



Consolidated Tomoka Provides Supplemental Information Regarding Strategic Alternatives Review Process

December 14, 2016

DAYTONA BEACH, Fla.--(BUSINESS WIRE)-- Consolidated-Tomoka Land Co. (NYSE MKT:CTO) (the "Company") today provided additional information regarding the Company's evaluation of strategic alternatives to enhance shareholder value (the "Strategic Review") that concluded in July 2016. Although the Company believes its prior disclosures contained the required disclosures and adequate and appropriate detail, the incremental information below is being released in response to shareholder requests for additional detail regarding certain aspects of the Strategic Review and the offers received by the Company.

As set forth in its July 20, 2016 announcement, a special committee (the "Special Committee") comprising the independent directors on the Company's Board concluded the Strategic Review in July 2016. The Strategic Review was deliberate and comprehensive and included consideration of a wide range of potential alternatives, including the sale of the Company, the sale of all or a portion of the Company's assets, and other options, including the continuation of the Company's business plan. After interviewing and considering the proposals of nine financial advisory firms, the Special Committee engaged Deutsche Bank Securities Inc. ("Deutsche Bank") to serve as financial advisor to the Special Committee in connection with the Strategic Review.

In the July 20, 2016 announcement the Company noted the following:

- As part of the Strategic Review, solicitation materials with respect to a potential strategic transaction with the Company, prepared with the assistance of Deutsche Bank, were delivered to more than 200 parties.
- Such parties included potential buyers of the Company, merger partners, land investors, high net worth individuals, REITs, and opportunity funds and private equity funds.
- More than 20 parties executed non-disclosure agreements and received detailed financial and operating information from the Company.

The Company notes the following additional information regarding the Strategic Review and potential strategic transactions:

- No minimum or maximum price requirement was communicated to potential bidders.
- Deutsche Bank's fee was contingent on completion of a transaction. As no transaction was completed, Deutsche Bank received no payment other than expense reimbursements. There was no retainer paid to Deutsche Bank.
- The Company did not place any restrictions on the form of transaction to be proposed, nor were there any requirements concerning the retention or compensation of any individuals or group of individuals within the Company's current management team.
- Two potential bidders visited the Company's headquarters and met with the Company's senior management to discuss a potential transaction, and executives of both potential bidders toured the Company's Daytona Beach assets. No potential bidders were denied an opportunity for such a visit.
- Ultimately, the Company received two offers from interested parties, both public real estate companies; one of comparable size to the Company, and the other a smaller company.
- Both offers were to acquire 100% of the Company's outstanding stock via an all-stock merger. In both offers, the consideration consisted of securities of the offeror, and in connection with one or both offers the leverage level of the potential bidder would have resulted in the combined Company having a leverage level unfavorable for a public real estate company. Due to the proposed form of consideration, both offers required the Company to undertake thorough valuations of the bidders' businesses to understand the value of the securities being offered as consideration.
- The offers reflected a price-per-share offer for the Company's common stock of no greater than a 5% premium to the then trading price of the Company's stock. Both offers represented a discount of nearly 10% to the closing price of the Company's stock on December 12, 2016.
- Both offers were conditioned upon approval by the offerors' shareholders.
- The Strategic Review process, from evaluation of financial advisory firms through the conclusion of discussions with the interested parties that submitted offers, occurred over approximately 8 months.

The Special Committee, in consultation with Deutsche Bank, exercised its independent judgment and, consistent with its fiduciary duty to act in the

interests of all the Company's shareholders, determined that neither offer sufficiently reflected the Company's value and therefore would not have maximized value for the Company's shareholders. The Special Committee concluded that the best way to maximize shareholder value and ultimately monetize the Company's land and other assets was to continue to pursue the Company's business plan. The Company and its Board of Directors are committed to maximizing shareholder value and remain open at all times to considering any potentially value-enhancing opportunities.

This press release supplements information previously disclosed about the Strategic Review. The scope of information provided is limited by the Company's contractual confidentiality obligations entered into in connection with the Strategic Review, and by the Company's interest in protecting its proprietary information which, if available to the Company's potential transaction counterparties and competitors, would potentially be detrimental to the Company's efforts to maximize shareholder value.

About Consolidated-Tomoka Land Co.

Consolidated-Tomoka Land Co. is a Florida-based publicly traded real estate company, which owns a portfolio of income investments in diversified markets in the United States including over 1.7 million square feet of income properties, as well as approximately 10,500 acres of land in the Daytona Beach area. Visit our website at www.ctlc.com.

We encourage you to review our most recent investor presentations, from our Investor Day on December 2, 2016 and the Third Quarter 2016 pertaining to the results for the quarter and nine months ended September 30, 2016, available on our website at www.ctlc.com.

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Certain statements contained in this press release (other than statements of historical fact) are forward-looking statements. Words such as "believe," "estimate," "expect," "intend," "anticipate," "will," "could," "may," "should," "plan," "potential," "predict," "forecast," "project," and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they were made. Although forward-looking statements are made based upon management's expectations and beliefs concerning future developments and their potential effect upon the Company, a number of factors could cause the Company's actual results to differ materially from those set forth in the forward-looking statements. Such factors may include the completion of 1031 exchange transactions, the availability of investment properties that meet the Company's investment goals and criteria, as well as the uncertainties and risk factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015 as filed with the Securities and Exchange Commission. There can be no assurance that future developments will be in accordance with management's expectations or that the effect of future developments on the Company will be those anticipated by management.

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Consolidated-Tomoka Land Co.

Investor Contact:

Mark E. Patten, 386-944-5643

Sr. Vice President & Chief Financial Officer

mpatten@ctlc.com

or

Media Contacts:

Joele Frank, Wilkinson Brimmer Katcher

Jim Golden or Dan Moore, 212-355-4449

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