

COUSINS PROPERTIES INC

Form DEF 14A

March 31, 2004

**SCHEDULE 14A
(Rule 14a-101)**

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

Cousins Properties Incorporated

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD MAY 4, 2004**

To our Stockholders:

The Annual Meeting of Stockholders of Cousins Properties Incorporated will be held on Tuesday, May 4, 2004, at 8:30 a.m. local time in the Conference Center, 2300 Windy Ridge Parkway, Atlanta, Georgia 30339. The purposes of the meeting are:

- (1) To elect 10 Directors;
- (2) To approve an amendment to the 1999 Incentive Stock Plan (the Plan) to increase the number of shares of common stock available under the Plan by 700,000; and
- (3) To transact such other business as may properly come before the meeting.

All stockholders of record at the close of business on March 17, 2004 are entitled to vote at the meeting and any postponements and adjournments of the meeting.

By Order of the Board of Directors,

JAMES A. FLEMING

Secretary

Atlanta, Georgia

March 31, 2004

Whether or not you expect to attend the annual meeting, you are urged to vote, date, sign and return the enclosed proxy in the enclosed postage paid envelope. If you attend the annual meeting, you may revoke the proxy and vote your shares in person.

Cousins Properties Incorporated
2500 Windy Ridge Parkway, Suite 1600
Atlanta, Georgia 30339

PROXY STATEMENT

This Proxy Statement and proxy card are furnished in connection with the solicitation of proxies to be voted at our Annual Meeting of Stockholders. Our annual meeting will be held on Tuesday, May 4, 2004, at 8:30 a.m. in the Conference Center, 2300 Windy Ridge Parkway, Atlanta, Georgia 30339. The proxy is solicited by our Board of Directors. This Proxy Statement and proxy card are first being sent to our stockholders on or about March 31, 2004.

Why am I receiving this Proxy Statement and proxy card?

You are receiving this Proxy Statement and proxy card because you own shares of Cousins Properties Incorporated common stock. This Proxy Statement describes issues on which we would like you to vote at our Annual Meeting of Stockholders. It also gives you information on these issues so that you can make an informed decision.

What is a proxy?

It is your legal designation of another person to vote the stock you own. That other person is called a proxy. The written document in which you designate that person is called a proxy or a proxy card. Three of our directors have been designated as proxies for the 2004 Annual Meeting of Stockholders. These directors are Thomas G. Cousins, Richard W. Courts, II and William Porter Payne.

Who is entitled to vote?

Holders of our stock on the close of business on March 17, 2004 are entitled to receive notice of the meeting and to vote at the meeting and any adjournments or postponements of the meeting. March 17, 2004 is referred to as the record date.

To how many votes is each share of common stock entitled?

Holders of our stock are entitled to one vote per share.

What is the difference between a stockholder of record and a stockholder who holds common stock in street name?

If your shares are registered in your name, you are a stockholder of record. If your shares are in the name of your broker or bank, your shares are held in street name.

How do I vote?

Stockholders of record may vote by mail. Simply mark your proxy card, date and sign it, and return it in the postage-paid envelope provided. Stockholders also may attend the meeting and vote in person. If you hold your shares through a bank or broker, please refer to your proxy card or the information forwarded by your bank or broker to see the voting options that are available to you.

Written ballots will be passed out to anyone who wants to vote at the annual meeting. If you hold your shares in street name, you must obtain a legal proxy from your bank or broker to be able to vote in person at the annual meeting.

What if I change my mind after I return my proxy?

You may revoke your proxy and change your vote at any time before the polls close at the annual meeting. You may do this by:

sending written notice of revocation to our Secretary at 2500 Windy Ridge Parkway, Suite 1600, Atlanta, Georgia 30339;

submitting a subsequent proxy with a later date; or

voting in person at the annual meeting.

Attendance at the meeting will not by itself revoke a proxy.

On what items am I voting?

You are being asked to vote on two items:

the election of 10 Directors; and

the approval of an amendment to our 1999 Incentive Stock Plan to increase the number of shares of our common stock available under the Plan by 700,000.

No cumulative voting rights are authorized, and dissenters' rights are not applicable to these matters.

How may I vote for the nominees for election of Director, and how many votes must the nominees receive to be elected?

With respect to the election of Directors, you may:

vote FOR the election of the 10 nominees for Director;

WITHHOLD AUTHORITY to vote for one or more of the nominees and vote FOR the remaining nominees; or

WITHHOLD AUTHORITY to vote for the 10 nominees.

The 10 nominees receiving the highest number of affirmative votes will be elected as Directors. This number is called a plurality. A vote withheld from a nominee for Director has the same effect as a vote against the nominee.

What happens if a nominee is unable to stand for election?

If a nominee is unable to stand for election, the Board may, by resolution, provide for a lesser number of Directors or designate a substitute nominee. If the Board designates a substitute nominee, shares represented by proxies voted for the nominee unable to stand for election will be voted for the substitute nominee.

How may I vote for the approval of the amendment to the Plan, and how many votes must the proposal receive to pass?

With respect to the proposal to amend the Plan, you may:

vote FOR the proposal;

vote AGAINST the proposal; or

ABSTAIN from voting on the proposal.

The amendment to the Plan must receive the affirmative vote of a majority of the shares present at the annual meeting either in person or by proxy to pass. If you abstain from voting on the proposal, it will have the same effect as a vote against the proposal.

How does the Board of Directors recommend that I vote?

The Board recommends a vote FOR all 10 Director nominees and FOR the amendment to the Plan.

What happens if I sign and return my proxy card but do not provide voting instructions?

If you return a signed card but do not provide voting instructions, your shares will be voted FOR the 10 nominees for Director and FOR the amendment to the Plan.

Will my shares be voted if I do not sign and return my proxy card?

If you are a stockholder of record and you do not sign and return your proxy card or attend the meeting and vote in person, your shares will not be voted and will not count in deciding the matters presented for stockholder consideration in this Proxy Statement.

If your shares are held in street name through a bank or broker and you do not provide voting instructions before the annual meeting, your bank or broker may vote your shares on your behalf under certain circumstances. Brokerage firms have the authority under New York Stock Exchange rules to vote shares for which their customers do not provide voting instructions on routine matters. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is called a broker non-vote.

The election of Directors described in this Proxy Statement is a routine matter. The amendment to the Plan described in this Proxy Statement is not a routine matter.

How many votes do you need to hold the annual meeting?

Shares are counted as present at the annual meeting if the stockholder either is present and votes in person at the annual meeting or properly has submitted a proxy.

As of the record date, 48,969,477 shares of our common stock were outstanding and are entitled to vote at the annual meeting. Shares representing a majority of our issued and outstanding common stock as of the record date must be present at the annual meeting either in person or by proxy in order to hold the annual meeting and conduct business. This is called a quorum. Abstentions and broker non-votes will be counted for purposes of establishing a quorum at the meeting.

PROPOSAL 1 ELECTION OF DIRECTORS

There are 10 nominees for our Board of Directors this year. Our Directors are elected annually to serve until the next annual meeting and until their respective successors are elected. The Board has nominated the individuals named below for election as Directors at the annual meeting.

Our Board of Directors recommends that you vote FOR each of the nominees for Director.

Name	Age	Director Since	Information About Nominee
Thomas D. Bell, Jr.	54	2000	President and Chief Executive Officer of Cousins since January 2002. Vice Chairman of the Board of Directors of Cousins. Chairman of the Executive Committee. Special Limited Partner with Forstmann Little & Co. from January 2001 until January 2002. Worldwide Chairman and Chief Executive Officer of Young & Rubicam, Inc. from January 2000 to November 2000; President and Chief Operating Officer of Young & Rubicam, Inc. from August 1999 to December 1999; Chairman and Chief Executive Officer of Young & Rubicam Advertising from September 1998 to August 1999; President and Chief Executive Officer of Burson-Marsteller from May 1995 to September 1998; Director of Lincoln National Corporation,

Credit Suisse Group, Regal Entertainment Group, AGL Resources, Inc. and the United States Chamber of Commerce.

Erskine B. Bowles	58	2003	Chairman of Erskine Bowles & Co., LLC since 2003. Senior advisor to Carousel Capital since 2002. From 1999 until 2001, Managing Director of Carousel Capital and Partner of Forstmann Little & Co.; served as Director of Merck & Co., VF Corporation, and First Union Corporation from 1999 until 2001, as Director of Wachovia Corporation in 2001 and as Director of Krispy Kreme Doughnut Corporation in 2003. Served as White House Chief of Staff from 1996 until 1998.
Richard W. Courts, II	68	1985	Chairman of Atlantic Investment Company (real estate development/investments) for at least five years. Director of SunTrust Bank, Atlanta and Genuine Parts Company. Trustee of STI Classic Funds and STI Classic Variable Trust.
Thomas G. Cousins	72	1962	Chairman of the Board of Directors of Cousins. Served as Chief Executive Officer of Cousins until January 2002; has been employed by Cousins since its inception. Director Emeritus of Total System Services, Inc.; Trustee Emeritus of Emory University; Trustee of the High Museum of Art; Member of the Board of Georgia Research Alliance; Chairman and Trustee of the CF Foundation.

Name	Age	Director Since	Information About Nominee
Lillian C. Giornelli	43	1999	Chairman and Chief Executive Officer of The Cousins Foundation, Inc. since March 1999. Trustee of The Cousins Foundation, Inc. for at least five years.
Terence C. Golden	59	1996	Chairman of Bailey Capital Corporation since 1993. President and Chief Executive Officer of Host Marriot Corporation from 1995 until 2000. Director of Host Marriot Corporation; Director of Pepco Holdings, Inc.; Director of The Cafritz Foundation; Member, G2 Satellite Solutions Advisory Committee, and Chairman of the Federal City Council. Director of Prime Retail Inc. until 2000. Director of the District of Columbia Early Childhood Collaborative through 2001. Director of American Classic Voyages Company through 2001. Chairman of Washington Convention Center Authority (1996-1998).
Boone A. Knox	67	1969	Chairman and Chief Executive Officer of the Knox Foundation since 1996. Chairman of Regions Bank of Central Georgia from 1997 to 2003. Prior to 1997, Chairman of Allied Bankshares, Inc. for at least five years. Trustee of Equity Residential Properties Trust.
John J. Mack	59	2003	Chief Executive Officer of Credit Suisse First Boston since July 2001; Co-Chief Executive Officer of Credit Suisse Group since January 2003. President, Chief Operating Officer and Director of Morgan Stanley Dean Witter & Co. from June 1997 until March 2001. Prior to June 1997, President and Director of Morgan Stanley & Co., Inc. since at least 1995.
Hugh L. McColl, Jr.	68	2001	Chairman of McColl Brothers Lockwood since April 2001. From 1998 to 2001, served as Chairman, Chief Executive Officer and Director of Bank of America Corporation and NB Holdings Corporation, and as Chief Executive Officer of Bank of America, N.A. Also was Chief Executive Officer of the former NationsBank Corporation and its predecessor, NCNB Corporation, from 1983 to 1998. Director of Sykes Enterprises until 2003, and currently a Director of Faison Enterprises, Sonoco

Products Company and General Parts, Inc.

William Porter Payne	56	1996	Partner of Gleacher Partners LLC since July 2000; Vice Chairman and Director of PTEK Holdings, Inc. from July 1998 to July 2000; Vice Chairman of Bank of America Corporation from February 1997 to July 1998. Prior to February 1997, served as President and Chief Executive Officer of the Atlanta Committee for the Olympic Games. Director of Jefferson Pilot Corporation, Anheuser Busch, Inc., Crown Crafts, Inc. and National Distributing Company Inc.
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All of the Director nominees are currently members of the Board, and each has consented to serve as a Director if so elected at the annual meeting. Each of the nominees was elected a Director by the stockholders at the annual meeting in 2003 except Mr. Bowles and Mr. Mack. Mr. Bowles was elected a Director on August 19, 2003. Mr. Mack was elected a Director on December 9, 2003, and had previously served on our Board from May 2001 to May 2003.

Ms. Giornelli is the daughter of Mr. Cousins. Mr. McColl is the father of John S. McColl, a Senior Vice President of Cousins. There are no other family relationships among our Director nominees or Executive Officers.

Meetings of the Board of Directors and Director Attendance at Annual Meetings

Our Board of Directors held five meetings during 2003. Each Director attended at least 75% of the total number of meetings of the Board and any committees of which he or she was a member.

We typically schedule a Board meeting in conjunction with our annual meeting and expect that our Directors will attend, absent a valid reason. All Directors serving at the time of last year's annual meeting attended the annual meeting.

Committees of the Board of Directors

Our Board has three standing committees – the Audit Committee, the Compensation, Succession, Nominating and Governance Committee and the Executive Committee.

Audit Committee. The current members of our Audit Committee are Mr. Courts, Mr. Knox, Mr. Golden and Mr. Payne. Mr. Mack will be a member of the Committee effective April 1, 2004. Mr. Golden is the Chairman of the Committee. The Audit Committee held six meetings during 2003.

The primary responsibilities of our Audit Committee include:

- making recommendations concerning the engagement or discharge of our independent auditors,
- reviewing with the independent auditors the audit plan and results of the audit engagement,
- reviewing the scope and results of our internal auditing procedures and the adequacy of our accounting controls,
- reviewing the independence of the independent auditors, and
- considering the reasonableness of the independent auditors' audit and non-audit fees.

The Board has determined that Mr. Golden is an audit committee financial expert within the meaning of SEC regulations. In addition, the Board has determined that he has accounting and related financial management expertise within the meaning of the NYSE listing rules.

Compensation, Succession, Nominating and Governance Committee. The current members of our Compensation, Succession, Nominating and Governance Committee are Mr. Bowles, Mr. Courts and Mr. Golden. Mr. Bowles joined the Committee in August 2003. Mr. Mack, who joined the Committee in March 2002, resigned from the Committee in May 2003. Mr. Courts is the Chairman of the Committee. The Compensation, Succession, Nominating and Governance Committee held four meetings during 2003.

The primary responsibilities of our Compensation, Succession, Nominating and Governance Committee include:

- setting and administering the policies that govern executive compensation,
- overseeing Cousins' management succession and development programs,
- overseeing all personnel related matters involving our senior officers,
- making recommendations regarding composition and size of the Board,

considering nominees for Director recommended by stockholders, and

reviewing qualifications of Board candidates and the effectiveness of incumbent directors.

Executive Committee. The members of our Executive Committee are Mr. Bell, Mr. Cousins and Mr. Courts. The Executive Committee may exercise all powers of the Board of Directors in the management of our business and affairs, except for those powers expressly reserved to the Board. The Executive Committee did not hold any meetings during 2003.

Director Independence

In order to evaluate the independence of each director, our Board has adopted a set of director independence standards (Director Independence Standards), which are more stringent than the recently adopted New York Stock Exchange governance standards and can be found on the Investor Relations page of the Company s website at www.cousinsproperties.com. The Board has reviewed director independence under NYSE Rule 303A.02(a) and these Director Independence Standards. In performing this review, the Board considered all transactions and relationships between each director and the Company and its subsidiaries, affiliates, senior executives and auditors. As a result of this review, the Board affirmatively determined that six of our 10 directors are independent. The independent directors are Mr. Bowles, Mr. Courts, Mr. Golden, Mr. Knox, Mr. Mack and Mr. Payne. Our Audit Committee and our Compensation, Succession, Nominating and Governance Committee are composed solely of independent directors under the NYSE listing rules and applicable SEC regulations.

Executive Sessions of Outside Directors

Our outside directors meet without management present at least two times each year. In January 2004, our Board named Mr. Payne as the Lead Director. He is responsible for presiding at meetings of non-management directors.

Any stockholder who wishes to communicate directly with the Lead Director or the outside directors as a group may do so by writing to:

Cousins Properties Incorporated
2500 Windy Ridge Parkway
Suite 1600
Atlanta, GA 30339-5683
Attention: Lead Director.

Corporate Governance

Our Board has adopted a set of Corporate Governance Guidelines for the Company. These are available on the Investor Relations page of our website at www.cousinsproperties.com. The charters of the Audit Committee and the Compensation, Succession, Nominating and Governance Committee are also available on the Investor Relations page of this website.

Our Board has adopted a Code of Business Conduct and Ethics, which applies to all officers, directors and employees. This Code reflects our long-standing commitment to conduct our business in accordance with the highest ethical principles. A copy of our Code is available on the Investor Relations page of our website at www.cousinsproperties.com.

Any stockholder who wishes to communicate directly with our Board of Directors may do so by writing to Cousins Properties Incorporated Board of Directors, c/o Corporate Secretary, 2500 Windy Ridge Parkway, Suite 1600, Atlanta, Georgia 30339. At each regular Board meeting, the Corporate Secretary will present a summary of any such communications received since the last meeting (excluding any communications that consist of advertising, solicitations or promotions of a product or service), and will make the communications available to the directors upon request.

Selection of Nominees for Director

Our directors take a critical role in guiding our strategic direction and overseeing our management. Our board has delegated to the Compensation, Succession, Nominating and Governance Committee the responsibility for reviewing and recommending nominees for membership on the Board. Board candidates are considered based upon various criteria. Candidates must have integrity, accountability, judgment and perspective. In addition, candidates are chosen based on their leadership and business experience, as well as their ability to contribute toward governance, oversight and strategic decision-making.

The Compensation, Succession, Nominating and Governance Committee will consider director nominees proposed by stockholders. Any stockholder who wishes to recommend a prospective nominee for consideration by the Committee may do so by submitting the candidate's name and qualifications in writing to Cousins Properties Incorporated Compensation, Succession, Nominating and Governance Committee, c/o Corporate Secretary, 2500 Windy Ridge Parkway, Suite 1600, Atlanta, Georgia 30339.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth, as of February 1, 2004, information regarding the beneficial ownership of our common stock by our Directors, our Chief Executive Officer and the four other highest paid Executive Officers (the Named Executive Officers), the Executive Officers and Directors as a group and beneficial owners of more than 5% of our outstanding common stock.

Number of Shares of Common Stock Beneficially Owned⁽¹⁾

Name	Performance		Shares Held in Profit Sharing Plan	Options	Other Shares Beneficially Owned	Percent of Class ⁽⁵⁾
	Restricted Stock ⁽²⁾	Accelerated Restricted Stock ⁽³⁾		Exercisable within 60 Days ⁽⁴⁾		
Thomas D. Bell, Jr.	24,000			395,807	39,310	*
Erskine B. Bowles				6,444		*
Richard W. Courts, II				46,718	2,148,704 ⁽⁶⁾	4.49%
Thomas G. Cousins		36,880	572,316	801,552	8,113,361 ⁽⁷⁾	19.16%
Lillian C. Giornelli				32,220	344,971 ⁽⁸⁾	*
Terence C. Golden				46,718	14,200	*
Boone A. Knox				46,718	286,009 ⁽⁹⁾	*
John J. Mack				6,000	75,034 ⁽¹⁰⁾	*
Hugh L. McColl, Jr.				19,332	6,198	*
William Porter Payne				46,718	10,928 ⁽¹¹⁾	*
Daniel M. DuPree	13,000		9,345		108,682	*
Tom G. Charlesworth	7,428	18,652	9,753	273,142	89,762 ⁽¹²⁾	*
Craig B. Jones	7,620	22,412	10,736	280,968	21,542 ⁽¹³⁾	*
Joel T. Murphy	7,940	22,412	5,497	364,908	931 ⁽¹⁴⁾	*
Other Executive Officers	12,356	29,020	7,504	330,235	81,300	*
Total for all Executive Officers and Directors as a group (17 persons)	72,344	129,376	615,151	2,697,480	11,340,932 ⁽¹⁵⁾	28.79%

* Less than 1%

- (1) Includes shares for which the named person has sole voting or investment power or shared voting and investment power with his or her spouse. Under SEC rules, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which he has no beneficial economic interest. Except as stated in the notes below, the persons indicated possessed sole voting and investment power with respect to all shares set forth opposite their names. Based on information furnished by the individuals named in the table.

- (2) Represents shares of restricted stock awarded to certain Executive Officers. The restricted stock vests over four years, and the Executive Officers have the right to direct voting and to receive dividends on the stock reflected in the table.
- (3) Represents shares of performance accelerated restricted stock (PARS) awarded to certain Executive Officers. The PARS grants vest over time and are subject to accelerated vesting if certain financial measurements are achieved. The Executive Officers have the right to direct voting of, and receive dividends on, the PARS reflected in the table.
- (4) Represents shares which may be acquired through stock options exercisable through April 1, 2004.

- (5) Based on 48,899,226 shares of common stock issued and outstanding as of February 1, 2004. Assumes that all options owned by the named individual and exercisable within 60 days are exercised. The total number of shares outstanding used in calculating this percentage also assumes that none of the options owned by other named individuals are exercised.
- (6) Includes a total of 2,078,626 shares as to which Mr. Courts shares voting and investment power. Of these shares (i) 387,751 shares are owned by the Courts Foundation for which Mr. Courts serves as a Trustee and as Chairman and (ii) 1,690,875 shares are owned by Atlantic Investment Company. By virtue of his position with Atlantic Investment Company, Mr. Courts may be deemed to have sole voting and investment power of the shares owned by Atlantic Investment Company. Does not include 12,309 shares owned by Mr. Courts' wife, as to which Mr. Courts disclaims beneficial ownership.
- (7) Includes 624,011 shares as to which Mr. Cousins shares voting and investment power. Does not include 690,034 shares owned by Mr. Cousins' wife, as to which Mr. Cousins disclaims beneficial ownership.
- (8) Includes 1,717 shares as to which Ms. Giornelli shares voting and investment power. Includes 38,990 shares held by Ms. Giornelli as custodian for her children. Also includes 2,807 shares held by the Estate of Lillian W. Cousins, for which Ms. Giornelli is executrix and as to which Ms. Giornelli disclaims beneficial interest.
- (9) Includes 136,200 shares owned by the Knox Foundation, of which Mr. Knox is a trustee and chairman, 526 shares owned by BT Investments, a partnership of which Mr. Knox is a general partner, and 8,000 shares owned by Mr. Knox's sister-in-law. Mr. Knox shares voting and investment power with respect to the 144,726 shares held by the Knox Foundation, BT Investments and Mr. Knox's sister-in-law. Mr. Knox disclaims beneficial interest of these 144,726 shares.
- (10) Includes 29,250 shares owned by the C.J. Mack Foundation, of which Mr. Mack serves as a director. Mr. Mack shares voting and investment power with respect to the C.J. Mack Foundation.
- (11) Does not include 1,875 shares held by the Estate of John F. Beard, for which Mr. Payne's wife is executrix and as to which Mr. Payne disclaims beneficial ownership.
- (12) Includes 2,925 shares owned by Mr. Charlesworth's children. Does not include 216,540 shares held in a trust for which Mr. Charlesworth is the trustee and has voting and investment power.
- (13) Includes 1,526 shares held by Mr. Jones as custodian for his minor children, as to which he disclaims beneficial interest.
- (14) Includes 931 shares owned jointly with Mr. Murphy's wife, as to which voting and investment power are shared.
- (15) Includes 2,850,011 shares as to which Executive Officers and Directors share voting and investment power with others. Does not include 908,449 shares owned by spouses and other affiliates of Executive Officers and Directors, as to which such Executive Officers and Directors disclaim beneficial ownership.

EXECUTIVE COMPENSATION**Summary Compensation Table**

The following information is furnished with respect to our Named Executive Officers for fiscal year 2003, and includes salary and bonuses paid by us and by Cousins Real Estate Corporation (CREC).

Name, Age and Principal Position	Year	Annual Compensation		Long-Term Compensation			All Other Compensation ⁽⁴⁾
		Salary	Bonus	Restricted Stock Awards ⁽¹⁾	Securities Underlying Options ⁽²⁾	LTIP Payments	
Thomas D. Bell, Jr., 54 Vice Chairman of the Board, President and Chief Executive Officer ⁽⁵⁾	2003	\$250,000	\$480,000	\$724,800	647,828	\$	\$583,186
	2002	229,167	500,000		537,055		179,477
	2001						
Daniel M. DuPree, 57 Vice Chairman of Cousins ⁽⁶⁾	2003	278,687	336,000	392,600	60,000		20,000
	2002						
	2001	183,818					7,524
Tom G. Charlesworth, 54 Executive Vice President, Chief Financial Officer and Chief Investment Officer	2003	300,000	230,400	224,326	34,284		86,905
	2002	300,000	180,000		53,705		48,295
	2001	280,000	160,000		51,986		43,436
Craig B. Jones, 53 Senior Vice President and President-Office Division	2003	300,000	216,000	230,124	35,168		100,013
	2002	300,000	180,000		53,705	232,313	53,860
	2001	280,000	180,000		50,053		48,663
Joel T. Murphy, 45 Senior Vice President and President-Retail Division	2003	300,000	249,600	239,788	36,644		100,013
	2002	300,000	180,000		53,705		53,470
	2001	280,000	180,000		50,053		48,663

(1) This represents the market value of restricted stock grants awarded December 10, 2003. The market value was determined by multiplying the number of shares granted by the closing price of our common stock on the date of grant (\$30.20). The restricted stock will vest over four years (25% on each of the four anniversary dates following the grant). These stock grants were awarded under the 1999 Incentive Stock Plan, as amended and restated.

(2)

In September 2003, we paid a special dividend of \$2.07 per share to all stockholders (the Special Dividend). The record date for the Special Dividend was September 15, 2003. As provided for in the Company s Incentive Stock Plans, all options that were awarded before September 15, 2003, but were not exercised by that date, were adjusted to account for the effect of the Special Dividend. The adjustment increased the number of options by approximately 7.4% and decreased the exercise price by approximately 6.9%. The numbers shown in this column have been increased to include this adjustment for the Special Dividend.

- (3) Long-Term Incentive Plan (LTIP) Payments are cash payments made upon exercise of Stock Appreciation Rights.
- (4) All Other Compensation for 2003 includes (i) our annual contribution of \$20,000 to the Profit Sharing Plan on behalf of each of Mr. Bell, Mr. Charlesworth, Mr. DuPree, Mr. Jones and Mr. Murphy, (ii) life insurance premiums paid by us on behalf of the Named Executive Officers for life insurance in excess of \$50,000 and (iii) dividends paid on PARS granted to certain executive officers in 2000. All Other Compensation for Mr. Bell also includes (a) an allowance of \$501,854, which was paid to Mr. Bell to cover part of his moving expenses as well as his income taxes associated with this compensation, and (b) \$26,756, representing the value of his personal use of the Company airplane, valued using the Standard Industry Fare Level formula provided for by Internal Revenue Code regulations.

All Other Compensation for 2002 includes (i) our annual contribution of \$20,000 to the Profit Sharing Plan on behalf of each of Mr. Charlesworth, Mr. Jones and Mr. Murphy, (ii) life insurance premiums paid by us on behalf of the Named Executive Officers for life insurance in excess of \$50,000 and (iii) dividends paid on PARS. All Other Compensation for Mr. Bell also includes (a) an allowance of \$155,344, which was paid to Mr. Bell to cover part of his moving expenses as well as his income taxes associated with this compensation, (b) \$23,558, representing the value of his personal use of the Company airplane, valued using the Standard Industry Fare Level formula provided for by Internal Revenue Code regulations, together with a portion of the income taxes associated with this compensation.

All other Compensation for 2001 includes (i) our annual contribution of \$17,000 to the Profit Sharing Plan on behalf of each of Mr. Charlesworth, Mr. Jones and Mr. Murphy, (ii) life insurance premiums paid by us on behalf of the Named Executive Officers for the life insurance in excess of \$50,000 and (iii) dividends paid on PARS.

- (5) On January 28, 2002, Mr. Bell was elected President and Chief Executive Officer.
- (6) On March 10, 2003, Mr. DuPree was elected Vice Chairman of Cousins. He had previously been employed by us from 1992 until he resigned effective March 31, 2001. Fiscal year 2003 reflects compensation earned from March 10, 2003 to December 31, 2003, and fiscal year 2001 reflects compensation earned from January 1, 2001 to March 31, 2001. Mr. DuPree was not a Cousins employee from April 1, 2001 to March 9, 2003. We maintain a Profit Sharing Plan for the benefit of all of our full time salaried employees. The annual contribution is determined by our Board of Directors and is allocated among eligible participants. Contributions become vested over a three-year period. Vested benefits are generally paid to participants upon retirement, but may be paid earlier in certain circumstances, such as death, disability, or termination of employment.

Option Grants In Last Fiscal Year

The following table sets forth certain information with respect to options granted to the Named Executive Officers for fiscal year 2003.

Individual Grants					
Name	Number of Securities Granted⁽¹⁾⁽²⁾	Percent of Total Options Granted to Underlying Employees in Fiscal Year	Exercise Price (\$/share)	Expiration Date	Grant Date Present Value⁽³⁾
Thomas D. Bell, Jr.	537,056	45%	22.12	1/28/13	\$1,068,741
	110,772	10%	30.20	12/10/13	400,995
Daniel M. DuPree	60,000	5%	30.20	12/10/13	217,200
Tom G. Charlesworth	34,284	3%	30.20	12/10/13	124,108
Craig B. Jones	35,168	3%	30.20	12/10/13	127,300

Joel T. Murphy	36,644	3%	30.20	12/10/13	132,651
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- (1) All options vest over a period of four years (25% on each of the first four anniversary dates following the option grant).
- (2) All options were granted at prices equal to the market value of the underlying stock on the date of grant. The option grant to Mr. Bell in January 2003 was adjusted for the effect of the Special Dividend (see footnote 2 to the Summary Compensation Table above).
- (3) The Black-Scholes option pricing model was used to determine the grant date present value. This model assumes a risk free rate of 8-year U.S. Government Obligations as of grant dates, at least five-year closing price volatility, dividend rates which existed as of the date of grant and an exercise period of 8 years. The values determined by this model were \$1.99 per share for the grant expiring on 1/28/13 and \$3.62 per share for the grants expiring on 12/10/13. The actual value realized could differ. For example, if the common stock had a fair market value of \$30.20 per share on the date of grant and appreciated at a rate of 9.5% per year (on average) for five years, and the options were exercised at such time, the value realized would be \$17.53 per share. If this value were discounted at a 13% discount rate per year, the present value would be \$9.41 per share under these assumptions.

**Aggregated Option Exercises In Last Fiscal Year
And Fiscal Year End Option Values**

The following table sets forth certain information with respect to options exercised during 2003 and the value of unexercised options held by the Named Executive Officers at December 31, 2003. All options granted prior to September 15, 2003 have been adjusted for the effect of the Special Dividend.

Name	# of Shares Acquired on Exercise	Value Realized	Number of Securities			Value of Unexercised In-		
			Underlying Unexercised			The-Money Options at FY-		
			Options at FY-End			End (\$) Exercisable/ Unexercisable ⁽¹⁾		
			Exercisable/	Unexercisable				
Thomas D. Bell, Jr.		\$	140,707	/	1,050,620	\$ 1,080,561	/	\$ 7,753,865
Daniel M. DuPree				/	60,000		/	24,000
Tom G. Charlesworth	73,298	1,089,617	273,142	/	131,776	2,894,983	/	782,950
Craig B. Jones	46,100	772,333	304,329	/	131,693	3,259,027	/	775,698
Joel T. Murphy	9,000	154,365	364,908	/	133,169	4,309,176	/	776,288

(1) Values were calculated by subtracting the exercise price for the options from the closing market price of the stock on December 31, 2003.

Committee Report on Compensation

The Compensation, Succession, Nominating and Governance Committee of the Company's Board of Directors (the Committee) is responsible for ensuring that an effective compensation program is in place to provide performance-oriented incentives to management. The Committee's report on compensation is as follows:

Each executive officer's compensation is determined annually by the Committee. Senior management makes recommendations to the Committee regarding each executive officer's compensation (except the Chief Executive Officer's compensation), including recommendations for base salary for the succeeding year, cash bonuses for prior year performance results and long-term incentive awards. The Company annually conducts a re-evaluation of compensation for executive officers and certain other management personnel. The Company periodically retains an independent compensation consulting firm to provide reports setting forth competitive compensation data for executive officer positions and certain other management positions.

The Company's compensation philosophy is based on a pay for performance approach. The compensation program seeks to reward individual performance that contributes to operating unit performance and Company performance. The Company's goal is to target total remuneration (base salary, annual incentive bonus, and long term incentive award) between the median and 75th percentile for the Company's peers. The Company's policies with respect to individual components of total remuneration are as follows:

- Base Salary. Each executive officer's base salary is based upon the competitive market for the executive officer's services, including the executive's specific responsibilities, experience and overall performance. In

keeping with the Company's pay for performance approach, the Company's objective is to set the base salary range midpoints at the median base salary level of the Company's peers in its industry. Base salaries are adjusted annually, following review of competitive base salary data. Changes in responsibilities also are taken into account in the review process.

- Annual Incentive Compensation. The Company awards discretionary year-end bonuses. These bonuses reflect the contribution of the individual as well as the performance of the operating unit and the Company as a whole. The target level for the bonus for each position is set between the median and 75th percentile for the Company's peers.

The performance measures applicable to a particular position are determined at the beginning of the year. In 2003, key annual incentive compensation goals included: level of Funds From Operations Per Share achieved for the year; investment properties' percentage leased; residential lots sold; level of investments in new projects; various cost control measures; and level of property sales. Each goal was assigned a specific percentage and each goal was assigned a specific target based on the specific business unit. These criteria comprise 75% of the annual incentive award. The remaining 25% of the annual incentive award is based upon the executive's assessed contribution to the Company's success.

- Long-Term Incentive Compensation. Long-term incentives for a position are targeted between the median and 75th percentile for the Company's peers. Long-term incentives align management's interests with the long-term interests of the shareholders and the Committee believes that stock-based awards are most appropriate for this

