# Tejon Ranch Co. Announces Third Quarter 2026 Financial Results

Nov 5, 2026

TEJON RANCH, Calif., Nov. 05, 2026 (GLOBE NEWSWIRE) -- Tejon Ranch Co. (NYSE: TRC), ("Tejon" or the "Company"), a diversified real estate, land and agribusiness company, today announced financial results for the third quarter ended September 30, 2026.

**Third Quarter 2026 Financial Highlights**

- Net income attributable to common stockholders was $3.3 million ($0.12 per share basic and diluted), an increase of $1.6 million compared to income of $1.7 million, ($0.06 per share) in the third quarter of 2025.
- Revenues and other income, including equity in earnings of unconsolidated joint ventures totaled $25.0 million, an increase of $10.3 million compared to $14.7 million in the third quarter of 2025.
- Adjusted EBITDA, a non-GAAP measure, was $10.4 million, an increase of $5.1 million compared to $5.3 million in the third quarter of 2025.
- Corporate expenses, excluding share-based compensation adjustments, decreased 39.8% in the third quarter compared to the same period last year. For the first nine months of 2026, corporate expenses, excluding share-based compensation adjustments and non-recurring costs in 2025, decreased 22.4% compared to the prior year.

**Executive Summary**

“We had a solid quarter. Revenue, net income and EBITDA all improved on a quarterly and year-to-date basis,” said Matthew Walker, President and Chief Executive Officer of Tejon Ranch Company. “I would like to note a few caveats. First, farming revenue includes $3.9 million of crop insurance proceeds and $2.6 million of price adjustments on last year’s pistachio crop. Both were unusually large. Second, warmer spring weather accelerated the wine grape harvest, shifting sales into the third quarter, while also adversely affecting almond development and resulting in lower kernel weights. In addition, our year-to-date earnings benefited from the absence of certain non-recurring costs incurred last year and an industrial land sale this year. However, setting those aside, our individual operating segments generated steady growth over the same quarter last year.

“Big picture, we are implementing a plan to create sustainable earnings growth. This means pursuing opportunities which surpass our hurdles, carefully committing capital expenditures based on available cash, and driving performance from activities which generate a high return on our invested capital across our 270,000 acres. Some aspects of our implementation are already evident, like our industrial joint venture with Dedeaux Properties, or our progress in leasing up Terra Vista. Other initiatives will be announced as they occur. Nonetheless, our clear and unambiguous goal is to unlock with urgency the substantial value of our land and water assets for our shareholders.”

**Commercial/Industrial Real Estate Update**

- Commercial/industrial segment performance remained stable during the third quarter of 2026, with revenues of $3.2 million and segment operating income, including earnings from unconsolidated joint ventures, of $4.0 million, both generally consistent with the prior-year period.
- Leasing and occupancy as of September 30, 2026:
    - The TRCC industrial portfolio, through the Company's joint venture partnerships, consists of 2.8 million square feet of gross leasable area (GLA) and remains 100% leased.
    - The TRCC commercial portfolio, wholly owned and through joint venture partnerships, consists of approximately 584,000 square feet of GLA and is 95% leased.
    - Occupancy at the Outlets at Tejon was 92% as of September 30, 2026.
    - Construction continues on Building 1B at TRCC through the Company's joint venture with Dedeaux Properties, in which the Company holds a 60% economic interest. The approximately 510,500-square-foot Class A industrial building is expected to receive its certificate of occupancy in the first quarter of 2027.
    - The opening of Hard Rock Casino Tejon and continued leasing at Terra Vista are contributing to increased commercial activity at TRCC. The Tejon Indian Tribe and Hard Rock International recently broke ground on Phase II of the casino development, which will include a 406-room hotel, a 2,800-seat entertainment venue, additional gaming space, restaurants, and resort amenities. The expansion is expected to further strengthen the area as a regional destination and support additional commercial activity at TRCC.

**Farming Highlights**

- Farming segment revenues increased to $12.6 million in the third quarter of 2026, compared to $4.3 million in the prior-year period, primarily reflecting higher crop sales, $2.6 million of pricing adjustments related to prior-year pistachio sales, and $3.9 million of crop insurance proceeds.
- The segment generated operating income of $1.4 million during the quarter, compared to an operating loss of $1.0 million in the prior-year period.
- For the nine months ended September 30, 2026, farming revenues increased to $14.3 million, compared to $6.5 million in the prior-year period, while the segment's operating loss narrowed to $0.2 million from $2.9 million.
    - The increase was primarily attributable to pistachio revenues, including prior-year pricing adjustments and crop insurance proceeds, and higher wine grape revenues due to timing of harvest compared to prior-year period, partially offset by a $387,000, or 11.3%, decrease in almond revenues due to lower sales of almond carryover crop.
- The Company completed the planting of an additional 150 acres of olives in 2026, bringing total olive acreage to approximately 300 acres as part of its crop diversification strategy.

**Mineral Resources Highlights**

- Mineral resources segment revenues increased 24.9% to $4.0 million in the third quarter of 2026, compared to $3.2 million in the prior-year period, primarily driven by higher rock and aggregate royalties and water sales. Segment operating income increased 57.5% to $1.7 million, compared to $1.1 million in the prior-year period.
- For the nine months ended September 30, 2026, segment revenues increased 27.6% to $9.3 million, compared to $7.3 million in the prior-year period, while segment operating income increased 57.8% to $3.6 million.
- Royalty revenues from rock and aggregate, cement, and oil and gas operations, together with water sales, continued to contribute to the segment's financial performance.
- During the quarter, National Cement exercised its option to extend the lease term an additional 20 years, through 2047. The extension reinforces the long-term value of our land assets and supports our strategy of generating recurring revenue from our landholdings.

**Liquidity and Capital Resources**

As of September 30, 2026, total capital, including debt, was $591.3 million. The Company had total liquidity of approximately $74.4 million, consisting of cash and securities totaling approximately $8.8 million and $65.6 million available on its line of credit.

**2026 Outlook:**

The Tejon Ranch Commerce Center remains the Company’s primary mixed-use development platform, with the new industrial Building 1B on track for an early 2027 delivery. The Company expects to continue to pursue commercial and industrial development both directly and through joint ventures, including opportunistic land sales. The Company continues to advance its proposed residential communities. Across the Ranch, the Company’s recurring revenue streams continue to perform, and management remains focused on leveraging the full breadth of its landholdings to drive value.

Net income will continue to fluctuate based on the timing of land sales, leasing activity, agricultural results, and commodity prices. In farming, the Company has substantially completed its 2026 harvest, with reported results benefiting from prior-year pistachio pricing adjustments and crop insurance proceeds. Water market conditions remain influenced by higher State Water Project allocations in 2026 and the potential for increased precipitation in 2027. The Company continues to evaluate opportunities to execute water sales when market conditions are favorable.

**Earnings Conference Call Information**

The Company will host a conference call to discuss its third quarter 2026 financial results:

- **Date:** Thursday, November 5, 2026
- **Time:** 2:00 p.m. Pacific Time / 5:00 p.m. Eastern Time
- **Dial-In:** (844) 826-3035 (U.S.) or +1 (412) 317-5195 (International)
- **Conference Call Playback:** (844) 512-2921 (U.S.) or +1 (412) 317-6671 (International) Passcode: 10212992

The full playback can be accessed through Thursday, December 3, 2026.

**About Tejon Ranch Co.**

Tejon Ranch Co. (NYSE: TRC) is a California-based company whose 270,000-acre landholding in Los Angeles and Kern Counties

supports a diversified portfolio of real estate and land-based businesses. Strategically located 60 miles north of downtown Los Angeles at its southern boundary and to an area approximately 15 miles southeast of Bakersfield at its northern boundary, the Company's operations include the development and operation of commercial and industrial real estate, master-planned communities, as well as farming, grazing and game management. Tejon Ranch Co. also generates revenue through ground leases, royalty agreements, and rights-of-way easements supporting infrastructure, energy, telecommunications and utility uses. For more information, please visit www.tejonranch.com.

**Forward-Looking Statements:**

This release contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact are forward-looking statements. These statements include, among others, statements regarding the Company's business plans, strategies, prospects, objectives, future operating results, financial condition, capital allocation, cost structure, development and entitlement timelines, partnerships, and other future events or circumstances.

Forward-looking statements reflect the Company's current expectations and beliefs and are not guarantees of future performance. These statements speak only as of the date of this release. Words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "target," "may," "will," "could," "should," "would," "likely," and similar expressions are intended to identify forward-looking statements.

These statements are based on current assumptions and are subject to risks and uncertainties, many of which are beyond the Company's control, that could cause actual results to differ materially from those expressed or implied. These risks and uncertainties include, among others, market, economic, geopolitical, and weather conditions; the availability and cost of financing; competition; commodity prices and agricultural yields; the ability to obtain and maintain governmental entitlements and permits; the timing and outcome of regulatory and litigation matters; demand for commercial, industrial, residential, and retail real estate; and other risks inherent in the Company's real estate and agricultural operations.

There can be no assurance that actual results will not differ materially from these forward-looking statements. Except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements. Investors are cautioned not to place undue reliance on these statements. For additional information regarding risks and uncertainties, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2025, and subsequent filings with the U.S. Securities and Exchange Commission.

(Financial tables follow)

**TEJON RANCH CO. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
($ in thousands, except per share amounts)

| | September 30, 2026 (unaudited) | December 31, 2025 |
|---|---|---|
| ASSETS | | |
| Current Assets: | | |
| Cash and cash equivalents | $ 2,605 | $ 9,524 |
| Marketable securities - available-for-sale | 6,187 | 15,370 |
| Accounts receivable | 14,509 | 9,389 |
| Inventories | 5,768 | 3,347 |
| Prepaid expenses and other current assets | 1,128 | 1,632 |
| Total current assets | 30,197 | 39,262 |
| Real estate and improvements - held for lease, net | 79,232 | 79,177 |
| Real estate development (includes $132,227 at September 30, 2026 and $128,549 at December 31, 2025, attributable to CFL) | 366,853 | 356,567 |
| Property and equipment, net | 60,847 | 59,311 |
| Investments in unconsolidated joint ventures | 42,941 | 29,986 |
| Net investment in water assets | 64,366 | 62,593 |
| Other assets | 2,902 | 3,573 |
| TOTAL ASSETS | $ 647,338 | $ 630,469 |
| | | |
| LIABILITIES AND EQUITY | | |
| Current Liabilities: | | |
| Trade accounts payable | $ 7,462 | $ 5,240 |
| Accrued liabilities and other | 4,635 | 2,188 |
| Deferred income | 3,384 | 2,062 |

| | | |
|---|---|---|
| Income taxes payable | 847 | — |
| Total current liabilities | 16,328 | 9,490 |
| Revolving line of credit | 94,442 | 93,942 |
| Long-term deferred gains | 13,934 | 10,935 |
| Deferred tax liability | 9,834 | 9,849 |
| Other liabilities | 15,951 | 15,697 |
| Total liabilities | 150,489 | 139,913 |
| Commitments and contingencies | | |
| Equity: | | |
| Tejon Ranch Co. stockholders' equity | | |
| Common stock, $0.50 par value per share: | | |
| Authorized shares - 50,000,000 | | |
| Issued and outstanding shares - 27,021,444 at September 30, 2026 and 26,916,837 at December 31, 2025 | 13,510 | 13,460 |
| Additional paid-in capital | 350,444 | 350,242 |
| Accumulated other comprehensive loss | (218) | (177) |
| Retained earnings | 117,759 | 111,673 |
| Total Tejon Ranch Co. stockholders' equity | 481,495 | 475,198 |
| Non-controlling interest | 15,354 | 15,358 |
| Total equity | 496,849 | 490,556 |
| TOTAL LIABILITIES AND EQUITY | $ 647,338 | $ 630,469 |

**TEJON RANCH CO. AND SUBSIDIARIES**
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**
($ in thousands, except per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Revenues: | | | | |
| Real estate - Commercial/Industrial | $ 3,244 | $ 2,943 | $ 15,669 | $ 10,789 |
| Multifamily | 924 | 181 | 2,477 | 196 |
| Mineral resources | 3,963 | 3,172 | 9,285 | 7,277 |
| Farming | 12,628 | 4,335 | 14,273 | 6,498 |
| Ranch operations | 1,853 | 1,338 | 4,670 | 3,725 |
| Total revenues | 22,612 | 11,969 | 46,374 | 28,485 |
| Costs and expenses: | | | | |
| Real estate - Commercial/Industrial | 1,527 | 1,498 | 9,417 | 6,369 |
| Multifamily | 1,227 | 650 | 3,279 | 1,162 |
| Real estate - Resort/Residential | 427 | 318 | 1,146 | 1,008 |
| Mineral resources | 2,308 | 2,121 | 5,686 | 4,996 |
| Farming | 11,184 | 5,362 | 14,459 | 9,407 |
| Ranch operations | 1,324 | 1,176 | 3,830 | 3,784 |
| Corporate expenses | 2,242 | 2,868 | 6,967 | 12,004 |
| Total costs and expenses | 20,239 | 13,993 | 44,784 | 38,730 |
| Operating income (loss) | 2,373 | (2,024) | 1,590 | (10,245) |
| Other income: | | | | |
| Investment income | 97 | 177 | 350 | 749 |
| Other loss, net | (67) | (9) | (241) | (89) |
| Total other income, net | 30 | 168 | 109 | 660 |
| Income (loss) before equity in earnings of unconsolidated joint ventures and income tax expense (benefit) | 2,403 | (1,856) | 1,699 | (9,585) |
| Equity in earnings of unconsolidated joint ventures, net | 2,332 | 2,555 | 6,722 | 6,268 |
| Income (loss) before income tax expense (benefit) | 4,735 | 699 | 8,421 | (3,317) |
| Income tax expense (benefit) | 1,437 | (972) | 2,339 | (1,809) |
| Net income (loss) | 3,298 | 1,671 | 6,082 | (1,508) |

| | | | | |
|---|---|---|---|---|
| Net (loss) income attributable to non-controlling interest | (2) | 1 | (4) | (2) |
| Net income (loss) attributable to common stockholders | $ 3,300 | $ 1,670 | $ 6,086 | $ (1,506) |
| Net income (loss) per share attributable to common stockholders, basic | $ 0.12 | $ 0.06 | $ 0.23 | $ (0.06) |
| Net income (loss) per share attributable to common stockholders, diluted | $ 0.12 | $ 0.06 | $ 0.22 | $ (0.06) |

*Tejon Ranch Co. provides Adjusted EBITDA, a non-GAAP financial measure, because it offers additional information for monitoring the Company's cash flow performance. A table providing a reconciliation of Adjusted EBITDA to its most comparable GAAP measure, as well as an explanation of, and important disclosures about, this non-GAAP measure, is included in the tables at the end of this press release.*

**Non-GAAP Financial Measures**

This press release includes references to the Company's non-GAAP financial measures "EBITDA", and Adjusted EBITDA. EBITDA represents the Company's share of consolidated net income in accordance with U.S. generally accepted accounting principles ("GAAP"), before interest, taxes, depreciation, and amortization, plus the allocable portion of EBITDA of unconsolidated joint ventures accounted for under the equity method of accounting based upon economic ownership interest, and all determined on a consistent basis in accordance with GAAP. EBITDA is a non-GAAP financial measure and is used by the Company and others as a supplemental measure of performance. Tejon Ranch also uses Adjusted EBITDA to assess the performance of the Company's core operations, for financial and operational decision making, and as a supplemental or additional means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as EBITDA, excluding stock compensation expense and certain identified non-recurring items that are not indicative of our ongoing operations or that may obscure our underlying results and trends. The Company believes EBITDA and Adjusted EBITDA provide investors relevant and useful information, when reconciled to their most comparable GAAP financial measure, because they permit investors to view income from operations on an unlevered basis before the effects of taxes, depreciation and amortization, and stock compensation expense. By excluding interest expense and income, EBITDA and Adjusted EBITDA allow investors to measure the Company's performance independent of its capital structure and indebtedness and, therefore, allow for a more meaningful comparison of the Company's performance to that of other companies, both in the real estate industry and in other industries. The Company believes that excluding charges related to share-based compensation facilitates a comparison of its operations across periods and among other companies without the variances caused by different valuation methodologies, the volatility of the expense (which depends on market forces outside the Company's control), and the assumptions and the variety of award types that a company can use. In addition, the Company excludes certain items impacting comparability, such as shareholder activism advisory costs and legal expenses associated with the Centennial litigation, to provide investors with a clearer understanding of the Company's core operating performance across periods. EBITDA and Adjusted EBITDA have limitations as measures of the Company's performance. EBITDA and Adjusted EBITDA do not reflect Tejon Ranch's historical cash expenditures or future cash requirements for capital expenditures or contractual commitments. While EBITDA and Adjusted EBITDA are relevant and widely used measures of performance, they do not represent net income or cash flows from operations as defined by GAAP, and they should not be considered as alternatives to those indicators in evaluating performance or liquidity. Further, the Company's computation of EBITDA and Adjusted EBITDA may not be comparable to similar measures reported by other companies.

Adjusted Farming EBITDA before fixed water obligations is not a measure of financial performance prepared in accordance with GAAP and should not be considered in isolation or as a substitute for net income, operating income, or other performance measures prepared in accordance with GAAP. The Company defines Adjusted Farming EBITDA before fixed water obligations as net income (loss) before interest, taxes, depreciation, and amortization, further adjusted to exclude non-recurring items such as gains or losses on asset sales, impairments, share-based compensation, and other non-cash charges, and before deducting the Company's fixed water obligations. Management uses this measure to evaluate the core operating performance of its farming operations and to facilitate period-to-period comparisons by isolating the impact of variable farming costs from the fixed water infrastructure costs. The Company believes this measure provides investors with additional insight into the underlying cash flow potential of its agricultural operations. A reconciliation of Adjusted Farming EBITDA before fixed water obligations to the most directly comparable GAAP measure, Operating loss from farming, is provided below.

**TEJON RANCH CO.**

**Non-GAAP Financial Measures**
(Unaudited)

| | Three Months Ended September 30, | |
|---|---|---|
| ($ in thousands) | 2026 | 2025 |
| Net income | $ 3,298 | $ 1,671 |
| Net (loss) income attributable to non-controlling interest | (2) | 1 |
| Interest, net | | |

| | | |
|---|---|---|
| Consolidated | (97) | (177) |
| Our share of interest expense from unconsolidated joint ventures | 1,414 | 1,539 |
| Total interest, net | 1,317 | 1,362 |
| Income tax expense | 1,437 | (972) |
| Depreciation and amortization: | | |
| Consolidated | 2,128 | 1,690 |
| Our share of depreciation and amortization from unconsolidated joint ventures | 1,687 | 1,666 |
| Total depreciation and amortization | 3,815 | 3,356 |
| EBITDA | 9,869 | 5,416 |
| Stock compensation expense | 527 | (133) |
| Adjusted EBITDA | $ 10,396 | $ 5,283 |

| | Nine Months Ended September 30, | | TTM* Ended September 30, | |
|---|---|---|---|---|
| ($ in thousands) | 2026 | 2025 | 2026 | 2025 |
| Net income (loss) | $ 6,082 | $ (1,508) | $ 7,661 | $ 2,974 |
| Net loss attributable to non-controlling interest | (4) | (2) | (6) | (3) |
| Interest, net | | | | |
| Consolidated | (350) | (749) | (515) | (1,179) |
| Our share of interest expense from unconsolidated joint ventures | 4,241 | 4,473 | 5,561 | 6,013 |
| Total interest, net | 3,891 | 3,724 | 5,046 | 4,834 |
| Income tax provision (benefit) | 2,339 | (1,809) | 5,236 | (547) |
| Depreciation and amortization: | | | | |
| Consolidated | 4,992 | 3,800 | 7,206 | 5,548 |
| Our share of depreciation and amortization from unconsolidated joint ventures | 5,021 | 5,098 | 6,913 | 6,862 |
| Total depreciation and amortization | 10,013 | 8,898 | 14,119 | 12,410 |
| EBITDA | 22,329 | 9,307 | 32,068 | 19,674 |
| Stock compensation expense | 1,243 | 1,157 | 1,793 | 1,253 |
| Items impacting comparability: | | | | |
| Shareholder activism expense | — | 3,399 | — | 3,399 |
| Centennial litigation expense | — | — | 1,100 | — |
| **Adjusted EBITDA** | **$ 23,572** | **$ 13,863** | **$ 34,961** | **$ 24,326** |

**Trailing Twelve Month (TTM)*

**Reconciliation of Net Income to Adjusted TTM EBITDA**

| | TTM EBITDA Ended September 30, 2026 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ($ in thousands) | Commercial Real Estate | Multifamily | Farming | Mineral Resources | Ranch Operations | Residential Real Estate | Corporate | Tejon PRS of UJV | Grand Total |
| Net income (loss) | $ 8,835 | (1,381) | $ 2,610 | $ 4,147 | $ 1,117 | $ (2,415) | $ (14,068) | $ 8,816 | $ 7,661 |
| Net income attributed to non-controlling interest | — | — | — | — | — | — | — | (6) | (6) |
| Interest, net | | | | | | | | | |
| Consolidated interest income | — | — | — | — | — | — | (515) | — | (515) |
| Our share of interest expense from unconsolidated joint ventures | — | — | — | — | — | — | — | 5,561 | 5,561 |
| Total interest, net | — | — | — | — | — | — | (515) | 5,561 | 5,046 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Income tax expense | — | — | — | — | — | — | 5,236 | — | 5,236 |
| Depreciation and amortization | | | | | | | | | |
| Consolidated | 474 | 2,086 | 2,535 | 1,375 | 358 | 26 | 352 | — | 7,206 |
| Our share of depreciation and amortization from unconsolidated joint ventures | — | — | — | — | — | — | — | 6,913 | 6,913 |
| Total depreciation and amortization | 474 | 2,086 | 2,535 | 1,375 | 358 | 26 | 352 | 6,913 | 14,119 |
| EBITDA | 9,309 | 705 | 5,145 | 5,522 | 1,475 | (2,389) | (8,995) | 21,296 | 32,068 |
| Stock compensation expense | 48 | — | 20 | 5 | 15 | 106 | 1,599 | — | 1,793 |
| Items impacting comparability: | | | | | | | | | |
| Other [1] | — | — | — | — | — | — | 1,100 | — | 1,100 |
| Adjusted EBITDA | $ 9,357 | $ 705 | $ 5,165 | $ 5,527 | $ 1,490 | $ (2,283) | $ (6,296) | $ 21,296 | $ 34,961 |

[1] Represents legal expenses associated with the Centennial litigation attributable to opposing counsel.

Quarterly information is not indicative of full year results due to seasonality.

| | TTM EBITDA Ended September 30, 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ($ in thousands) | Commercial Real Estate | Multifamily | Farming | Mineral Resources | Ranch Operations | Residential Real Estate | Corporate | Tejon PRS of UJV | Grand Total |
| Net income (loss) | $ 6,379 | (775) | $ (1,378) | $ 2,799 | $ 465 | $ (1,307) | $ (12,747) | $ 9,538 | $ 2,974 |
| Net income attributed to non-controlling interest | — | — | — | — | — | — | (3) | — | (3) |
| Interest, net | | | | | | | | | |
| Consolidated interest income | — | — | — | — | — | — | (1,179) | — | (1,179) |
| Our share of interest expense from unconsolidated joint ventures | — | — | — | — | — | — | — | 6,013 | 6,013 |
| Total interest, net | — | — | — | — | — | — | (1,179) | 6,013 | 4,834 |
| Income tax expense | — | — | — | — | — | — | (547) | — | (547) |
| Depreciation and amortization | | | | | | | | | |
| Consolidated | 423 | 422 | 2,551 | 1,375 | 383 | 39 | 355 | — | 5,548 |
| Our share of depreciation and amortization from unconsolidated joint ventures | — | — | — | — | — | — | — | 6,862 | 6,862 |
| Total depreciation and amortization | 423 | 422 | 2,551 | 1,375 | 383 | 39 | 355 | 6,862 | 12,410 |
| EBITDA | 6,802 | (353) | 1,173 | 4,174 | 848 | (1,268) | (14,115) | 22,413 | 19,674 |
| Stock compensation expense | 111 | — | 139 | 49 | 30 | 428 | 496 | — | 1,253 |
| Items impacting comparability: | | | | | | | | | |
| Other [1] | — | — | — | — | — | — | 3,399 | — | 3,399 |
| Adjusted EBITDA | $ 6,913 | $ (353) | $ 1,312 | $ 4,223 | $ 878 | $ (840) | $ (10,220) | $ 22,413 | $ 24,326 |

[1] Represents shareholder activism expense

Quarterly information is not indicative of full year results due to seasonality.

**Reconciliation of Adjusted Farming EBITDA before Fixed Water Obligations**
(Unaudited)

The Company evaluates the performance of its farming operations using Adjusted Farming EBITDA before fixed water obligations, a non-GAAP financial measure. Management believes this measure provides a meaningful representation of the underlying profitability and cash flow potential of its agricultural operations by excluding both non-operating items and the fixed water obligation, which represents a non-controllable infrastructure cost incurred regardless of the level of farming activity in this segment.

The fixed water obligations reflect the Company's allocated share of infrastructure and financing costs associated with the transmission and delivery of water to the Company's property. These obligations primarily consist of annual assessments levied to repay bonds issued by the State of California to finance the construction and on-going maintenance of the State Water Project system and local water districts' water systems. The landowners who hold water rights, including the Company, are responsible for repaying these bonds through fixed annual payments.

Unlike variable water costs which are included in farming expenses, management views the fixed water obligation as an infrastructure cost that supports long-term access to water resources, rather than an essential operating cost of farming. Accordingly, Adjusted Farming EBITDA before fixed water obligations allows management and investors to evaluate the operating performance of the Company's farming segment independent of the fixed costs associated with water infrastructure.

| ($ in thousands) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| **Farming Segment** | 2026 | 2025 | 2026 | 2025 |
| Farming revenues | $ 12,628 | $ 4,335 | $ 14,273 | $ 6,498 |
| Farming expenses | 11,184 | 5,362 | 14,459 | 9,407 |
| **Operating income (loss) from farming** | 1,444 | (1,027) | (186) | (2,909) |
| Depreciation | 983 | 768 | 1,569 | 1,447 |
| Stock compensation expense | 18 | 28 | (21) | 99 |
| **Adjusted Farming EBITDA** | 2,445 | (231) | 1,362 | (1,363) |
| Fixed Water Obligations | 134 | 656 | 1,905 | 2,172 |
| **Adjusted Farming EBITDA before Fixed Water Obligations** | $ 2,579 | $ 425 | $ 3,267 | $ 809 |

**Earnings Per Share (EPS) and Share Data**
(Unaudited)

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | September 30, 2026 | June 30, 2026 | March 31, 2026 | December 31, 2025 | September 30, 2025 |
| Basic earnings per share | $ 0.12 | $ 0.10 | $ 0.01 | $ 0.06 | $ 0.06 |
| Diluted earnings per share | $ 0.12 | $ 0.10 | $ 0.01 | $ 0.06 | $ 0.06 |
| Book value per common share | $ 17.82 | $ 17.68 | $ 17.58 | $ 17.65 | $ 17.60 |
| Period-end share price | $ 16.22 | $ 18.70 | $ 18.84 | $ 15.77 | $ 15.98 |
| Weighted average shares | 27,020,385 | 27,004,319 | 26,937,124 | 26,907,329 | 26,890,979 |
| Weighted average diluted shares | 27,072,106 | 27,069,691 | 27,014,799 | 26,965,558 | 26,939,860 |
| Outstanding shares | 27,021,444 | 27,004,897 | 26,992,645 | 26,916,837 | 26,893,955 |

**Contacts**
Tejon Ranch Co.
Nicholas Ortiz
Senior Vice President, Corporate Communications & Public Affairs
661-663-4212
IR@tejonranch.com




Source: Tejon Ranch Co