

EASTGROUP

P R O P E R T I E S

NEWS RELEASE

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EASTGROUP PROPERTIES ANNOUNCES THE INCOME TAX TREATMENT OF ITS 2006 DISTRIBUTIONS

JACKSON, MISSISSIPPI, January 12, 2007--EastGroup Properties, Inc. (NYSE:EGP) The income tax treatment for the 2006 distributions for EastGroup Properties, Inc., CUSIP #277 276 101 traded on the New York Stock Exchange under ticker symbol EGP is as follows:

Common

Record Dates	Payment Dates	Total Distributions Per Share	Total Ordinary Dividend	Total Capital Gain Distribution	Unrecaptured Sec. 1250 Gain (1)
03/27/06	03/31/06	\$.4900	\$.3415	\$.1485	\$.1040
06/19/06	06/30/06	.4900	.3415	.1485	.1040
09/20/06	09/30/06	.4900	.3415	.1485	.1040
12/18/06	12/29/06	.4900	.3415	.1485	.1040
TOTALS		\$1.9600	\$1.366	\$.5940	\$.4160
Form 1099-DIV box			1a	2a	2b

Preferred D

The income tax treatment for the 2006 Series D Preferred distributions for EastGroup Properties, Inc., CUSIP #277 276 408 traded on the New York Stock Exchange under ticker symbol EGP PrD is as follows:

Record Dates	Payment Dates	Total Distributions Per Share	Total Ordinary Dividend	Total Capital Gain Distribution	Unrecaptured Sec. 1250 Gain (1)
03/31/06	04/15/06	\$.4969	\$.3463	\$.1506	\$.1055
06/30/06	07/15/06	.4969	.3463	.1506	.1055
09/30/06	10/15/06	.4969	.3463	.1506	.1055
12/29/06	01/15/07	.4969	.3463	.1506	.1055
TOTALS		\$1.9876	\$1.3852	\$.6024	\$.4220
Form 1099-DIV box			1a	2a	2b

(1) Unrecaptured Sec. 1250 Gain (box 2b) is a subset of, and is included in, the Total Capital Gain Distribution amount reported in box 2a.

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The Company did not incur any foreign taxes. Of the total ordinary dividends during 2006, none are considered qualifying dividends and none is a non-dividend distribution (return of capital). Should you need any additional information, please call Bruce Corkern, Senior Vice President and Controller, at 601-354-3555.

EastGroup Properties, Inc. is a self-administered equity real estate investment trust focused on the development, acquisition, and operation of industrial properties in major Sunbelt markets throughout the United States with a special emphasis in the states of Florida, Texas, California and Arizona. Its strategy for growth is based on its property portfolio orientation toward premier business distribution facilities clustered near major transportation features. EastGroup's portfolio currently includes 22.1 million square feet with an additional 1,458,000 square feet of properties under development.

EastGroup Properties press releases are available at www.eastgroup.net.

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