meetings, thereby providing certain expertise and/or insight into items that may be open for discussion. The Board, in its sole discretion, also welcomes independent advisors to attend Board meetings. Reasonable compensation may be paid to any person (other than a salaried officer or employee of the Corporation or any of its subsidiaries) attending a Board meeting, as determined by the Board in its sole discretion.

2. Board Access to Senior Management and Independent Advisors

Board members are granted complete access to the Corporation's management. This access will not interfere with the Corporation's ordinary business. If the contact is in writing, the Board will provide a copy of the writing(s) to the Chairman and Chief Executive Officer.

The Board, in its sole discretion, also will have access to any independent advisors.

Director Stock Ownership

The Board believes that, in order to align the interests of directors and shareholders, directors should have a significant financial stake in the Corporation. In furtherance of this policy, the Board believes that each director who has served on the Board for at least five years should own shares of common stock with a market value of a minimum of three times the annual cash retainer fee payable to a director. The Board will evaluate whether exceptions should be made in the case of any director who, due to his or her unique financial circumstances, would incur a hardship by complying with this requirement.

Leadership Development

1. Succession Planning

The Board of Directors will develop and adopt a plan of succession for the Chairman and/or Chief Executive Officer, in the event of either of their deaths, disability, removal or resignation. This plan will be reviewed by the Board at least annually.

2. Management Development

The Board will direct the creation and maintenance of a program for management development. The Chief Executive Officer will review the program annually with the Board.

Committee Matters

1. Number, Structure and Independence of Committees

There shall be a Nominating and Corporate Governance Committee, Audit Committee, Compensation Committee and such other committees as the Board deems advisable. The purpose and responsibilities of each of these committees will be outlined in committee charters adopted by the Board. The Board may, subject to limitations in the Corporation's Bylaws, appoint such additional standing or temporary committees from time to time as the directors see fit, delegating to such committees all or part of the Board's powers.

The Nominating and Corporate Governance Committee, Audit Committee and Compensation Committee shall be comprised entirely of Independent Directors as required pursuant to applicable law or prescribed under the listing standards of the New York Stock Exchange.

2. Compensation of Committee Members

The members of committees are entitled to receive such fees as the Board determines, taking into account the recommendations of the Compensation Committee and the Nominating and Corporate Governance Committee. The compensation received by the members of the Audit Committee from the Corporation is specifically limited to those fees paid for their service as a director and member or chair of any committees of the Board.

3. Selection of Committee Chairs

Committee chairs may be appointed by the Board, or by any other means the Board determines is in the best interest of the Corporation.

4. Assignment and Rotation of Committee Members and Chairs

Directors are nominated by the Nominating and Corporate Governance Committee for committee membership subject to the Board's consideration and approval.

The Nominating and Corporate Governance Committee will consider on a periodic basis whether it is in the Corporation's best interest to rotate chairs and/or members within and among committees.

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