December 15, 2010

# Alico Reports Fourth Quarter and Annual Earnings

LABELLE, Fla., Dec. 15, 2010 (GLOBE NEWSWIRE) -- Alico, Inc. (Nasdaq:ALCO), a land management company, announced a net loss for the fourth quarter of the fiscal year ended September 30, 2010 of $2.9 million or $.39 per share, compared with a net loss of $6.1 million or $.83 per share for the fourth quarter of the fiscal year ended September 30, 2009. The loss during the quarter ended September 30, 2010 was impacted by a one-time charge of approximately $3.4 million to interest expense relating to the September 2010 refinancing of the Company's term and revolving credit facilities. Proceeds from the refinancing were used to prepay a term loan with Farm Credit, triggering a prepayment penalty and the recognition of unamortized loan origination fees. In addition, the Company evaluated its real estate holdings at September 30, 2010 and determined that one parcel of real estate in Polk County was impaired by $980 thousand. The impairment was recorded and charged to real estate expenses during the quarter ended September 30, 2010.

For the fiscal year ended September 30, 2010, Alico reported a net loss of $.6 million, or $.08 per share, compared with a net loss of $3.6 million, or $.49 per share, for the fiscal year ended September 30, 2009.

Operating revenue during the fourth quarter of the fiscal year ended September 30, 2010 was $5.6 million compared to operating revenue of $4.7 million during the fourth quarter of the fiscal year ended September 30, 2009. Annual operating revenues were $ 79.8 million compared with $89.5 million for the fiscal years ended September 30, 2010 and 2009, respectively. The decline in annual revenues in 2010 was largely due to reductions in revenues from agricultural operations, most notably sugarcane and cattle sales as compared to the prior year.

JD Alexander, Alico's President and Chief Executive Officer, noted that "market conditions in 2007 to 2008 caused the Company to reduce sugarcane plantings through 2009. Additionally, as the remaining plant stock ages, yields decline. The combined result was more than a 52% decline in harvested standard tonnage in fiscal 2010 as compared to fiscal 2009. Current market conditions have improved and the Company made significant reinvestments in its sugarcane inventory by planting 4,361 acres in fiscal 2010. These investments should begin to generate returns in fiscal 2011. Cattle sales declined as a result of a change in our marketing strategy from fed cattle to calf sales. While revenues declined, it is worthwhile to note that overall profitability from the cattle division increased. We hope to be able to continue this positive trend into future years."

Alico plans to release its earnings after market close on the following dates for the fiscal year ended September 30, 2011:

| | |
|---|---|
| First Quarter | 2/9/2011 |
| Second Quarter | 5/10/2011 |
| Third Quarter | 8/9/11 |
| Fourth Quarter | 12/14/2011 |

About Alico, Inc.

Alico, Inc., a land management company operating in Central and Southwest Florida, owns approximately 139,607 acres of land located in Collier, Glades, Hendry, Lee and Polk counties. Alico is involved in various agricultural operations and real estate activities. Alico's mission is to grow its asset values through its agricultural and real estate activities to produce superior long-term returns for its shareholders.

*From time to time, the Company may issue forward-looking statements, which involve risks and uncertainties. Statements in this press release that are not statements of historical or current fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements, such as the statement that "These investments should begin to generate returns in fiscal 2011", and "We hope to be able to continue this positive trend into future years" involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's reports and registration statements filed with the Securities and Exchange Commission.*