



FOR IMMEDIATE RELEASE

Ref: 09-02

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Highwoods Properties Announces Tax Treatment of 2008 Dividends

RALEIGH, NC – January 13, 2009 – Highwoods Properties, Inc. (NYSE: HIW) today announced the tax treatment of its 2008 dividend payments as follows:

2008 Dividend Tax Reporting Information (\$ per share)

Common Stock (Ticker Symbol: HIW) (CUSIP: 431284108)

Record Date	Payable Date	Total Distribution	Ordinary Dividends	Total Capital Gain Distribution	Unrecaptured Sec.1250 Gain *	Return of Capital
02/11/2008	03/03/2008	0.425000	0.241012	0.050943	0.025684	0.133045
05/12/2008	06/02/2008	0.425000	0.241012	0.050943	0.025684	0.133045
08/11/2008	09/02/2008	0.425000	0.241012	0.050943	0.025684	0.133045
11/17/2008	12/08/2008	0.425000	0.241012	0.050943	0.025684	0.133045
Totals per share		1.700000	0.964048	0.203772	0.102736	0.532180

Preferred Series A (Ticker Symbol: HIWPA) (CUSIP: 431284207)

Record Date	Payable Date	Total Distribution	Ordinary Dividends	Total Capital Gain Distribution	Unrecaptured Sec.1250 Gain *
02/15/2008	02/29/2008	21.562500	17.800059	3.762441	1.896896
05/15/2008	06/02/2008	21.562500	17.800059	3.762441	1.896896
08/15/2008	09/02/2008	21.562500	17.800059	3.762441	1.896896
11/17/2008	12/01/2008	21.562500	17.800059	3.762441	1.896896
Totals per share		86.250000	71.200236	15.049764	7.587584

Preferred Series B (Ticker Symbol: HIWPB) (CUSIP: 431284306)

Record Date	Payable Date	Total Distribution	Ordinary Dividends	Total Capital Gain Distribution	Unrecaptured Sec.1250 Gain *
03/03/2008	03/17/2008	0.500000	0.412755	0.087245	0.043986
06/02/2008	06/16/2008	0.500000	0.412755	0.087245	0.043986
09/02/2008	09/15/2008	0.500000	0.412755	0.087245	0.043986
12/01/2008	12/15/2008	0.500000	0.412755	0.087245	0.043986
Totals		2.000000	\$ 1.651020	\$ 0.348980	\$ 0.175944

* Unrecaptured Section 1250 Gain is a subset of, and included in, the total capital gain distribution.

Shareholders are encouraged to consult with their tax advisors as to the tax treatment of the above distributions.

About the Company

Highwoods Properties, Inc., a member of the S&P MidCap 400 Index, is a fully integrated, self-administered real estate investment trust ("REIT") that provides leasing, management, development, construction and other customer-related services for its properties and for third parties. At September 30, 2008, the Company owned or had an interest in 383 in-service office, industrial and retail properties encompassing approximately 34.8 million square feet. Highwoods also owned 619 acres of development land. Highwoods is based in Raleigh, North Carolina, and its properties and development land are located in Florida, Georgia, Iowa, Kansas, Missouri, Mississippi, North Carolina, South Carolina, Tennessee and Virginia. For more information about Highwoods Properties, please visit our Web site at www.highwoods.com.

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