October 18, 2013

734 Agriculture and Arlon Group Purchase Majority Interest in Alico, Inc.

FORT MYERS, Fla. and NEW YORK, Oct. 18, 2013 (GLOBE NEWSWIRE) -- 734 Agriculture, LLC and Alico, Inc. (Nasdaq:ALCO) announced today that 734 Agriculture, a private investment company owned and controlled by Remy W. Trafelet and George R. Brokaw, in partnership with Arlon Group, a global food and agriculture investment firm founded by Continental Grain Company, have entered into definitive agreements under which an affiliate of 734 Agriculture will acquire approximately 50.5 percent of Alico's outstanding voting stock from Atlantic Blue Group, a family owned holding company.

The all cash transaction values the majority stake in Alico at $37 per share, for a total purchase price of $137.8 million. The transaction is scheduled to close during the fourth calendar quarter of 2013, subject to limited customary closing conditions.

Based in Fort Myers, Florida, Alico is an agribusiness and land management company. Its principal lines of business are citrus groves, improved farmland including sugar cane, cattle ranching and resource conservation. The company is one of the largest private landowners in Florida, owning approximately 130,800 acres in five counties. It is a leading citrus grower in Florida with approximately 11,000 producing acres.

Upon close of the transaction, Clay G. Wilson, a third generation citrus grower associated with the citrus industry for more than 28 years, is expected to replace JD Alexander as Chief Executive Officer of Alico. Mr. Wilson currently serves as Chief Executive Officer of 734 Citrus Holdings, LLC and Silver Nip Citrus, companies also owned and controlled by 734 Agriculture.

The Alico board of directors is expected to comprise eight members after close of the transaction – including Mr. Wilson, Mr. Trafelet, Mr. Brokaw and Ben Fishman, Managing Principal of Arlon Group. In addition, Henry (Hank) Slack, former CEO of Minorco, former Executive Director of Anglo American PLC, and former Chairman of Terra Industries, is expected to assume the role of Chairman of the Board of Alico after closing. Ramon Rodriguez, current Chairman of the Board of Alico, is expected to remain a member of the board. 734 Agriculture and Arlon intend that at least a majority of the board of directors will continue to be independent based on NASDAQ listing criteria.

"Together with 734 Agriculture and Arlon Group, we look forward to increasing Alico's business and shareholder value over the coming years," said Mr. Wilson. "We believe that Alico provides a solid platform on which we can continue to build a thriving agribusiness operation. Atlantic Blue Group's announced plan to sell its stake in the company presented a unique and compelling opportunity to make a significant investment in one of Florida's leading citrus producers and landowners."

Added Mr. Wilson, "We are committed to investing in Alico's long term success and will focus on increasing opportunities for growth and improved operating performance to the benefit of all of Alico's shareholders and employees. I personally look forward to working with Alico's very qualified management team to move the company forward."

"This transaction resulted from the previously announced cooperative effort between Alico and Atlantic Blue Group to find a value maximizing solution for Atlantic Blue Group's planned disposition of its majority stake in Alico and we welcome the enthusiastic involvement of 734 Agriculture and Arlon in helping Alico expand its operations and build additional shareholder value," said Mr. Rodriguez. "We thank Atlantic Blue Group for their guidance and support over the past many years and thank our retiring CEO JD Alexander for his strong leadership. We look forward to working with 734 Agriculture and Arlon as we enter the next phase of our evolution and growth strategy."

Wachtell, Lipton, Rosen & Katz served as legal advisor to 734 Agriculture and Arlon. Stephens Inc. served as financial advisor.

About Alico, Inc.

Alico, Inc. is an American agribusiness and land management company built for today's world and known for its legacy of achievement and innovation in citrus, sugar, cattle and resource conservation. Alico owns approximately 130,800 acres of land in five Florida counties (Alachua, Collier, Glades, Hendry, Lee and Polk). Its principal lines of business are citrus groves, improved farmland including sugar cane, cattle ranching and conservation, and other operations which include rock mining. Alico's mission is to create value for its customers, clients and shareholders by managing existing lands to their optimal current income and total returns, opportunistically acquiring new agricultural assets and producing high quality agricultural products while exercising responsible environmental stewardship. Learn more about Alico (Nasdaq:ALCO) at www.alicoinc.com or follow Alico on Facebook and Twitter.

About 734 Agriculture, LLC

Owned and controlled by private investors Remy W. Trafelet and George R. Brokaw, 734 Agriculture is a holding company that represents the partners' interests in citrus and other agricultural businesses.

About Arlon Group

Arlon Group is a global food and agriculture investment firm that invests across the entire food supply chain. Arlon's investment focus comes from its roots, which began with its founding investor, Continental Grain, a 200-year-old leader in the food and agriculture space. The firm's investment professionals are experts in global food and agriculture investing and work collaboratively across geographies and asset classes. Arlon Group has approximately $850 million in assets under management and is headquartered in New York, with a presence in São Paulo, Brazil and in Beijing, Shanghai and Hong Kong, China through a local affiliate. For more information, visit www.arlongroup.com

Forward-Looking Statements

This press release contains forward-looking statements 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 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.

Actual results may differ materially from those expressed or implied in the forward-looking statements. Readers are cautioned 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: conditions to the closing of the transaction may not be satisfied; the transaction may involve unexpected costs, liabilities or delays; the business of Alico may suffer as a result of uncertainty surrounding the transaction; the expected management and board transition may be delayed or may not occur; the outcome of any legal proceedings related to the transaction; the occurrence of any event, change or other circumstances that could give rise to the termination of the transaction agreement; the ability to recognize benefits of the transaction; risks that the transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the transaction; and other risks to consummation of the transaction, including the risk that the transaction will not be consummated within the expected time period or at all. Additional factors that may affect the future results of Alico include changes in laws, regulation and rules; weather conditions that affect production, transportation, storage, import and export of fresh product; increased pressure from 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 rates; availability of financing for land development activities; political changes and economic crises; international conflict; acts of terrorism; labor disruptions; inability to pay debt obligations; inability to engage in certain transactions due to restrictive covenants in debt instruments; government restrictions on land use; market and pricing risks due to concentrated ownership of stock; and other risks and uncertainties described in Alico's SEC filings, which are available on the SEC's website at http://www.sec.gov. No party undertakes any obligation to subsequently update or revise the forward-looking statements made in this press release, except as required by law.

Source: Alico, Inc.