

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

	2011	2012 1st	2012 2nd	2012 3rd	2012 4th	2012	2013 1st	2013 2nd	2013 3rd	2013 YTD
<u>2ND GENERATION TI & LEASING COSTS & BUILDING CAPEX:</u>										
<u>TOTAL BY SEGMENT:</u>										
OFFICE:										
SECOND GENERATION LEASING RELATED COSTS	16,602	1,933	2,393	4,825	4,031	13,181	2,865	1,524	2,642	7,031
SECOND GENERATION BUILDING IMPROVEMENTS	464	155	730	137	250	1,271	79	1,589	200	1,868
	<u>17,067</u>	<u>2,087</u>	<u>3,122</u>	<u>4,962</u>	<u>4,281</u>	<u>14,453</u>	<u>2,944</u>	<u>3,113</u>	<u>2,842</u>	<u>8,900</u>
RETAIL:										
SECOND GENERATION LEASING RELATED COSTS	2,074	246	64	116	180	605	88	239	133	460
TOTAL 2ND GENERATION TI & LEASING COSTS & BUILDING CAPEX	<u>19,140</u>	<u>2,333</u>	<u>3,186</u>	<u>5,077</u>	<u>4,461</u>	<u>15,058</u>	<u>3,032</u>	<u>3,352</u>	<u>2,976</u>	<u>9,360</u>
<u>NET OPERATING INCOME:</u>										
OFFICE CONSOLIDATED PROPERTIES	57,177	16,449	16,397	17,122	17,259	67,227	18,531	19,763	26,114	64,408
RETAIL CONSOLIDATED PROPERTIES	(1)	—	4	57	259	320	389	390	364	1,143
NET OPERATING INCOME - CONSOLIDATED	<u>57,179</u>	<u>16,449</u>	<u>16,401</u>	<u>17,179</u>	<u>17,518</u>	<u>67,547</u>	<u>18,920</u>	<u>20,153</u>	<u>26,478</u>	<u>65,551</u>
RENTAL PROPERTY REVENUES	100,414	28,300	28,922	31,125	32,072	120,417	34,749	38,729	49,208	122,686
RENTAL PROPERTY OPERATING EXPENSES	(43,235)	(11,848)	(12,521)	(13,946)	(14,554)	(52,870)	(15,829)	(18,576)	(22,730)	(57,135)
NET OPERATING INCOME - CONSOLIDATED	<u>57,179</u>	<u>16,452</u>	<u>16,401</u>	<u>17,179</u>	<u>17,518</u>	<u>67,547</u>	<u>18,920</u>	<u>20,153</u>	<u>26,478</u>	<u>65,551</u>
<u>INCOME FROM DISCONTINUED OPERATIONS:</u>										
RENTAL PROPERTY REVENUES	46,275	9,193	7,753	6,522	4,239	27,707	1,376	1,311	1,237	3,924
RENTAL PROPERTY OPERATING EXPENSES	(17,155)	(2,658)	(2,663)	(1,962)	(1,113)	(8,394)	(573)	(474)	(423)	(1,470)
NET OPERATING INCOME	<u>29,120</u>	<u>6,535</u>	<u>5,090</u>	<u>4,560</u>	<u>3,126</u>	<u>19,313</u>	<u>803</u>	<u>837</u>	<u>814</u>	<u>2,454</u>
TERMINATION FEES	77	192	13	3,232	75	3,512	—	—	—	—
INTEREST AND OTHER INCOME (EXPENSE)	41	(17)	(14)	2	(3)	(32)	(4)	(9)	4	(9)
FFO FROM DISCONTINUED OPERATING PROPERTIES	<u>29,238</u>	<u>6,710</u>	<u>5,089</u>	<u>7,794</u>	<u>3,198</u>	<u>22,793</u>	<u>799</u>	<u>828</u>	<u>818</u>	<u>2,445</u>
THIRD PARTY MANAGEMENT AND LEASING REVENUES	19,359	4,711	6,029	4,789	836	16,365	74	2	—	76
THIRD PARTY MANAGEMENT AND LEASING EXPENSES	(16,585)	(4,300)	(4,607)	(4,260)	(508)	(13,675)	(53)	(27)	(14)	(94)
FFO FROM THIRD PARTY MANAGEMENT AND LEASING	<u>2,774</u>	<u>411</u>	<u>1,422</u>	<u>529</u>	<u>328</u>	<u>2,690</u>	<u>21</u>	<u>(25)</u>	<u>(14)</u>	<u>(18)</u>
FFO FROM DISCONTINUED OPERATIONS	<u>32,012</u>	<u>7,121</u>	<u>6,511</u>	<u>8,323</u>	<u>3,526</u>	<u>25,483</u>	<u>820</u>	<u>803</u>	<u>804</u>	<u>2,427</u>
DEPRECIATION AND AMORTIZATION OF REAL ESTATE	(21,497)	(4,242)	(2,967)	(3,600)	(541)	(11,349)	(510)	(524)	—	(1,034)
IMPAIRMENT LOSSES	(10,945)	(12,233)	—	—	(1,558)	(13,791)	—	—	—	—
INCOME FROM DISCONTINUED OPERATIONS	<u>(429)</u>	<u>(9,355)</u>	<u>3,544</u>	<u>4,723</u>	<u>1,427</u>	<u>343</u>	<u>310</u>	<u>279</u>	<u>804</u>	<u>1,393</u>
<u>RESIDENTIAL LOT, OUTPARCEL, TRACT AND OTHER INVESTMENT PROPERTY SALES AND COST OF SALES:</u>										
<u>CONSOLIDATED:</u>										
RESIDENTIAL LOT AND OUTPARCEL SALES - CONSOLIDATED:										
RESIDENTIAL LOT SALES	3,015	949	535	732	400	2,616	460	283	155	898
OUTPARCEL SALES	—	—	—	—	—	—	503	150	—	653
TOTAL RESIDENTIAL LOT AND OUTPARCEL SALES	<u>3,015</u>	<u>949</u>	<u>535</u>	<u>732</u>	<u>400</u>	<u>2,616</u>	<u>963</u>	<u>433</u>	<u>155</u>	<u>1,551</u>

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<u>RESIDENTIAL LOT AND OUTPARCEL COST OF SALES - CONSOLIDATED:</u>										
RESIDENTIAL LOT COST OF SALES	2,941	564	416	354	87	1,420	460	283	147	889
OUTPARCEL COST OF SALES	(50)	—	—	—	—	—	503	150	—	653
TOTAL RESIDENTIAL LOT AND OUTPARCEL COST OF SALES-CONSOLIDATED	2,891	564	416	354	87	1,420	963	433	147	1,543
<u>TRACT SALES INCLUDED IN GAIN ON SALE OF INVESTMENT PROPERTIES</u>										
RESIDENTIAL LOT, OUTPARCEL, TRACT AND OTHER INVESTMENT PROPERTY SALES LESS COST OF SALES - CONSOLIDATED	3,258	—	(30)	—	—	(30)	242	276	602	1,120
TOTAL RESIDENTIAL LOT AND OUTPARCEL COST OF SALES-CONSOLIDATED	3,382	385	90	378	313	1,166	243	276	611	1,129
<u>SUMMARY - CONSOLIDATED:</u>										
RESIDENTIAL LOT SALES LESS COST OF SALES	74	385	120	378	313	1,196	—	—	8	8
OUTPARCEL SALES LESS COST OF SALES	50	—	—	—	—	—	—	—	—	—
TRACT SALES LESS COST OF SALES	3,258	—	(30)	—	3,750	3,720	242	276	602	1,120
TOTAL CONSOLIDATED SALES LESS COST OF SALES	3,382	385	90	378	4,063	4,916	242	276	611	1,128
<u>OTHER SALES AND COST OF SALES:</u>										
<u>CONSOLIDATED:</u>										
<u>OTHER SALES - CONSOLIDATED:</u>										
OTHER SALES	4,664	—	174	—	520	694	340	—	—	340
OTHER COST OF SALES	(2,487)	—	(119)	—	(294)	(413)	(182)	—	—	(182)
OTHER SALES LESS COST OF SALES - CONSOLIDATED	2,177	—	55	—	226	281	158	—	—	158
<u>UNCONSOLIDATED:</u>										
<u>OTHER SALES - UNCONSOLIDATED:</u>										
OTHER SALES	—	—	—	—	—	—	—	—	—	—
OTHER COST OF SALES	(5)	—	—	—	—	—	—	—	—	—
OTHER, NET	77	(1)	(2)	—	31	28	10	(8)	(6)	(4)
OTHER SALES LESS COST OF SALES - SHARE OF UNCONSOLIDATED	72	(1)	(2)	—	31	28	10	(8)	(6)	(4)
TOTAL OTHER SALES FFO	2,249	(1)	53	—	257	309	168	(8)	(6)	154
<u>UNCONSOLIDATED:</u>										
<u>RESIDENTIAL LOT AND TRACT SALES - UNCONSOLIDATED:</u>										
RESIDENTIAL LOT SALES	7,343	—	—	—	—	—	—	—	—	—
OUTPARCEL SALES	—	—	—	—	—	—	—	—	475	475
TRACT SALES	794	176	—	—	—	176	—	—	90	90
TOTAL RESIDENTIAL LOT AND TRACT SALES	8,137	176	—	—	—	176	—	—	565	565
<u>RESIDENTIAL LOT AND TRACT COST OF SALES - UNCONSOLIDATED:</u>										
RESIDENTIAL LOT COST OF SALES	5,770	—	—	—	—	—	—	—	—	—
OUTPARCEL COST OF SALES	—	—	—	—	—	—	—	—	360	360
TRACT COST OF SALES	513	176	—	—	—	176	—	—	90	90
TOTAL RESIDENTIAL LOT AND TRACT COST OF SALES	6,283	176	—	—	—	176	—	—	451	451
RESIDENTIAL LOT AND TRACT SALES LESS COST OF SALES -UNCONSOLIDATED	1,854	—	—	—	—	—	—	—	115	115

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SUMMARY - UNCONSOLIDATED:										
RESIDENTIAL LOT SALES LESS COST OF SALES	1,573	—	—	—	—	—	—	—	—	—
OUTPARCEL SALES LESS COST OF SALES	—	—	—	—	—	—	—	—	115	115
TRACT SALES LESS COST OF SALES	281	—	—	—	—	—	—	—	—	—
RESIDENTIAL LOT AND TRACT SALES LESS COST OF SALES - SHARE OF UNCONSOLIDATED	1,854	—	—	—	—	—	—	—	115	115
TOTAL RESIDENTIAL LOT AND TRACT SALES LESS COST OF SALES	5,236	385	90	378	4,063	4,916	242	276	725	1,243
<u>INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES:</u>										
NET OPERATING INCOME:										
OFFICE PROPERTIES	13,592	3,661	3,271	3,210	2,613	12,755	3,373	4,206	4,289	11,868
RETAIL PROPERTIES	10,666	2,608	2,666	2,671	2,774	10,719	3,031	3,000	2,392	8,423
OTHER PROPERTIES	—	—	—	—	122	122	43	376	861	1,280
NET OPERATING INCOME	24,258	6,269	5,937	5,881	5,509	23,596	6,447	7,582	7,542	21,571
RESIDENTIAL LOT, OUTPARCEL AND TRACT SALES LESS COST OF SALES	1,854	—	—	—	—	—	—	—	115	115
OTHER SALES LESS COST OF SALES	73	(1)	(2)	—	31	28	10	(8)	(6)	(4)
TERMINATION FEES	73	42	18	—	2	62	19	—	—	19
INTEREST EXPENSE	(4,338)	(1,179)	(1,062)	(966)	(1,014)	(4,221)	(1,710)	(2,332)	(2,075)	(6,117)
OTHER EXPENSE	(467)	(279)	(138)	(167)	(55)	(639)	112	82	187	381
IMPAIRMENT LOSSES	(29,003)	—	—	—	—	—	—	—	—	—
DEPRECIATION AND AMORTIZATION OF NON-REAL ESTATE ASSETS	(20)	(5)	(5)	(5)	—	(15)	(22)	(24)	(27)	(73)
FUNDS FROM OPERATIONS - UNCONSOLIDATED JOINT VENTURES	(7,570)	4,847	4,748	4,743	4,473	18,811	4,856	5,300	5,736	15,892
GAIN ON SALE OF DEPRECIATED INVESTMENT PROPERTIES, NET	—	—	7,509	—	23,153	30,662	—	—	60,421	60,421
DEPRECIATION AND AMORTIZATION OF REAL ESTATE	(10,337)	(2,661)	(2,495)	(2,475)	(2,584)	(10,215)	(3,204)	(4,167)	(3,079)	(10,450)
NET INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES	(17,906)	2,186	9,762	2,268	25,043	39,258	1,652	1,133	63,078	65,863
<u>MARKET CAPITALIZATION</u>										
COMMON STOCK PRICE AT PERIOD END	6.41	7.58	7.75	7.94	8.35	8.35	10.69	10.10	10.29	10.29
NUMBER OF COMMON SHARES OUTSTANDING AT PERIOD END	103,702	104,139	104,215	104,136	104,090	104,090	104,127	120,688	189,660	189,660
COMMON STOCK CAPITALIZATION	664,730	789,374	807,666	826,840	869,152	869,152	1,113,118	1,218,949	1,951,601	1,951,601
PREFERRED STOCK-SERIES A-PRICE AT LIQUIDATION VALUE	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	94,775	94,775	94,775
DEBT	539,442	529,168	461,021	518,630	425,410	425,410	344,832	340,374	642,834	642,834
SHARE OF UNCONSOLIDATED DEBT	162,127	164,217	156,364	165,571	170,480	170,480	266,069	281,960	230,280	230,280
DEBT (2)	701,569	693,385	617,385	684,201	595,890	595,890	610,901	622,334	873,114	873,114
TOTAL MARKET CAPITALIZATION	1,535,901	1,652,361	1,594,654	1,680,643	1,634,644	1,634,644	1,893,620	1,936,057	2,919,490	2,919,490

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<u>LEVERAGE RATIOS</u>										
DEBT (2)	701,569	693,385	617,385	684,201	595,890	595,890	610,901	622,334	873,114	873,114
TOTAL MARKET CAPITALIZATION	1,535,901	1,652,361	1,594,654	1,680,643	1,634,644	1,634,644	1,893,620	1,936,057	2,919,490	2,919,490
DEBT (2) / TOTAL MARKET CAPITALIZATION	46%	42%	39%	41%	36%	36%	32%	32%	30%	30%
TOTAL ASSETS-CONSOLIDATED	1,235,535	1,199,634	1,135,315	1,199,101	1,124,242	1,124,242	1,096,444	1,200,788	2,263,766	2,263,766
ACCUMULATED DEPRECIATION-CONSOLIDATED	289,473	302,782	281,739	294,710	258,258	258,258	221,429	245,608	238,297	238,297
UNDEPRECIATED ASSETS-UNCONSOLIDATED (2)	516,686	467,303	454,388	461,500	403,141	403,141	575,323	562,475	432,750	432,750
LESS: INVESTMENT IN UNCONSOLIDATED JOINT VENTURES	(160,587)	(141,180)	(140,303)	(139,782)	(97,868)	(97,868)	(128,541)	(127,948)	(98,183)	(98,183)
TOTAL UNDEPRECIATED ASSETS (2)	1,881,107	1,828,539	1,731,139	1,815,529	1,687,773	1,687,773	1,764,655	1,880,923	2,836,630	2,836,630
DEBT (2)	701,569	693,385	617,385	684,201	595,890	595,890	610,901	622,334	873,114	873,114
UNDEPRECIATED ASSETS (2)	1,881,107	1,828,539	1,731,139	1,815,529	1,687,773	1,687,773	1,764,655	1,880,923	2,836,630	2,836,630
DEBT (2) / TOTAL UNDEPRECIATED ASSETS (2)	37%	38%	36%	38%	35%	35%	35%	33%	31%	31%
DEBT (2)	701,569	693,385	617,385	684,201	595,890	595,890	610,901	622,334	873,114	873,114
PREFERRED STOCK AT LIQUIDATION VALUE	169,602	169,602	169,602	169,602	169,602	169,602	169,602	94,775	94,775	94,775
DEBT (2) + PREFERRED	871,171	862,987	786,987	853,803	765,492	765,492	780,503	717,109	967,889	967,889
TOTAL MARKET CAPITALIZATION	1,535,901	1,652,361	1,594,654	1,680,643	1,634,644	1,634,644	1,893,620	1,936,057	2,919,490	2,919,490
DEBT (2) + PREFERRED / TOTAL MARKET CAPITALIZATION	57%	52%	49%	51%	47%	47%	41%	37%	33%	33%
DEBT (2) + PREFERRED	871,171	862,987	786,987	853,803	765,492	765,492	780,503	717,109	967,889	967,889
TOTAL UNDEPRECIATED ASSETS (2)	1,881,107	1,828,539	1,731,139	1,815,529	1,687,773	1,687,773	1,764,655	1,880,923	2,836,630	2,836,630
DEBT (2) + PREFERRED / TOTAL UNDEPRECIATED ASSETS (2)	46%	47%	45%	47%	45%	45%	44%	38%	34%	34%
<u>EBITDA (2)</u>										
FFO	(76,875)	13,488	13,152	25,685	14,167	66,492	11,461	14,158	17,226	42,845
INTEREST EXPENSE	32,515	7,447	6,937	6,759	7,011	28,154	6,645	6,573	7,224	20,442
NON-REAL ESTATE DEPRECIATION AND AMORTIZATION	1,708	369	228	261	232	1,090	205	213	219	637
INCOME TAX PROVISION (BENEFIT)	(186)	27	33	60	(30)	90	1	1	1	3
IMPAIRMENT LOSSES	129,134	—	—	488	—	488	—	—	—	—
PREDEVELOPMENT CHARGES	937	—	—	—	—	—	—	—	—	—
LOSS ON DEBT EXTINGUISHMENT	74	94	—	—	—	94	—	—	—	—
GAIN ON SALE OF THIRD PARTY BUSINESS	—	—	—	(7,384)	(75)	(7,459)	—	—	(4,531)	(4,531)
PARTICIPATION INTEREST INCOME	—	—	—	(3,366)	—	(3,366)	—	—	—	—
ACQUISITION AND RELATED COSTS	468	78	67	350	299	794	235	333	6,859	7,427
PREFERRED STOCK DIVIDENDS AND ORIGINAL ISSUANCE COSTS	12,907	3,227	3,227	3,226	3,227	12,907	3,227	5,883	1,777	10,887
EBITDA (2)	100,682	24,730	23,644	26,079	24,831	99,284	21,774	27,161	28,775	77,710

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<u>COVERAGE RATIOS (2)</u>										
EBITDA	100,682	24,730	23,644	26,079	24,831	99,284	21,774	27,161	28,775	77,710
INTEREST EXPENSE	32,515	7,447	6,937	6,759	7,011	28,154	6,645	6,573	7,224	20,442
INTEREST COVERAGE RATIO (2)	3.10	3.32	3.41	3.86	3.54	3.53	3.28	4.13	3.98	3.80
INTEREST EXPENSE	32,515	7,447	6,937	6,759	7,011	28,154	6,645	6,573	7,224	20,442
SCHEDULED PRINCIPAL PAYMENTS	7,279	2,123	2,045	1,755	1,846	7,769	1,855	1,728	1,528	5,110
PREFERRED STOCK DIVIDENDS	12,907	3,227	3,227	3,226	3,227	12,907	3,227	3,227	1,777	8,231
FIXED CHARGES	52,701	12,797	12,209	11,740	12,084	48,830	11,727	11,528	10,529	33,783
EBITDA	100,682	24,730	23,644	26,079	24,831	99,284	21,774	27,161	28,775	77,710
FIXED CHARGES COVERAGE RATIO (2)	1.91	1.93	1.94	2.22	2.05	2.03	1.86	2.36	2.73	2.30
DEBT (2)	701,569	693,385	617,385	684,201	595,890	595,890	610,901	622,334	873,114	873,114
ANNUALIZED EBITDA (3)	108,800	98,920	94,576	104,316	99,324	99,324	87,096	108,644	115,100	115,100
DEBT (2) / ANNUALIZED EBITDA (3)	6.45	7.01	6.53	6.56	6.00	6.00	7.01	5.73	7.59	7.59
<u>DIVIDEND RATIOS</u>										
REGULAR COMMON DIVIDENDS:										
CASH COMMON DIVIDENDS	18,651	4,687	4,686	4,690	4,685	18,748	4,688	5,429	8,536	18,653
FFO	(76,875)	13,488	13,152	25,685	14,167	66,492	11,461	14,158	17,226	42,845
FFO PAYOUT RATIO	(24)%	35%	36%	18%	33%	28%	41%	38%	50%	44%
<u>FFO BEFORE CERTAIN CHARGES</u>										
FFO	(76,875)	13,488	13,152	25,685	14,167	66,492	11,461	14,158	17,226	42,845
PREFERRED STOCK ORIGINAL ISSUANCE COSTS	—	—	—	—	—	—	—	2,656	—	2,656
IMPAIRMENT LOSSES (2)	129,134	—	—	488	—	488	—	—	—	—
PREDEVELOPMENT & OTHER CHARGES	937	(1,185)	—	—	—	(1,185)	—	—	—	—
LOSS ON DEBT EXTINGUISHMENT	74	94	—	—	—	94	—	—	—	—
ACQUISITION AND RELATED COSTS	468	78	67	350	299	794	235	333	6,859	7,427
GAIN ON SALE OF THIRD PARTY BUSINESS	—	—	—	(7,384)	(75)	(7,459)	—	—	(4,531)	(4,531)
PARTICIPATION INTEREST INCOME	—	—	—	(3,366)	—	(3,366)	—	—	—	—
SEPARATION CHARGES	197	213	79	574	1,118	1,985	—	—	520	520
FFO BEFORE CERTAIN CHARGES	53,935	12,688	13,298	16,347	15,509	57,843	11,696	17,147	20,074	48,917
FFO BEFORE CERTAIN CHARGES PAYOUT RATIO	35%	37%	35%	29%	30%	32%	40%	32%	43%	38%

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

	2011	2012 1st	2012 2nd	2012 3rd	2012 4th	2012	2013 1st	2013 2nd	2013 3rd	2013 YTD
<u>FAD (2)</u>										
FFO	(76,875)	13,488	13,152	25,685	14,167	66,492	11,461	14,158	17,226	42,845
FAS 13	(11,076)	(2,686)	(2,152)	(1,823)	(1,659)	(8,319)	(2,346)	(2,204)	(3,244)	(7,794)
ABOVE AND BELOW MARKET RENTS	(26)	108	87	124	174	493	(185)	(586)	(994)	(1,765)
SECOND GENERATION CAPEX	(19,140)	(2,333)	(3,186)	(5,077)	(4,461)	(15,058)	(3,032)	(3,352)	(2,976)	(9,360)
FAD (2)	(107,117)	8,577	7,901	18,909	8,222	43,608	5,897	8,016	10,012	23,926
COMMON DIVIDENDS	18,651	4,687	4,686	4,690	4,685	18,748	4,688	5,429	8,536	18,653
FAD PAYOUT RATIO (2)	(17)%	55%	59%	25%	57%	43%	79%	68%	85%	78%
<u>FAD BEFORE CERTAIN CHARGES</u>										
FAD (2)	(107,117)	8,577	7,901	18,909	8,222	43,608	5,897	8,016	10,012	23,926
PREFERRED STOCK ORIGINAL ISSUANCE COSTS	—	—	—	—	—	—	—	2,656	—	2,656
IMPAIRMENT LOSSES (2)	129,134	—	—	488	—	488	—	—	—	—
PREDEVELOPMENT & OTHER CHARGES	937	(1,185)	—	—	—	(1,185)	—	—	—	—
LOSS ON DEBT EXTINGUISHMENT	74	94	—	—	—	94	—	—	—	—
ACQUISITION AND RELATED COSTS	468	78	67	350	299	794	235	333	6,859	7,427
GAIN ON SALE OF THIRD PARTY BUSINESS	—	—	—	(7,384)	(75)	(7,459)	—	—	(4,531)	(4,531)
PARTICIPATION INTEREST INCOME	—	—	—	(3,366)	—	(3,366)	—	—	—	—
SEPARATION CHARGES	197	213	79	574	1,118	1,984	—	—	520	520
FAD BEFORE CERTAIN CHARGES	23,693	7,777	8,047	9,571	9,564	34,958	6,132	11,005	12,860	29,998
FAD BEFORE CERTAIN CHARGES PAYOUT RATIO	79%	60%	58%	49%	49%	54%	76%	49%	66%	62%
<u>OPERATIONS RATIOS</u>										
REVENUES	123,864	33,377	32,496	39,286	37,928	143,088	39,894	44,158	52,075	136,127
REVENUES FROM DISCONTINUED OPERATIONS	65,814	14,096	13,795	14,553	5,153	47,597	1,450	1,314	1,247	4,011
REVENUES INCLUDING DISCONTINUED OPERATIONS	189,678	47,473	46,291	53,839	43,081	190,685	41,344	45,472	53,322	140,138
GENERAL AND ADMINISTRATIVE EXPENSES	24,166	6,623	5,646	5,255	5,684	23,208	6,069	4,552	6,635	17,256
REVENUES INCLUDING DISCONTINUED OPERATIONS	189,678	47,473	46,291	53,839	43,081	190,685	41,344	45,472	53,322	140,138
GENERAL AND ADMINISTRATIVE EXPENSES/REVENUES INCLUDING DISCONTINUED OPERATIONS	12.7%	14.0%	12.2%	9.8%	13.2%	12.2%	14.7%	10.0%	12.4%	12.3%
TOTAL UNDEPRECIATED ASSETS (2)	1,881,107	1,828,539	1,731,139	1,815,529	1,687,773	1,687,773	1,764,655	1,880,923	2,836,630	2,836,630
ANNUALIZED GENERAL AND ADMINISTRATIVE EXPENSES (3) / TOTAL UNDEPRECIATED ASSETS	1.3%	1.4%	1.3%	1.2%	1.3%	1.2%	1.4%	1.0%	0.9%	0.9%

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

	Three Months Ended			Nine Months Ended	
	September 30, 2013	September 30, 2012	June 30, 2013	September 30, 2013	September 30, 2012
Net Operating Income					
Same Property	\$ 15,173	\$ 14,513	\$ 15,020	\$ 45,540	\$ 43,329
Non-Same Property	19,657	13,107	13,552	44,032	40,972
Consolidated Property Net Operating Income	\$ 34,830	\$ 27,620	\$ 28,572	\$ 89,572	\$ 84,301
Less: Non-Cash Items					
Straight-line rent	\$ 3,139	\$ 2,315	\$ 2,272	\$ 7,817	\$ 8,122
Other	665	(16)	243	821	23
Non-Cash Items	3,804	2,299	2,515	8,638	8,145
Cash Basis Property Net Operating Income					
Same Property	14,053	13,628	13,978	41,984	40,129
Non-Same Property	16,973	11,693	12,079	38,949	36,028
Cash Basis Property Net Operating Income	\$ 31,026	\$ 25,321	\$ 26,057	\$ 80,933	\$ 76,157
Net Operating Income (4)					
Operating Properties	\$ 26,478	\$ 17,179	\$ 20,156	\$ 65,551	\$ 50,030
Discontinued Operations	814	4,560	837	2,454	16,188
Share of Unconsolidated Joint Ventures	7,538	5,881	7,579	21,567	18,083
Total Net Operating Income	\$ 34,830	\$ 27,620	\$ 28,572	\$ 89,572	\$ 84,301

(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.

(4) SEE RECONCILIATION ABOVE WITHIN PREVIOUS PAGES OF THE CALCULATIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES.