

# EASTGROUP

PROPERTIES

# 2018

SECOND QUARTER

## Conference Call

877-876-9176 | ID – EastGroup

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## Supplemental Information

June 30, 2018

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**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, 2018</u>	<u>December 31, 2017</u>
<b>ASSETS</b>		
Real estate properties	\$ 2,457,405	2,336,734
Development and value-add properties	211,575	242,014
	<u>2,668,980</u>	<u>2,578,748</u>
Less accumulated depreciation	(778,676)	(749,601)
	<u>1,890,304</u>	<u>1,829,147</u>
Unconsolidated investment	7,852	8,029
Cash	252	16
Other assets	123,318	116,029
	<u>123,318</u>	<u>116,029</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,021,726</u>	<u>1,953,221</u>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Unsecured bank credit facilities	\$ 176,958	195,709
Unsecured debt	723,171	713,061
Secured debt	194,069	199,512
Accounts payable and accrued expenses	56,350	64,967
Other liabilities	30,477	28,842
Total Liabilities	<u>1,181,025</u>	<u>1,202,091</u>
<b>EQUITY</b>		
Stockholders' Equity:		
Common shares; \$.0001 par value; 70,000,000 shares authorized; 35,724,053 shares issued and outstanding at June 30, 2018 and 34,758,167 at December 31, 2017	4	3
Excess shares; \$.0001 par value; 30,000,000 shares authorized; no shares issued	-	-
Additional paid-in capital	1,144,290	1,061,153
Distributions in excess of earnings	(315,355)	(317,032)
Accumulated other comprehensive income	10,140	5,348
Total Stockholders' Equity	<u>839,079</u>	<u>749,472</u>
Noncontrolling interest in joint ventures	1,622	1,658
Total Equity	<u>840,701</u>	<u>751,130</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 2,021,726</u>	<u>1,953,221</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
<b>REVENUES</b>				
Income from real estate operations	\$ 73,720	67,855	145,840	133,992
Other revenue	1,165	39	1,248	56
	<u>74,885</u>	<u>67,894</u>	<u>147,088</u>	<u>134,048</u>
<b>EXPENSES</b>				
Expenses from real estate operations	21,453	20,244	42,129	39,251
Depreciation and amortization	22,808	20,865	44,493	41,090
General and administrative	3,740	2,903	7,203	8,381
	<u>48,001</u>	<u>44,012</u>	<u>93,825</u>	<u>88,722</u>
<b>OPERATING INCOME</b>	26,884	23,882	53,263	45,326
<b>OTHER INCOME (EXPENSE)</b>				
Interest expense	(8,842)	(9,015)	(17,449)	(17,701)
Gain on sales of real estate investments	-	21,855	10,222	21,855
Other	222	255	976	470
<b>NET INCOME</b>	<u>18,264</u>	<u>36,977</u>	<u>47,012</u>	<u>49,950</u>
Net income attributable to noncontrolling interest in joint ventures	(37)	(87)	(72)	(241)
<b>NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS</b>	18,227	36,890	46,940	49,709
Other comprehensive income (loss) - cash flow hedges	1,186	(984)	4,792	426
<b>TOTAL COMPREHENSIVE INCOME</b>	<u>\$ 19,413</u>	<u>35,906</u>	<u>51,732</u>	<u>50,135</u>
<b>BASIC PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS</b>				
Net income attributable to common stockholders	\$ 0.52	1.09	1.34	1.48
Weighted average shares outstanding	<u>35,196</u>	<u>33,987</u>	<u>34,944</u>	<u>33,676</u>
<b>DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS</b>				
Net income attributable to common stockholders	\$ 0.52	1.08	1.34	1.47
Weighted average shares outstanding	<u>35,259</u>	<u>34,040</u>	<u>34,998</u>	<u>33,722</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
<b>NET INCOME</b>	\$ 18,264	36,977	47,012	49,950
(Gain) on sales of real estate investments	-	(21,855)	(10,222)	(21,855)
(Gain) loss on sales of non-operating real estate	-	-	(86)	40
(Gain) on sales of other	-	-	(427)	-
Interest income	(35)	(61)	(90)	(123)
Other revenue	(1,165)	(39)	(1,248)	(56)
Depreciation and amortization	22,808	20,865	44,493	41,090
Company's share of depreciation from unconsolidated investment	31	31	62	62
Interest expense <sup>(1)</sup>	8,842	9,015	17,449	17,701
General and administrative expense <sup>(2)</sup>	3,740	2,903	7,203	8,381
Noncontrolling interest in PNOI of consolidated 80% joint ventures	(81)	(137)	(160)	(348)
<b>PROPERTY NET OPERATING INCOME (PNOI)</b>	<b>\$ 52,404</b>	<b>47,699</b>	<b>103,986</b>	<b>94,842</b>
<b>COMPONENTS OF PNOI:</b>				
PNOI from Same Properties	\$ 49,405	46,382	94,190	90,009
PNOI from 2017 and 2018 Acquisitions	515	179	1,605	793
PNOI from 2017 and 2018 Development and Value-Add Properties	2,607	527	8,196	2,686
PNOI from 2017 and 2018 Operating Property Dispositions	(6)	733	209	1,576
Other PNOI	(117)	(122)	(214)	(222)
<b>TOTAL PNOI</b>	<b>\$ 52,404</b>	<b>47,699</b>	<b>103,986</b>	<b>94,842</b>
<b>NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC.</b>				
<b>COMMON STOCKHOLDERS</b>	\$ 18,227	36,890	46,940	49,709
Depreciation and amortization	22,808	20,865	44,493	41,090
Company's share of depreciation from unconsolidated investment	31	31	62	62
Depreciation and amortization from noncontrolling interest	(44)	(49)	(88)	(104)
(Gain) on sales of real estate investments	-	(21,855)	(10,222)	(21,855)
<b>FUNDS FROM OPERATIONS (FFO) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ 41,022</b>	<b>35,882</b>	<b>81,185</b>	<b>68,902</b>
<b>NET INCOME</b>	\$ 18,264	36,977	47,012	49,950
Interest expense <sup>(1)</sup>	8,842	9,015	17,449	17,701
Depreciation and amortization	22,808	20,865	44,493	41,090
Company's share of depreciation from unconsolidated investment	31	31	62	62
<b>EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)</b>	<b>49,945</b>	<b>66,888</b>	<b>109,016</b>	<b>108,803</b>
(Gain) on sales of real estate investments	-	(21,855)	(10,222)	(21,855)
<b>EBITDA for Real Estate (EBITDAre)</b>	<b>\$ 49,945</b>	<b>45,033</b>	<b>98,794</b>	<b>86,948</b>
<b>DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS</b>				
Net income attributable to common stockholders	\$ 0.52	1.08	1.34	1.47
Funds from operations (FFO) attributable to common stockholders	\$ 1.16	1.05	2.32	2.04
Weighted average shares outstanding for EPS and FFO purposes	35,259	34,040	34,998	33,722

<sup>(1)</sup> Net of capitalized interest of \$1,401 and \$1,312 for the three months ended June 30, 2018 and 2017, respectively; and \$3,003 and \$2,958 for the six months ended June 30, 2018 and 2017, respectively.

<sup>(2)</sup> Net of capitalized development costs of \$1,110 and \$1,350 for the three months ended June 30, 2018 and 2017, respectively; and \$2,233 and \$2,594 for the six months ended June 30, 2018 and 2017, respectively.

	<b>Six Months Ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 47,012	49,950
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	44,493	41,090
Stock-based compensation expense	2,823	3,087
Net (gain) loss on sales of real estate investments and non-operating real estate	(10,308)	(21,815)
Gain on casualties and involuntary conversion	(1,150)	-
Changes in operating assets and liabilities:		
Accrued income and other assets	2,111	1,539
Accounts payable, accrued expenses and prepaid rent	(12,075)	(7,310)
Other	828	654
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>73,734</b>	<b>67,195</b>
<b>INVESTING ACTIVITIES</b>		
Real estate development	(61,023)	(47,767)
Purchases of real estate	(27,660)	(36,739)
Real estate improvements	(16,126)	(11,106)
Net proceeds from sales of real estate investments and non-operating real estate	16,826	39,934
Proceeds from casualties and involuntary conversion	890	-
Repayments on mortgage loans receivable	1,958	64
Changes in accrued development costs	7,350	2,826
Changes in other assets and other liabilities	(5,240)	(7,572)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(83,025)</b>	<b>(60,360)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from unsecured bank credit facilities	216,672	193,658
Repayments on unsecured bank credit facilities	(233,989)	(217,640)
Proceeds from unsecured debt	60,000	-
Repayments on unsecured debt	(50,000)	-
Repayments on secured debt	(5,570)	(7,098)
Debt issuance costs	(1,845)	(110)
Distributions paid to stockholders (not including dividends accrued on unvested restricted stock)	(45,449)	(42,690)
Proceeds from common stock offerings	74,789	69,105
Proceeds from dividend reinvestment plan	112	113
Other	(5,193)	(2,617)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>9,527</b>	<b>(7,279)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>236</b>	<b>(444)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>16</b>	<b>522</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>\$ 252</b>	<b>78</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest, net of amounts capitalized of \$3,003 and \$2,958 for 2018 and 2017, respectively	\$ 16,528	17,160



	Three Months Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Change	2018	2017	% Change
Same property without termination fees	\$ 49,397	46,358	6.6%	94,051	89,876	4.6%
Same property termination fees	8	24		139	133	
<b>Same property</b>	<b>49,405</b>	<b>46,382</b>	<b>6.5%</b>	<b>94,190</b>	<b>90,009</b>	<b>4.6%</b>
2017 acquisitions	394	179		1,484	793	
2018 acquisitions	121	-		121	-	
2017 development and value-add properties	997	433		5,764	2,517	
2018 development and value-add properties						
Transferred in prior quarter	600	79		926	154	
Transferred in current quarter	511	15		724	15	
Lease-up and under construction	499	-		782	-	
2017 operating property dispositions	-	446		-	1,029	
2018 operating property dispositions	(6)	287		209	547	
Other	(117)	(122)		(214)	(222)	
<b>Total PNOI</b>	<b>\$ 52,404</b>	<b>47,699</b>		<b>103,986</b>	<b>94,842</b>	

**Same Property Quarterly Change Trend**  
(including termination fees)

2Q 2017	2.5%
3Q 2017	3.1%
4Q 2017	5.2%
1Q 2018	4.3%
2Q 2018	6.5%

**Cash Basis**

	Three Months Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Change	2018	2017	% Change
Same property without termination fees	\$ 48,613	45,663	6.5%	93,197	89,171	4.5%
Same property termination fees	11	25		153	142	
<b>Same property</b>	<b>48,624</b>	<b>45,688</b>	<b>6.4%</b>	<b>93,350</b>	<b>89,313</b>	<b>4.5%</b>
2017 acquisitions	369	172		1,403	744	
2018 acquisitions	77	-		77	-	
2017 development and value-add properties	971	229		5,283	1,654	
2018 development and value-add properties						
Transferred in prior quarter	464	70		633	137	
Transferred in current quarter	245	14		408	14	
Lease-up and under construction	218	-		194	-	
2017 operating property dispositions	-	467		-	1,074	
2018 operating property dispositions	(6)	291		211	557	
Other	(117)	(122)		(214)	(222)	
<b>Total PNOI - Cash Basis</b>	<b>\$ 50,845</b>	<b>46,809</b>		<b>101,345</b>	<b>93,271</b>	

**Same Property Quarterly Change Trend**  
(including termination fees)

2Q 2017	2.4%
3Q 2017	2.7%
4Q 2017	6.0%
1Q 2018	4.4%
2Q 2018	6.4%

**SELECTED INCOME STATEMENT INFORMATION**

Straight-line (S/L) rent income adjustment	\$ 1,499	848	2,518	1,439
Bad debt expense on S/L rent	(78)	(99)	(123)	(137)
Net straight-line rent adjustment	1,421	749	2,395	1,302
Cash received for lease terminations	12	24	153	141
Less S/L rent write-offs	(4)	-	(14)	(8)
Net lease termination fee income	8	24	139	133
Bad debt recovery (expense) (excluding S/L rent bad debt)	82	(49)	37	(61)
Gain on casualties and involuntary conversion <sup>(1)</sup>	1,150	-	1,150	-
Stock-based compensation expense	(1,639)	(730)	(2,823)	(3,087)
Debt issuance costs amortization	(345)	(318)	(664)	(632)
Acquired leases - above/below market rent adjustment amortization	142	141	260	277
Assumed mortgages - fair value adjustment amortization	7	8	14	16

Three Months Ended June 30,		Six Months Ended June 30,	
2018	2017	2018	2017

*(Items below represent increases or (decreases) in FFO)*

\$ 1,499	848	2,518	1,439
(78)	(99)	(123)	(137)
1,421	749	2,395	1,302
12	24	153	141
(4)	-	(14)	(8)
8	24	139	133
82	(49)	37	(61)
1,150	-	1,150	-
(1,639)	(730)	(2,823)	(3,087)
(345)	(318)	(664)	(632)
142	141	260	277
7	8	14	16

**WEIGHTED AVERAGE COMMON SHARES**

Weighted average common shares	35,196	33,987	34,944	33,676
<b>BASIC SHARES FOR EARNINGS PER SHARE (EPS)</b>	35,196	33,987	34,944	33,676
Potential common shares:				
Unvested restricted stock	63	53	54	46
<b>DILUTED SHARES FOR EPS AND FFO</b>	35,259	34,040	34,998	33,722

Three Months Ended June 30,		Six Months Ended June 30,	
2018	2017	2018	2017

<sup>(1)</sup> Included in *Other revenue* on the Consolidated Statements of Income and Comprehensive Income; included in FFO.



		Square Feet (SF)	Costs Incurred		Projected Total Costs	Anticipated		Wgt Avg %
			2nd Qtr 2018	Cumulative at 6/30/18		Conversion Date <sup>(1)</sup>	% Leased 7/18/18	
<b>Lease-up <sup>(2)</sup></b>								
Kyrene 202 III, IV & V	Phoenix, AZ	166,000	\$ 135	12,541	13,800	09/18	100%	
Steele Creek VII	Charlotte, NC	120,000	163	8,542	9,300	09/18	100%	
Horizon XII	Orlando, FL	140,000	132	11,518	12,100	12/18	50%	
CreekView 121 3 & 4	Dallas, TX	158,000	942	12,439	14,200	04/19	17%	
Eisenhauer Point 5	San Antonio, TX	98,000	291	7,101	7,500	04/19	70%	
Eisenhauer Point 6	San Antonio, TX	85,000	469	4,920	5,200	04/19	50%	
Falcon Field	Phoenix, AZ	96,000	1,313	7,549	9,000	05/19	0%	
West Road 5	Houston, TX	58,000	1,356	3,655	5,300	06/19	86%	
<b>Total Lease-up</b>		<b>921,000</b>	<b>4,801</b>	<b>68,265</b>	<b>76,400</b>		<b>59%</b>	<b>Wgt Avg %</b>
<b>Projected Stabilized Yield <sup>(3)</sup></b>		<b>8.0%</b>						
<b>Under Construction <sup>(2)</sup></b>								
Broadmoor 2	Atlanta, GA	111,000	2,767	3,775	7,400	10/19	0%	
Settlers Crossing 1	Austin, TX	77,000	1,897	4,580	7,400	10/19	0%	
Settlers Crossing 2	Austin, TX	83,000	2,042	4,890	8,000	10/19	0%	
Gateway 1	Miami, FL	200,000	13,771	13,771	22,800	11/19	0%	
Horizon XI	Orlando, FL	135,000	4,749	4,749	10,400	11/19	0%	
SunCoast 5	Ft Myers, FL	81,000	3,151	3,151	7,700	11/19	0%	
Airport Commerce Center 3	Charlotte, NC	96,000	393	2,383	7,300	12/19	0%	
Parc North 5	Dallas, TX	100,000	1,927	1,927	9,200	02/20	0%	
Tri-County Crossing 1 & 2	San Antonio, TX	203,000	2,926	2,926	14,600	02/20	0%	
<b>Total Under Construction</b>		<b>1,086,000</b>	<b>33,623</b>	<b>42,152</b>	<b>94,800</b>		<b>0%</b>	<b>Wgt Avg %</b>
<b>Projected Stabilized Yield <sup>(3)</sup></b>		<b>7.4%</b>						
		<b>27%</b> Wgt Avg %						
<b>Prospective Development</b>								
	<b>Acres</b>	<b>Projected SF</b>						
Ft Myers, FL <sup>(4)</sup>	38	488,000	(2,640)	11,522				
Miami, FL <sup>(4)</sup>	52	650,000	(5,102)	31,259				
Orlando, FL <sup>(4)</sup>	20	283,000	(2,913)	8,890				
Tampa, FL	8	32,000	-	1,560				
Atlanta, GA	10	85,000	48	565				
Jackson, MS	3	28,000	-	706				
Charlotte, NC	54	654,000	248	7,081				
Austin, TX	15	180,000	324	3,429				
Dallas, TX <sup>(4)</sup>	25	375,000	(1,512)	8,380				
Houston, TX	91	1,255,000	4	17,796				
San Antonio, TX <sup>(4)</sup>	57	874,000	(1,761)	9,970				
<b>Total Prospective Development</b>	<b>373</b>	<b>4,904,000</b>	<b>(13,304)</b>	<b>101,158</b>				
	<b>373</b>	<b>6,911,000</b>	<b>\$ 25,120</b>	<b>211,575</b>				
<b>Development Projects and Value-Add Acquisitions Transferred to Real Estate Properties During 2018 <sup>(2)</sup></b>								
<b>1st Quarter</b>		<b>SF</b>						
Alamo Ridge IV	San Antonio, TX	97,000	\$ -	7,814			100%	
Oak Creek VII	Tampa, FL	116,000	1	7,123			100%	
Weston <sup>(5)</sup>	Ft Lauderdale, FL	134,000	6	15,757			100%	
		<b>347,000</b>	<b>7</b>	<b>30,694</b>				
<b>2nd Quarter</b>								
Country Club V	Tucson, AZ	305,000	3,529	22,993			100%	
Eisenhauer Point 3	San Antonio, TX	71,000	119	6,493			100%	
Horizon X	Orlando, FL	104,000	523	7,424			100%	
Progress Center 1 & 2 <sup>(6)</sup>	Atlanta, GA	132,000	2	10,478			23%	
SunCoast 4	Ft Myers, FL	93,000	91	9,264			100%	
		<b>705,000</b>	<b>4,264</b>	<b>56,652</b>				
<b>Total Transferred to Real Estate Properties</b>		<b>1,052,000</b>	<b>\$ 4,271</b>	<b>87,346</b>				
<b>Projected Stabilized Yield <sup>(3)</sup></b>		<b>8.1%</b>						

<sup>(1)</sup> Will transfer from Development to the operating portfolio at the earlier of 90% occupancy or one year after shell completion.

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

<sup>(3)</sup> Weighted average yield based on property net operating income at 100% occupancy and rents computed on a straight-line basis.

<sup>(4)</sup> Negative amounts represent land inventory costs transferred to *Under Construction*.

<sup>(5)</sup> This project was acquired by EastGroup on 11/1/16 and underwent redevelopment.

<sup>(6)</sup> This project, which was recently developed by the seller, was acquired by EastGroup on 12/12/17 during the lease-up phase.

	Interest Rate	Maturity Date	Balance at June 30, 2018	Weighted Average Interest Rate
<b>UNSECURED BANK CREDIT FACILITIES</b>				
\$45MM line				
Variable rate	3.090%	07/30/22	\$ 19,022	
\$350MM line				
Variable rate	3.091%	07/30/22	80,000	
Fixed rate <sup>(1)</sup>	2.020%	07/30/22	80,000	
Carrying amount			179,022	2.6%
Unamortized debt issuance costs			(2,064)	
<b>UNSECURED BANK CREDIT FACILITIES</b>			<u>176,958</u>	
<b>UNSECURED DEBT - FIXED RATE <sup>(2)</sup></b>				
	2.846%	07/31/19	75,000	
	3.800%	08/28/20	30,000	
	3.452%	12/20/20	75,000	
	2.335%	07/30/21	40,000	
	3.031%	02/28/22	75,000	
	2.313%	04/01/23	65,000	
	3.800%	08/28/23	50,000	
	3.460%	12/13/24	60,000	
	3.480%	12/15/24	60,000	
	3.800%	08/28/25	20,000	
	3.970%	10/01/25	25,000	
	3.990%	10/07/25	50,000	
	3.750%	12/15/26	40,000	
	3.930%	04/10/28	60,000	
Carrying amount			725,000	3.3%
Unamortized debt issuance costs			(1,829)	
<b>UNSECURED DEBT - FIXED RATE</b>			<u>723,171</u>	
<b>SECURED DEBT - FIXED RATE</b>				
	7.500%	05/05/19	48,179	
	5.390%	02/29/20	323	
	4.390%	01/05/21	53,734	
	4.750%	06/05/21	48,819	
	4.090%	01/05/22	41,192	
	3.850%	11/30/26	2,523	
Carrying amount			194,770	5.2%
Unamortized debt issuance costs			(701)	
<b>SECURED DEBT - FIXED RATE</b>			<u>194,069</u>	
<b>TOTAL DEBT</b>				
Total carrying amount			1,098,792	3.6%
Total unamortized debt issuance costs			(4,594)	
<b>TOTAL DEBT</b>			<u>\$ 1,094,198</u>	
<b>EQUITY MARKET CAPITALIZATION</b>				
Shares outstanding - common			35,724,053	
Price per share			\$ 95.56	
<b>TOTAL EQUITY MARKET CAPITALIZATION</b>			<u>\$ 3,413,791</u>	
<b>TOTAL MARKET CAPITALIZATION (DEBT AND EQUITY) <sup>(3)</sup></b>				
			<u>\$ 4,512,583</u>	
<b>TOTAL DEBT / TOTAL MARKET CAPITALIZATION <sup>(3)</sup></b>				
			<u>24.3%</u>	

<sup>(1)</sup> This draw has an effectively fixed interest rate due to an interest rate swap that matures 8/15/18.

<sup>(2)</sup> These loans have a fixed interest rate or an effectively fixed interest rate due to interest rate swaps maturing on the same date as the loan.

<sup>(3)</sup> Before deducting unamortized debt issuance costs.

Year	Amortization		Balloon Payments		Total	
	Repayments	Weighted Average Interest Rate	Repayments	Weighted Average Interest Rate	Repayments	Weighted Average Interest Rate
<b>UNSECURED</b>						
remainder of 2018 .....	\$ -	N/A	\$ -	N/A	\$ -	N/A
2019 .....	-	N/A	75,000	2.85%	75,000	2.85%
2020 .....	-	N/A	105,000	3.55%	105,000	3.55%
2021 .....	-	N/A	40,000	2.34%	40,000	2.34%
2022 .....	-	N/A	75,000	3.03%	75,000	3.03%
2023 and beyond .....	-	N/A	430,000	3.53%	430,000	3.53%
<b>UNSECURED TOTAL / WEIGHTED AVERAGE</b>	-	N/A	725,000	3.34%	725,000	3.34%
<b>SECURED</b>						
remainder of 2018 .....	5,730	5.22%	-	N/A	5,730	5.22%
2019 .....	9,844	4.75%	45,725	7.50%	55,569	7.01%
2020 .....	9,096	4.43%	-	N/A	9,096	4.43%
2021 .....	3,962	4.30%	85,601	4.56%	89,563	4.55%
2022 .....	114	3.85%	32,655	4.09%	32,769	4.09%
2023 and beyond .....	494	3.85%	1,549	3.85%	2,043	3.85%
<b>SECURED TOTAL / WEIGHTED AVERAGE</b>	29,240	4.66%	165,530	5.27%	194,770	5.18%
<b>TOTAL / WEIGHTED AVERAGE</b>	\$ 29,240	4.66%	\$ 890,530	3.70%	\$ 919,770	3.73%

Note: Excludes unsecured bank credit facilities.

	Shares Issued and Sold <sup>(1)</sup>	Average Sales Price (Per Share)	Gross Proceeds	Offering-Related Fees and Expenses	Net Proceeds
<b>1<sup>st</sup> Quarter 2018</b>	179,501	\$ 82.68	\$ 14,842	\$ (240)	\$ 14,602
<b>2<sup>nd</sup> Quarter 2018</b>	750,282	91.01	68,281	(728)	67,553
<b>TOTAL 2018</b>	<b>929,783</b>	<b>\$ 89.40</b>	<b>\$ 83,123</b>	<b>\$ (968)</b>	<b>\$ 82,155</b>

<sup>(1)</sup> As of July 19, 2018, the Company had 5,457,757 shares authorized and remaining for issuance under its continuous equity program.

	<u>Three Months Ended June 30, 2018</u>	<u>Six Months Ended June 30, 2018</u>
EBITDAre for the period	\$ 49,945	98,794
Adjust PNOI for acquisitions as if owned for entire period	443	1,001
Adjust PNOI for developments in lease-up or under construction	(499)	(782)
Adjust PNOI for properties sold during the period	6	(209)
Pro Forma EBITDAre	<u>\$ 49,895</u>	<u>98,804</u>
<b>PRO FORMA EBITDAre – ANNUALIZED</b>	<u>\$ 199,580</u>	<u>197,608</u>
Debt at June 30, 2018	\$ 1,094,198	1,094,198
Subtract developments in lease-up or under construction	(110,417)	(110,417)
Adjusted Debt	<u>\$ 983,781</u>	<u>983,781</u>
<b>ADJUSTED DEBT-TO-PRO FORMA EBITDAre RATIO</b>	<u>4.93</u>	<u>4.98</u>

**ACQUISITIONS**

Date	Property Name	Location	Size	Purchase Price <sup>(1)</sup>	
<b>1<sup>st</sup> Quarter</b>					
None					
<b>2<sup>nd</sup> Quarter</b>					
04/24/18	Gwinnett 316	Atlanta, GA	65,000 SF	\$	4,356
06/20/18	Eucalyptus Distribution Center	Chino, CA	182,000 SF		23,304
Total Acquisitions			247,000 SF	\$	27,660

**SALES**

Date	Property Name	Location	Size	Gross Sales Price	Realized Gain
<b>1<sup>st</sup> Quarter</b>					
01/26/18	World Houston 18	Houston, TX	33,000 SF	\$ 2,460	1,078 <sup>(2)</sup>
03/20/18	56 Commerce Park	Tampa, FL	181,000 SF	12,450	9,144 <sup>(2)</sup>
03/28/18	Lee Road Land	Houston, TX	10.7 Acres	2,577	86 <sup>(3)</sup>
<b>2<sup>nd</sup> Quarter</b>					
None					
Total Sales			214,000 SF	\$ 17,487	10,308

<sup>(1)</sup> Represents acquisition price plus closing costs.

<sup>(2)</sup> Included in *Gain on sales of real estate investments* on the Consolidated Statements of Income and Comprehensive Income; not included in FFO.

<sup>(3)</sup> Included in *Other* on the Consolidated Statements of Income and Comprehensive Income; included in FFO.

REAL ESTATE IMPROVEMENTS	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Upgrade on Acquisitions	\$ 34	44	39	59
Tenant Improvements:				
New Tenants	4,159	2,883	5,952	5,283
Renewal Tenants	714	1,055	1,316	1,730
Other:				
Building Improvements	1,627	673	2,627	1,444
Roofs	3,333	1,592	4,311	2,212
Parking Lots	250	594	975	736
Other	235	124	738	237
<b>TOTAL REAL ESTATE IMPROVEMENTS</b> <sup>(2)</sup>	<b>\$ 10,352</b>	<b>6,965</b>	<b>15,958</b>	<b>11,701</b>

**CAPITALIZED LEASING COSTS (Principally Commissions)** <sup>(1)</sup>

Development	\$ 951	1,177	1,713	2,428
New Tenants	1,786	1,580	2,711	3,775
Renewal Tenants	842	1,207	2,147	3,097
<b>TOTAL CAPITALIZED LEASING COSTS</b>	<b>\$ 3,579</b>	<b>3,964</b>	<b>6,571</b>	<b>9,300</b>

<sup>(1)</sup> Included in *Other Assets*.

<sup>(2)</sup> Reconciliation of Total Real Estate Improvements to *Real Estate Improvements* on the Consolidated Statements of Cash Flows:

	Six Months Ended June 30,	
	2018	2017
Total Real Estate Improvements	\$ 15,958	11,701
Change in Real Estate Property Payables	(488)	(884)
Change in Construction in Progress	656	289
Real Estate Improvements on the Consolidated Statements of Cash Flows	<b>\$ 16,126</b>	<b>11,106</b>



Three Months Ended June 30, 2018	Number of Leases Signed	Square Feet Signed <small>(In Thousands)</small>	Weighted Average Term <small>(In Years)</small>	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement <sup>(1)</sup>	PSF Leasing Commission <sup>(1)</sup>	PSF Total Leasing Cost <sup>(1)</sup>
New Leases <sup>(2)</sup>	40	647	5.3	5.1%	-5.4%	\$ 7.67	\$ 2.64	\$ 10.31
Renewal Leases	63	1,173	3.4	16.6%	8.6%	0.68	0.73	1.41
Total/Weighted Average	<b>103</b>	<b>1,820</b>	<b>4.1</b>	<b>11.9%</b>	<b>2.7%</b>	<b>\$ 3.17</b>	<b>\$ 1.41</b>	<b>\$ 4.58</b>
Weighted Average Retention <sup>(3)</sup>	<b>76.8%</b>				<b>Per Year</b>	<b>\$ 0.78</b>	<b>\$ 0.34</b>	<b>\$ 1.12</b>

Six Months Ended June 30, 2018	Number of Leases Signed	Square Feet Signed <small>(In Thousands)</small>	Weighted Average Term <small>(In Years)</small>	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement <sup>(1)</sup>	PSF Leasing Commission <sup>(1)</sup>	PSF Total Leasing Cost <sup>(1)</sup>
New Leases <sup>(2)</sup>	72	1,070	5.3	7.2%	-2.7%	\$ 6.57	\$ 2.50	\$ 9.07
Renewal Leases	128	2,606	3.8	19.0%	10.1%	0.78	0.82	1.60
Total/Weighted Average	<b>200</b>	<b>3,676</b>	<b>4.3</b>	<b>15.1%</b>	<b>5.9%</b>	<b>\$ 2.47</b>	<b>\$ 1.31</b>	<b>\$ 3.78</b>
Weighted Average Retention <sup>(3)</sup>	<b>81.2%</b>				<b>Per Year</b>	<b>\$ 0.57</b>	<b>\$ 0.31</b>	<b>\$ 0.88</b>

Excluding leases signed at R&D property in Santa Barbara:								
Three Months Ended June 30, 2018	Number of Leases Signed	Square Feet Signed <small>(In Thousands)</small>	Weighted Average Term <small>(In Years)</small>	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement <sup>(1)</sup>	PSF Leasing Commission <sup>(1)</sup>	PSF Total Leasing Cost <sup>(1)</sup>
New Leases <sup>(2)</sup>	36	612	5.4	8.2%	-1.2%	\$ 3.77	\$ 2.46	\$ 6.23
Total/Weighted Average <sup>(4)</sup>	<b>99</b>	<b>1,785</b>	<b>4.1</b>	<b>13.5%</b>	<b>4.9%</b>	<b>\$ 1.74</b>	<b>\$ 1.32</b>	<b>\$ 3.06</b>
					<b>Per Year</b>	<b>\$ 0.43</b>	<b>\$ 0.32</b>	<b>\$ 0.75</b>
Six Months Ended June 30, 2018	Number of Leases Signed	Square Feet Signed <small>(In Thousands)</small>	Weighted Average Term <small>(In Years)</small>	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement <sup>(1)</sup>	PSF Leasing Commission <sup>(1)</sup>	PSF Total Leasing Cost <sup>(1)</sup>
New Leases <sup>(2)</sup>	68	1,035	5.4	9.4%	0.3%	\$ 4.23	\$ 2.39	\$ 6.62
Total/Weighted Average <sup>(4)</sup>	<b>196</b>	<b>3,641</b>	<b>4.3</b>	<b>16.1%</b>	<b>7.1%</b>	<b>\$ 1.76</b>	<b>\$ 1.27</b>	<b>\$ 3.03</b>
					<b>Per Year</b>	<b>\$ 0.41</b>	<b>\$ 0.30</b>	<b>\$ 0.71</b>

	06/30/18	03/31/18	12/31/17	09/30/17	06/30/17
Percentage Leased	97.0%	97.0%	97.0%	97.4%	96.8%
Percentage Occupied	96.4%	96.4%	96.4%	95.6%	94.9%

<sup>(1)</sup> Per square foot (PSF) amounts represent total amounts for the life of the lease, except as noted for the Per Year amounts.  
<sup>(2)</sup> Does not include leases with terms less than 12 months and leases for first generation space on properties acquired or developed by EastGroup.  
<sup>(3)</sup> Calculated as square feet of renewal leases signed during the quarter / square feet of leases expiring during the quarter (not including early terminations or bankruptcies).  
<sup>(4)</sup> Includes Renewal Leases, which were not impacted by leases signed at R&D property in Santa Barbara.

	Total Square Feet of Properties	% of Total	Annualized Base Rent <sup>(1)</sup>	% Leased	% Occupied	Lease Expirations in Square Feet		Same Property PNOI Change				Rental Change New and Renewal Leases <sup>(3)</sup>			
						2018 <sup>(2)</sup>	2019	QTR		YTD		QTR		YTD	
								Straight-Line Basis	Cash Basis <sup>(4)</sup>	Straight-Line Basis	Cash Basis <sup>(4)</sup>	Straight-Line Basis	Cash Basis <sup>(4)</sup>	Straight-Line Basis	Cash Basis <sup>(4)</sup>
<b>Florida</b>															
Tampa	4,177,000	10.9%	10.0%	96.7%	96.2%	249,000	568,000	3.8%	3.4%	1.1%	0.1%	22.7%	12.1%	21.7%	10.7%
Orlando	3,232,000	8.4%	8.5%	99.4%	99.1%	174,000	338,000	3.1%	-6.0%	3.4%	-2.4%	30.2%	14.9%	25.2%	10.6%
Jacksonville	2,273,000	5.9%	4.9%	98.9%	98.8%	143,000	336,000	4.6%	8.6%	2.5%	3.7%	27.2%	15.0%	22.3%	11.6%
Ft. Lauderdale	1,071,000	2.8%	3.4%	98.4%	98.4%	75,000	141,000	0.9%	5.1%	1.6%	5.4%	8.5%	-2.0%	11.2%	2.7%
Ft. Myers	311,000	0.8%	1.0%	100.0%	100.0%	15,000	38,000	7.0%	1.8%	1.9%	-1.4%	-0.4%	-3.3%	18.6%	9.6%
	<b>11,064,000</b>	<b>28.8%</b>	<b>27.8%</b>	<b>98.2%</b>	<b>97.9%</b>	<b>656,000</b>	<b>1,421,000</b>	<b>3.5%</b>	<b>1.4%</b>	<b>2.2%</b>	<b>0.4%</b>	<b>19.3%</b>	<b>9.0%</b>	<b>20.0%</b>	<b>9.2%</b>
<b>Texas</b>															
Dallas	3,349,000	8.7%	7.6%	97.0%	96.4%	72,000	370,000	15.3%	18.8%	3.8%	9.2%	10.9%	6.1%	20.1%	18.0%
Houston	5,490,000	14.3%	15.2%	95.8%	95.4%	178,000	751,000	9.9%	11.7%	10.0%	12.9%	-1.2%	-10.8%	1.4%	-7.9%
San Antonio	2,859,000	7.5%	8.6%	98.3%	96.9%	114,000	540,000	5.1%	6.5%	4.0%	2.2%	10.4%	5.4%	7.2%	0.5%
Austin	699,000	1.8%	2.2%	95.4%	95.4%	23,000	146,000	-9.2%	-7.5%	-8.9%	-7.7%	11.5%	18.3%	11.5%	18.3%
El Paso	958,000	2.5%	1.8%	97.1%	97.1%	20,000	138,000	3.0%	-0.6%	4.7%	3.2%	9.1%	2.5%	19.2%	8.5%
	<b>13,355,000</b>	<b>34.8%</b>	<b>35.4%</b>	<b>96.7%</b>	<b>96.1%</b>	<b>407,000</b>	<b>1,945,000</b>	<b>8.0%</b>	<b>9.7%</b>	<b>5.8%</b>	<b>7.7%</b>	<b>4.4%</b>	<b>-1.9%</b>	<b>9.6%</b>	<b>2.7%</b>
<b>California</b>															
San Francisco	1,045,000	2.7%	3.3%	100.0%	100.0%	-	302,000	7.2%	7.6%	9.2%	8.7%	N/A	N/A	84.5%	75.0%
Los Angeles <sup>(5)</sup>	2,323,000	6.1%	7.7%	100.0%	100.0%	10,000	115,000	3.0%	6.6%	6.6%	8.3%	15.0%	7.8%	23.0%	13.8%
Santa Barbara <sup>(5)</sup>	211,000	0.6%	1.4%	94.9%	80.6%	3,000	110,000	8.0%	4.9%	-17.3%	-20.0%	-10.8%	-25.0%	-10.9%	-24.7%
Fresno	398,000	1.0%	0.8%	100.0%	100.0%	-	140,000	2.1%	2.6%	2.2%	-1.3%	11.3%	4.7%	8.2%	3.7%
San Diego	465,000	1.2%	1.2%	100.0%	100.0%	29,000	60,000	18.9%	-13.0%	19.0%	-11.2%	33.9%	23.2%	31.0%	20.6%
	<b>4,442,000</b>	<b>11.6%</b>	<b>14.4%</b>	<b>99.8%</b>	<b>99.1%</b>	<b>42,000</b>	<b>727,000</b>	<b>6.0%</b>	<b>4.4%</b>	<b>5.7%</b>	<b>2.8%</b>	<b>9.3%</b>	<b>-1.6%</b>	<b>18.9%</b>	<b>8.1%</b>
<b>Arizona</b>															
Phoenix	2,363,000	6.2%	6.3%	98.8%	97.0%	114,000	457,000	17.1%	20.9%	14.1%	18.4%	1.3%	-4.6%	2.1%	-3.0%
Tucson	1,055,000	2.7%	1.8%	100.0%	100.0%	34,000	19,000	5.9%	4.7%	3.8%	3.5%	23.7%	3.6%	23.7%	3.6%
	<b>3,418,000</b>	<b>8.9%</b>	<b>8.1%</b>	<b>99.2%</b>	<b>98.0%</b>	<b>148,000</b>	<b>476,000</b>	<b>14.3%</b>	<b>16.8%</b>	<b>11.6%</b>	<b>14.6%</b>	<b>8.4%</b>	<b>-1.9%</b>	<b>5.4%</b>	<b>-1.9%</b>
<b>North Carolina</b>															
Charlotte	3,010,000	7.8%	6.9%	98.2%	98.2%	38,000	332,000	8.1%	7.4%	5.6%	5.6%	22.8%	8.9%	17.4%	5.9%
	<b>3,010,000</b>	<b>7.8%</b>	<b>6.9%</b>	<b>98.2%</b>	<b>98.2%</b>	<b>38,000</b>	<b>332,000</b>	<b>8.1%</b>	<b>7.4%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>22.8%</b>	<b>8.9%</b>	<b>17.4%</b>	<b>5.9%</b>
<b>Georgia</b>															
Atlanta	779,000	2.0%	1.2%	61.2%	61.2%	101,000	64,000	-7.8%	-6.4%	N/A	N/A	9.8%	6.4%	9.8%	6.4%
	<b>779,000</b>	<b>2.0%</b>	<b>1.2%</b>	<b>61.2%</b>	<b>61.2%</b>	<b>101,000</b>	<b>64,000</b>	<b>-7.8%</b>	<b>-6.4%</b>	<b>N/A</b>	<b>N/A</b>	<b>9.8%</b>	<b>6.4%</b>	<b>9.8%</b>	<b>6.4%</b>
<b>Total Core Markets</b>	<b>36,068,000</b>	<b>93.9%</b>	<b>93.8%</b>	<b>97.1%</b>	<b>96.6%</b>	<b>1,392,000</b>	<b>4,965,000</b>	<b>6.7%</b>	<b>6.6%</b>	<b>5.1%</b>	<b>5.0%</b>	<b>12.0%</b>	<b>2.8%</b>	<b>15.2%</b>	<b>6.0%</b>
<b>Total Other Markets</b>	<b>2,356,000</b>	<b>6.1%</b>	<b>6.2%</b>	<b>95.4%</b>	<b>93.1%</b>	<b>101,000</b>	<b>415,000</b>	<b>3.6%</b>	<b>3.7%</b>	<b>-3.1%</b>	<b>-3.8%</b>	<b>9.3%</b>	<b>0.2%</b>	<b>9.4%</b>	<b>1.2%</b>
<b>Total Operating Properties</b>	<b>38,424,000</b>	<b>100.0%</b>	<b>100.0%</b>	<b>97.0%</b>	<b>96.4%</b>	<b>1,493,000</b>	<b>5,380,000</b>	<b>6.5%</b>	<b>6.4%</b>	<b>4.6%</b>	<b>4.5%</b>	<b>11.9%</b>	<b>2.7%</b>	<b>15.1%</b>	<b>5.9%</b>

(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 including month-to-month leases.

(3) Does not include leases with terms less than 12 months and leases for first generation space on properties acquired or developed by EastGroup.

(4) Excludes straight-line rent adjustments and amortization of above/below market rent intangibles.

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

<b>LEASE EXPIRATION</b>	<b>Square Footage of Leases Expiring</b>	<b>% of Total SF</b>	<b>Annualized Current Base Rent of Leases Expiring (without S/L Rent)</b>	<b>% of Total Base Rent of Leases Expiring (without S/L Rent)</b>
<b>Vacancy</b>	1,143,000	3.0%	\$ -	0.0%
<b>2018 - remainder of year <sup>(1)</sup></b>	1,493,000	3.9%	9,233	4.3%
<b>2019</b>	5,380,000	14.0%	32,965	15.4%
<b>2020</b>	6,378,000	16.6%	37,590	17.6%
<b>2021</b>	7,364,000	19.2%	42,608	20.0%
<b>2022</b>	5,133,000	13.3%	30,593	14.3%
<b>2023</b>	4,061,000	10.6%	22,242	10.4%
<b>2024</b>	2,952,000	7.7%	16,414	7.7%
<b>2025</b>	1,507,000	3.9%	6,214	2.9%
<b>2026</b>	827,000	2.1%	5,285	2.5%
<b>2027 and beyond</b>	2,186,000	5.7%	10,443	4.9%
<b>TOTAL</b>	<b>38,424,000</b>	<b>100.0%</b>	<b>\$ 213,587</b>	<b>100.0%</b>

<sup>(1)</sup> Includes month-to-month leases.

Customer	# of Leases	Location	Total SF Leased	% of Total Portfolio	% of Total Annualized Base Rent <sup>(1)</sup>
1 WNA Comet West, Inc.	1	Los Angeles, CA	411,000	1.1%	1.1%
2 Essendant Co.	1	Orlando, FL	404,000	1.1%	1.0%
3 Mattress Firm	1	Houston, TX	202,000	1.0%	1.0%
	1	Tampa, FL	109,000		
	2	Jacksonville, FL	60,000		
	1	Ft. Myers, FL	25,000		
4 The Chamberlain Group	2	Tucson, AZ	350,000	0.9%	1.1%
5 Iron Mountain Information Management, Inc.	2	Tampa, FL	184,000	0.9%	0.7%
	2	Phoenix, AZ	58,000		
	1	Ft. Lauderdale, FL	45,000		
	1	Jacksonville, FL	40,000		
6 Repet, Inc.	1	Los Angeles, CA	300,000	0.8%	0.5%
7 Conn's, Inc.	1	Charlotte, NC	300,000	0.8%	0.6%
8 Tower Automotive	1	Madison, MS	280,000	0.7%	0.5%
9 Kuehne & Nagel, Inc.	2	Houston, TX	172,000	0.7%	0.9%
	2	Charlotte, NC	106,000		
10 U.S. Postal Service	1	Houston, TX	110,000	0.7%	0.7%
	1	New Orleans, LA	99,000		
	2	Tampa, FL	58,000		
	<u>26</u>		<u>3,313,000</u>	<u>8.7%</u>	<u>8.1%</u>

<sup>(1)</sup> Calculation: Customer Annualized Base Rent as of 06/30/18 (without S/L Rent) / Total Annualized Base Rent (without S/L Rent).

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, 2018**

**ASSETS**

Real estate properties	\$ 9,318
Less accumulated depreciation	(1,776)
	<u>7,542</u>
Other assets	463
<b>TOTAL ASSETS</b>	<b>\$ 8,005</b>

**LIABILITIES AND EQUITY**

Other liabilities	\$ 153
Equity	7,852
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 8,005</b>

**EastGroup's Net Investment at June 30, 2018**

\$ 7,852 <sup>(1)</sup>

**EastGroup's 50% Ownership**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2018	2017	2018	2017
<b>Income Statement Information</b>				
Property NOI	\$ 218	225	435	449
Depreciation Expense	(31)	(31)	(62)	(62)
<b>Equity in Earnings</b> <sup>(2)</sup>	<u>\$ 187</u>	<u>194</u>	<u>373</u>	<u>387</u>
<b>Funds From Operations</b>	<u>\$ 218</u>	<u>225</u>	<u>435</u>	<u>449</u>

<sup>(1)</sup> Presented as *Unconsolidated investment* on the Consolidated Balance Sheets.

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

	Quarter Ended	Years Ended			
	6/30/2018	2017	2016	2015	2014
<b>ASSETS/MARKET CAPITALIZATION</b>					
Assets	\$ 2,021,726	1,953,221	1,825,764	1,661,904	1,572,112
Equity Market Capitalization	3,413,791	3,071,927	2,461,251	1,802,957	2,040,967
Total Market Capitalization (Debt and Equity) <sup>(1)</sup>	4,512,583	4,183,620	3,566,865	2,835,194	2,974,144
Shares Outstanding - Common	35,724,053	34,758,167	33,332,213	32,421,460	32,232,587
Price per share	\$ 95.56	88.38	73.84	55.61	63.32
<b>FFO CHANGE</b>					
FFO per diluted share	\$ 1.16	4.26	4.02	3.67	3.47
Change compared to same period prior year	10.5%	6.0%	9.5%	5.8%	7.4%
<b>COMMON DIVIDEND PAYOUT RATIO</b>					
Dividend distribution	\$ 0.64	2.52	2.44	2.34	2.22
FFO per diluted share	1.16	4.26	4.02	3.67	3.47
Dividend payout ratio	55%	59%	61%	64%	64%
<b>COMMON DIVIDEND YIELD</b>					
Dividend distribution	\$ 0.64	2.52	2.44	2.34	2.22
Price per share	95.56	88.38	73.84	55.61	63.32
Dividend yield	2.68%	2.85%	3.30%	4.21%	3.51%
<b>FFO MULTIPLE</b>					
FFO per diluted share	\$ 1.16	4.26	4.02	3.67	3.47
Price per share	95.56	88.38	73.84	55.61	63.32
Multiple	20.59	20.75	18.37	15.15	18.25
<b>INTEREST &amp; FIXED CHARGE COVERAGE RATIOS</b>					
EBITDAre	\$ 49,945	180,507	167,196	153,574	145,461
Interest expense	8,842	34,775	35,213	34,666	35,728
Interest and fixed charge coverage ratios	5.65	5.19	4.75	4.43	4.07
<b>DEBT-TO-EBITDAre RATIO</b>					
Debt	\$ 1,094,198	1,108,282	1,101,333	1,027,909	929,465
EBITDAre	49,945	180,507	167,196	153,574	145,461
Debt-to-EBITDAre ratio	5.48	6.14	6.59	6.69	6.39
Adjusted debt-to-pro forma EBITDAre ratio	4.93	5.44	6.03	6.11	5.74
<b>DEBT-TO-TOTAL MARKET CAPITALIZATION</b> <sup>(1)</sup>	24.3%	26.6%	31.0%	36.4%	31.4%
<b>ISSUER RATINGS</b> <sup>(2)</sup>					
Moody's Investors Service	<u>Issuer Rating</u>	<u>Outlook</u>			
	Baa2	Stable			

<sup>(1)</sup> Excluding unamortized debt issuance costs.

<sup>(2)</sup> 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.

	Low Range		High Range	
	Q3 2018	Y/E 2018	Q3 2018	Y/E 2018
	<i>(In thousands, except per share data)</i>			
Net income attributable to common stockholders	\$ 16,983	81,256	17,697	84,088
Depreciation and amortization	23,037	90,608	23,037	90,608
Gain on sales of depreciable real estate investments	-	(10,222)	-	(10,222)
Funds from operations attributable to common stockholders	<u>\$ 40,020</u>	<u>161,642</u>	<u>40,734</u>	<u>164,474</u>
Diluted shares	35,739	35,406	35,739	35,406
Per share data (diluted):				
Net income attributable to common stockholders	\$ 0.48	2.29	0.50	2.37
Funds from operations attributable to common stockholders	1.12	4.57	1.14	4.65

The following assumptions were used for the mid-point:

Metrics	Guidance for Q3 2018	Revised Guidance for Year 2018	April Earnings Release Guidance for Year 2018	Actual for Year 2017
FFO per share	\$1.12 - \$1.14	\$4.57 - \$4.65	\$4.51 - \$4.61	\$4.26
FFO per share increase over prior year period	4.6%	8.2%	7.0%	6.0%
Same Property Net Operating Income (PNOI) growth:				
Straight-line basis	3.9% - 4.3%	2.5% - 3.5% <sup>(1)</sup>	2.5% - 3.5% <sup>(1)</sup>	2.8%
Cash basis <sup>(2)</sup>	5.2% - 5.6%	3.3% - 4.3% <sup>(1)</sup>	3.2% - 4.2% <sup>(1)</sup>	3.3%
Average quarterly same PNOI growth - Straight-line basis	n/a	4.2%	4.0%	3.6%
Average month-end occupancy	94.8%	95.6%	95.5%	95.5%
Lease termination fee income	\$75,000	\$290,000	\$361,000	\$468,000
Bad debt expense (No identified bad debts for remainder of 2018)	\$250,000	\$585,000	\$840,000	\$499,000
Development starts:				
Square feet	522,000	1.7 million	1.4 million	1.3 million
Projected total investment	\$40 million	\$140 million	\$120 million	\$109 million
Value-add property acquisitions	\$14 million	\$14 million	None	\$10 million
Operating property acquisitions	\$26 million	\$66 million	\$40 million	\$55 million
Operating property dispositions				
(Potential gains on dispositions are not included in the projections)	\$8 million	\$36 million	\$40 million	\$38 million
Gain (loss) on sales of non-operating real estate	None	\$86,000	\$86,000	\$293,000
Unsecured debt closing in period	None	\$140 million at 4.3% weighted average interest rate	\$140 million at 4.3% weighted average interest rate	\$60 million at 3.46%
Common stock issuances	\$12.5 million	\$110 million	\$50 million	\$111 million
General and administrative expense	\$3.3 million	\$13.8 million	\$13.7 million	\$15.0 million

<sup>(1)</sup> Includes properties which have been in the operating portfolio since 1/1/17 and are projected to be in the operating portfolio through 12/31/18.

<sup>(2)</sup> Beginning on 1/1/18, the Cash basis for 2018 and 2017 excludes straight-line rent adjustments and amortization of above/below market rent intangibles. In previous years, this metric excluded straight-line rent adjustments only. See the Definitions section of the Company's earnings press release dated 7/19/18 for additional information about the change in this operating metric.



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.reit.com](http://www.reit.com).

**Adjusted Debt-to-Pro Forma EBITDAre Ratio:** A ratio calculated by dividing a company's adjusted debt by its pro forma EBITDAre. Debt is adjusted by subtracting the cost of developments in lease-up or under construction. EBITDAre is further 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.

**Cash Basis:** The Company adjusts its GAAP reporting to exclude straight-line rent adjustments and amortization of above/below market rent intangibles.

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

**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.

**Earnings Before Interest Taxes Depreciation and Amortization for Real Estate (EBITDAre):** Earnings, defined as Net Income, excluding gains or losses from sales of depreciable real estate property, plus interest, taxes, depreciation and amortization.

**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 (GAAP), 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.

**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.

**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.

**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.

**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.

**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.

**Rental changes on new and renewal leases:** Rental changes are calculated as the difference, weighted by square feet, of the annualized base rent due the first month of the new lease's term and the annualized base rent of the rent due the last month of the former lease'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 and leases for first generation space on properties acquired or developed by EastGroup.

**Same Properties:** Operating properties owned during the entire current period and prior year reporting period. Properties developed or acquired are excluded until held in the operating portfolio for both the current and prior year reporting periods. Properties sold during the current or prior year reporting periods are excluded.

**Straight-Lining:** The process of averaging the customer's rent payments over the life of the lease. GAAP requires real estate companies to "straight-line" rents.

**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.

**Value-Add Properties:** Properties that are either acquired but not stabilized or can be converted to a higher and better use. Acquired properties meeting either of the following two conditions are considered value-add properties: (1) Less than 75% occupied as of the acquisition date (or will be less than 75% occupied within one year of acquisition date based on near term lease roll), or (2) 20% or greater of the acquisition cost will be spent to redevelop the property.