

Griffin Industrial Realty, Inc.  
Consolidated Statements of Operations  
(amounts in thousands, except per share data)  
(unaudited)

	<u>Fourth Quarter Ended,</u>		<u>Fiscal Year Ended,</u>	
	<u>Nov. 30, 2016</u>	<u>Nov. 30, 2015</u>	<u>Nov. 30, 2016</u>	<u>Nov. 30, 2015</u>
Rental revenue (1)	\$ 6,489	\$ 6,639	\$ 26,487	\$ 24,605
Revenue from property sales (2)	3,891	836	4,364	3,483
Total revenue	<u>10,380</u>	<u>7,475</u>	<u>30,851</u>	<u>28,088</u>
Depreciation and amortization expense	2,257	2,041	8,797	7,668
Operating expenses of rental properties (1)	2,110	2,005	8,250	8,415
Costs related to property sales	617	150	810	634
General and administrative expenses	1,932	1,866	7,367	7,057
Total expenses	<u>6,916</u>	<u>6,062</u>	<u>25,224</u>	<u>23,774</u>
Operating income	3,464	1,413	5,627	4,314
Interest expense (3)	(1,230)	(1,025)	(4,545)	(3,670)
Gain on sale of assets	-	-	122	-
Investment income	45	50	107	161
Income before income tax provision	2,279	438	1,311	805
Income tax provision	(940)	(274)	(735)	(380)
Net income	<u>\$ 1,339</u>	<u>\$ 164</u>	<u>\$ 576</u>	<u>\$ 425</u>
Basic net income per common share	<u>\$ 0.26</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.08</u>
Diluted net income per common share	<u>\$ 0.26</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.08</u>
Weighted average common shares outstanding for computation of basic per share results	<u>5,072</u>	<u>5,153</u>	<u>5,117</u>	<u>5,151</u>
Weighted average common shares outstanding for computation of diluted per share results	<u>5,095</u>	<u>5,155</u>	<u>5,123</u>	<u>5,168</u>

(1) Profit from leasing activities:

	<u>Fourth Quarter Ended,</u>		<u>Fiscal Year Ended,</u>	
	<u>Nov. 30, 2016</u>	<u>Nov. 30, 2015</u>	<u>Nov. 30, 2016</u>	<u>Nov. 30, 2015</u>
Rental revenue	\$ 6,489	\$ 6,639	\$ 26,487	\$ 24,605
Operating expenses of rental properties	2,110	2,005	8,250	8,415
Profit from leasing activities	<u>\$ 4,379</u>	<u>\$ 4,634</u>	<u>\$ 18,237</u>	<u>\$ 16,190</u>

(2) Revenue from property sales in the 2016 fourth quarter reflects \$3,756 from the sale of approximately 29 acres of undeveloped land in Griffin Center (the "Griffin Center Land Sale") and \$135 for the recognition of previously deferred revenue from the sale of approximately 90 acres of undeveloped land in Windsor, Connecticut (the "Windsor Land Sale") that closed in the fiscal year ended November 30, 2013 and is being accounted for under the percentage of completion method. Revenue from property sales in the 2016 fiscal year reflects the revenue from the Griffin Center Land Sale and \$608 from the Windsor Land Sale. As of November 30, 2016, Griffin has recognized cumulative revenue of \$8,864 and a cumulative pretax gain of \$6,608 from the Windsor Land Sale. The total revenue and pretax gain from the Windsor Land Sale to be recognized after all of the required roadwork is completed is expected to be \$8,968 and \$6,686, respectively. Griffin expects to complete the required roadwork related to the Windsor Land Sale in the first half of fiscal 2017.

Revenue from property sales in the 2015 fourth quarter reflected \$600 from a land sale that closed in that quarter and \$236 from the recognition of previously deferred revenue from the Windsor Land Sale. Revenue from property sales in the 2015 fiscal year reflected \$2,483 of revenue recognized from the Windsor Land Sale, the revenue from the fourth quarter land sale, and \$400 from retention of a deposit from a potential land sale that was not completed.

(3) Interest expense is primarily for mortgages on Griffin's rental properties.