



# LIMONEIRA

SINCE 1893

January 2019

# Cautionary Statement

## Forward-Looking Statements

*This press release contains forward-looking statements, including guidance for fiscal year 2018 and 2019, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on Limoneira's current expectations about future events and can be identified by terms such as "expect," "may," "anticipate," "intend," "should be," "will be," "is likely to," "strive to," and similar expressions referring to future periods.*

*Limoneira believes the expectations reflected in the forward-looking statements are reasonable but cannot guarantee future results, level of activity, performance or achievements. Actual results may differ materially from those expressed or implied in the forward-looking statements. Therefore, Limoneira cautions you against relying on any of these forward-looking statements. Factors which may cause future outcomes to differ materially from those foreseen in forward-looking statements include, but are not limited to: changes in laws, regulations, rules, quotas, tariffs and import laws; weather conditions that affect production, transportation, storage, import and export of fresh product; increased pressure from crop disease, insects and other pests; disruption of water supplies or changes in water allocations; pricing and supply of raw materials and products; market responses to industry volume pressures; pricing and supply of energy; changes in interest and currency exchange rates; availability of financing for land development activities; political changes and economic crises; international conflict; acts of terrorism; labor disruptions, strikes or work stoppages; loss of important intellectual property rights; inability to pay debt obligations; inability to engage in certain transactions due to restrictive covenants in debt instruments; government restrictions on land use; and market and pricing risks due to concentrated ownership of stock. Other risks and uncertainties include those that are described in Limoneira's SEC filings which are available on the SEC's website at <http://www.sec.gov>. Limoneira undertakes no obligation to subsequently update or revise the forward-looking statements made in this press release, except as required by law.*

## Non-GAAP Financial Measures

Due to significant depreciable assets associated with the nature of the Company's operations and interest costs associated with its capital structure, management believes that earnings before interest, income taxes, depreciation and amortization ("EBITDA") and adjusted EBITDA, which excludes impairments on real estate development assets when applicable, is an important measure to evaluate the Company's results of operations between periods on a more comparable basis. Such measurements are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and should not be construed as an alternative to reported results determined in accordance with GAAP. The non-GAAP information provided is unique to the Company and may not be consistent with methodologies used by other companies. With respect to our expectations under "Fiscal Year 2019 Outlook" above, the Company has not provided a reconciliation of forward-looking non-GAAP measures, primarily due to variability and difficulty in making accurate forecasts and projections, as not all of the information necessary for a quantitative reconciliation is available to the Company without unreasonable efforts. EBITDA and adjusted EBITDA is summarized and reconciled to net (loss) income attributable to Limoneira Company, which management considers to be the most directly comparable financial measure calculated and presented in accordance with GAAP as follows (in thousands):

# Experienced Senior Management Team

## Limoneira's Senior Management Team has an Average of 26 Years of Industry Expertise



**Harold Edwards**  
President / CEO

- 28 years industry experience
- Joined Limoneira in 2003
- Edwards is a member of one of the farming families associated with the Company over its long history
- *Previous experience includes:*



**Mark Palamountain**  
Chief Financial Officer

- 20 years finance experience
- Joined Limoneira in 2012
- Promoted to CFO in January 2018
- *Previous experience includes:*



**Alex Teague**  
Senior Vice President / COO

- 31 years industry experience
- Joined Limoneira in 2004
- Great-grandson of C.C. Teague, Limoneira's first General Manager
- *Previous experience includes:*

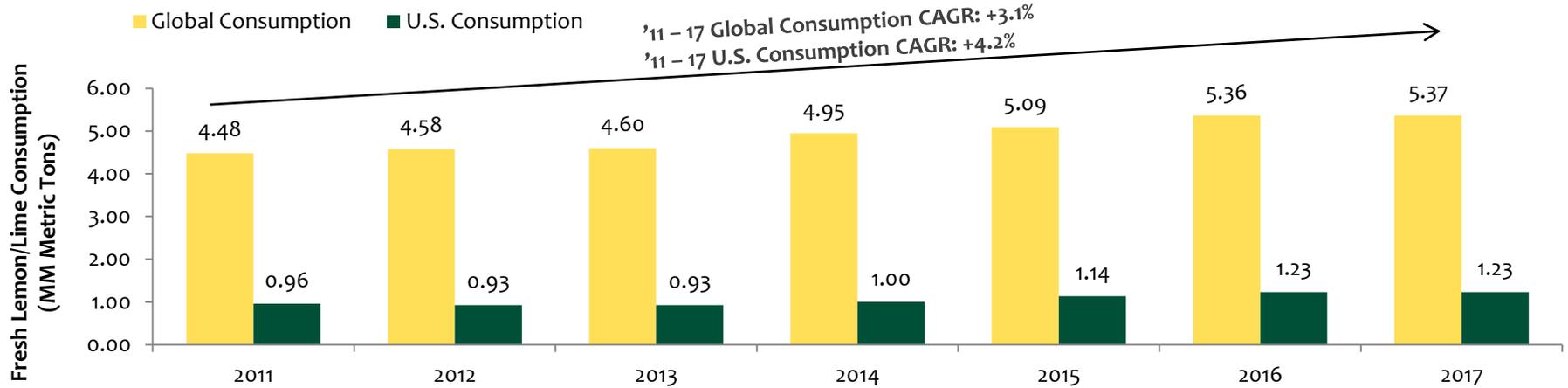


# Global Demand for Fresh Citrus Continues to Grow

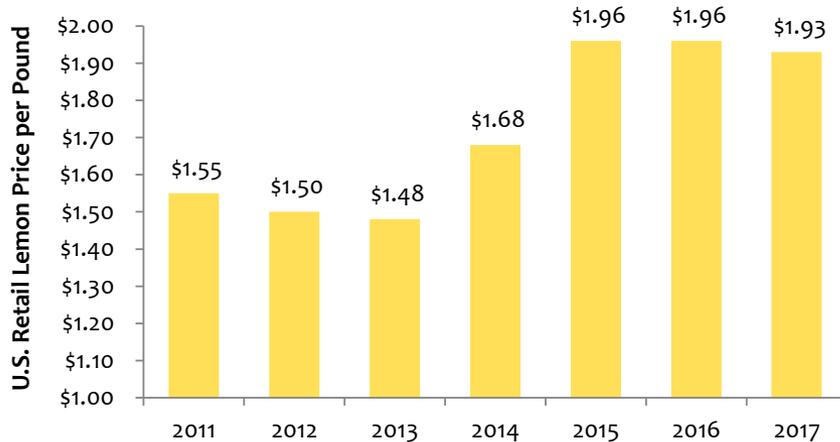


## Attractive & Growing Global Market for Fresh Citrus

### Fresh Lemon/Lime Consumption on the Rise



### Growing Demand Supports Higher Prices



### Drivers of Increased Consumption

- Increased consumer focus on health and wellness
- Changing consumer preferences for whole fresh food
- Increasing disposable income globally
- Food away from home – 70% of lemon consumption is generated through the foodservice industry



Health



Beauty



Lifestyles



Cleaning

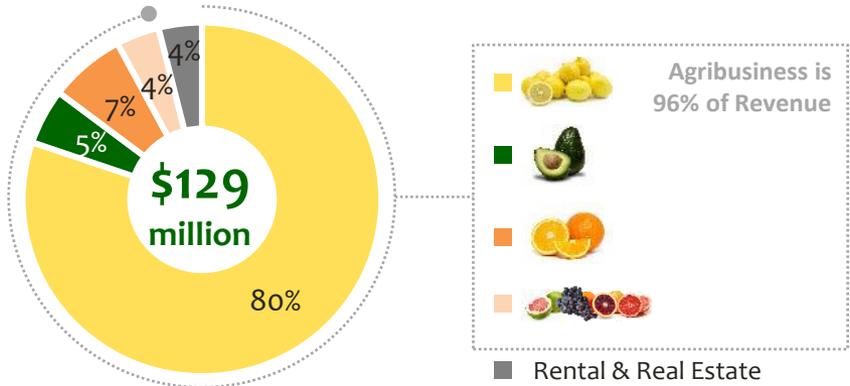


Recipes

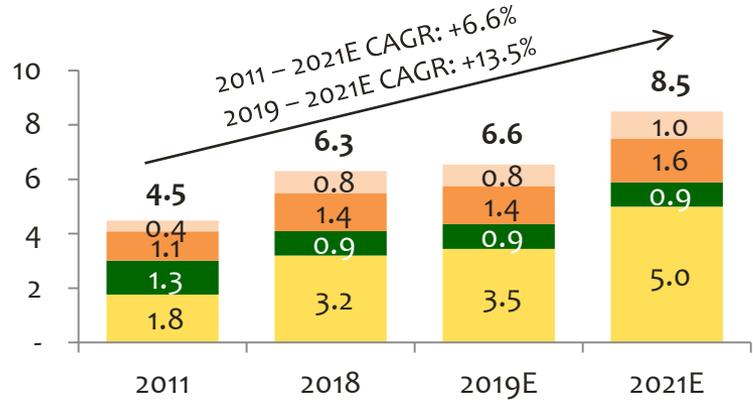
Source: USDA.

## From Our Groves to Your Home bringing you the best since 1893

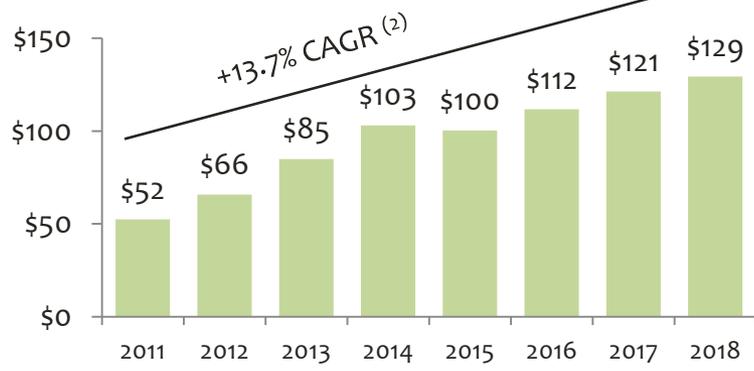
**Diverse and On-Trend Citrus**  
(revenue by product)



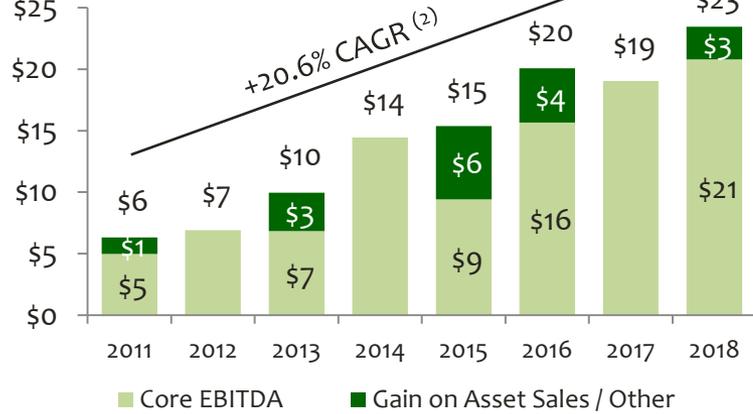
**U.S. Fruit Bearing Acres (1)**  
(in thousands)



**Revenue**  
(dollars in millions)



**Adj. EBITDA**  
(dollars in millions)

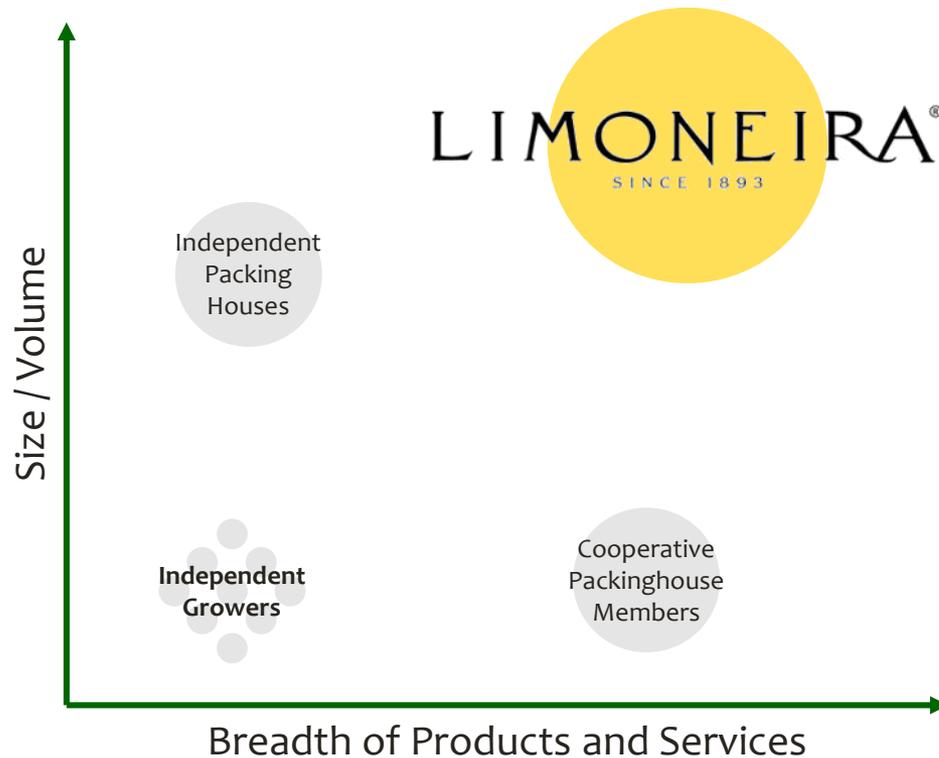


(1): 2021E figures include agricultural acres that are currently planted and are expected to bear fruit.  
 (2): Compound annual growth rate from FY2011 to FY2018.

# Vertically Integrated Player Within a Highly Fragmented Space

## Integrated. Scaled. Global.

sitting between highly fragmented growers and diverse end markets



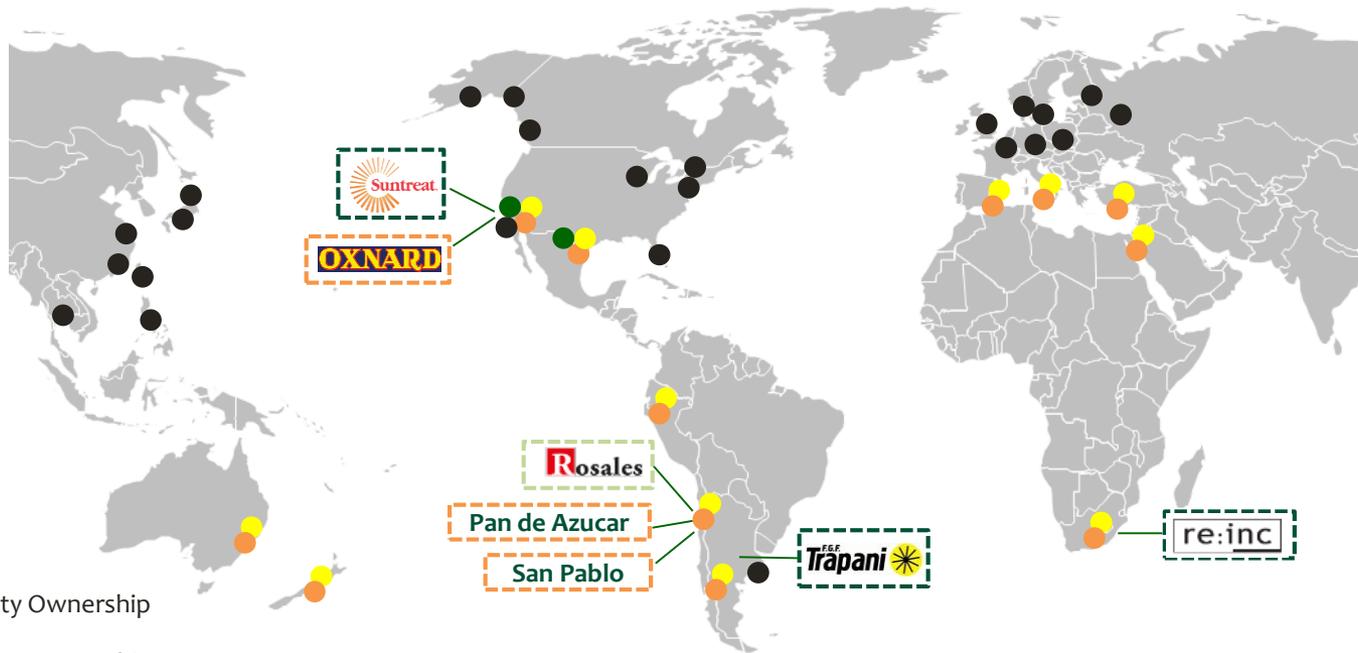
- Limoneira delivers:
  - High-quality products
  - Integrated farm-to-customer supply chain
  - Low cost production
  - Diverse global sourcing and distribution network
  - Superior product mix
  - Global scale and customer base
- Limoneira's vertical integration and scale enable:
  - Increased operating leverage and flexibility
  - Enhanced customer service and satisfaction
  - Higher growth and margins

# One World of Citrus™ – Global Reach With Year Round Supply

## Limoneira's U.S. Lemon Supply:

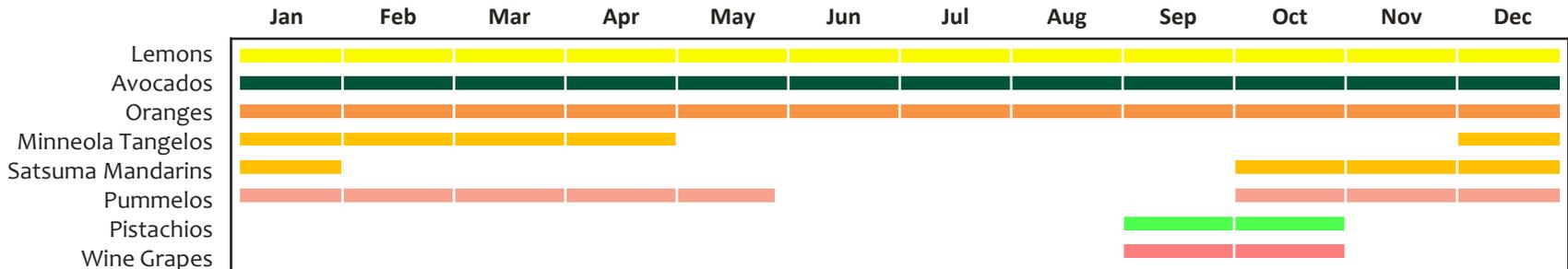
73% Domestic Sales / 23% Domestic Exporter Sales / 4% Direct International Sales

● Lemons ● Avocados ● Oranges ● Global End Markets



- = Partnerships
- = LMNR Majority Ownership
- = LMNR Minority Ownership

## Year Round Production and Sourcing Capabilities

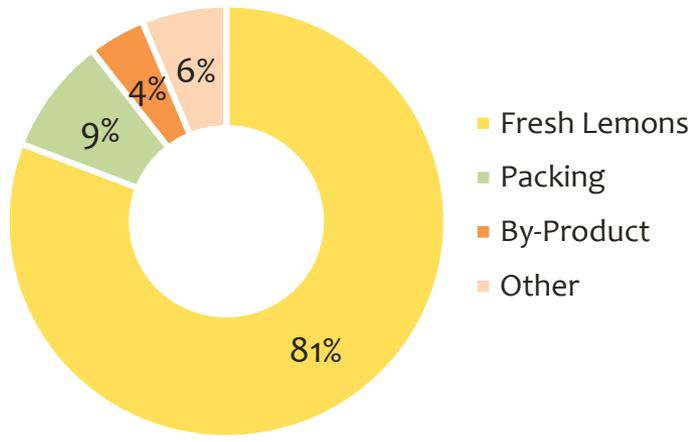


# Diversified U.S. Lemon Production Platform



## Locations Across Key Growing Regions provides low cost access to grower base and key customers

2018 LMNR Lemon Revenue by Product



- In 2017, 80% of U.S. lemons industry-wide were utilized in the fresh market, up from 58% of lemons in 2009
- The fresh market is significantly more profitable than the processed market

Source: USDA.

LMNR Growing Regions

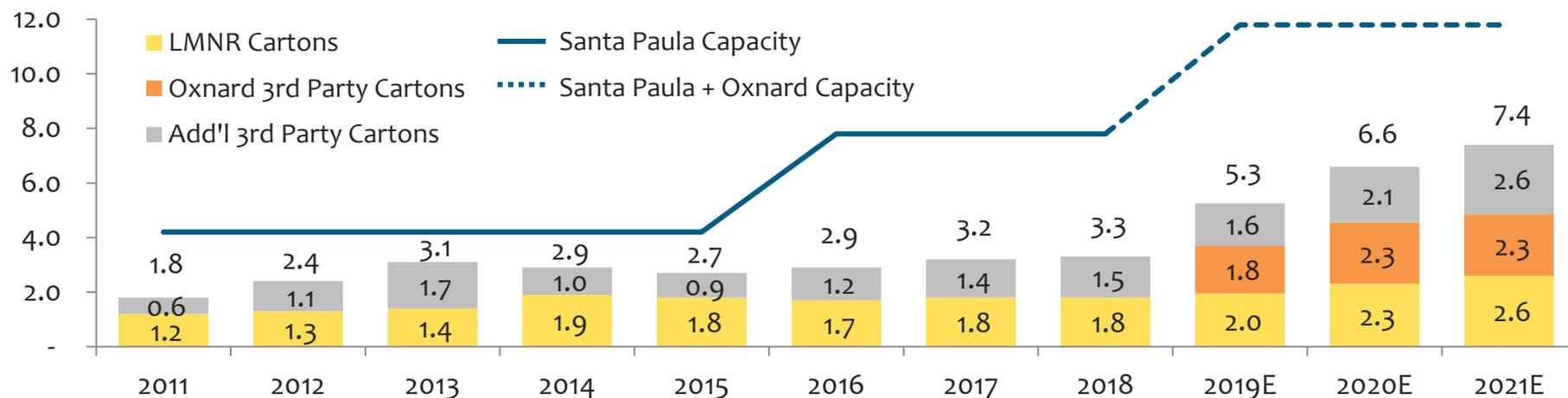


# Lemon Packing Facility is Reaching an Inflection Point



## Highly Automated Packing Platform is a Source of Continued Growth \$29 million lemon packing facility enhancement in 2016

Millions of U.S. Lemon Cartons Packed & Sold <sup>(1)</sup>



- Oxnard acquisition expected to add 1.5 - 2.0 million incremental cartons in 2019
- ~200,000 additional Limoneira-owned cartons expected in 2019 as currently non-bearing LMNR acreage comes online
- Also expect to add ~100,000 additional 3<sup>rd</sup> Party cartons as Limoneira continues recruiting new outside growers
- Given the Company's new packinghouse and the addition of the Oxnard packinghouse, Limoneira has ample capacity to accommodate expected growth

### Lemon Packing Margin Profiles

	LMNR	Oxnard	3 <sup>rd</sup> Party
Sale Price	\$27.00	\$27.00	\$27.00
Cost per Carton	\$15.00	NM	NM
<b>Margin</b>	<b>\$12.00</b>	<b>\$2.25</b>	<b>\$2.25</b>
2019E Cartons (mm)	2.0	1.8	1.5

(1): 2019E – 2021E projections assume Limoneira contributes 800k additional cartons from currently non-bearing LMNR acreage coming online. Projections also assume Limoneira adds 500k additional 3<sup>rd</sup> Party cartons in 2020 and 2021.

## Increasing Opportunity to Consolidate a Fragmented Space

- Limoneira has successfully completed and integrated 8 acquisitions over the past 5 years
  - Meaningful acquisitions of San Pablo and Oxnard in 2018
- Over 25+ qualified targets in the pipeline representing over \$250 million of enterprise value
- The goal is to continue to increase the Company's global lemon market share
- Limoneira anticipates continued sector consolidation in the next 3-5 years and beyond
  - 87% of U.S. farms are owned by families with fewer members of subsequent generations choosing to be farmers
  - 65% of all U.S. farmers are over age 54
  - With a public currency and strong balance sheet, we expect to actively participate

M&A & Partnership Considerations		2018 Acquisitions	
		San Pablo	Oxnard Lemon
Asset Types	• Production Acreage	✓	
	• Packing Facilities		✓
	• Distribution Networks	✓	✓
	• Third-Party Grower Networks		✓
Asset Quality	• Producing acreage	✓	
	• Adequate water source	✓	
	• Warm micro-climate	✓	
	• Well-draining soils	✓	
Geographies	• California		✓
	• Arizona		
	• Chile	✓	
	• Argentina		
	• South Africa		
	• Mexico		
	• Spain		
Fruit Types	• Focus on lemon producing properties	✓	
	• Land not suitable for lemons is typically planted with oranges, avocados and other citrus	✓	
	• Wine grapes		

Source: USDA.

## Overview of San Pablo and Oxnard Lemon Acquisitions

# Overview of San Pablo Acquisition

## San Pablo – Closed July 2018

<b>Overview</b>	<ul style="list-style-type: none"><li>• Frutícola San Pablo S.A. (“San Pablo”) produces and sells lemons, as well as navel and Valencia oranges. The business is located near La Serena, Chile, near Limoneira’s other assets in Chile</li><li>• In July 2018, Limoneira acquired San Pablo, including 3,317 acres of land and related rights to use groundwater<ul style="list-style-type: none"><li>– 247 bearing lemon acres</li><li>– 61 bearing orange acres</li><li>– 120 acres planned for planting lemons in 2019-2020</li><li>– 500 acres “potential” for avocados or other fruit on hillside depending on increased water access</li></ul></li></ul>
<b>Terms</b>	<ul style="list-style-type: none"><li>• All-in capital required of \$15.8 million<ul style="list-style-type: none"><li>– \$13.0 million total purchase price for 100% of San Pablo</li><li>– Limoneira plans to invest \$2.8 million in San Pablo within 18 months (\$1.8 million for new groundwater wells and related equipment, and \$1.0 million on new lemon plantings)</li></ul></li></ul>
<b>Valuation and Financing</b>	<ul style="list-style-type: none"><li>• Expected to be \$0.06 - \$0.08 per share accretive in FY2019 <sup>(1)</sup></li><li>• Earnings potential will continue to improve with the maturation of existing trees and with the additional planned plantings</li><li>• Financed through equity offering proceeds</li></ul>
<b>Rationale</b>	<ul style="list-style-type: none"><li>• High-quality lemon and orange grove acreage, strong operational and geographic fit with Limoneira’s existing operations: Limoneira also owns 47% of Rosales S.A., a nearby citrus packing and marketing company</li><li>• Enhances Limoneira’s “One World of Citrus” capability with production complementary to U.S. production season</li><li>• Strong export markets (principally in Asia), with additional domestic sales in Chile</li><li>• Modern production technology – much of the operation can be managed from a digital tablet</li></ul>
<b>Key Updates</b>	<ul style="list-style-type: none"><li>• Began work on groundwater wells and pipeline project. Expect completion by the end of 2019</li><li>• 120 acres of lemons tress on order from nursery for increased plantings</li></ul>

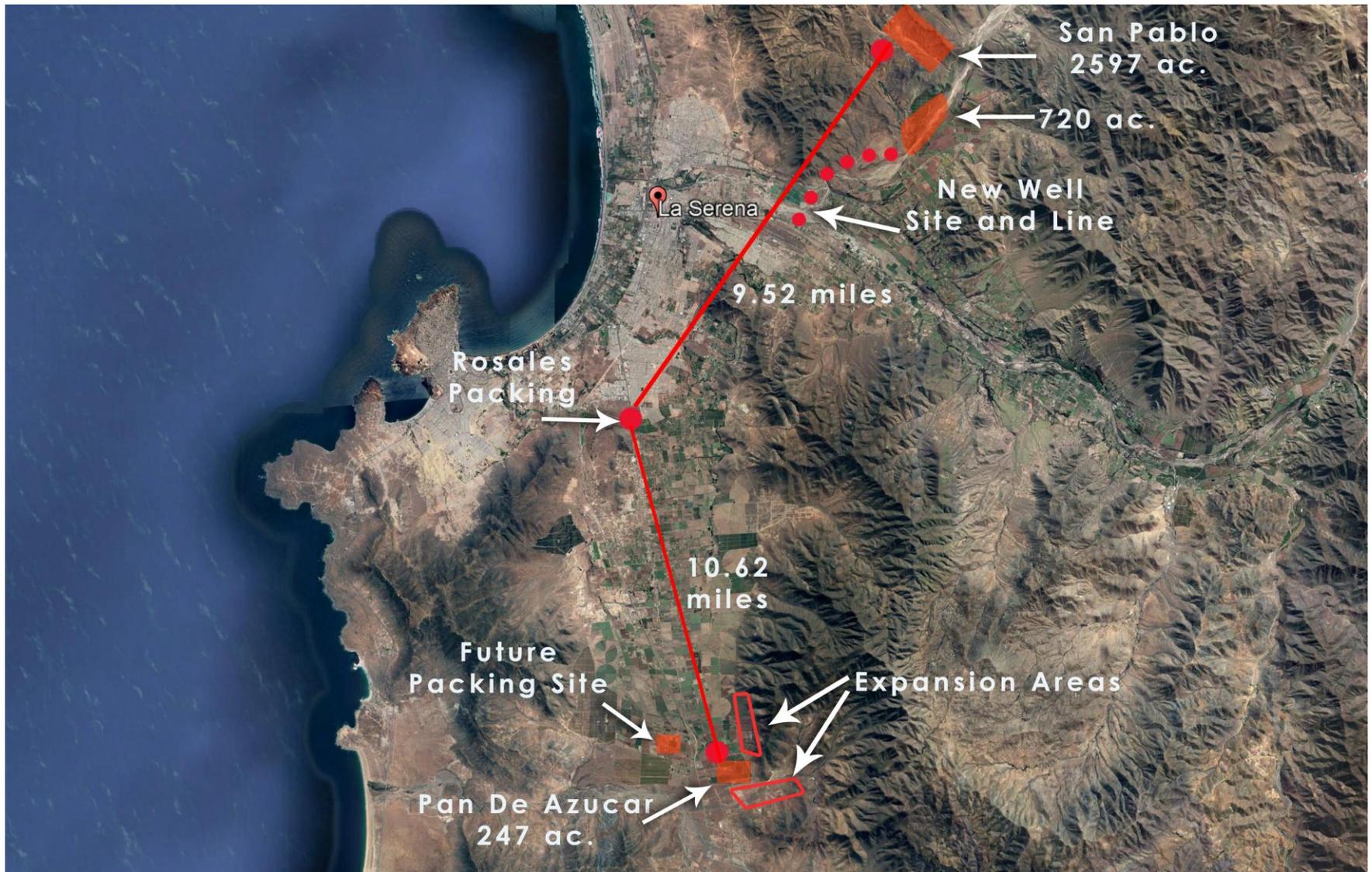
(1): Assumes 18.4 million shares outstanding.

# Frutícola San Pablo – Aerial View



Note: Aerial photograph taken circa 2015.

# Frutícola San Pablo – Acreage Map



# Overview of Oxnard Lemon Acquisition

## Oxnard Lemon – Closed July 2018

<b>Overview</b>	<ul style="list-style-type: none"><li>• Oxnard Lemon Associates, Ltd. (“Oxnard”) is one of the leading full-line lemon packing companies in the U.S., specializing in organic and specialty citrus packing from the local California community of growers</li><li>• In July 2018, Limoneira acquired the assets of Oxnard Lemon, including a packinghouse and related equipment on 13 acres near Limoneira’s headquarters in Santa Paula, CA<ul style="list-style-type: none"><li>– Packing capacity of 4,000,000 cartons per year</li><li>– Strategically located less than a mile from the Port of Hueneme</li></ul></li></ul>
<b>Terms</b>	<ul style="list-style-type: none"><li>• All-in purchase price of \$25.0 million<ul style="list-style-type: none"><li>– \$24.7 million paid on July 27, 2018</li><li>– \$0.3 million to be paid upon final closing on October 31, 2018; allows Oxnard to satisfy pre-existing sourcing obligations</li><li>– Limoneira has a sale-leaseback agreement with Oxnard for the interim period for use of assets</li></ul></li></ul>
<b>Valuation and Financing</b>	<ul style="list-style-type: none"><li>• Expected to be \$0.08 - \$0.10 per share accretive in FY2019 <sup>(1)</sup></li><li>• Expected to add 1.5 - 2.0 million cartons of third-party grower fruit in FY2019</li><li>• Financed through equity offering proceeds</li></ul>
<b>Rationale</b>	<ul style="list-style-type: none"><li>• Expands packing capabilities to include organic citrus</li><li>• Creates additional packing capacity, mitigating future capital needs to accommodate expected growth</li><li>• Expected to add 1.5 - 2.0 million third-party cartons in FY2019 - more than doubles Limoneira's third-party packing volumes</li><li>• Adjacency to Limoneira's headquarters creates additional packing efficiencies with two focused locations</li></ul>
<b>Key Updates</b>	<ul style="list-style-type: none"><li>• Final closing on October 31, 2018</li><li>• Initial third-party grower retention of ~80% - expected to add additional growers as time goes on</li><li>• Integration costs have been in-line with expectations, and Limoneira was able to retain key personnel</li></ul>

(1): Assumes 18.4 million shares outstanding.

# Oxnard Lemon – Packing Facility



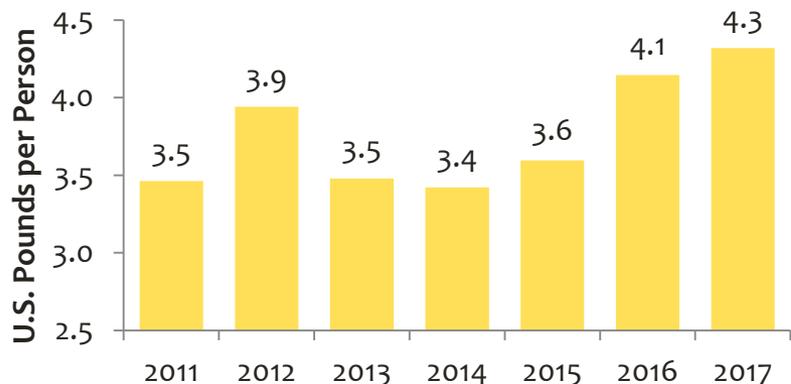
## Limoneira Overview

# Continued Growth in Core Segments: Lemons



## One of the Largest Growers, Packers, Marketers & Distributors of lemons in the U.S.

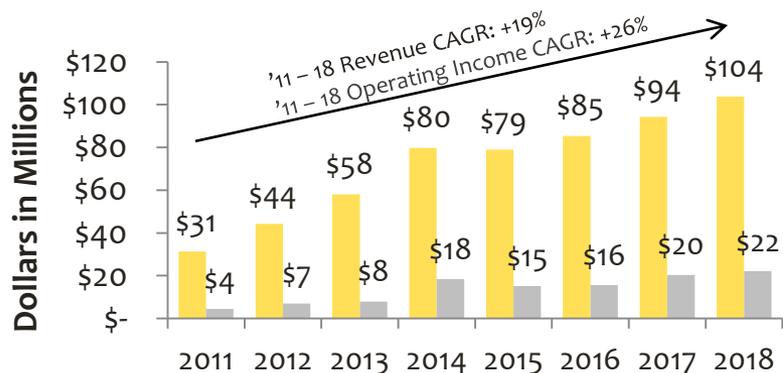
### Fresh Lemon Consumption



### Consistent Revenue Growth

#### Limoneira Global Lemon Sales and Operating Profit

■ Lemon Revenue ■ Lemon Operating Profit



Source: USDA.

### Lemon Segment Highlights

% of 2018 Agri. Revenue	84%
Fresh Market Size	35.6 million cartons
% U.S. Market Share	7.2%
Current Planted Acres	5,000
Current Producing Acres	3,200
Additional Producing Acres by 2021	<ul style="list-style-type: none"> <li>~1,800 - estimated to produce ~1.2 million additional cartons annually (+&gt;30%)</li> </ul>
Varieties	<ul style="list-style-type: none"> <li>Eureka, Lisbon, Seedless, Pink, Meyer</li> </ul>
Customers	<ul style="list-style-type: none"> <li>&gt;200 U.S. and international foodservice, wholesale and retail customers</li> <li>No customer represents more than 5% of our lemon revenue</li> </ul>
U.S. Lemon Sales	<ul style="list-style-type: none"> <li>73% domestic</li> <li>23% domestic exporters</li> <li>4% direct international</li> </ul>
Grower Relationships	<ul style="list-style-type: none"> <li>150+ third-party grower relationships</li> <li>No third-party grower represents more than 10% of our sourced lemon volume</li> </ul>

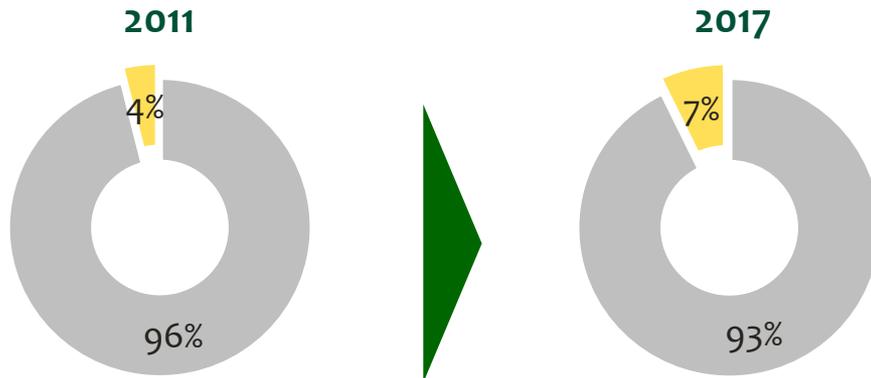
# A Leader in the Highly Fragmented Lemon Industry



**History. Tradition. Trust.**  
delivering the finest citrus for over a century

## Growing Market Share

■ LMNR Distribution    ■ Other U.S. Distribution



- In 2017, LMNR marketed & distributed 7.2% of the U.S. lemon crop, compared to 3.9% in 2011 – up 84.6% (or 9.1% CAGR)
- Limoneira provides a critical link between highly fragmented lemon growers and diverse end markets
  - Individual citrus growers do not have leverage over any end market
- Focus on quality and operational excellence results in increased customer satisfaction and loyalty

## Proprietary Brands



Source: USDA.

# State of the Art Packing Facility – Investing for the Future



## Highly Automated Packing Platform is a Source of Continued Growth \$29 million lemon packing facility enhancement in 2016

### Previous Packing Facility



### Current Packing Facility



### 2018 Results (vs. 2016)

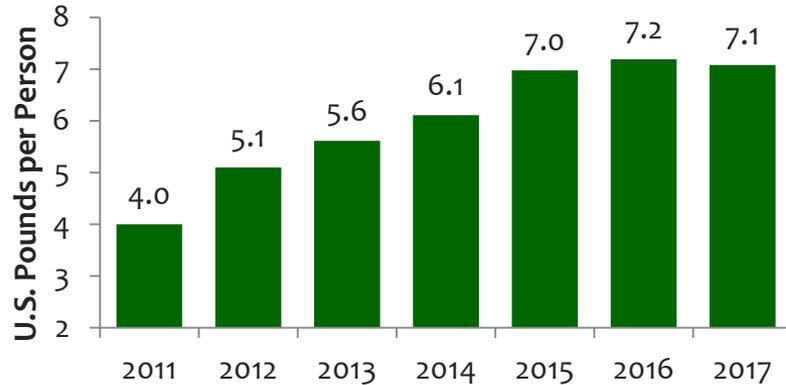
- Current packinghouse processes 3 times the amount of fruit in the same amount of time with 70% of the pre-existing labor
  - The previous facility processed 720 cartons/hour
  - The new facility processes 2,300 cartons/hour
- Cost / Carton down 15%
- 14% more lemons packed
- 25% increase in 3<sup>rd</sup> Party packings
  - Oxnard acquisition expected to add 1.5 - 2.0 million incremental cartons in 2019
  - 3<sup>rd</sup> Party packing projected to grow by an additional 500,000 cartons per year through 2021
- Currently operating at ~45% capacity
  - Available growth for additional packing of 3<sup>rd</sup> Party fruit or additional Limoneira citrus

# Continued Growth in Core Segments: Avocados



## 103% Consumption Growth in Avocados in the past 10 years

### Avocado Consumption



### Revenue



Source: USDA.

### Avocado Highlights

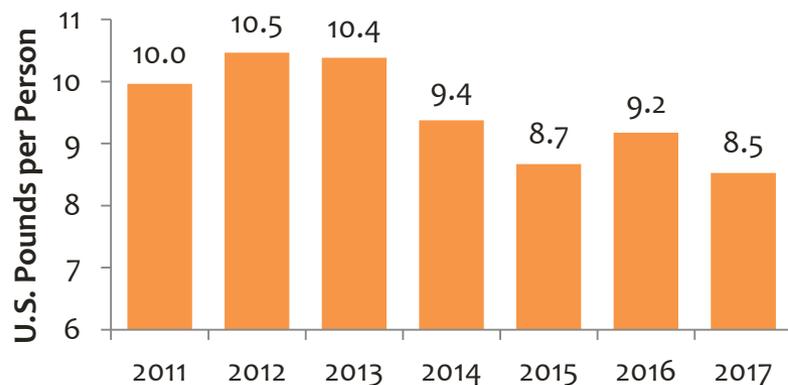
% of 2018 Agri. Revenue	5%
% U.S. Market Share	2.2%, one of the largest growers
Planted Acres	900
Current Producing Acres	900
Varieties	98% Hass
Packinghouse/Customer(s)	Calavo Growers (100%)
Other	<ul style="list-style-type: none"> <li>The California avocado crop typically experiences alternating years of high and low production due to plant physiology</li> </ul>

# Continued Growth in Core Segments: Oranges

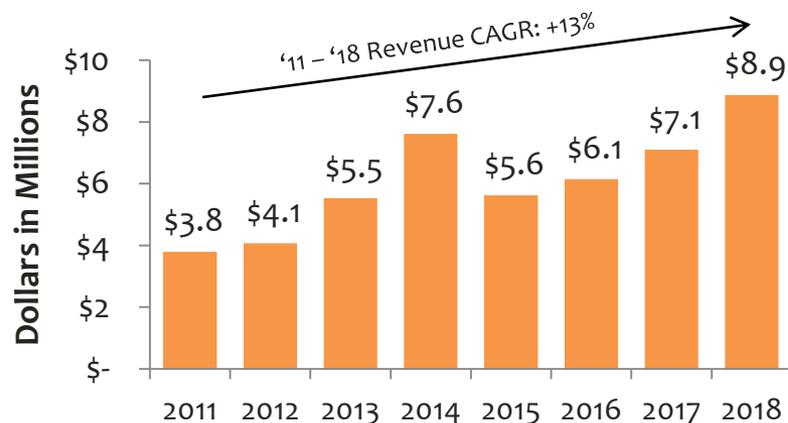


## Oranges Provide Crop Diversity and Represent a Key Aspect of Limoneira's One World of Citrus Program

### Orange Consumption



### Revenue



Source: USDA.

### Orange Highlights

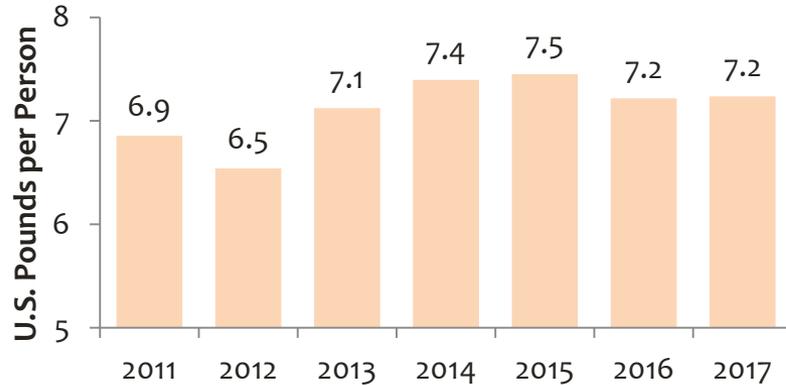
% of 2018 Agri. Revenue	7%
% U.S. Market Share	1.0%
Planted Acres	1,600
Current Producing Acres	1,400
Additional Producing Acres by 2021	200
Varieties	Valencia, Navel
Packinghouse/Customer(s)	Suntreat (100%)
Other	<ul style="list-style-type: none"> <li>California produces approximately 40% of U.S. oranges, with over 83% going to the more-profitable fresh market</li> <li>95+% of Florida oranges go to juice and other less profitable by-product markets</li> <li>Orange revenues increased primarily due to higher prices, partially offset by lower volumes</li> </ul>

# Continued Growth in Core Segments: Specialty Citrus

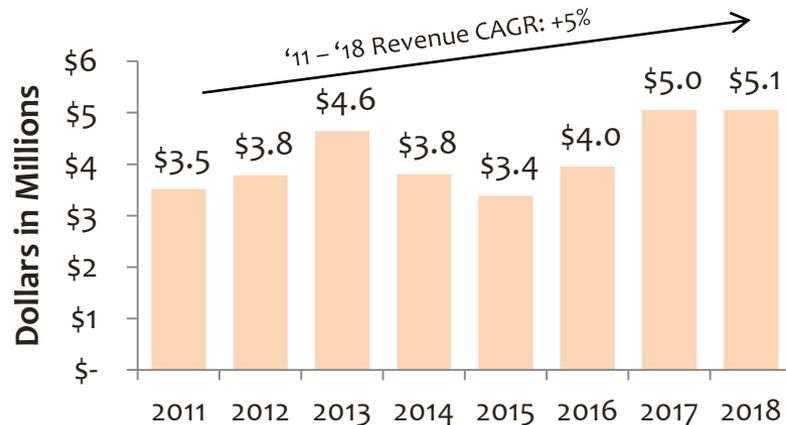


## Global Consumers Expect Variety and New Flavors

### Specialty Citrus Consumption



### Revenue<sup>(1)</sup>



Source: USDA.

(1) See crops / varieties in table on the right for items that are included in specialty citrus.

### Specialty Citrus & Other Crops Highlights

% of 2018 Agri. Revenue	4%
% U.S. Market Share	NA
Planted Acres	1,000
Current Producing Acres	800
Crops / Varieties	Grapefruit, Pummelo, Wine Grapes, Blood Oranges, Tangelos, Pistachios
Packinghouse/Customer(s)	Suntreat, CA wine producers
Other	<ul style="list-style-type: none"> <li>In FY 2017, we sold ~800 tons of wine grapes for \$1.2 million, up from ~200 tons for \$0.3 million in FY 2016</li> </ul>

Further growth in the citrus division can be funded with incremental cash flows from these and other ongoing development projects

## HARVEST at LIMONEIRA

- Limoneira entered a partnership with the Lewis Group of Companies to develop “Harvest at Limoneira”, a residential and commercial real estate development project to monetize non-core agribusiness land
- In October 2018, Limoneira announced a partnership with homebuilders Lennar and KB Home to be the primary builders for the first 180 homes in the initial 632 residential units of Harvest at Limoneira
  - Lot sales began in October 2018, with the first closings and GAAP sales in FQ1 2019

Project Status	
Cash Flow Potential	• Approximately \$100 million over the next 7-10 years (of which \$20 million has already been received)
Lot Sales	• First closings and GAAP Sales in Q1 CY2019
Acres	• 550
Total Expected Units	• 1,500 units



## Additional Ancillary Cash Flows

### Rental Operations

- Rental properties provide steady cash flow and support expansion in the citrus division
- 245 farm worker housing units
- Stable tenant base – majority of tenants are Company employees
- Rental operations are an important mitigant to workforce attrition
- ~4% of 2018 revenue



### Water Rights

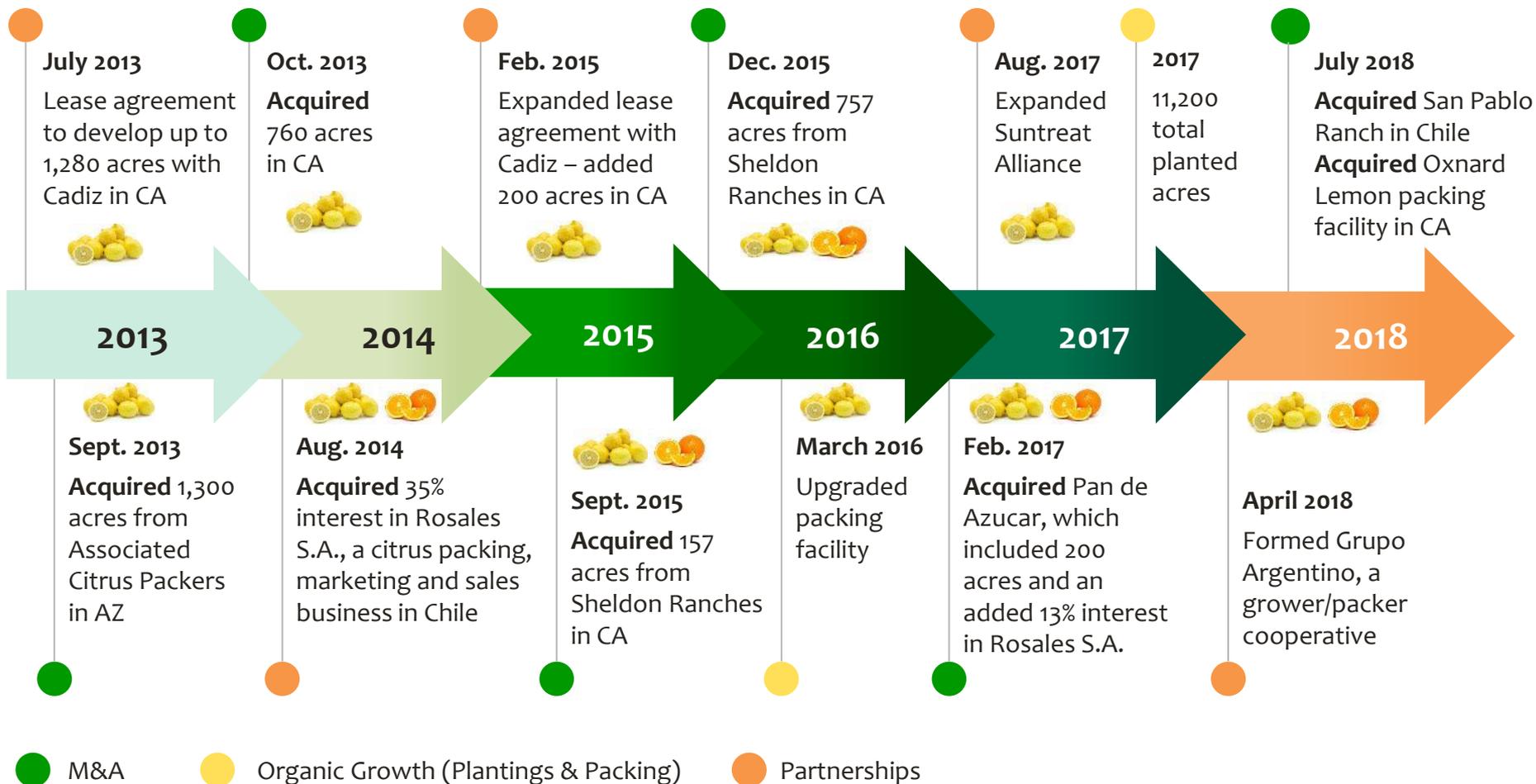
- ~28,000 acre feet of owned water rights, usage rights, and pumping rights to the water associated with Limoneira land
  - Recent water rights sales have priced at \$20,000 per acre foot<sup>(1)</sup>
- Substantial investments made in water companies to support and exceed farming needs
- Established partnership for potential monetization of Colorado River water rights



(1): Santa Paula Basin Pumper's Association.

# Significant Investment to Grow Our Platform

Limoneira has made significant investments to ensure that customers receive a consistent supply of high quality citrus year-round, which many of our competitors are unable to supply



# Avenues of Continued Growth and Margin Expansion

1

Expand U.S. and international platform for production, packing, marketing and distribution of lemons

2

Acquire and invest in citrus producing properties

3

Increase owned and third-party lemon volumes packed at our new highly-efficient facility

4

Apply success in lemons to other specialty citrus varieties

5

Expand and diversify global plantings and production capabilities

6

Maintain and grow global partnerships, as well as our global customer base

7

Realize value of Non-Core accelerators

## Financial Performance & Outlook

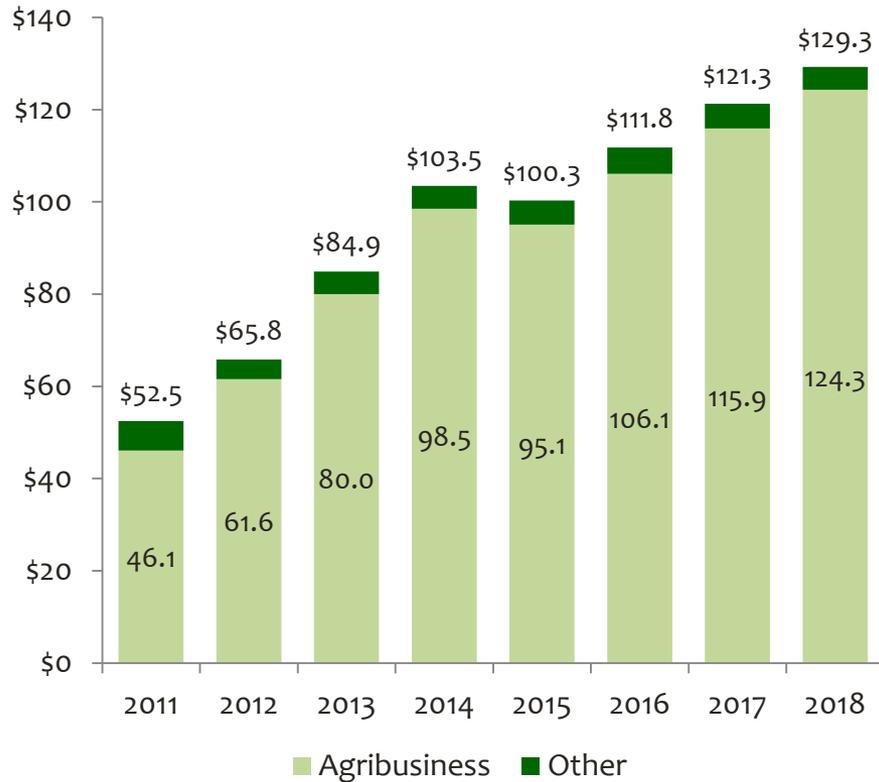
## Fiscal Year 2018 Financial Results

- Record **Revenue** of \$129.3 million - **7% increase** compared to Fiscal Year 2017
  - Revenue growth driven by volume growth in lemons and oranges and favorable citrus pricing
  - Growth came despite reduced avocado pricing due to California heat wave
- Record **Adjusted EBITDA** of \$23.5 million - **23% increase** compared to Fiscal Year 2017
  - Excluding impairment charges and gains from sale of Calavo shares, 2018 Core EBITDA was \$20.8 million, a **9% increase** compared to Fiscal Year 2017
  - Adjusted EBITDA affected by three factors in FQ4 2018:
    - Delayed timing of desert zone lemon harvest due to persistent rains
    - Smaller than expected wine grape harvest
    - \$1.6 million non-cash impairment charge on Santa Maria real estate assets
- Record **Annual Dividend** of \$0.25 per share - **14% increase** compared to Fiscal Year 2017
  - Raised quarterly dividend by 20% in December 2018; pays \$0.30 per share on an annualized basis
  - Limoneira has now raised its dividend for 7 consecutive years

# Strong Financial Performance

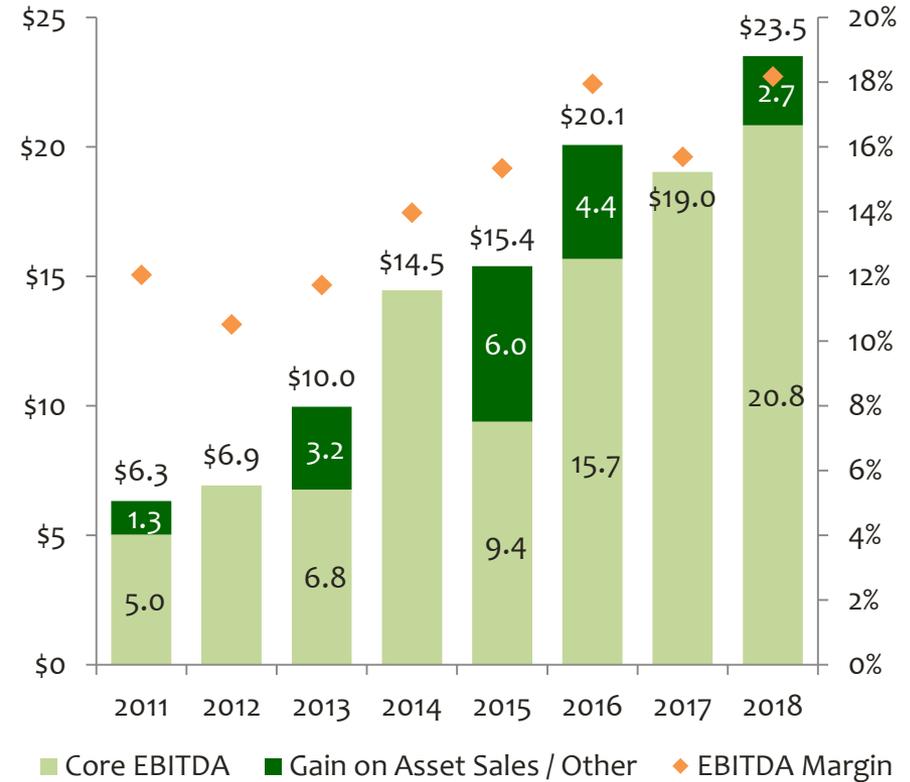
## Revenue

Dollars in Millions



## Adj. EBITDA (1)

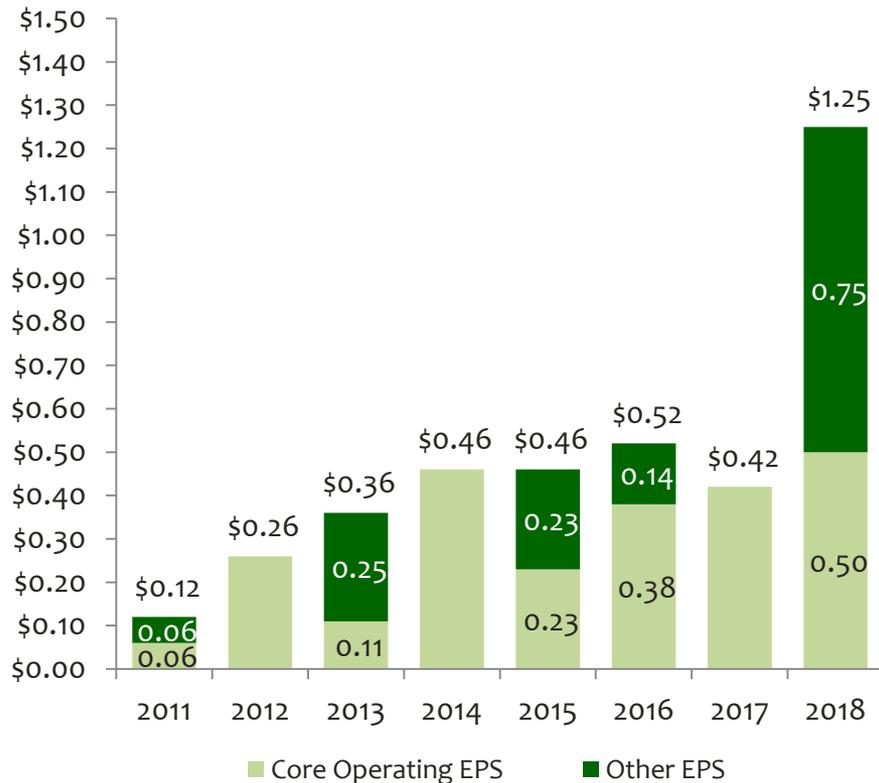
Dollars in Millions



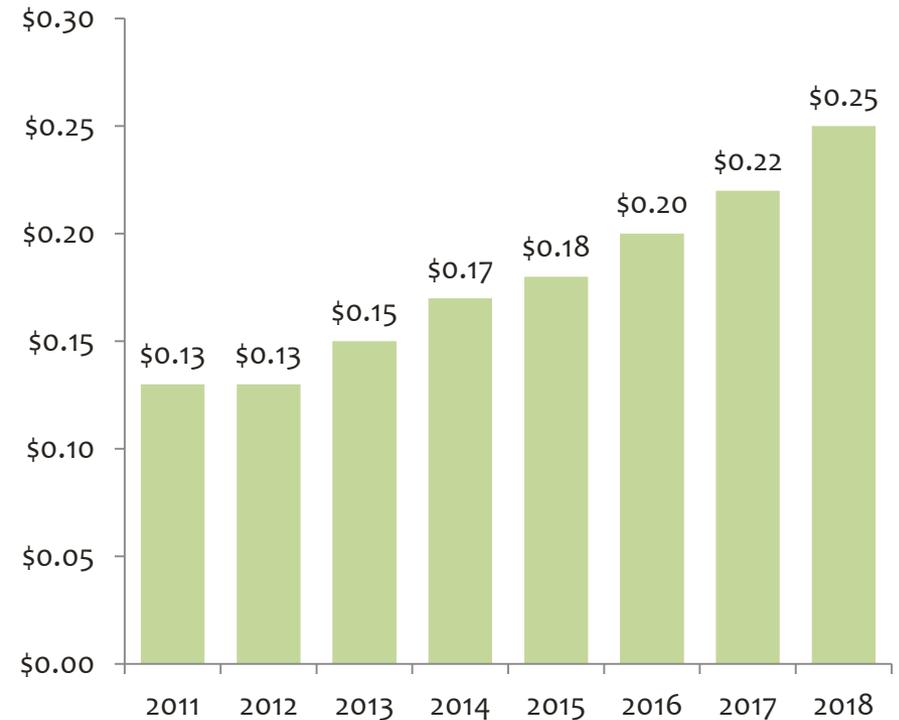
(1): FY 2016 and FY 2018 Adj. EBITDA includes one-time gain from Calavo stock sale.

# Revenue Growth & Operational Efficiencies Driving EPS & DPS Growth

## Earnings Per Share (1)



## Dividends Per Share



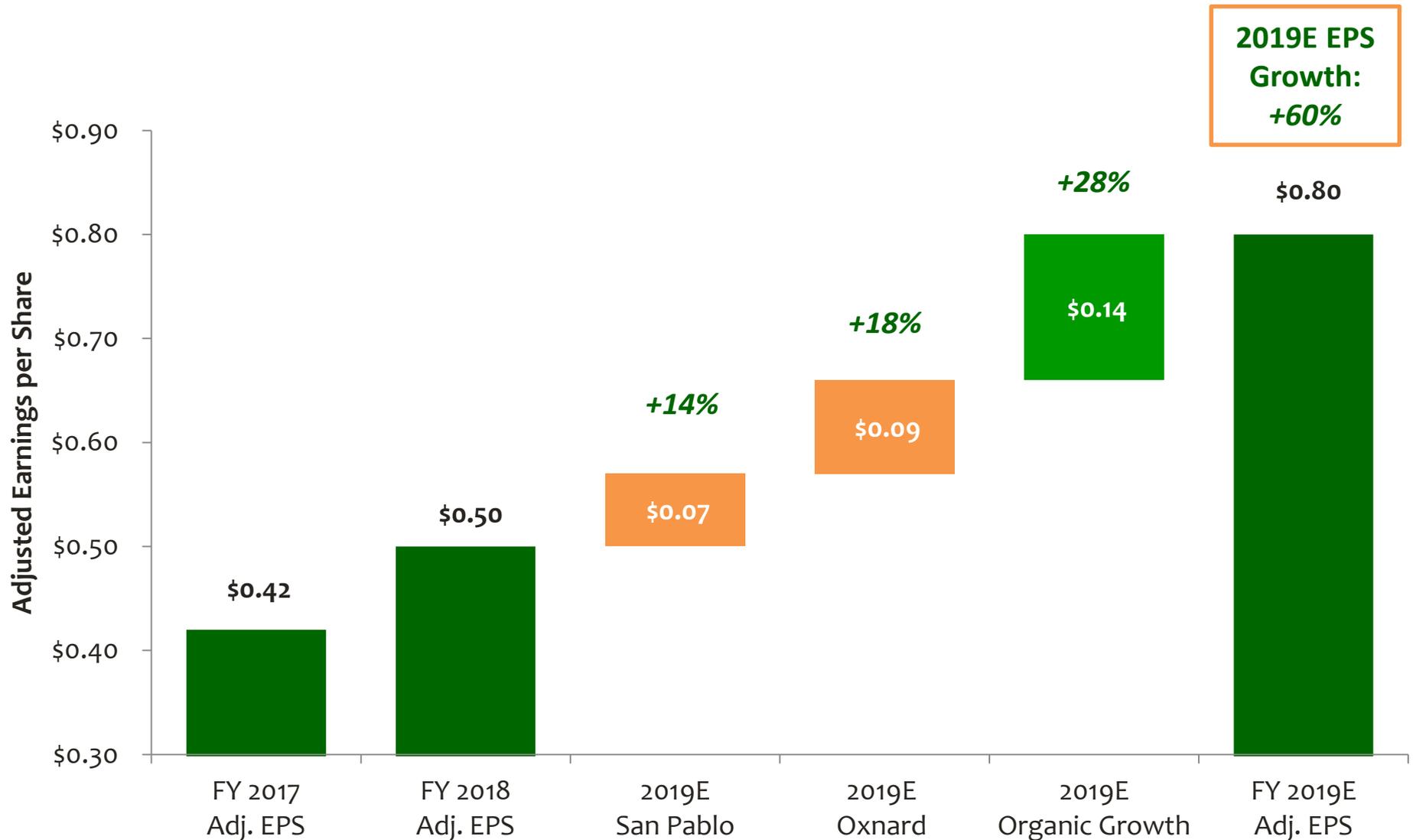
(1): Core Operating EPS excludes gain on asset sales included in other income and a one-time deferred tax benefit of \$0.63 per share in 1Q18.

## Fiscal Year 2019 Guidance\*

- The Company expects to sell:
  - **Lemons:** Between 5.0 million and 5.3 million cartons of fresh lemons at an average price of approximately \$27.00 per carton
  - **Avocados:** Between 1.7 million and 2.0 million pounds of avocados at approximately \$1.20 per pound
    - Due to excessive heat in the summer of 2018, the Company expects a crop insurance benefit of approximately \$2.5 million calculated on actual avocado harvest in Fiscal Year 2019
- **Operating Income** for Fiscal Year 2019 is expected to be approximately \$20.0 million to \$23.0 million, compared to Operating Income of \$9.5 million for Fiscal Year 2018
  - Midpoint of guidance implies 126% growth versus prior year
- **Adjusted EBITDA** for Fiscal Year 2019 is expected to be approximately \$28.0 million to \$32.0 million, compared to Adjusted EBITDA of \$23.5 million for Fiscal Year 2018
  - Midpoint of guidance implies 28% growth versus prior year
- **Adjusted Earnings per Diluted Share** for Fiscal Year 2019 is expected to be in the range of \$0.75 to \$0.85, compared to Adjusted EPS of \$0.50 for Fiscal Year 2018
  - Midpoint of guidance implies 60% growth versus prior year
  - Includes \$0.06 - \$0.08 per share of accretion from San Pablo acquisition, and \$0.08 - \$0.10 per share of accretion from Oxnard acquisition

\* Guidance provided on Fourth Quarter Fiscal Year 2018 earnings call on January 14, 2019.  
Note: 2019E EPS guidance assumes weighted average share count of 18.4 million in FY 2019.

# Strong Expected Earnings Growth



Note: 2019E San Pablo, Oxnard and LMNR figures represent the mid-point of the Company's FY 2019 guidance. Assumes 18.4 million shares outstanding in FY 2019.

# Appendix

# Adjusted EBITDA Reconciliation

(Dollars in Thousands)

	Fiscal Year Ended October 31,							
	2011	2012	2013	2014	2015	2016	2017	2018
Net Income	\$ 1,598	\$ 3,150	\$ 4,906	\$ 6,991	\$ 7,082	\$ 8,058	\$ 6,595	\$ 20,234
Interest Expense	619	(335)	(672)	(60)	148	1,409	1,778	1,122
Income Taxes	707	1,978	3,235	3,573	3,974	5,267	4,077	(6,746)
Depreciation & Amortization	2,207	2,131	2,403	3,516	4,184	5,339	6,467	7,290
EBITDA	\$ 5,131	\$ 6,924	\$ 9,872	\$ 14,020	\$ 15,388	\$ 20,073	\$ 18,917	\$ 21,900
Impairment of Real Estate Assets	1,196	-	95	435	-	-	120	1,558
<b>Adjusted EBITDA</b>	<b>\$ 6,327</b>	<b>\$ 6,924</b>	<b>\$ 9,967</b>	<b>\$ 14,455</b>	<b>\$ 15,388</b>	<b>\$ 20,073</b>	<b>\$ 19,037</b>	<b>\$ 23,458</b>

Non-GAAP Financial Measures: Due to significant depreciable assets associated with the nature of our operations and interest costs associated with our capital structure, management believes that earnings before interest, income taxes, depreciation and amortization (“EBITDA”) and adjusted EBITDA, which excludes impairments on real estate development assets when applicable, is an important measure to evaluate our Company’s results of operations between periods on a more comparable basis. Such measures are widely used by analysts, investors and lenders as well as by management in assessing our Company’s financial performance and business trends relating to our results of operations and financial condition. These measurements are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and should not be construed as an alternative to reported results determined in accordance with GAAP. The non-GAAP information provided is unique to our Company and may not be consistent with methodologies used by other companies.