

**COUSINS PROPERTIES INCORPORATED**  
**CALCULATIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (1)**  
(in thousands, except per share amounts, percentages and ratios)

	2010	2011 1st	2011 2nd	2011 3rd	2011 4th	2011	2012 1st	2012 2nd	2012 3rd	2012 YTD
<b>2ND GENERATION TI &amp; LEASING COSTS &amp; BUILDING CAPEX:</b>										
<b>TOTAL BY SEGMENT:</b>										
<b>OFFICE:</b>										
SECOND GENERATION LEASING RELATED COSTS	5,363	1,896	6,357	5,821	2,528	16,602	1,933	2,393	4,825	9,150
SECOND GENERATION BUILDING IMPROVEMENTS	624	25	24	35	380	464	155	730	137	1,021
	5,987	1,921	6,381	5,856	2,908	17,067	2,087	3,122	4,962	10,171
<b>RETAIL:</b>										
SECOND GENERATION LEASING RELATED COSTS	2,613	51	44	372	1,607	2,074	246	64	116	425
<b>TOTAL 2ND GENERATION TI &amp; LEASING COSTS &amp; BUILDING CAPEX</b>	<b>8,600</b>	<b>1,972</b>	<b>6,425</b>	<b>6,228</b>	<b>4,515</b>	<b>19,140</b>	<b>2,333</b>	<b>3,186</b>	<b>5,077</b>	<b>10,597</b>
<b>NET OPERATING INCOME:</b>										
OFFICE CONSOLIDATED PROPERTIES	55,763	13,946	14,222	14,346	15,560	58,074	16,676	16,618	17,246	50,540
RETAIL CONSOLIDATED PROPERTIES	3,311	856	872	900	876	3,504	897	868	946	2,711
OTHER RENTAL OPERATIONS - CONSOLIDATED	96	1	-	-	-	1	-	-	-	-
<b>NET OPERATING INCOME - CONSOLIDATED</b>	<b>59,170</b>	<b>14,803</b>	<b>15,094</b>	<b>15,247</b>	<b>16,437</b>	<b>61,581</b>	<b>17,573</b>	<b>17,486</b>	<b>18,192</b>	<b>53,251</b>
RENTAL PROPERTY REVENUES	102,636	25,436	26,344	27,022	27,716	106,518	29,803	30,451	32,592	92,846
RENTAL PROPERTY OPERATING EXPENSES	(43,466)	(10,633)	(11,250)	(11,775)	(11,279)	(44,937)	(12,230)	(12,965)	(14,400)	(39,595)
<b>NET OPERATING INCOME - CONSOLIDATED</b>	<b>59,170</b>	<b>14,803</b>	<b>15,094</b>	<b>15,247</b>	<b>16,437</b>	<b>61,581</b>	<b>17,573</b>	<b>17,486</b>	<b>18,192</b>	<b>53,251</b>
<b>INCOME FROM DISCONTINUED OPERATIONS:</b>										
RENTAL PROPERTY REVENUES	45,692	10,857	10,344	10,519	8,450	40,170	7,689	6,224	5,055	18,968
RENTAL PROPERTY OPERATING EXPENSES	(16,799)	(3,624)	(4,222)	(4,391)	(3,218)	(15,455)	(2,274)	(2,219)	(1,508)	(6,001)
<b>NET OPERATING INCOME</b>	<b>28,893</b>	<b>7,233</b>	<b>6,122</b>	<b>6,128</b>	<b>5,232</b>	<b>24,715</b>	<b>5,415</b>	<b>4,005</b>	<b>3,547</b>	<b>12,967</b>
INTEREST AND OTHER INCOME (EXPENSE)	80	8	72	(16)	52	116	175	(1)	259	433
DEPRECIATION AND AMORTIZATION OF NON-REAL ESTATE ASSETS	(5)	-	-	-	-	-	-	-	-	-
<b>FFO FROM DISCONTINUED OPERATING PROPERTIES</b>	<b>28,968</b>	<b>7,241</b>	<b>6,194</b>	<b>6,112</b>	<b>5,284</b>	<b>24,831</b>	<b>5,590</b>	<b>4,004</b>	<b>3,806</b>	<b>13,400</b>
THIRD PARTY MANAGEMENT AND LEASING REVENUES	18,977	4,088	4,605	5,398	5,268	19,359	4,711	6,029	4,789	15,529
THIRD PARTY MANAGEMENT AND LEASING EXPENSES	(17,393)	(4,093)	(4,080)	(4,241)	(4,171)	(16,585)	(4,300)	(4,607)	(4,260)	(13,167)
<b>FFO FROM THIRD PARTY MANAGEMENT AND LEASING</b>	<b>1,584</b>	<b>(5)</b>	<b>525</b>	<b>1,157</b>	<b>1,097</b>	<b>2,774</b>	<b>411</b>	<b>1,422</b>	<b>529</b>	<b>2,362</b>
<b>FFO FROM DISCONTINUED OPERATIONS</b>	<b>30,552</b>	<b>7,236</b>	<b>6,719</b>	<b>7,269</b>	<b>6,381</b>	<b>27,605</b>	<b>6,001</b>	<b>5,426</b>	<b>4,335</b>	<b>15,762</b>
DEPRECIATION AND AMORTIZATION OF REAL ESTATE	(22,937)	(5,067)	(5,004)	(4,650)	(4,428)	(19,149)	(3,660)	(2,387)	(2,575)	(8,622)
IMPAIRMENT LOSSES	-	-	-	-	-	-	-	(12,233)	-	(12,233)
<b>INCOME FROM DISCONTINUED OPERATIONS</b>	<b>7,615</b>	<b>2,169</b>	<b>1,715</b>	<b>2,619</b>	<b>1,953</b>	<b>8,456</b>	<b>2,341</b>	<b>3,039</b>	<b>1,760</b>	<b>(5,093)</b>

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	2010	2011 1st	2011 2nd	2011 3rd	2011 4th	2011	2012 1st	2012 2nd	2012 3rd	2012 YTD
<b>RESIDENTIAL LOT, OUTPARCEL, TRACT AND OTHER INVESTMENT</b>										
<b>PROPERTY SALES AND COST OF SALES:</b>										
<b>CONSOLIDATED:</b>										
RESIDENTIAL LOT AND OUTPARCEL SALES - CONSOLIDATED:										
RESIDENTIAL LOT SALES	2,514	165	80	165	2,605	3,015	949	535	732	2,216
OUTPARCEL SALES	13,429	-	-	-	-	-	-	-	-	-
TOTAL RESIDENTIAL LOT AND OUTPARCEL SALES	15,943	165	80	165	2,605	3,015	949	535	732	2,216
RESIDENTIAL LOT AND OUTPARCEL COST OF SALES - CONSOLIDATED:										
RESIDENTIAL LOT COST OF SALES	1,940	119	76	158	2,588	2,941	564	416	354	1,333
OUTPARCEL COST OF SALES	8,759	(50)	-	-	-	(50)	-	-	-	-
TOTAL RESIDENTIAL LOT AND OUTPARCEL COST OF SALES-CONSOLIDATED	10,699	69	76	158	2,588	2,891	564	416	354	1,333
TRACT SALES INCLUDED IN GAIN ON SALE OF INVESTMENT PROPERTIES										
RESIDENTIAL LOT, OUTPARCEL, TRACT AND OTHER INVESTMENT PROPERTY	1,697	-	-	-	3,258	3,258	-	(30)	-	(30)
SALES LESS COST OF SALES - CONSOLIDATED	6,941	96	4	7	3,275	3,382	385	90	378	853
<b>SUMMARY - CONSOLIDATED:</b>										
RESIDENTIAL LOT SALES LESS COST OF SALES	574	46	4	7	17	74	385	119	378	882
OUTPARCEL SALES LESS COST OF SALES	4,670	50	-	-	-	50	-	-	-	-
TRACT SALES LESS COST OF SALES	1,697	-	-	-	3,258	3,258	-	(30)	-	(30)
TOTAL CONSOLIDATED SALES LESS COST OF SALES	6,941	96	4	7	3,275	3,382	385	89	378	852
<b>OTHER SALES AND COST OF SALES:</b>										
<b>CONSOLIDATED:</b>										
OTHER SALES - CONSOLIDATED:										
OTHER SALES	34,442	4,657	7	-	-	4,664	-	174	-	174
OTHER COST OF SALES	(27,017)	(2,500)	13	-	-	(2,487)	-	(119)	-	(119)
OTHER SALES LESS COST OF SALES - CONSOLIDATED	7,425	2,157	20	-	-	2,177	-	55	-	55
<b>UNCONSOLIDATED:</b>										
OTHER SALES - UNCONSOLIDATED:										
OTHER SALES	389	-	-	-	-	-	-	-	-	-
OTHER COST OF SALES	(266)	(5)	-	-	-	(5)	-	-	-	-
OTHER, NET	350	22	33	(2)	25	77	(1)	(2)	-	(3)
OTHER SALES LESS COST OF SALES - SHARE OF UNCONSOLIDATED	473	17	33	(2)	25	72	(1)	(2)	-	(3)
TOTAL OTHER SALES FFO	7,898	2,174	53	(2)	25	2,249	(1)	53	-	52
<b>UNCONSOLIDATED:</b>										
RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES - UNCONSOLIDATED:										
RESIDENTIAL LOT SALES	7,768	1,186	2,229	1,875	2,053	7,343	-	-	-	-
OUTPARCEL SALES	516	-	-	-	-	-	-	-	-	-
TRACT SALES	10,633	572	29	152	41	794	176	-	-	176
TOTAL RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES	18,917	1,758	2,258	2,027	2,093	8,137	176	-	-	176
RESIDENTIAL LOT, OUTPARCEL AND TRACT COST OF SALES - UNCONSOLIDATED:										
RESIDENTIAL LOT COST OF SALES	5,896	1,006	1,835	1,363	1,566	5,770	-	-	-	-
OUTPARCEL COST OF SALES	434	-	-	-	-	-	-	-	-	-
TRACT COST OF SALES	7,026	552	2	(15)	(26)	513	176	-	-	176
TOTAL RESIDENTIAL LOT, OUTPARCEL AND TRACT COST OF SALES	13,356	1,558	1,837	1,348	1,540	6,283	176	-	-	176
RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES LESS COST OF SALES -UNCONSOLIDATED	5,561	200	421	679	554	1,854	-	-	-	-
<b>SUMMARY - UNCONSOLIDATED:</b>										
RESIDENTIAL LOT SALES LESS COST OF SALES	1,872	180	394	512	487	1,573	-	-	-	-
OUTPARCEL SALES LESS COST OF SALES	82	-	-	-	-	-	-	-	-	-
TRACT SALES LESS COST OF SALES	3,607	20	27	167	67	281	-	-	-	-
RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES LESS COST OF SALES - SHARE OF UNCONSOLIDATEDS	5,561	200	421	679	554	1,854	-	-	-	-
TOTAL RESIDENTIAL LOT, OUTPARCEL, TRACT AND OTHER INVESTMENT PROPERTY SALES LESS COST OF SALES	12,502	296	425	686	3,829	5,236	385	89	378	852

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<b>INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES:</b>										
NET OPERATING INCOME:										
OFFICE PROPERTIES	12,242	3,357	3,322	3,406	3,507	13,592	3,661	3,271	3,211	10,143
RETAIL PROPERTIES	7,937	2,695	2,596	2,647	2,728	10,666	2,608	2,666	2,671	7,945
NET OPERATING INCOME	20,179	6,052	5,918	6,053	6,235	24,258	6,269	5,937	5,882	18,088
RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES LESS COST OF SALES	5,561	200	421	679	554	1,854	-	-	-	-
OTHER SALES LESS COST OF SALES	473	17	33	(2)	25	73	(1)	(2)	-	(3)
TERMINATION FEES	48	58	-	-	15	73	42	18	-	60
INTEREST EXPENSE	(4,252)	(1,192)	(1,147)	(1,212)	(1,180)	(4,731)	(1,179)	(1,062)	(966)	(3,207)
OTHER EXPENSE	913	43	-	(413)	(97)	(467)	(279)	(138)	(167)	(584)
IMPAIRMENT LOSSES	(3,746)	-	(250)	-	(28,753)	(29,003)	-	-	-	-
DEPRECIATION AND AMORTIZATION OF NON-REAL ESTATE ASSETS	(22)	(5)	(5)	(5)	(5)	(20)	(5)	(5)	(5)	(15)
<b>FUNDS FROM OPERATIONS - UNCONSOLIDATED JOINT VENTURES</b>	19,154	5,173	4,970	5,100	(23,206)	(7,963)	4,847	4,748	4,744	14,339
GAIN ON SALE OF DEPRECIATED INVESTMENT PROPERTIES, NET	-	-	-	-	-	-	-	7,509	-	7,509
DEPRECIATION AND AMORTIZATION OF REAL ESTATE	(9,661)	(2,678)	(2,658)	(2,440)	(2,561)	(10,337)	(2,661)	(2,495)	(2,475)	(7,631)
<b>NET INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES</b>	9,493	2,496	2,312	2,660	(25,767)	(18,299)	2,186	9,762	2,269	14,217
<b>MARKET CAPITALIZATION</b>										
COMMON STOCK PRICE AT PERIOD END	8.34	8.35	8.54	5.85	6.41	6.41	7.58	7.75	7.94	7.94
NUMBER OF COMMON SHARES OUTSTANDING AT PERIOD END	103,392	103,631	103,714	103,714	103,702	103,702	104,139	104,215	104,136	104,136
COMMON STOCK CAPITALIZATION	862,289	865,319	885,718	606,727	664,730	664,730	789,374	807,666	826,840	826,840
PREFERRED STOCK-SERIES A-PRICE AT LIQUIDATION VALUE	74,827	74,827	74,827	74,827	74,827	74,827	74,827	74,827	74,827	74,827
PREFERRED STOCK-SERIES B-PRICE AT LIQUIDATION VALUE	94,775	94,775	94,775	94,775	94,775	94,775	94,775	94,775	94,775	94,775
PREFERRED STOCK AT LIQUIDATION VALUE	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602
DEBT	509,509	496,823	498,034	462,135	539,442	539,442	529,168	461,021	518,630	518,630
SHARE OF UNCONSOLIDATED DEBT	172,325	166,726	163,931	162,022	162,127	162,127	164,217	156,364	165,571	165,571
DEBT (2)	681,834	663,549	661,965	624,157	701,569	701,569	693,385	617,385	684,201	684,201
<b>TOTAL MARKET CAPITALIZATION</b>	1,713,725	1,698,470	1,717,285	1,400,486	1,535,901	1,535,901	1,652,361	1,594,654	1,680,643	1,680,643
<b>LEVERAGE RATIOS</b>										
DEBT (2)	681,834	663,549	661,965	624,157	701,569	701,569	693,385	617,385	684,201	684,201
TOTAL MARKET CAPITALIZATION	1,713,725	1,698,470	1,717,285	1,400,486	1,535,901	1,535,901	1,652,361	1,594,654	1,680,643	1,680,643
<b>DEBT (2) / TOTAL MARKET CAPITALIZATION</b>	40%	39%	39%	45%	46%	46%	42%	39%	41%	41%
TOTAL ASSETS-CONSOLIDATED	1,371,282	1,335,453	1,337,132	1,294,376	1,235,535	1,235,535	1,199,634	1,135,315	1,199,101	1,199,101
ACCUMULATED DEPRECIATION-CONSOLIDATED	274,925	286,547	298,085	286,399	289,473	289,473	302,782	281,739	294,710	294,710
UNDEPRECIATED ASSETS-UNCONSOLIDATED (2)	485,993	485,029	499,381	507,201	516,686	516,686	467,303	454,388	461,500	461,500
LESS: INVESTMENT IN UNCONSOLIDATED JOINT VENTURES	(167,108)	(165,119)	(179,149)	(181,947)	(160,587)	(160,587)	(141,180)	(140,303)	(139,782)	(139,782)
<b>TOTAL UNDEPRECIATED ASSETS (2)</b>	1,965,092	1,941,910	1,955,449	1,906,029	1,881,107	1,881,107	1,828,539	1,731,139	1,815,529	1,815,529
DEBT (2)	681,834	663,549	661,965	624,157	701,569	701,569	693,385	617,385	684,201	684,201
UNDEPRECIATED ASSETS (2)	1,965,092	1,941,910	1,955,449	1,906,029	1,881,107	1,881,107	1,828,539	1,731,139	1,815,529	1,815,529
<b>DEBT (2) / TOTAL UNDEPRECIATED ASSETS (2)</b>	35%	34%	34%	33%	37%	37%	38%	36%	38%	38%
DEBT (2)	681,834	663,549	661,965	624,157	701,569	701,569	693,385	617,385	684,201	684,201
PREFERRED STOCK AT LIQUIDATION VALUE	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602	169,602
DEBT (2) + PREFERRED	851,436	833,151	831,567	793,759	871,171	871,171	862,987	786,987	853,803	853,803
TOTAL MARKET CAPITALIZATION	1,713,725	1,698,470	1,717,285	1,400,486	1,535,901	1,535,901	1,652,361	1,594,654	1,680,643	1,680,643
<b>DEBT (2) + PREFERRED / TOTAL MARKET CAPITALIZATION</b>	50%	49%	48%	57%	57%	57%	52%	49%	51%	51%
DEBT (2) + PREFERRED	851,436	833,151	831,567	793,759	871,171	871,171	862,987	786,987	853,803	853,803
TOTAL UNDEPRECIATED ASSETS (2)	1,965,092	1,941,910	1,955,449	1,906,029	1,881,107	1,881,107	1,828,539	1,731,139	1,815,529	1,815,529
<b>DEBT (2) + PREFERRED / TOTAL UNDEPRECIATED ASSETS (2)</b>	43%	43%	43%	42%	46%	46%	47%	45%	47%	47%

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<b><u>EBITDA (2)</u></b>										
FFO	32,781	8,122	10,896	14,309	(110,202)	(76,875)	13,488	13,152	25,685	52,325
INTEREST EXPENSE	41,432	8,736	8,505	7,813	7,461	32,515	7,447	6,937	6,759	21,143
NON-REAL ESTATE DEPRECIATION AND AMORTIZATION	1,911	568	377	393	370	1,708	369	228	261	858
INCOME TAX PROVISION (BENEFIT)	(1,079)	(64)	27	(180)	31	(186)	27	33	60	120
IMPAIRMENT LOSSES	6,300	3,508	250	-	125,376	129,134	-	-	488	488
PREDEVELOPMENT CHARGES	732	-	-	-	937	937	-	-	-	-
LOSS ON DEBT EXTINGUISHMENT AND INTEREST RATE SWAP	9,827	-	-	74	-	74	94	-	-	94
GAIN ON SALE OF THIRD PARTY BUSINESS	-	-	-	-	-	-	-	-	(7,384)	(7,384)
PARTICIPATION INTEREST INCOME	-	-	-	-	-	-	-	-	(3,366)	(3,366)
PREFERRED STOCK DIVIDENDS	12,907	3,227	3,227	3,226	3,227	12,907	3,227	3,227	3,226	9,680
<b>EBITDA (2)</b>	<b>104,811</b>	<b>24,097</b>	<b>23,282</b>	<b>25,635</b>	<b>27,200</b>	<b>100,214</b>	<b>24,652</b>	<b>23,577</b>	<b>25,729</b>	<b>73,958</b>
<b><u>COVERAGE RATIOS (2)</u></b>										
EBITDA	104,811	24,097	23,282	25,635	27,200	100,214	24,652	23,577	25,729	73,958
INTEREST EXPENSE	41,432	8,736	8,505	7,813	7,461	32,515	7,447	6,937	6,759	21,143
<b>INTEREST COVERAGE RATIO (2)</b>	<b>2.53</b>	<b>2.76</b>	<b>2.74</b>	<b>3.28</b>	<b>3.65</b>	<b>3.08</b>	<b>3.31</b>	<b>3.40</b>	<b>3.81</b>	<b>3.50</b>
INTEREST EXPENSE	41,432	8,736	8,505	7,813	7,461	32,515	7,447	6,937	6,759	21,143
SCHEDULED PRINCIPAL PAYMENTS	4,399	1,755	1,894	1,650	1,980	7,279	2,123	2,045	1,755	5,923
PREFERRED STOCK DIVIDENDS	12,907	3,227	3,227	3,226	3,227	12,907	3,227	3,227	3,226	9,680
FIXED CHARGES	58,738	13,718	13,626	12,689	12,668	52,701	12,797	12,209	11,740	36,746
EBITDA	104,811	24,097	23,282	25,635	27,200	100,214	24,652	23,577	25,729	73,958
<b>FIXED CHARGES COVERAGE RATIO (2)</b>	<b>1.78</b>	<b>1.76</b>	<b>1.71</b>	<b>2.02</b>	<b>2.15</b>	<b>1.90</b>	<b>1.93</b>	<b>1.93</b>	<b>2.19</b>	<b>2.01</b>
DEBT (2)	681,834	663,549	661,965	624,157	701,569	701,569	693,385	617,385	684,201	684,201
ANNUALIZED EBITDA (3)	111,284	96,388	93,128	102,540	108,800	108,800	98,608	94,308	102,916	102,916
<b>DEBT (2) / ANNUALIZED EBITDA (3)</b>	<b>6.13</b>	<b>6.88</b>	<b>7.11</b>	<b>6.09</b>	<b>6.45</b>	<b>6.45</b>	<b>7.03</b>	<b>6.55</b>	<b>6.65</b>	<b>6.65</b>
<b><u>DIVIDEND RATIOS</u></b>										
REGULAR COMMON DIVIDENDS:										
CASH	12,176	4,653	4,663	4,667	4,667	18,651	4,687	4,686	4,690	14,063
COMMON STOCK	24,282	-	-	-	-	-	-	-	-	-
COMMON DIVIDENDS	36,458	4,653	4,663	4,667	4,667	18,651	4,687	4,686	4,690	14,063
FFO	32,781	8,122	10,896	14,309	(110,202)	(76,875)	13,488	13,152	25,685	52,325
<b>FFO PAYOUT RATIO</b>	<b>111%</b>	<b>57%</b>	<b>43%</b>	<b>33%</b>	<b>-4%</b>	<b>-24%</b>	<b>35%</b>	<b>36%</b>	<b>18%</b>	<b>27%</b>
<b><u>FFO BEFORE CERTAIN CHARGES</u></b>										
FFO	32,781	8,122	10,896	14,309	(110,202)	(76,875)	13,488	13,152	25,685	52,325
IMPAIRMENT LOSSES (2)	6,300	3,508	250	-	125,376	129,134	-	-	488	488
PREDEVELOPMENT & OTHER CHARGES	732	-	-	-	937	937	(1,185)	-	-	(1,185)
LOSS ON DEBT EXTINGUISHMENT AND INTEREST RATE SWAP	9,827	-	-	74	-	74	94	-	-	94
GAIN ON SALE OF THIRD PARTY BUSINESS	-	-	-	-	-	-	-	-	(7,384)	(7,384)
PARTICIPATION INTEREST INCOME	-	-	-	-	-	-	-	-	(3,366)	(3,366)
SEPARATION CHARGES	1,045	101	77	15	4	197	213	79	574	866
<b>FFO BEFORE CERTAIN CHARGES</b>	<b>50,685</b>	<b>11,731</b>	<b>11,223</b>	<b>14,398</b>	<b>16,115</b>	<b>53,467</b>	<b>12,610</b>	<b>13,231</b>	<b>15,997</b>	<b>41,838</b>
<b>FFO BEFORE CERTAIN CHARGES PAYOUT RATIO</b>	<b>72%</b>	<b>40%</b>	<b>42%</b>	<b>32%</b>	<b>29%</b>	<b>35%</b>	<b>37%</b>	<b>35%</b>	<b>29%</b>	<b>34%</b>

**COUSINS PROPERTIES INCORPORATED**  
**CALCULATIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (1)**  
(in thousands, except per share amounts, percentages and ratios)

	2010	2011 1st	2011 2nd	2011 3rd	2011 4th	2011	2012 1st	2012 2nd	2012 3rd	2012 YTD
<b><u>FAD (2)</u></b>										
FFO	32,781	8,122	10,896	14,309	(110,202)	(76,875)	13,488	13,152	25,685	52,325
FAS 13	(7,936)	(2,637)	(2,885)	(3,095)	(2,459)	(11,076)	(2,686)	(2,152)	(1,823)	(6,661)
ABOVE AND BELOW MARKET RENTS	(90)	(23)	(15)	(15)	27	(26)	108	87	124	319
SECOND GENERATION CAPEX	(8,600)	(1,972)	(6,425)	(6,228)	(4,515)	(19,140)	(2,333)	(3,186)	(5,077)	(10,597)
<b>FAD (2)</b>	<b>16,154</b>	<b>3,490</b>	<b>1,571</b>	<b>4,970</b>	<b>(117,149)</b>	<b>(107,117)</b>	<b>8,577</b>	<b>7,901</b>	<b>18,909</b>	<b>35,386</b>
COMMON DIVIDENDS	36,458	4,653	4,663	4,667	4,667	18,651	4,687	4,686	4,690	14,063
<b>FAD PAYOUT RATIO (2)</b>	<b>226%</b>	<b>133%</b>	<b>297%</b>	<b>94%</b>	<b>-4%</b>	<b>-17%</b>	<b>55%</b>	<b>59%</b>	<b>25%</b>	<b>40%</b>
<b><u>FAD BEFORE CERTAIN CHARGES</u></b>										
FAD (2)	16,154	3,490	1,571	4,970	(117,149)	(107,117)	8,577	7,901	18,909	35,386
IMPAIRMENT LOSSES (2)	6,300	3,508	250	-	125,376	129,134	-	-	488	488
PREDEVELOPMENT & OTHER CHARGES	732	-	-	-	937	937	(1,185)	-	-	(1,185)
LOSS ON DEBT EXTINGUISHMENT AND INTEREST RATE SWAP	9,827	-	-	74	-	74	94	-	-	94
GAIN ON SALE OF THIRD PARTY BUSINESS	-	-	-	-	-	-	-	-	(7,384)	(7,384)
PARTICIPATION INTEREST INCOME	-	-	-	-	-	-	-	-	(3,366)	(3,366)
SEPARATION CHARGES	1,045	101	77	15	4	197	213	79	574	866
<b>FAD BEFORE CERTAIN CHARGES</b>	<b>34,058</b>	<b>7,099</b>	<b>1,898</b>	<b>5,059</b>	<b>9,168</b>	<b>23,225</b>	<b>7,699</b>	<b>7,980</b>	<b>9,221</b>	<b>24,899</b>
<b>FAD BEFORE CERTAIN CHARGES PAYOUT RATIO</b>	<b>107%</b>	<b>66%</b>	<b>246%</b>	<b>92%</b>	<b>51%</b>	<b>80%</b>	<b>61%</b>	<b>59%</b>	<b>51%</b>	<b>56%</b>
<b><u>OPERATIONS RATIOS</u></b>										
REVENUES	155,155	34,131	30,421	31,543	33,874	129,969	34,882	34,025	43,728	112,635
REVENUES FROM DISCONTINUED OPERATIONS	78,242	14,970	15,038	15,918	13,782	59,708	12,592	12,266	10,111	34,969
REVENUES INCLUDING DISCONTINUED OPERATIONS	233,397	49,101	45,459	47,461	47,656	189,677	47,474	46,291	53,839	147,604
GENERAL AND ADMINISTRATIVE EXPENSES	28,517	7,400	6,133	4,295	6,338	24,166	6,623	5,645	5,255	17,523
REVENUES INCLUDING DISCONTINUED OPERATIONS	233,397	49,101	45,459	47,461	47,656	189,677	47,474	46,291	53,839	147,604
<b>GENERAL AND ADMINISTRATIVE EXPENSES/REVENUES INCLUDING DISCONTINUED OPERATIONS</b>	<b>12.2%</b>	<b>15.1%</b>	<b>13.5%</b>	<b>9.0%</b>	<b>13.3%</b>	<b>12.7%</b>	<b>14.0%</b>	<b>12.2%</b>	<b>9.8%</b>	<b>11.9%</b>
TOTAL UNDEPRECIATED ASSETS (2)	1,965,092	1,941,910	1,955,449	1,906,029	1,881,107	1,881,107	1,828,539	1,731,139	1,815,529	1,815,529
<b>ANNUALIZED GENERAL AND ADMINISTRATIVE EXPENSES (3) / TOTAL UNDEPRECIATED ASSETS</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.3%</b>	<b>0.9%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.4%</b>	<b>1.3%</b>	<b>1.2%</b>	<b>1.2%</b>

(1) AMOUNTS MAY DIFFER SLIGHTLY FROM OTHER SCHEDULES CONTAINED HEREIN DUE TO ROUNDING.

(2) INCLUDES COMPANY SHARE OF UNCONSOLIDATED JOINT VENTURES.

(3) ANNUALIZED REPRESENTS QUARTER AMOUNT ANNUALIZED.

**COUSINS PROPERTIES INCORPORATED**  
**CALCULATIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES**  
(\$ in thousands)

	Three Months Ended			Nine Months Ended	
	September 30, 2012	September 30, 2011	June 30, 2012	September 30, 2012	September 30, 2011
<b>Net Operating Income</b>					
Same Property	24,446	23,752	24,199	73,385	70,512
Non-Same Property	3,174	3,676	3,229	10,920	12,137
<b>Consolidated Property Net Operating Income</b>	<b>27,620</b>	<b>27,428</b>	<b>27,428</b>	<b>84,305</b>	<b>82,650</b>
<b>Less: Non-Cash Items</b>					
Straight-line rent	1,826	3,088	2,153	6,658	8,597
Other	(29)	116	(3)	(24)	406
<b>Non-Cash Items</b>	<b>1,797</b>	<b>3,204</b>	<b>2,151</b>	<b>6,634</b>	<b>9,003</b>
<b>Cash Basis Property Net Operating Income</b>	<b>25,823</b>	<b>24,224</b>	<b>25,278</b>	<b>77,671</b>	<b>73,647</b>
<b>Net Operating Income (1)</b>					
Operating Properties	18,192	15,247	17,485	53,251	45,144
Discontinued Operations	3,547	6,128	4,006	12,967	19,483
Share of Unconsolidated Joint Ventures	5,881	6,053	5,937	18,087	18,023
<b>Total Net Operating Income</b>	<b>27,620</b>	<b>27,428</b>	<b>27,428</b>	<b>84,305</b>	<b>82,650</b>

(1) See reconciliation above within previous pages of the calculations and reconciliations of Non-GAAP financial measures.