

COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited, in thousands, except per share amounts)

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|------------------|------------------|-----------------|
| | June 30, | | June 30, | |
| | 2010 | 2009 | 2010 | 2009 |
| REVENUES: | | | | |
| Rental property revenues | \$ 35,992 | \$ 34,573 | \$ 70,799 | \$ 69,554 |
| Fee income | 8,213 | 8,172 | 16,551 | 16,216 |
| Multi-family residential unit sales | 7,943 | 1,185 | 18,089 | 1,185 |
| Residential lot and outparcel sales | 316 | 3,328 | 14,135 | 5,876 |
| Other | 171 | 1,239 | 295 | 2,218 |
| | <u>52,635</u> | <u>48,497</u> | <u>119,869</u> | <u>95,049</u> |
| COSTS AND EXPENSES: | | | | |
| Rental property operating expenses | 15,393 | 14,358 | 30,054 | 30,836 |
| Multi-family residential unit cost of sales | 6,108 | 1,185 | 14,078 | 1,185 |
| Residential lot and outparcel cost of sales | 275 | 2,023 | 9,371 | 3,753 |
| General and administrative expenses | 8,589 | 9,948 | 18,539 | 19,366 |
| Separation expenses | 33 | 2,026 | 101 | 2,370 |
| Reimbursed general and administrative expenses | 3,591 | 4,030 | 8,009 | 8,258 |
| Depreciation and amortization | 14,372 | 14,804 | 27,693 | 27,290 |
| Interest expense | 10,286 | 10,281 | 20,067 | 19,485 |
| Impairment loss | 586 | 36,500 | 586 | 36,500 |
| Other | 3,197 | 4,432 | 4,525 | 5,978 |
| | <u>62,430</u> | <u>99,587</u> | <u>133,023</u> | <u>155,021</u> |
| LOSS ON EXTINGUISHMENT OF DEBT | - | - | (592) | - |
| LOSS FROM CONTINUING OPERATIONS BEFORE TAXES, UNCONSOLIDATED JOINT VENTURES AND SALE OF INVESTMENT PROPERTIES | (9,795) | (51,090) | (13,746) | (59,972) |
| BENEFIT (PROVISION) FOR INCOME TAXES FROM OPERATIONS | (14) | (11,293) | 1,132 | (7,352) |
| INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES: | | | | |
| Equity in net income (loss) from unconsolidated joint ventures | 2,394 | (1,231) | 5,314 | 589 |
| Impairment loss on investment in unconsolidated joint ventures | - | (28,130) | - | (28,130) |
| | <u>2,394</u> | <u>(29,361)</u> | <u>5,314</u> | <u>(27,541)</u> |
| LOSS FROM CONTINUING OPERATIONS BEFORE GAIN ON SALE OF INVESTMENT PROPERTIES | (7,415) | (91,744) | (7,300) | (94,865) |
| GAIN ON SALE OF INVESTMENT PROPERTIES | 1,061 | 801 | 1,817 | 168,235 |
| INCOME (LOSS) FROM CONTINUING OPERATIONS | (6,354) | (90,943) | (5,483) | 73,370 |
| INCOME FROM DISCONTINUED OPERATIONS: | | | | |
| Income from discontinued operations | 1,570 | 911 | 2,879 | 808 |
| Gain on extinguishment of debt | - | 12,498 | - | 12,498 |
| Gain on sale of investment properties | - | 146 | - | 146 |
| | <u>1,570</u> | <u>13,555</u> | <u>2,879</u> | <u>13,452</u> |
| NET INCOME (LOSS) | (4,784) | (77,388) | (2,604) | 86,822 |
| NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS | (584) | (698) | (1,110) | (1,110) |
| NET INCOME (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST | (5,368) | (78,086) | (3,714) | 85,712 |
| DIVIDENDS TO PREFERRED STOCKHOLDERS | (3,227) | (3,227) | (6,454) | (6,454) |
| NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS | \$ (8,595) | \$ (81,313) | \$ (10,168) | \$ 79,258 |
| PER COMMON SHARE INFORMATION - BASIC AND DILUTED: | | | | |
| Income (loss) from continuing operations | \$ (0.10) | \$ (1.84) | \$ (0.13) | \$ 1.28 |
| Income from discontinued operations | 0.02 | 0.26 | 0.03 | 0.26 |
| Net income (loss) available to common shareholders - basic and diluted | <u>\$ (0.09)</u> | <u>\$ (1.58)</u> | <u>\$ (0.10)</u> | <u>\$ 1.54</u> |
| DIVIDENDS DECLARED PER COMMON SHARE | \$ 0.09 | \$ 0.25 | \$ 0.18 | \$ 0.50 |
| WEIGHTED AVERAGE SHARES - BASIC AND DILUTED | 101,001 | 51,615 | 100,538 | 51,483 |