

GRIFFIN INDUSTRIAL REALTY, INC.  
Consolidated Statements of Operations  
(dollars in thousands, except per share data)  
(unaudited)

	<b>For the Three Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>Aug. 31, 2020</b>	<b>Aug. 31, 2019</b>	<b>Aug. 31, 2020</b>	<b>Aug. 31, 2019</b>
Rental revenue	\$ 9,575	\$ 8,600	\$ 27,703	\$ 25,458
Revenue from property sales <sup>5</sup>	288	302	1,139	9,828
<b>Total revenue</b>	<b>9,863</b>	<b>8,902</b>	<b>28,842</b>	<b>35,286</b>
Operating expenses of rental properties	2,595	2,483	7,921	7,567
Depreciation and amortization expense	3,594	2,925	10,188	8,806
General and administrative expenses	2,290	1,668	6,785	5,567
Costs related to property sales	129	176	314	1,999
<b>Total expenses</b>	<b>8,608</b>	<b>7,252</b>	<b>25,208</b>	<b>23,939</b>
Gain on insurance recovery <sup>6</sup>	—	—	—	126
<b>Operating income</b>	<b>1,255</b>	<b>1,650</b>	<b>3,634</b>	<b>11,473</b>
Interest expense <sup>7</sup>	(1,776)	(1,508)	(5,467)	(4,776)
Change in fair value of financial instruments <sup>8</sup>	(414)	—	(414)	—
Investment income	3	61	31	242
(Loss) income before income tax benefit (provision)	(932)	203	(2,216)	6,939
Income tax benefit (provision)	291	814	562	(689)
<b>Net (loss) income</b>	<b>\$ (641)</b>	<b>\$ 1,017</b>	<b>\$ (1,654)</b>	<b>\$ 6,250</b>
Basic net (loss) income per common share	<u>\$ (0.12)</u>	<u>\$ 0.20</u>	<u>\$ (0.32)</u>	<u>\$ 1.23</u>
Diluted net (loss) income per common share	<u>\$ (0.12)</u>	<u>\$ 0.20</u>	<u>\$ (0.32)</u>	<u>\$ 1.23</u>
Weighted average common shares outstanding for computation of basic per share results	<u>5,179</u>	<u>5,073</u>	<u>5,126</u>	<u>5,068</u>
Weighted average common shares outstanding for computation of diluted per share results	<u>5,179</u>	<u>5,113</u>	<u>5,126</u>	<u>5,102</u>

GRIFFIN INDUSTRIAL REALTY, INC.  
Non-GAAP Reconciliations – Leasing NOI and Cash Leasing NOI  
(dollars in thousands, except per share data)  
(unaudited)

	<u>For the Three Months Ended</u>		<u>For the Nine Months Ended</u>	
	<u>Aug. 31, 2020</u>	<u>Aug. 31, 2019</u>	<u>Aug. 31, 2020</u>	<u>Aug. 31, 2019</u>
<b>Net (loss) income</b>	\$ (641)	\$ 1,017	\$ (1,654)	\$ 6,250
Income tax benefit (provision)	291	814	562	(689)
<b>Pretax (loss) income</b>	<b>(932)</b>	<b>203</b>	<b>(2,216)</b>	<b>6,939</b>
Exclude:				
Investment income	(3)	(61)	(31)	(242)
Change in fair value of financial instruments	414	-	414	-
Interest expense	1,776	1,508	5,467	4,776
<b>Operating income</b>	<b>1,255</b>	<b>1,650</b>	<b>3,634</b>	<b>11,473</b>
Exclude:				
Gain on insurance recovery	-	-	-	(126)
Costs related to property sales	129	176	314	1,999
Depreciation and amortization expense	3,594	2,925	10,188	8,806
General and administrative expenses	2,290	1,668	6,785	5,567
Revenue from property sales	(288)	(302)	(1,139)	(9,828)
<b>Leasing NOI</b>	<b>6,980</b>	<b>6,117</b>	<b>19,782</b>	<b>17,891</b>
Noncash rental revenue including straight-line rents	(746)	(321)	(1,798)	(1,329)
<b>Cash Leasing NOI</b>	<b>\$ 6,234</b>	<b>\$ 5,796</b>	<b>\$ 17,984</b>	<b>\$ 16,562</b>

<b>Leasing NOI</b>	<b>\$ 6,980</b>	<b>\$ 6,117</b>	<b>\$ 19,782</b>	<b>\$ 17,891</b>
Exclude:				
Rental revenue from non-industrial/warehouse properties	(1,581)	(1,638)	(4,667)	(4,649)
Operating expenses of non-industrial/warehouse properties	788	833	2,297	2,451
<b>Leasing NOI of industrial/warehouse properties</b>	<b>6,187</b>	<b>5,312</b>	<b>17,412</b>	<b>15,693</b>
Noncash rental revenue including straight-line rents of industrial/warehouse properties	(690)	(283)	(1,397)	(1,242)
<b>Cash Leasing NOI for industrial/warehouse properties</b>	<b>\$ 5,497</b>	<b>\$ 5,029</b>	<b>\$ 16,015</b>	<b>\$ 14,451</b>

<sup>5</sup> Revenue from property sales in the nine months ended August 31, 2019 included \$7,700 from the sale of 280 acres of undeveloped land in Simsbury, Connecticut.

<sup>6</sup> Reflects the settlement of an insurance claim for storm damage to Griffin's nursery farm in Quincy, Florida that had been leased to a nursery operator. The lease terminated in fiscal 2018 upon the bankruptcy filing of the former tenant.

<sup>7</sup> Interest expense is primarily for mortgages on Griffin's rental properties.

<sup>8</sup> Reflects changes in fair value of the common stock warrants and the contingent value rights that were issued along with common stock in a private placement transaction completed on August 24, 2020.