

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1996

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_ to \_\_\_

Commission file number 0-5556

CONSOLIDATED-TOMOKA LAND CO.

(Exact name of registrant as specified in its charter)

Florida

59-0483700

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

149 South Ridgewood Avenue  
Daytona Beach, Florida

32114  
(Zip Code)

(Address of principal executive offices)

(904) 255-7558

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports  
required to be filed by Section 13 or 15(d) of the Securities Exchange Act  
of 1934 during the preceding 12 months and (2) has been subject to such  
filing requirements for the past 90 days.

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of  
common stock, as of the latest practicable date.

Class of Common Stock	Outstanding August 1, 1996
\$1.00 par value	6,261,272

1

CONSOLIDATED-TOMOKA LAND CO.

INDEX

Page No.

PART I - - FINANCIAL INFORMATION

Consolidated Condensed Balance Sheets - June 30, 1996 and December 31, 1995	3
Consolidated Condensed Statements of Income and Retained Earnings - Three Months Ended and Six Months Ended June 30, 1996 and 1995	4

Consolidated Condensed Statements of Cash Flows - Six Months Ended June 30, 1996 and 1995	5
Notes to Consolidated Condensed Financial Statements	6-8
Management's Discussion and Analysis of Financial Condition and Results of Operations	9-11
PART II -- OTHER INFORMATION	12
SIGNATURES	13

PART I -- FINANCIAL INFORMATION

CONSOLIDATED-TOMOKA LAND CO.  
CONSOLIDATED CONDENSED BALANCE SHEETS

	(Unaudited) June 30, 1996 -----	December 31, 1995 -----
<b>ASSETS</b>		
Cash	\$ 396,712	\$ 203,829
Investment Securities	1,044,071	1,603,887
Notes Receivable	10,123,052	10,937,614
Accounts Receivable	4,233,642	2,143,305
Inventories	760,996	802,515
Cost of Fruit on Trees	2,254,564	2,658,126
Real Estate Held for Development and Sale	13,867,187	13,801,477
Net Investment in Direct Financing Lease	752,271	792,530
Other Assets	469,857	499,272
Property, Plant, and Equipment - Net	22,809,664	26,250,913
	-----	-----
TOTAL ASSETS	\$56,712,016 =====	\$59,693,468 =====
<b>LIABILITIES</b>		
Accounts Payable	\$ 675,299	\$ 1,213,692
Notes Payable	18,656,595	20,921,298
Accrued Liabilities	3,198,331	2,569,848
Customer Deposits	49,842	52,411
Deferred Income Taxes	69,466	69,466
Income Taxes Payable	132,371	2,123,691
	-----	-----
TOTAL LIABILITIES	22,781,904 -----	26,950,406 -----
MINORITY INTEREST	97,741 -----	110,535 -----
<b>SHAREHOLDERS' EQUITY</b>		
Common Stock	6,261,272	6,261,272
Additional Paid-in Capital	1,782,105	1,782,105
Retained Earnings	25,788,994	24,589,150
	-----	-----
TOTAL SHAREHOLDERS' EQUITY	33,832,371 -----	32,632,527 -----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$56,712,016 =====	\$59,693,468 =====

See accompanying Notes to Consolidated Condensed Financial Statements.

CONSOLIDATED-TOMOKA LAND CO.  
CONSOLIDATED CONDENSED STATEMENTS OF INCOME AND RETAINED EARNINGS

	(Unaudited)			
	Three Months Ended		Six Months Ended	
	June 30, 1996	June 30, 1995	June 30, 1996	June 30, 1995
	-----	-----	-----	-----
<b>INCOME:</b>				
Citrus Operations:				
Sales of Fruit and Other Income	\$ 4,618,325	\$ 2,052,093	\$ 9,787,226	\$ 5,773,193
Production and Selling Expenses	( 2,826,662)	( 1,799,305)	( 6,301,127)	( 5,292,758)
	-----	-----	-----	-----
	1,791,663	252,788	3,486,099	480,435
	-----	-----	-----	-----
Real Estate Operations:				
Sales and Other Income	989,383	1,656,851	3,781,708	2,557,851
Costs and Other Expenses	( 849,636)	( 1,306,631)	( 2,051,201)	( 2,128,871)
	-----	-----	-----	-----
	139,747	350,220	1,730,507	428,980
	-----	-----	-----	-----
Profit On Sales of Undeveloped Real Estate Interests	1,200	1,425,741	3,256	1,485,439
	-----	-----	-----	-----
Interest and Other Income	650,156	106,620	822,471	279,986
	-----	-----	-----	-----
<b>OPERATING INCOME</b>	<b>2,582,766</b>	<b>2,135,369</b>	<b>6,042,333</b>	<b>2,674,840</b>
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>( 828,012)</b>	<b>( 908,786)</b>	<b>( 1,678,491)</b>	<b>( 1,863,179)</b>
	-----	-----	-----	-----
<b>INCOME BEFORE INCOME TAXES</b>	<b>1,754,754</b>	<b>1,226,583</b>	<b>4,363,842</b>	<b>811,661</b>
<b>INCOME TAXES</b>	<b>( 638,468)</b>	<b>( 456,154)</b>	<b>( 1,598,680)</b>	<b>( 295,730)</b>
	-----	-----	-----	-----
<b>NET INCOME</b>	<b>1,116,286</b>	<b>770,429</b>	<b>2,765,162</b>	<b>515,931</b>
<b>RETAINED EARNINGS, Beginning of Period</b>	<b>24,672,708</b>	<b>21,479,963</b>	<b>24,589,150</b>	<b>22,986,715</b>
<b>DIVIDENDS</b>	<b>--</b>	<b>--</b>	<b>( 1,565,318)</b>	<b>( 1,252,254)</b>
	-----	-----	-----	-----
<b>RETAINED EARNINGS, End of Period</b>	<b>\$25,788,994</b>	<b>\$22,250,392</b>	<b>\$25,788,994</b>	<b>\$22,250,392</b>
	=====	=====	=====	=====
<b>PER SHARE INFORMATION:</b>				
Average Shares Outstanding	6,261,272	6,261,272	6,261,272	6,261,272
	=====	=====	=====	=====
Net Income Per Share	\$ .18	\$ .12	\$ .44	\$ .08
	=====	=====	=====	=====
Dividends Per Share	\$ --	\$ --	\$ .25	\$ .20
	=====	=====	=====	=====

See accompanying Notes to Consolidated Condensed Financial Statements.

CONSOLIDATED-TOMOKA LAND CO.  
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

	Unaudited Six Months Ended	
	June 30, 1996	June 30, 1995
	-----	-----
CASH FLOW FROM OPERATING ACTIVITIES:		
CASH RECEIVED FROM:		
Citrus Sales of Fruit and Other Income	\$ 8,682,366	\$ 5,995,175
Real Estate Sales and Other Income	3,584,405	3,622,505
Sales of Undeveloped Real Estate	46,027	1,485,439
Interest and Other Income	246,016	270,355
	-----	-----
Total Cash Received from Operating Activities	12,558,814	11,373,474
	-----	-----
CASH EXPENDED FOR:		
Citrus Production and Selling Expenses	5,683,033	4,832,127
Real Estate Costs and Expenses	1,180,318	2,215,688
General and Administrative Expenses	1,270,255	1,364,944
Interest	765,913	1,059,069
Income Taxes	3,590,000	1,600,000
	-----	-----
Total Cash Expended for Operating Activities	12,489,519	11,071,828
	-----	-----
Net Cash Provided by Operating Activities	69,295	301,646
	-----	-----
CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Property, Plant, and Equipment	( 265,961)	( 692,105)
Net (Increase) Decrease in Investment Securities	559,816	( 2,400,742)
Direct Financing Lease	40,259	43,360
Proceeds from Sale of Property, Plant, and Equipment	3,619,495	1,225,167
	-----	-----
Net Cash Provided by (Used In) Investing Activities	3,953,609	( 1,824,320)
	-----	-----
CASH FLOW FROM FINANCING ACTIVITIES:		
Cash Proceeds of Debt	1,550,000	4,200,000
Payments of Debt	( 3,814,703)	( 1,801,906)
Dividends Paid	( 1,565,318)	( 1,252,254)
	-----	-----
Net Cash Provided by (Used in) Financing Activities	( 3,830,021)	1,145,840
	-----	-----
NET INCREASE (DECREASE) IN CASH	192,883	( 376,834)
CASH, BEGINNING OF YEAR	203,829	503,545
	-----	-----
CASH, END OF PERIOD	\$ 396,712	\$ 126,711
	=====	=====

See accompanying Notes to Consolidated Condensed Financial Statements.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. Principles of Interim Statements. The information presented in the unaudited consolidated condensed financial statements reflects all adjustments which are, in the opinion of the management, necessary to present fairly the Company's financial position and the results of operations for the interim periods. The consolidated condensed format is designed to be read in conjunction with the last annual report.

The consolidated condensed financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany balances and transactions have been eliminated in consolidation.

2. Seasonal Operations. The company's citrus operations involve a single-crop agricultural commodity and are seasonal in nature. To a lesser extent, its forestry activities are seasonal in nature. Accordingly, results for the six months ended June 30, 1996 and 1995 are not necessarily indicative of results to be expected for the full year. Results of operations for the twelve months ended June 30, 1996 and 1995 are summarized as follows (in thousands):

	Twelve Months Ended June 30,			
	1996		1995	
	Revenues	Income	Revenues	Income(Loss)
Citrus Operations	\$12,833	\$ 3,634	\$ 7,755	\$ ( 37)
Real Estate Operations	8,967	4,190	12,797	6,605
General Corporate & Other	6,183	2,884	5,310	1,957
	-----	-----	-----	-----
Total Revenues	\$27,983		\$25,862	
	=====		=====	
Income From Continuing Operations Before Income Taxes		10,708		8,525
Income Taxes		( 4,039)		( 3,214)
		-----		-----
Income from Continuing Operations		6,669		5,311
Loss From Discontinued Resort Operations (net of income taxes)		--		( 230)
		-----		-----
Net Income		\$ 6,669		\$ 5,081
		=====		=====

3. Common Stock and Earnings Per Common Share. Primary earnings per share are based on the average number of common shares and common share equivalents outstanding during the period. Primary and fully diluted earnings per share are the same for the periods.

4. Notes Payable. Notes payable consist of the following:

	June 30, 1996	
	Total	Due Within One Year
-----		
Consolidated-Tomoka Land Co.		
-----		
\$15,000,000 Line of Credit	\$ 400,000	\$ 400,000
Mortgages Payable	9,539,937	235,239
Industrial Revenue Bonds	3,000,874	278,009
	-----	-----
	12,940,811	913,248
	-----	-----
Indigo Group Ltd.		
-----		
Industrial Revenue Bonds	1,964,200	56,400
Mortgages Payable	3,751,584	33,619
	-----	-----
	5,715,784	90,019
	-----	-----
Total	\$18,656,595	\$ 1,003,267
	=====	=====

Indigo Group Ltd. ("IG LTD.") is a 100% owned limited partnership in the real estate business. Included in notes payable is a \$2,551,784 mortgage note collateralized by developed real estate in a joint venture project. IG Ltd's 50% partner is jointly liable on the note.

Payments applicable to reduction of principal amounts will be required as follows:

Year Ending June 30,	Consolidated- Tomoka Land Co.	Indigo Group Ltd.	Total
-----	-----	-----	-----
1997	\$ 913,248	\$ 90,019	\$ 1,003,267
1998	584,012	93,422	677,434
1999	634,524	2,537,343	3,171,867
2000	689,414	56,400	745,814
2001	749,061	56,400	805,461
Thereafter	9,370,552	2,882,200	12,252,752
	-----	-----	-----
	\$12,940,811	\$ 5,715,784	\$18,656,595
	=====	=====	=====

In the first six months of 1996, interest totaled \$853,708 of which \$87,795 was capitalized to land held for development and sale. Total interest for the six months ended June 30, 1995 was \$1,124,335, of which \$65,265 was capitalized to land held for development and sale.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

-----

The Management's Discussion and Analysis is designed to be read in conjunction with the financial statements and Management's Discussion and Analysis in the last annual report.

### RESULTS OF OPERATIONS

-----

#### Citrus Operations

Citrus operations achieved a dramatic improvement for the second quarter of 1996 with profits of \$1,791,663 posted. This represents a 609% increase over 1995's same period \$252,788 profit. The turnaround can be attributed to an 84% rise in fruit sold coupled with a 21% gain in average sales price. Fruit sold during 1996's second period totalled 495,785 boxes with 269,131 boxes sold for the same period one year earlier. The combined effect of the rise in pricing and the greater fruit volume resulted in a revenue increase of 125% to \$4,618,325. Production and selling expenses rose 57% during the period as a result of the higher fruit volume, but were down on a per box basis due to the efficiencies achieved through the higher volume.

An increased fruit harvest and higher average pricing also led to a significant rise in profits for 1996's first six month period. Fruit sold for 1996 to date totalled 1,050,488 boxes, a 51% increase over the 696,056 boxes sold during 1995's first half, while average fruit prices rose 12%. These gains resulted in a 70% jump in revenues realized to \$9,787,226 and generated profits of \$3,486,099, a 626% improvement over 1995's first six months profits totalling \$480,435. On a per box basis production and selling expenses were lower; although, in total they increased 19% due to the gain in volume.

#### Real Estate Operations

-----

Real estate profits fell 60% for the three months ended June 30, 1996 to \$139,747. The absence of commercial real estate closings during the period is the primary factor for this downturn. These results compare to 1995's second quarter sales of 29 acres of commercial acreage which produced gross profits in excess of \$230,000. For the first six months of 1996 the sale of 22 acres of commercial property generated gross profits of approximately \$1,460,000 and account for the 303% increase in real estate operating income to \$1,730,507. Gross profits of \$295,000 were realized on the sale of 31 commercial acres during 1995's first six month period. Sales prices and profit margins vary significantly depending on the location and intended use of specific properties.

The impact of higher occupancy and leasing rates produced a 57% increase in the bottom line from income properties for the second period and a 142% favorable impact for the six months through June 30, 1996 when compared to 1995's same periods. Revenues showed only modest changes for both periods as the gains achieved from leasing activity were offset by revenues lost due to the sale of the 18,000 square foot Mariner Towne Square shopping center in May 1995.

Forestry operating profits declined 25% during 1996's second quarter on an 27% decrease in revenues due to lower timber harvesting volume. Year-to-date forestry profits are in line with prior year, although revenues are down 11%. The revenue decline is offset by a 53% reduction in expenses which was achieved in the six month period due to the reorganization of the department which took place during the first quarter of 1995.

General, Corporate and Other

-----  
Minimal profits from the sale of undeveloped real estate interests were recorded for both periods of 1996 to compared the \$1,485,439 profit posted in 1995's six month period, of which \$1,425,741 was realized in the second quarter. Sales of 389 acres of land, primarily located in Highlands County accounted for those profits in 1995's first half, of which 375 acres closed in the second quarter.

The sale of the 70,000 square foot Mariner Village shopping center located in Spring Hill, Florida during June of 1996 generated profits in excess of \$450,000 and account for the majority of the increase in interest and other income for the two periods of 1996 when compared to 1995. Also contributing to 1996's gain over 1995 was a small loss recorded on the sale of the Mariner Towne Square shopping center which occurred in May 1995.

General and administrative expenses declined 9% and 10% for the second period and six months, respectively, due to reduced interest expense on lower outstanding borrowing.

## FINANCIAL POSITION

-----

Profits of \$2,765,162, equivalent to \$.44 per share, for the first six months of 1996 represent a strong improvement over 1995's same period \$515,931 net income, equivalent to \$.08 per share. These favorable results are led by citrus operations' large crop and higher pricing. Real estate operations also contributed to the increased earnings as the result of the greater commercial sales volume. Net cash generated for the six month period amounted to \$192,883 after debt reduction totalling \$2,264,703 and \$1,565,318 in dividends paid. The dividends paid in 1996, equivalent to \$.25 per share, represent a 20% increase over dividends paid in 1995's first six months equivalent to \$.20 per share. Cash generated from operating activities totalled \$69,295, with an additional \$3,953,609 provided by investing activities. Cash realized from investing activities includes \$3,619,495 from the sale of property, plant and equipment, primarily the sale of the 70,000 square foot Mariner Village shopping center located in Spring Hill, Florida. The acquisition of property, plant and equipment accounted for \$265,961 in expenditures which consisted primarily of the addition and replacement of citrus vehicles and equipment, and forestry tree planting. Capital requirements for the remainder of 1996 approximate \$2.7 million and will be funded through operations and if necessary current available financing sources. These expenditures consist primarily of development at the Ladies Professional Golf Association (LPGA) mixed-use project and citrus operations equipment additions and replacements.

Company groves remain in excellent condition. Fruit harvesting for the 1995-1996 crop year has ended with Company groves producing 1,385,000 boxes, the largest crop in company history. To a great extent the abundant crop is due to the maturing of the groves planted from 1989-1992. In the coming years as these trees continue to mature the volume of fruit harvested from these trees should grow. The final 1995-1996 USDA Florida orange crop estimate came in at just over 203 million boxes, the third largest orange crop in Florida's history. Pricing for both fresh and processed fruit remains relatively strong. Retail sales of processed juice products have shown some decline since retail prices have increased over the last several months, which may lead to weaker wholesale pricing.

Commercial real estate sales for the remainder of 1996 appear strong with approximately 370 acres under contract for 1996 closing at a sales value in excess of \$8 million. In addition to these sales contracts, negotiations are underway on several other parcels. Development activity at the LPGA mixed-use project continues to progress. Preliminary pre-construction work has begun on the clubhouse and second golf course. In August, a major landscape design project will commence on the new LPGA Boulevard I-95 interchange. This significant upgrade to the main LPGA International entry is projected to cost \$400,000, of which \$150,000 will be paid by a State of Florida grant.

Profits for the near future look promising as portrayed by the large crop year citrus fruit volume and relatively strong citrus pricing coupled with the existing commercial real estate sales backlog. The Company continues to concentrate on these two core businesses while strengthening its balance sheet through debt reduction on the sale of its non-core assets.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings  
 There are no material pending legal proceedings to which the Company or its subsidiaries is a party.

Items 2 through 3.  
 Not Applicable

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of shareholders was held May 8, 1996 and the following votes were received for each of the three nominees for Class II directors:

Nominee	Number of Votes for	Number of Votes Withheld	Number of Votes Abstaining
-----	-----	-----	-----
James P. Gorter	5,978,935	2,106	2,028
Robert F. Lloyd	5,978,635	2,406	2,028
Bruce W. Teeters	5,978,835	2,206	2,028

Item 5.  
 Not Applicable

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits  
 Exhibit (11) - Computation of Earnings  
 Per Common Share

Exhibit (27) - Financial Data Schedule

(b) Reports on Form 8-K  
 None filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CONSOLIDATED-TOMOKA LAND CO.  
(Registrant)

Date: August 6, 1996

By: /s/ Bob D. Allen

-----  
Bob D. Allen  
President & Chief  
Executive Officer

Date: August 6, 1996

By: /s/ Bruce W. Teeters

-----  
Bruce W. Teeters  
Sr. Vice President-  
Finance & Treasurer

EXHIBIT INDEX

		Page No.
		-----
No. 11	Computation of Earnings Per Common Share	15
No. 27	Financial Data Schedule	16

## EXHIBIT 11

CONSOLIDATED-TOMOKA LAND CO. AND SUBSIDIARIES  
 COMPUTATION OF PRIMARY AND FULLY DILUTED  
 EARNINGS PER COMMON SHARE

	For the Three Months Ended		For the Six Months Ended	
	June 30, 1996	June 30, 1995	June 30, 1996	June 30, 1995
	-----	-----	-----	-----
PRIMARY EARNINGS PER SHARE				
NET INCOME	1,116,286	770,429	2,765,162	515,931
	=====	=====	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,261,272	6,261,272	6,261,272	6,261,272
COMMON SHARES APPLICABLE TO STOCK OPTIONS USING THE TREASURY STOCK METHOD AT AVERAGE MARKET PRICE FOR THE PERIOD	89,604	28,594	89,604	28,594
	-----	-----	-----	-----
TOTAL PRIMARY SHARES	6,350,876	6,289,866	6,350,876	6,289,866
	=====	=====	=====	=====
PRIMARY EARNINGS PER COMMON SHARE	\$0.18	\$0.12	\$0.44	\$0.08
	=====	=====	=====	=====
FULLY DILUTED EARNINGS PER SHARE				
TOTAL PRIMARY SHARES	6,350,876	6,289,866	6,350,876	6,289,866
COMMON SHARES APPLICABLE TO STOCK OPTIONS IN ADDITION TO THOSE USED IN PRIMARY COMPUTATION DUE TO USE OF THE HIGHER OF AVERAGE MARKET PRICE OR PERIOD END MARKET PRICE	18,244	6,365	18,244	6,365
	-----	-----	-----	-----
TOTAL FULLY DILUTED SHARES	6,369,120	6,296,231	6,369,120	6,296,231
	=====	=====	=====	=====
FULLY DILUTED EARNINGS PER SHARE	\$0.18	\$0.12	\$0.44	\$0.08
	=====	=====	=====	=====





The schedule contains summary financial information extracted from Consolidated-Tomoka Land Co.'s June 30, 1996 10-Q and is qualified in its entirety by reference to such financial statements.

6-MOS	DEC-31-1996	
	JUN-30-1996	
		396,712
		1,044,071
		14,356,694
		0
		16,882,747
		0
		35,024,881
		12,215,217
		56,712,016
		0
		0
		0
		6,261,272
		27,571,099
56,712,016		
		13,572,190
		14,394,661
		6,478,102
		8,352,328
		1,244,314
		0
		434,177
		4,363,842
		1,598,680
		2,765,162
		0
		0
		0
		2,765,162
		0.44
		0.44