

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of

The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 17, 2008

Consolidated-Tomoka Land Co.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation)

0-5556
(Commission File Number)

59-0483700
(IRS Employer Identification No.)

1530 Cornerstone Boulevard, Suite 100
Daytona Beach, Florida
(Address of principal executive offices)

32117
(Zip Code)

Registrant's telephone number, including area code: **(386) 274-2202**

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

[Press Release](#)

Item 2.02. Results of Operations and Financial Condition.

On October 17, 2008, Consolidated-Tomoka Land Co., a Florida Corporation, issued a press release relating to the Company's earnings for the quarter and nine-months, ended September 30, 2008. A copy of the press release is furnished as an exhibit to this report.

Item 9.01. Financial Statements and Exhibits

The following exhibit is furnished herewith pursuant to Item 2.02 of this Report and shall not be deemed to be "filed" for any purpose, including for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

(c) Exhibits.

99.1 Press Release issued October 17, 2008

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 hereunto duly authorized.

CONSOLIDATED-TOMOKA LAND CO.

Date: October 17, 2008

Bruce W. Teeters, Senior
Vice President - Finance
and Treasurer
Chief Financial Officer

[Press Release](#)

PRESS RELEASE

For Immediate Release
Consolidated-Tomoka Land Co.

Date: October 17, 2008
Contact: Bruce W. Teeters, Sr. Vice President
Phone: (386) 274-2202
Facsimile: (386) 274-1223

CONSOLIDATED TOMOKA REPORTS THIRD QUARTER EARNINGS

DAYTONA BEACH, FLORIDA - Consolidated-Tomoka Land Co. (AMEX: CTO: NYSE Alternext US-CTO) today reported net income of \$105,246 or \$.02 earnings per basic share and earnings before depreciation, amortization and deferred taxes (EBDDT) of \$1,103,586 or \$.19 per share for the quarter ended September 30, 2008. The comparable numbers for the third quarter of 2007 were net income of \$2,102,564 or \$.37 earnings per basic share and EBDDT of \$3,165,382 or \$.55 per share. For the nine months ended September 30, 2008, net income totaled \$2,432,562 or \$.42 earnings per basic share, compared with net income of \$2,634,692 or \$.46 earnings per basic share in 2007. EBDDT totaled \$5,536,262 or \$.97 per share in 2008's first nine months, compared with \$5,119,297 or \$.90 per share in 2007 for the same period.

EBDDT is being provided to reflect the impact of the Company's business strategy of investing in income properties utilizing tax deferred exchanges. This strategy generates significant amounts of depreciation and deferred taxes. The Company believes EBDDT is useful, along with net income, to understanding the Company's operating results.

William H. McMunn, president and chief executive officer stated, "The Company's long-term business strategy developed in 2000 is unique in that it will allow Consolidated Tomoka to ride out the current turndown from a position of strength. We are in excellent financial shape with little long-term debt (\$6.6 million) and a \$120 million portfolio of diversified income properties in the Southeast region that generates annually over \$9 million of revenues and before tax cash flow. Consistent with our long-term business strategy, these properties were all acquired by conversion of our land sales proceeds through 1031 tax-deferred exchanges, and the income from these assets will allow us to fund ongoing operations even without any new real estate sales."

Mr. McMunn concluded, "With respect to real estate sales, we expect fourth quarter closing volume to be lower than in recent years based on current market conditions as some of our potential purchasers have either put their expansions on hold or have requested an extension into next year. This is a very challenging real estate and economic environment, which we do not expect to improve for the foreseeable future. Fortunately, our cash flow and balance sheet position allow us to delay land sales until maximum value can be realized. Therefore, we will continue to pursue the conversion of our forestry lands into hay operations, and we will pursue the necessary land use entitlements that will drive the long-term value of our land holdings."

We are highly confident that our long-term business strategy is serving our shareholders well, and will position us appropriately based on current market trends to continue to deliver long-term shareholder value both during this economic downturn and when the real estate market rebounds."

Consolidated-Tomoka Land Co. is a Florida-based company primarily engaged in converting Company owned agricultural lands into a portfolio of income properties strategically located throughout the Southeast, and the development, management and sale of targeted real estate properties. Visit our website at www.ctlc.com

###

[Back to 8K](#)

“Safe Harbor”

Certain statements contained in this press release (other than statements of historical fact) are forward-looking statements. The words “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. Forward-looking statements are made based upon management’s expectations and beliefs concerning future developments and their potential effect upon the Company. 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.

The Company wishes to caution readers that the assumptions which form the basis for forward-looking statements with respect to or that may impact earnings for the year ended December 31, 2008, and thereafter include many factors that are beyond the Company’s ability to control or estimate precisely. These risks and uncertainties include, but are not limited to, the strength of the real estate market in the City of Daytona Beach in Volusia County, Florida; our ability to successfully execute acquisition or development strategies; any loss of key management personnel; changes in local, regional and national economic conditions affecting the real estate development business and income properties; the impact of environmental and land use regulations; the impact of competitive real estate activity; variability in quarterly results due to the unpredictable timing of land sales; the loss of any major income property tenants; and the availability of capital. Additional information concerning these and other factors that could cause actual results to differ materially from those forward-looking statements is contained from time to time in the Company’s Securities and Exchange Commission filings, including, but not limited to, the Company’s Annual Report on Form 10-K. Copies of each filing may be obtained from the Company or the SEC.

While the Company periodically reassesses material trends and uncertainties affecting its results of operations and financial condition, the Company does not intend to review or revise any particular forward-looking statement referenced herein in light of future events.

Disclosures in this press release regarding the Company’s current quarter’s financial results are preliminary and are subject to change in connection with the Company’s preparation and filing of its Form 10-Q for the quarter ended September 30, 2008. The financial information in this release reflects the Company’s preliminary results subject to completion of the quarterly review process. The final results for the quarter may differ from the preliminary results discussed above due to factors that include, but are not limited to, risks associated with final review of the results and preparation of financial statements.

This release refers to certain non-GAAP financial measures. As required by the SEC, the Company has provided a reconciliation of these measures to the most directly comparable GAAP measures with this release. Non-GAAP measures as the Company has calculated them may not be comparable to similarly titled measures reported by other companies.

[Back to 8K](#)

EARNINGS NEWS RELEASE

	QUARTER ENDED	
	(UNAUDITED)	
	SEPTEMBER 30, 2008	SEPTEMBER 30, 2007
REVENUES	\$ 3,973,382	\$ 7,098,154
NET INCOME	\$ 105,246	\$ 2,102,564
BASIC & DILUTED EARNINGS PER SHARE:		
NET INCOME	\$ 0.02	\$ 0.37
	NINE MONTHS ENDED	
	(UNAUDITED)	
	SEPTEMBER 30, 2008	SEPTEMBER 30, 2007
REVENUES	\$ 14,045,612	\$ 21,157,407
NET INCOME	\$ 2,432,562	\$ 2,634,692
BASIC & DILUTED EARNINGS PER SHARE:		
NET INCOME	\$ 0.42	\$ 0.46

[Back to 8K](#)

RECONCILIATION OF NET INCOME TO EARNINGS BEFORE DEPRECIATION, AMORTIZATION AND DEFERRED TAXES

	QUARTER ENDED	
	(UNAUDITED)	
	SEPTEMBER 30, SEPTEMBER 30,	
	2008	2007
NET INCOME	\$ 105,246	\$ 2,102,564
ADD BACK:		
DEPRECIATION & AMORTIZATION	676,733	616,964
DEFERRED TAXES	321,607	445,854
EARNINGS BEFORE DEPRECIATION, AMORTIZATION AND DEFERRED TAXES	<u>\$ 1,103,586</u>	<u>\$ 3,165,382</u>
BASIC WEIGHTED AVERAGE SHARES OUTSTANDING	<u>5,727,515</u>	<u>5,720,219</u>
BASIC EBDDT PER SHARE	<u>\$ 0.19</u>	<u>\$ 0.55</u>

	NINE MONTHS ENDED	
	(UNAUDITED)	
	SEPTEMBER 30, SEPTEMBER 30,	
	2008	2007
NET INCOME	\$ 2,432,562	\$ 2,634,692
ADD BACK:		
DEPRECIATION & AMORTIZATION	1,966,494	1,848,214
DEFERRED TAXES	1,137,206	636,391
EARNINGS BEFORE DEPRECIATION, AMORTIZATION AND DEFERRED TAXES	<u>\$ 5,536,262</u>	<u>\$ 5,119,297</u>
BASIC WEIGHTED AVERAGE SHARES OUTSTANDING	<u>5,727,072</u>	<u>5,713,450</u>
BASIC EBDDT PER SHARE	<u>\$ 0.97</u>	<u>\$ 0.90</u>

EBDDT - EARNINGS BEFORE DEPRECIATION, AMORTIZATION, AND DEFERRED TAXES. EBDDT IS NOT A MEASURE OF OPERATING RESULTS OR CASH FLOWS FROM OPERATING ACTIVITIES AS DEFINED BY U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. FURTHER, EBDDT IS NOT NECESSARILY INDICATIVE OF CASH AVAILABILITY TO FUND CASH NEEDS AND SHOULD NOT BE CONSIDERED AS AN ALTERNATIVE TO CASH FLOW AS A MEASURE OF LIQUIDITY. THE COMPANY BELIEVES, HOWEVER, THAT EBDDT PROVIDES RELEVANT INFORMATION ABOUT OPERATIONS AND IS USEFUL, ALONG WITH NET INCOME, FOR AN UNDERSTANDING OF THE COMPANY'S OPERATING RESULTS.

EBDDT IS CALCULATED BY ADDING DEPRECIATION, AMORTIZATION AND THE CHANGE IN DEFERRED INCOME TAXES TO NET INCOME AS THEY REPRESENT NON-CASH CHARGES.

[Back to 8K](#)

CONSOLIDATED BALANCE SHEETS

	(UNAUDITED)	
	SEPTEMBER 30,	DECEMBER 31,
	2008	2007
ASSETS	\$	\$
Cash	211,080	863,826
Restricted Cash	460,555	10,387,550
Investment Securities	5,173,172	10,193,094
Notes Receivable	4,203,693	5,164,421
Land and Development Costs	17,435,972	15,654,456
Intangible Assets	5,115,113	4,717,699
Other Assets	6,785,188	7,899,810
	<u>39,384,773</u>	<u>54,880,856</u>
Property, Plant & Equipment:		
Land, Timber and Subsurface Interests	11,908,674	7,793,594
Golf Buildings, Improvements & Equipment	11,746,179	11,713,046
Income Properties Land, Buildings & Improvements	116,504,886	104,820,647
Other Building, Equipment and Land Improvements	3,226,949	2,909,057
Construction in Process	661,773	--
Total Property, Plant and Equipment	144,048,461	127,236,344
Less, Accumulated Depreciation and Amortization	(11,928,203)	(10,284,670)
Net - Property, Plant and Equipment	<u>132,120,258</u>	<u>116,951,674</u>
TOTAL ASSETS	<u><u>171,505,031</u></u>	<u><u>171,832,530</u></u>
LIABILITIES		
Accounts Payable	840,562	452,090
Accrued Liabilities	8,752,305	8,684,175
Accrued Stock Based Compensation	1,725,728	3,277,821
Income Taxes Payable	101,640	3,058,049
Deferred Income Taxes	34,019,605	32,882,399
Notes Payable	8,579,550	6,807,388
TOTAL LIABILITIES	<u><u>54,019,390</u></u>	<u><u>55,161,922</u></u>
SHAREHOLDERS' EQUITY		
Common Stock	5,727,515	5,725,806
Additional Paid in Capital	5,217,955	5,130,574
Retained Earnings	107,726,516	107,012,038
Accumulated Other Comprehensive Loss	(1,186,345)	(1,197,810)
TOTAL SHAREHOLDERS' EQUITY	<u><u>117,485,641</u></u>	<u><u>116,670,608</u></u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>171,505,031</u></u>	<u><u>171,832,530</u></u>

[Back to 8K](#)