FRP HOLDINGS, INC./NEWS

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FRP HOLDINGS, INC. (NASDAQ: FRPH) ANNOUNCES RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

FRP Holdings, Inc. (NASDAQ-FRPH) Jacksonville, Florida; November 6, 2019 –

Third Quarter Consolidated Results of Operations

Net income for the third quarter of 2019 was $2,001,000 or $.20 per share versus $2,224,000 or $.22 per share in the same period last year. Loss from discontinued operations for the third quarter of 2019 was ($13,000) or $.00 per share versus a loss from discontinued operations of ($78,000) or ($.01) per share in the same period last year. Interest earned for the third quarter includes $560,000 for Bryant Street and Maren preferred interest and $144,000 realized gain on bonds called early. Loss on Joint Venture includes $393,000 for the Company's ownership share of the Bryant Street and Maren preferred interest and $255,000 amortization of the guarantee liability related to the Bryant Street loan. In July 2019 land located in Yatesville, Georgia was sold for $213,500 resulting in a gain of $124,000.

Third Quarter Segment Operating Results

<u>Asset Management Segment</u>:

Most of the Asset Management Segment was reclassified to discontinued operations leaving two commercial properties as well as Cranberry Run, which we purchased first quarter, and 1801 62nd Street which joined Asset Management on April 1. Cranberry Run is a five-building industrial park in Harford County, MD totaling 268,010 square feet of industrial/ flex space and at quarter end was 26.1% leased and occupied. 1801 62nd Street is our most recent spec building in Hollander Business Park and is our first warehouse with a 32-foot clear. We completed construction on this building earlier this year and it is now 100% leased. We expect it to be fully occupied in the first quarter of 2020. Total revenues in this segment were $430,000, down ($138,000) or (24.3%), over the same period last year. Operating loss was ($160,000), down ($402,000) from an operating profit of $242,000 in the same quarter last year due to higher allocation of corporate expenses and increased operating expenses associated with the Cranberry Run acquisition in the first quarter and the addition of 1901 62nd Street to Asset Management in the second quarter.

Mining Royalty Lands Segment:

Total revenues in this segment were $2,302,000 versus $2,125,000 in the same period last year. Total operating profit in this segment was $2,059,000, an increase of $126,000 versus $1,933,000 in the same period last year. Among the reasons for this increase in revenue and operating profit is the contribution from our Ft. Myers quarry, the revenue from which, now that mining has begun in earnest, was nearly double the minimum royalty we have been receiving until recently. Royalties were reduced by $115,000 due to a volumetric adjustment from the Manassas quarry.

Development Segment:

The Development segment is responsible for (i) seeking out and identifying opportunistic purchases of income producing warehouse/office buildings, and (ii) developing our non-income producing properties into income production.

With respect to ongoing projects:

- We are fully engaged in the formal process of seeking PUD entitlements for our 118-acre tract in Hampstead, Maryland, now known as "Hampstead Overlook." Hampstead Overlook received non-appealable rezoning from industrial to residential during the first quarter this year.
- We finished shell construction in December 2018 on the two office buildings in the first phase of our joint venture with St. John Properties. Shell construction of the two retail buildings was completed in January. We are now in the process of leasing these four single-story buildings totaling 100,030 square feet of office and retail space. At quarter end, Phase I was 44% leased and 8% occupied.
- We are the principal capital source of a residential development venture in Baltimore County, Maryland known as "Hyde Park." We have committed up to $3.5 million in exchange for an interest rate of 10% and a preferred return of 20% after which a "waterfall" determines the split of proceeds from sale. Hyde Park will hold 122 town homes and four single-family lots and received a non-appealable Plan Approval during the first quarter. We are currently pursuing entitlements and have a home builder under contract to purchase the land upon government approval to begin development.
- We are the principal capital source of a residential development venture in Prince George's County, Maryland known as "Amber Ridge." We have committed up to $18.5 million in exchange for an interest rate of 10% and a preferred return of 20% after which a "waterfall" determines the split of proceeds from sale. Amber Ridge will hold approximately 200 town homes. We are currently pursuing entitlements and have a home builder under contract to purchase 136 of the 200 units upon completion of development.
- In April 2018, we began construction on Phase II of our RiverFront on the Anacostia project, now known as "The Maren." We expect to deliver the building in the first half of 2020.
- In December 2018, the Company entered into a joint venture agreement with MidAtlantic Realty Partners (MRP) for the development of the first phase of a multifamily, mixed-use development in northeast Washington, DC known as "Bryant Street." FRP contributed $32 million for common

equity and another $23 million for preferred equity to the joint venture. Construction began in February 2019 and should be finished in 2021. This project is located in an opportunity zone and could defer a significant tax liability associated with last year's asset sale.

Stabilized Joint Venture Segment:

Dock 79's average occupancy for the quarter was 97.02%, and at the end of the quarter, Dock 79 was 93.44% leased and 96.72% occupied. This quarter, 63.51% of expiring leases renewed with an average increase in rent on those renewals of 3.19%. Net Operating Income this quarter for this segment was $1,849,000, up $153,000 or 9.02% compared to the same quarter last year. Dock 79 is a joint venture between the Company and MRP, in which FRP Holdings, Inc. is the majority partner with 66% ownership.

In July 2019, the Company completed a like-kind exchange by reinvesting $6,000,000 into a Delaware Statutory Trust (DST) known as CS1031 Hickory Creek DST. The DST owns a 294-unit garden-style apartment community known as Hickory Creek consisting of 19 three-story apartment buildings containing 273,940 rentable square feet. Hickory Creek was constructed in 1984 and substantially renovated in 2016 and is located in Henrico County, Virginia. The Company is 26.649% beneficial owner and receives monthly distributions.

Nine Months Consolidated Results of Operations

Net income for first nine months of 2019 was $13,724,000 or $1.38 per share versus $123,766,000 or $12.24 per share in the same period last year. Income from discontinued operations for the first nine months of 2019 was $6,849,000 or $.69 per share versus $122,109,000 or $12.08 per share in the same period last year. Interest earned for the first nine months of 2019 includes $1,017,000 for Bryant Street and Maren preferred interest and $591,000 realized gain on bonds. Loss on Joint Venture includes $759,000 for the Company's ownership share of the Bryant Street and Maren preferred interest and $255,000 amortization of the guarantee liability related to the Bryant Street loan. In July 2019, the Company sold a parcel of vacant land in Yatesville, GA for $213,500 resulting in a gain of $124,000. The first nine months of 2018 income from continuing operations of $1,309,000 included $1,085,000 in stock compensation expense ($682,800 for the 2018 director stock grant and $402,000 for vesting of option grants from 2016 and 2017 due to the asset disposition).

Nine Months Segment Operating Results

Asset Management Segment:

Most of the Asset Management Segment was reclassified to discontinued operations leaving one recent industrial acquisition, Cranberry Run, which we purchased first quarter, 1801 62nd Street which joined Asset Management on April 1, and two commercial properties after the sale this past quarter of our office property at 7030 Dorsey Road. Cranberry Run is a five-building industrial park in Harford County, MD totaling 268,010 square feet of industrial/ flex space. It is our plan to make $1,455,000 in improvements in order to re-lease the property for a total investment of $29.35 per square foot. 1801 62nd Street is our most recent spec building in Hollander Business Park and is our first warehouse with a 32-foot clear. We completed construction on this building earlier this year and it is 100% leased as of September 30, 2019. Total revenues in this segment were $1,733,000, up $16,000 or .9%, over the same period last year. Operating loss was ($237,000), down $874,000 from an operating profit of $637,000 in the same period last year due to higher allocation of corporate expenses and increased operating expenses associated with the Cranberry Run acquisition in the first quarter and the addition of 1801 62nd Street to Asset Management second quarter.

Mining Royalty Lands Segment:

Total revenues in this segment were $7,164,000 versus $5,952,000 in the same period last year. Total operating profit in this segment was $6,482,000, an increase of $1,142,000 versus $5,340,000 in the same period last year. Among the reasons for this increase in revenue and operating profit is the contribution from our Ft. Myers quarry, the revenue from which, now that mining has begun in earnest, was more than double the minimum royalty we have been receiving until recently. Royalties were reduced by $115,000 due to a volumetric adjustment from the Manassas quarry.

Stabilized Joint Venture Segment:

Average occupancy for the first nine months at Dock 79 was 95.57%, and at the end of the third quarter, Dock 79 was 93.44% leased and 96.72% occupied. Through the first nine months of the year, 59.76% of expiring leases have renewed with an average increase in rent of 2.80%. Net Operating Income for this segment was $5,346,000, up $499,000 or 10.30% compared to the same period last year, primarily due to substantial increases in NOI from our retail tenants compared to this period last year. Dock 79 is a joint venture between the Company and MRP, in which FRP Holdings, Inc. is the majority partner with 66% ownership.

In July 2019, the Company completed a like-kind exchange by reinvesting $6,000,000 into a Delaware Statutory Trust (DST) known as CS1031 Hickory Creek DST. The DST owns a 294-unit apartment community known as Hickory Creek consisting of 19 three-story apartment buildings containing 273,940 rentable square feet. Hickory Creek was constructed in 1984 and substantially renovated in 2016. The property is eleven miles from downtown Richmond in Henrico County, Virginia. The Company is 26.649% beneficial owner and receives monthly distributions.

Summary and Outlook

With the second quarter dispositions of our assets at 1502 Quarry Drive and 7030 Dorsey Road for $11.7 million and $8.85 million respectively, the Company continued and has nearly completed the liquidation of its “heritage” properties. Of the 43 buildings owned and operated by the Company at the start of 2018, all that remains is the Company’s home office building in Sparks, MD and the vacant lot in Jacksonville still under lease to Vulcan that used to house Florida Rock Industries’ home office. In the past year we have added Cranberry Run and 1801 62nd Street to the Asset Management Segment. These additions, the former a value-add, opportunistic acquisition and the latter, an in-house development of one of the parcels remaining at Hollander Business Park, are indicative of the types of assets we intend to add periodically to this segment. But they should not be mistaken as the first steps on the road to rebuilding the kind of Asset Management segment we operated prior to last year's sale. We are no longer in the develop and hold business when it comes to industrial assets. Rather, we will develop buildings from our existing land bank or rehabilitate an existing industrial park acquired at a discount with the aim of selling the rehabilitated parks and/or groups of two or three new, fully leased warehouses into a market that puts a premium on a portfolio of assets.

This quarter marked the sixth consecutive quarter of increases in mining royalty revenue compared to the same period the year before and represents the segment's best ever nine-month start to a fiscal year. The royalties collected through the first nine months are more than what we collected in any *year* prior to 2017.

Construction remains on schedule for The Maren and Bryant Street, with delivery expected at The Maren in the first half of 2020. While construction should be complete at Bryant St in 2021, the first residential unit should be delivered by the end of 2020. These assets represent an investment of over $80 million and will more than triple the number of residential units and square feet of mixed use we have in our existing portfolio.

As mentioned previously, we renewed 63.51% of the leases at Dock 79 that were set to expire this quarter. That number was helped by the fact that 20 of the 26 leases expiring in September renewed. Given the growing supply of multi-family in that submarket, the fact that we continue to renew more than half our tenants during the construction of The Maren next door, while also growing rents is a testament to both the quality of the asset as well as the premium this market places on a waterfront location.

We continue to explore different projects in which to reinvest the proceeds of our recent asset sales. Though we are aggressive in terms of the scope of our exploration, we remain cautious and perhaps conservative regarding the quality of any project we consider. We do not expect that our investors will have unlimited patience as to when this money is put to work, and no one is more anxious than our management team to return the money to our shareholders in the form of new investments. However, though we hear the clock ticking, we are not going to let that factor unduly into any investment decision we make. The redeployment of our cash will be based on the amount of return we can generate rather than the amount of time that has passed since the asset sale.

To that end, we have been buying back shares of the Company when we believe it is underpriced. As of September 30, the Company had repurchased 159,282 shares in 2019 at an average cost of $48.43 per share and had authorization to repurchase another $11,436,000 in stock.

Conference Call

The Company will host a conference call on Thursday November 7 at 10:00 a.m. (EST). Analysts, stockholders and other interested parties may access the teleconference live by calling 1-800-311-9406 (passcode 939063) within the United States. International callers may dial 1-334-323-7224 (passcode 939063). Computer audio live streaming is available via the Internet through the Company's website at www.frpholdings.com. You may also click on this link for the live streaming http://stream.conferenceamerica.com/frp110719. For the archived audio via the internet, click on the following link http://archive.conferenceamerica.com/archivestream/frp110719.mp3. If using the Company's website, click on the Investor Relations tab, then select the earnings conference stream. An audio replay will be available for sixty days following the conference call. To listen to the audio replay, dial toll free 1-877-919-4059, international callers dial 1-334-323-0140. The passcode of the audio replay is 98738767. Replay options: "1" begins playback, "4" rewind 30 seconds, "5" pause, "6" fast forward 30 seconds, "0" instructions, and "9" exits recording. There may be a 30-40 minute delay until the archive is available following the conclusion of the conference call.

Investors are cautioned that any statements in this press release which relate to the future are, by their nature, subject to risks and uncertainties that could cause actual results and events to differ materially from those indicated in such forward-looking statements. These include, but are not limited to: the possibility that we may be unable to find appropriate reinvestment opportunities for the proceeds from the Sale Transaction; levels of construction activity in the markets served by our mining properties; demand for flexible warehouse/office facilities in the Baltimore-Washington-Northern Virginia area demand for apartments in Washington D.C. and Richmond, Virginia; our ability to obtain zoning and entitlements necessary for property development; the impact of lending and capital market conditions on our liquidity; our ability to finance projects or repay our debt; general real estate investment and development risks; vacancies in our properties; risks associated with developing and managing properties in partnership with others; competition; our ability to renew leases or re-lease spaces as leases expire; illiquidity of real estate investments; bankruptcy or defaults of tenants; the impact of restrictions imposed by our credit facility; the level and volatility of interest rates; environmental liabilities; inflation risks; cybersecurity risks; as well as other risks listed from time to time in our SEC filings; including but not limited to; our annual and quarterly reports. We have no obligation to revise or update any forward-looking statements, other than as imposed by law, as a result of future events or new information. Readers are cautioned not to place undue reliance on such forward-looking statements.

FRP Holdings, Inc. is a holding company engaged in the real estate business, namely (i) leasing and management of commercial properties owned by the Company, (ii) leasing and management of mining royalty land owned by the Company, (iii) real property acquisition, entitlement, development and construction primarily for apartment, retail, warehouse, and office, (iv) leasing and management of a residential apartment building.

FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In thousands except per share amounts)
(Unaudited)

	THREE MONTHS ENDED SEPTEMBER 30, 2019	THREE MONTHS ENDED SEPTEMBER 30, 2018	NINE MONTHS ENDED SEPTEMBER 30, 2019	NINE MONTHS ENDED SEPTEMBER 30, 2018
Revenues:				
Lease revenue	$ 3,581	3,617	10,796	10,418
Mining lands lease revenue	2,302	2,125	7,164	5,952
Total Revenues	5,883	5,742	17,960	16,370
Cost of operations:				
Depreciation, depletion and amortization	1,431	1,821	4,390	6,350
Operating expenses	952	983	2,744	2,951
Environmental remediation	—	(465)	—	(465)
Property taxes	740	663	2,206	1,949
Management company indirect	670	550	1,872	1,366
Corporate expenses	732	522	1,928	2,910
Total cost of operations	4,525	4,074	13,140	15,061
Total operating profit	1,358	1,668	4,820	1,309
Net investment income, including realized gains of $144, $0, $591 and $0, respectively	2,019	1,654	5,813	1,875
Interest expense	(129)	(768)	(989)	(2,418)
Equity in loss of joint ventures	(746)	(13)	(1,282)	(36)
Gain (loss) on real estate investments	126	(3)	662	(3)
Income from continuing operations before income taxes	2,628	2,538	9,024	727
Provision for income taxes	726	508	2,529	269
Income from continuing operations	1,902	2,030	6,495	458
Income (loss) from discontinued operations, net	(13)	(78)	6,849	122,109
Net income	1,889	1,952	13,344	122,567
Loss attributable to noncontrolling interest	(112)	(272)	(380)	(1,199)
Net income attributable to the Company	$ 2,001	2,224	13,724	123,766
Earnings per common share:				
Income from continuing operations-				
Basic	$ 0.19	0.20	0.66	0.05
Diluted	$ 0.19	0.20	0.65	0.05
Discontinued operations-				
Basic	$ 0.00	(0.01)	0.69	12.17
Diluted	$ 0.00	(0.01)	0.69	12.08
Net income attributable to the Company-				
Basic	$ 0.20	0.22	1.39	12.33
Diluted	$ 0.20	0.22	1.38	12.24
Number of shares (in thousands) used in computing:				
-basic earnings per common share	9,843	10,062	9,903	10,037
-diluted earnings per common share	9,886	10,135	9,945	10,110

FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Unaudited) (In thousands, except share data)

		September 30 2019	December 31 2018
Assets:			
Real estate investments at cost:			
Land	$	84,383	83,721
Buildings and improvements		145,690	144,543
Projects under construction		1,461	6,683
Total investments in properties		231,534	234,947
Less accumulated depreciation and depletion		28,871	28,394
Net investments in properties		202,663	206,553
Real estate held for investment, at cost		8,283	7,167
Investments in joint ventures		103,822	88,884
Net real estate investments		314,768	302,604
Cash and cash equivalents		69,246	22,547
Cash held in escrow		6,734	202
Accounts receivable, net		919	564
Investments available for sale at fair value		115,308	165,212
Federal and state income taxes receivable		27,189	9,854
Unrealized rents		548	53
Deferred costs		1,079	773
Other assets		474	455
Assets of discontinued operations		32	3,224
Total assets	$	536,297	505,488
Liabilities:			
Secured notes payable	$	88,891	88,789
Accounts payable and accrued liabilities		1,488	3,545
Other liabilities		1,978	100
Deferred revenue		831	27
Deferred income taxes		51,104	27,981
Deferred compensation		1,439	1,450
Tenant security deposits		334	53
Liabilities of discontinued operations		18	288
Total liabilities		146,083	122,233
Commitments and contingencies			
Equity:			
Common stock, $.10 par value 25,000,000 shares authorized, 9,823,668 and 9,969,174 shares issued and outstanding, respectively		982	997
Capital in excess of par value		57,627	58,004
Retained earnings		313,262	306,307
Accumulated other comprehensive income, net		1,161	(701)
Total shareholders' equity		373,032	364,607
Noncontrolling interest MRP		17,182	18,648
Total equity		390,214	383,255
Total liabilities and shareholders' equity	$	536,297	505,488

Asset Management Segment:

(dollars in thousands)	Three months ended September 30 2019	%	2018	%	Change	%
Lease revenue	$ 430	100.0%	568	100.0%	(138)	-24.3%
Depreciation, depletion and amortization	154	35.8%	145	25.5%	9	6.2%
Operating expenses	108	25.1%	106	18.7%	2	1.9%
Property taxes	70	16.3%	43	7.6%	27	62.8%
Management company indirect	90	20.9%	(2)	-.4%	92	-4600.0%
Corporate expense	168	39.1%	34	6.0%	134	394.1%
Cost of operations	590	137.2%	326	57.4%	264	81.0%
Operating profit	$ (160)	-37.2%	242	42.6%	(402)	-166.1%

Mining Royalty Lands Segment:

(dollars in thousands)	Three months ended September 30 2019	%	2018	%	Change	%
Mining lands lease revenue	$ 2,302	100.0%	2,125	100.0%	177	8.3%
Depreciation, depletion and amortization	36	1.6%	55	2.6%	(19)	-34.5%
Operating expenses	44	1.9%	48	2.2%	(4)	-8.3%
Property taxes	66	2.9%	61	2.9%	5	8.2%
Management company indirect	53	2.3%	—	0.0%	53	0.0%
Corporate expense	44	1.9%	28	1.3%	16	57.1%
Cost of operations	243	10.6%	192	9.0%	51	26.6%
Operating profit	$ 2,059	89.4%	1,933	91.0%	126	6.5%

Development Segment:

(dollars in thousands)	Three months ended September 30 2019	2018	Change
Lease revenue	$ 307	330	(23)
Depreciation, depletion and amortization	54	57	(3)
Operating expenses	105	143	(38)
Environmental remediation	—	(465)	465
Property taxes	300	269	31
Management company indirect	477	465	12
Corporate expense	479	408	71
Cost of operations	1,415	877	538
Operating loss	$ (1,108)	(547)	(561)

Stabilized Joint Venture Segment:

(dollars in thousands)	Three months ended September 30 2019	%	2018	%	Change	%
Lease revenue	$ 2,844	100.0%	2,719	100.0%	125	4.6%
Depreciation, depletion and amortization	1,187	41.7%	1,564	57.5%	(377)	-24.1%
Operating expenses	695	24.4%	686	25.2%	9	1.3%
Property taxes	304	10.7%	290	10.7%	14	4.8%
Management company indirect	50	1.8%	87	3.2%	(37)	-42.5%
Corporate expense	41	1.5%	52	1.9%	(11)	-21.2%
Cost of operations	2,277	80.1%	2,679	98.5%	(402)	-15.0%
Operating profit	$ 567	19.9%	40	1.5%	527	1317.5%

Asset Management Segment:

(dollars in thousands)	Nine months ended September 30 2019	%	2018	%	Change	%
Lease revenue	$ 1,733	100.0%	1,717	100.0%	16	0.9%
Depreciation, depletion and amortization	527	30.4%	405	23.6%	122	30.1%
Operating expenses	492	28.4%	335	19.5%	157	46.9%
Property taxes	216	12.5%	122	7.1%	94	77.0%
Management company indirect	265	15.3%	72	4.2%	193	268.1%
Corporate expense	470	27.1%	146	8.5%	324	221.9%
Cost of operations	1,970	113.7%	1,080	62.9%	890	82.4%
Operating profit	$ (237)	-13.7%	637	37.1%	(874)	-137.2%

Mining Royalty Lands Segment:

(dollars in thousands)	Nine months ended September 30 2019	%	2018	%	Change	%
Mining lands lease revenue	$ 7,164	100.0%	5,952	100.0%	1,212	20.4%
Depreciation, depletion and amortization	130	1.8%	145	2.4%	(15)	-10.3%
Operating expenses	75	1.1%	128	2.2%	(53)	-41.4%
Property taxes	203	2.8%	182	3.1%	21	11.5%
Management company indirect	151	2.1%	—	0.0%	151	0.0%
Corporate expense	123	1.7%	157	2.6%	(34)	-21.7%
Cost of operations	682	9.5%	612	10.3%	70	11.4%
Operating profit	$ 6,482	90.5%	5,340	89.7%	1,142	21.4%

Development Segment:

(dollars in thousands)	Nine months ended September 30		
	2019	2018	Change
Lease revenue	$ 892	944	(52)
Depreciation, depletion and amortization	161	171	(10)
Operating expenses	246	618	(372)
Environmental remediation	—	(465)	465
Property taxes	918	768	150
Management company indirect	1,314	998	316
Corporate expense	1,219	1,110	109
Cost of operations	3,858	3,200	658
Operating loss	$ (2,966)	(2,256)	(710)

Stabilized Joint Venture Segment:

(dollars in thousands)	Nine months ended September 30					
	2019	%	2018	%	Change	%
Lease revenue	$ 8,171	100.0%	7,757	100.0%	414	5.3%
Depreciation, depletion and amortization	3,572	43.7%	5,629	72.6%	(2,057)	-36.5%
Operating expenses	1,931	23.6%	1,870	24.1%	61	3.3%
Property taxes	869	10.6%	877	11.3%	(8)	-0.9%
Management company indirect	142	1.8%	296	3.8%	(154)	-52.0%
Corporate expense	116	1.4%	289	3.7%	(173)	-59.9%
Cost of operations	6,630	81.1%	8,961	115.5%	(2,331)	-26.0%
Operating profit	$ 1,541	18.9%	(1,204)	-15.5%	2,745	-228.00%

Discontinued Operations:

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Lease Revenue	—	219	460	11,876
Cost of operations:				
Depreciation, depletion and amortization	(24)	29	17	3,131
Operating expenses	12	52	246	1,694
Property taxes	—	19	46	1,266
Management company indirect	—	370	—	1,360
Corporate expenses	—	56	—	1,458
Total cost of operations	(12)	526	309	8,909
Total operating profit (loss)	12	(307)	151	2,967
Interest expense	—	—	—	(587)
Gain (loss) on sale of buildings	(30)	200	9,238	165,007
Income (loss) before income taxes	(18)	(107)	9,389	167,387
Provision for (benefit from) income taxes	(5)	(29)	2,540	45,278

Income (loss) from discontinued operations	$ (13)	(78)	6,849	122,109

Earnings per common share:

Income (loss) from discontinued operations-				
Basic	0.00	(0.01)	0.69	12.17
Diluted	0.00	(0.01)	0.69	12.08

Non-GAAP Financial Measures.

To supplement the financial results presented in accordance with GAAP, FRP presents certain non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The non-GAAP financial measure included in this quarterly report is net operating income (NOI). FRP uses this non-GAAP financial measure to analyze its continuing operations and to monitor, assess, and identify meaningful trends in its operating and financial performance. This measure is not, and should not be viewed as, a substitute for GAAP financial measures.

Net Operating Income Reconciliation
Nine months ended 09/30/19 (in thousands)

	Asset Management Segment	Development Segment	Stabilized Joint Venture Segment	Mining Royalties Segment	Unallocated Corporate Expenses	FRP Holdings Totals
Income (loss) from continuing operations	218	(2,236)	304	4,796	3,413	6,495
Income Tax Allocation	81	(829)	253	1,778	1,246	2,529
Income (loss) from continuing operations before income taxes	299	(3,065)	557	6,574	4,659	9,024
Less:						
Gains on sale of buildings	536	—	—	126	—	662
Unrealized rents	—	—	25	—	—	25
Interest income	—	1,123	—	—	4,690	5,813
Plus:						
Unrealized rents	5	—	—	184	—	189
Equity in loss of Joint Venture	—	1,222	26	34	—	1,282
Interest Expense	—	—	958	—	31	989
Depreciation/Amortization	527	161	3,572	130	—	4,390
Management Co. Indirect	265	1,314	142	151	—	1,872
Allocated Corporate Expenses	470	1,219	116	123	—	1,928
Net Operating Income (loss)	1,030	(272)	5,346	7,070	—	13,174

Net Operating Income Reconciliation
Nine months ended 09/30/18 (in thousands)

	Asset Management Segment	Development Segment	Stabilized Joint Venture Segment	Mining Royalties Segment	Unallocated Corporate Expenses	FRP Holdings Totals
Income (loss) from continuing operations	1,648	(1,625)	(2,967)	3,870	(468)	458
Income Tax Allocation	611	(603)	(655)	1,435	(519)	269
Income (loss) from continuing operations before income taxes	2,259	(2,228)	(3,622)	5,305	(987)	727
Less:						
Unrealized rents	—	—	163	—	—	163
Interest income	1,622	32	—	—	221	1,875
Plus:						
Unrealized rents	27	—	—	369	—	396
Loss on investment land sold	—	3	—	—	—	3
Equity in loss of Joint Venture	—	1	—	35	—	36
Interest Expense	—	—	2,418	—	—	2,418
Depreciation/Amortization	405	171	5,629	145	—	6,350
Management Co. Indirect	72	998	296	—	—	1,366
Allocated Corporate Expenses	146	1,110	289	157	1,208	2,910
Net Operating Income	1,287	23	4,847	6,011	—	12,168