

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 2008 DISTRIBUTIONS

JACKSON, MISSISSIPPI, January 15, 2009--EastGroup Properties, Inc. (NYSE:EGP) announced today the income tax treatment of its 2008 distributions as described below. Shareholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of EastGroup Properties distributions.

Common Stock:

Ticker Symbol EGP, CUSIP #277 276 101

Record Dates	Payment Dates	Total Distributions Per Share	Total Ordinary Dividend	Total Capital Gain Distribution	Unrecaptured Sec. 1250 Gain (1)
03/21/08	03/31/08	\$.52	\$.518943	\$.001057	\$.001057
06/20/08	06/30/08	.52	.518943	.001057	.001057
09/19/08	09/30/08	.52	.518943	.001057	.001057
12/19/08	12/31/08	.52	.518943	.001057	.001057
TOTALS		\$2.08	\$2.075772	\$.004228	\$.004228
Form 1099-DIV box			1a	2a	2b

Series D Preferred Stock:

Ticker Symbol EGP PrD, CUSIP #277 276 408, Redeemed in full on July 2, 2008

Record Dates	Payment Dates	Total Distributions Per Share	Total Ordinary Dividend	Total Capital Gain Distribution	Unrecaptured Sec. 1250 Gain (1)
03/31/08	04/15/08	\$.496900	\$.495713	\$.001187	\$.001187
06/30/08	07/15/08	.496900	.495713	.001187	.001187
07/02/08	07/02/08	.011000	.010974	.000026	.000026
TOTALS		\$1.0048	\$1.0024	\$.002400	\$.002400
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 of Form 1099-DIV.

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The Company did not incur any foreign taxes in 2008. Of the total distributions during 2008, none are considered qualifying dividends for purposes of the federal 15% income tax rate. 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 an emphasis in the states of Florida, Texas, Arizona and California. 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 25.7 million square feet with an additional 1.6 million square feet of properties under development.

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

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