UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 31, 2006

The St. Joe Company
(Exact Name of Registrant as Specified in Its Charter)

Florida	1-10466	59-0432511
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

245 Riverside Avenue, Suite 500
Jacksonville, FL 32202
(Address of Principal Executive Offices) (Zip Code)

(904) 301-4200
(Registrant's Telephone Number, Including Area Code)

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-(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 31, 2006, The St. Joe Company (the "Company") issued a press release announcing the Company's financial results for the quarter ended September 30, 2006. A copy of the press release is furnished with this Form 8-K as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press Release dated October 31, 2006

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.

THE ST. JOE COMPANY

Dated: October 31, 2006

By: /s/ Michael N. Regan

Michael N. Regan
Senior Vice President -
Finance and Planning

Exhibit 99.1

The St. Joe Company Reports Third Quarter 2006 Net Income of $0.08 Per Share, after $0.10 Per Share Charges Relating to Florida Homebuilding Exit and Corporate Reorganization

Challenging Conditions Continue in Residential Real Estate Markets

JOE Maintaining 2006 Guidance at Low End of Range, Before Charges

JOE Discontinuing Earnings Guidance in 2007; Continuing Focus on Long-Term Value Creation

FAA Issues Record of Decision Approving Relocation of Panama City Airport

JACKSONVILLE, Fla.--(BUSINESS WIRE)--Oct. 31, 2006--The St. Joe Company (NYSE:JOE) today announced that its Net Income for the third quarter of 2006 was $6.0 million, or $0.08 per share, compared to $36.1 million, or $0.47 per share, for the third quarter of 2005. Included in the third quarter results are charges of $13.1 million pretax (or $0.10 per share after tax) related to JOE's exit from the homebuilding business in Florida and corporate reorganization. All per share references in this release are presented on a diluted basis.

Net Income for the first nine months of 2006 was $28.7 million, or $0.39 per share, compared to $89.4 million, or $1.17 per share, for the first nine months of 2005. Also included in the nine-month results are charges of $13.1 million pretax (or $0.10 per share after tax) related to JOE's exit from the homebuilding business in Florida and corporate reorganization.

"We continue to face challenging conditions in our Florida residential markets, but particularly in JOE's resort markets," said JOE chairman and CEO Peter S. Rummell. "The inventory of new and existing homes in the marketplace remains high. We continue to believe it could take until 2008 before a supply-demand balance begins to return. In general, activity remains slow in JOE markets, reflecting broader market conditions in Florida and across the nation."

"Though slow, there has been some limited activity at our resort communities recently," said Rummell. "During the third quarter we've seen sales activity at our Northwest Florida resort and seasonal projects across a full range of product lines and a broad spectrum of price points, including several homes and home sites priced over $1 million. As we enter the off-season in Northwest Florida, we will continue to closely watch market conditions in preparation for the next selling season that begins next spring."

"Rural land sales produced solid results with higher per-acre pricing, but with fewer and larger transactions," said Rummell. "We have a steady pipeline of land sales extending into early next year. Our FloridaWild product is generating interest from private buyers in addition to government and conservation organizations. We've been able to maintain good per-acre pricing with this strategy."

"We continue to see a healthy level of interest in commercial opportunities, particularly in the Panama City Beach area," said Rummell. "We are in active discussions with a number of nationally recognized commercial developers and retailers, and are very optimistic about Northwest Florida's long-term potential. We are developing retail relationships that we intend to leverage across JOE's landholdings."

"During the third quarter, JOE closed its second major multifamily land transaction within the last year with Trammell Crow, selling them 25.5 acres for $5.5 million to bring an additional 360 rental units to the Panama City Beach market," said Rummell. "Previously, Trammell Crow closed on 20 multifamily acres where they have started construction of 360 rental units due to be completed in early 2007."

JOE Expands Role of Homebuilders and Exits Florida Homebuilding

"During the third quarter, JOE announced that it was exiting homebuilding in Florida to focus on maximizing the value of its landholdings through place making," said Rummell. "Early on, homebuilding was a necessary component for our place making strategy, particularly in Northwest Florida. We consider the exit from homebuilding a significant milestone in the maturity of our business and our markets."

"Place making begins with land classification and includes entitlements, planning and development of the horizontal infrastructure and amenities in our towns and resorts," said JOE's Chief Operating Officer, Britt Greene. "For the last several years, JOE has built homes in our towns in part because there was limited homebuilding capacity in the region. As our Northwest Florida markets have matured, homebuilding capacity from national, regional and local homebuilders has expanded significantly."

"This decision allows JOE to focus on what it does best, long-term value creation," said Greene. "We will continue to conceive, entitle and plan towns and resorts, but instead of JOE taking the final step of building a home for a consumer, we will work with national, regional and local homebuilders to deliver that end product, leveraging the experience and expertise of leading homebuilders."

"Already we have entered into significant agreements with Beazer Homes and David Weekley Homes," said Greene. "At the same time, we are maintaining our relationships with preferred local and regional builders in our resort, seasonal and primary communities. We are also in discussions with a number of other homebuilders."

During the third quarter, homebuilder D.R. Horton Homes elected not to exercise its option for 83 home sites at Hawks Landing in Bay County. David Weekley Homes, however, has since placed options on improved terms on all of these home sites.

See Table 5 below for additional information on our residential sales activity. See Table 8 for additional information on national homebuilder activity.

Corporate Reorganization Positions JOE for the Future

"During the third quarter, JOE completed a corporate reorganization designed to position the company for the years ahead," said Rummell. "As JOE has matured - and more importantly, as the markets where we operate have matured - our ability to move our land to its highest and best use is directly related to our ability to generate a range of activity within a specific geographic region. Our new organization will facilitate the development of groups of projects with multifaceted real estate product types woven tightly together in a way that makes JOE's Florida an even better place to live, work and play. Our new organizational structure will also allow us to operate more efficiently while getting full value from the extraordinary talent we have assembled."

"Earlier this year, I mentioned that we would be filling key leadership positions from within JOE," said Rummell. "During the third quarter, we announced that Britt Greene, formerly president of St. Joe Towns & Resorts and St. Joe Commercial, was named JOE's Chief Operating Officer and Chris Corr, formerly JOE's senior vice president for strategic planning, was named Chief Strategy Officer. I have long believed that JOE has one of the deepest, most talented management teams in the business, and I am pleased we were able to fill these critical management positions from within our organization."

As a result of the reorganization, JOE's business segment names have been changed from St. Joe Towns & Resorts, St. Joe Commercial and St. Joe Land Company to residential real estate, commercial real estate and land sales, respectively. In addition, the RiverCamps product line is now included in the residential real estate segment.

FAA Issues Record of Decision Approving Relocation of Panama City Airport

On September 15, the Federal Aviation Administration (FAA) issued its Record of Decision (ROD) approving the relocation of the Panama City - Bay County International Airport. The FAA's decision comes after five years of analysis and marks the most significant milestone to date in the effort to relocate the airport to a site in west Bay County, on land to be donated by JOE.

JOE has agreed to donate 4,000 acres to the Panama City - Bay County International Airport and Industrial District when all permits and funding for relocation are in place. Significant regulatory steps remain before construction of the relocation of the airport can begin. The relocation is also dependent on adequate funding.

JOE Agrees to Sell Rights-of-Way to Florida Department of Transportation

In October, JOE agreed to sell approximately 4,000 acres in Northwest Florida to the Florida Department of Transportation (FDOT) to be used for rights-of-way for future road and highway construction in the region. JOE will receive $46.0 million in cash from this transaction which is scheduled to close in the next few days. Accounting gain will be recognized over time as the FDOT completes the design and engineering of individual roadway segments and the land is conveyed to the FDOT, a process that is likely to take many years to complete.

"This agreement provides long-term benefits to Florida taxpayers, residents of Northwest Florida, travelers and JOE," said Chris Corr, JOE's Chief Strategy Officer. "This transaction will enhance the highway network across Northwest Florida. Taxpayers benefit by locking in today's land prices; residents and travelers will benefit because the land will be there when new roads are needed in the future. JOE benefits by gaining a greater degree of predictability about future transportation corridors."

Entitlements Pipeline Stands at Approximately 43,600

On September 30, JOE owned approximately 820,000 acres, concentrated primarily in Northwest Florida. These holdings included approximately 330,000 acres within 10 miles of the coast of the Gulf of Mexico and approximately 490,000 acres outside the 10-mile coastal perimeter, including approximately 47,000 acres in southwest Georgia.

Also, on September 30, JOE had land-use entitlements in hand or in process for approximately 43,600 residential units and approximately 15.1 million square feet of commercial space. An additional 637 acres is zoned for commercial uses. These entitlements are on approximately 57,000 acres. The number of residential units declined by approximately 400 units from June 30, due to sales and changes in project plans.

During the third quarter, the city of Mexico Beach approved a comprehensive plan amendment for Bonfire Beach, a 750-unit project on 550 acres along approximately 4,600 feet of white-sand beaches in eastern Bay County. The project also includes 70,000 square feet of commercial space.

During October, the Leon County Commission and the Tallahassee City Commission both approved the transmittal of comprehensive plan amendments associated with the Southside Development of Regional Impacts to the Florida Department of Community Affairs. Southside is a 1,625-acre project in south Tallahassee being planned for 2,800 units and 1.15 million square feet of commercial space.

"JOE's experience and expertise in gaining entitlements is - and will remain - a significant advantage in the years ahead," said Corr. "It will never get easier to entitle land in Florida; it will only get more difficult. Our land inventory, combined with our entitlement skills, makes JOE an important long-term partner for homebuilders and multifamily, commercial and industrial developers."

See Tables 1, 2, and 3 below for additional information about our entitlements currently in hand or in process.

JOE Helping Improve Regional Quality of Life

In September, Sacred Heart Health System announced it expects to begin construction next year on a 25-bed hospital and medical office building in Port St. Joe to provide needed health care to residents of Gulf County and Franklin County. JOE has been working closely with Sacred Heart Health Systems and Gulf County officials on this project. JOE is providing a 19-acre site and the infrastructure required for the new hospital, now expected to open in 2008.

"We are proud to have played an integral role in bringing Sacred Heart Health Systems to Gulf County," said Corr. "For decades, Northwest Florida has been an underserved health care market. Now, with a regional partner like Sacred Heart, residents of the region are gaining access to quality health care."

OUTLOOK

Maintaining 2006 Guidance at Low End of Range, Before Charges

"We expect earnings for 2006, before restructuring charges, to be at the lower end of our previously stated range of $0.70 to $1.05," said Anthony M. Corriggio, JOE's Chief Financial Officer. "With several land sale transactions in various phases of due diligence, and given the challenges in our residential markets, the potential for meaningful variability in this estimate remains."

Discontinuing Earnings Guidance in 2007; Continuing Focus on Long-term Value Creation

"While we are continually seeking to achieve and expedite value realization through sales and earnings, we also recognize that excessive focus on short term results can be counterproductive to effectively executing a long-term value creation strategy," said Corriggio. "The Company's primary focus continues to be on creating long-term value by moving significant portions of our unique, low basis land holdings to higher and better uses through strategic planning, securing land use entitlements and facilitating infrastructure improvements."

"With the reorganization and exit from Florida homebuilding, JOE's focus is even more clearly directed towards long-term value creation through the entitlement, planning and development of our land holdings," said Corriggio. "Inherently, land development and sales transactions tend to be complex, `lumpy' and difficult to predict from a timing perspective. Combined with the current challenges in the residential markets and the resulting decrease in visibility regarding future transactions, earnings guidance has become less certain and less meaningful."

"For all of these reasons, we do not intend to issue numerical earnings guidance beginning in 2007," said Corriggio. "While we will discuss our outlook for 2007 in the fourth quarter release, we thought it important to communicate our expectations regarding the issuance of numerical guidance as early as possible."

Expected Savings Generated From Reorganization Activity

"The third quarter charges related to the exit from Florida homebuilding and the corporate reorganization were $13.1 million, or $0.10 per share after tax," said Corriggio. "Projected payroll and related cost savings from the reorganization are estimated to be about $6 million annually. The annualized reduction in cost of direct payroll and associated expenses related to the exit from Florida homebuilding is expected to be approximately $10 million."

Remainder of 2006 Outlook

Residential Real Estate

"Elevated resale inventories and limited transaction activity continue to adversely affect sales in the majority of our markets," said Corriggio. "We do, however, expect improved earnings from the residential segment in the fourth quarter as compared to the third quarter as a number of residential contracts close, including several for higher-end resort product at WaterSound Beach and SummerCamp."

"In addition to the transaction with David Weekley Homes, we continue to work toward additional transactions with public and private, regional and national homebuilders, and we expect to announce further activity prior to the end of 2006," said Corriggio.

Commercial Real Estate

"Commercial land sales and closing activity has been solid and in-line with the expectations outlined in last quarter's release," said Corriggio. "In addition to the transactions closed in the third quarter, we expect this segment to deliver approximately $12 million to $15 million in pretax gain in the fourth quarter through an array of land sale transactions that are under contract and scheduled to close by year end."

Land Sales

"Fourth quarter results in the land sales segment are expected to meet or exceed their highest level in the year thus far, as several meaningful transactions involving WoodLands products are expected to close late in the year," said Corriggio. "The potential does exist, however, for one or more of these transactions to fall into the first quarter of 2007. We have also conducted a marketing process for the sale of approximately 47,000 acres of land in Georgia, and we are in discussions with a potential purchaser of that property."

Capital Investment

"We have adjusted our capital investment plans in light of current market conditions," said Corriggio. "On a community by community basis, we are attempting to match investment in infrastructure and amenities with demand from consumers and homebuilders for finished home sites. We continue to review all capital investment decisions in order to properly pace development to meet the market as well as bring quality first phases in our next-generation projects to the point of sale in an efficient manner. We continue to expect construction spending at WaterSound, WindMark Beach, SummerCamp, RiverTown and SevenShores to total approximately $150 million over the twelve month period spanning from the third quarter of 2006 to the third quarter of 2007. We believe this represents the bulk of the investment capital necessary to ready the initial phase of product for sale in these communities. The amount above does not include spending for vertical construction at SevenShores, which will not start until we satisfy internally-set presale requirements."

Senior Notes

"As previously disclosed, we entered into an amendment to our 2002 senior notes on July 28, 2006 to better align certain covenants with those contained in our revolving credit facility," said Corriggio. "A condition to that amendment is the prepayment of our outstanding 2004 senior notes in the aggregate principal amount of $100 million. On October 16, we notified the noteholders that we will prepay the 2004 senior notes on November 15, 2006. Additional details regarding these events can be found in our Forms 8-K filed on July 31 and October 18."

DIVIDENDS AND STOCK REPURCHASE

A quarterly cash dividend of $0.16 per share of common stock was paid on September 29 to shareholders of record at the close of business on September 15.

On September 30, 74,319,391 JOE shares were outstanding. The number of weighted-average diluted shares in the third quarter of 2006 was 73,927,941.

During the third quarter of 2006, JOE expended an aggregate of $17.5 million for dividends and the acquisition of its shares. JOE acquired 118,105 of its shares at a cost of $5.7 million, an average price of $47.92 per share. On September 30, approximately $103.8 million remained of the Company's stock repurchase authorization. Table 4 below contains additional information on JOE's repurchase activity since 1998.

Lowering Range of Anticipated Share Repurchase Activity for 2006

During the first three quarters of 2006, JOE expended an aggregate of $89.2 million for dividends and the acquisition of its shares. The Company now expects to expend a total of $100 to $125 million in 2006 for dividends and acquisition of its shares, down from the previously anticipated range of $125 to $175 million for the year.

"We continue to view our dividend and repurchase program as an important component in ultimately delivering shareholder value created at the Company, and expect to continue to be in the market for our shares as appropriate," said Corriggio. "However, we are also mindful of the challenges presented by the current environment and believe it is prudent to take a deliberate and measured approach regarding share repurchase activity over the near term until the depth and duration of the current downturn in the residential market is more readily discernible."

SEGMENT RESULTS

RESIDENTIAL REAL ESTATE

Pretax income (loss) from continuing operations for JOE's residential real estate segment was $(4.4) million for the third quarter of 2006, compared to $30.5 million in the third quarter last year. Third quarter 2006 results include restructuring charges of $11.9 million. These results exclude income from unconsolidated affiliates.

In the third quarter, residential real estate closed on the sales of 447 units and generated revenues from housing and home sites of $121.0 million, compared to 641 units and $164.0 million, respectively, in the third quarter of 2005. See Table 5 below for additional information on our residential sales activity.

JOE accepted contracts for 179 homes and 154 home sites in the third quarter of 2006, compared to 387 homes and 130 home sites in the third quarter last year. The decrease in home contracts is due to slowing sales in our primary residential communities, particularly those located in central Florida and the Mid-Atlantic. The increase in home site contracts reflects our growing homebuilder relationships. See Table 6 below for additional information on units placed under contract.

The backlog of home sites and homes under contract was 458 units as of September 30, 2006, compared to 1,069 units as of September 30, 2005. As a result of the slower sales pace in 2006, the backlog continued to be reduced in the third quarter as closings of units far outpaced units placed under contract. We are also in a transition stage in several of our high-volume projects, with Paseos, Rivercrest, St. Johns Golf & Country Club and Artisan Park all nearing sell-out. See Table 7 below for additional backlog information.

For the third quarter, the average margin for home sites and homes was 52.9 percent and 17.6 percent, compared to 71.8 percent and 17.1 percent, respectively, for the same period in 2005. The contraction of home site margins reflects the sales of lower priced products in our primary residential communities to homebuilders and fewer sales of higher-end resort products.

JOE continues to expand the role of national homebuilders in our communities. See Table 8 below for additional information on homebuilder activity. Additional information on project activity is in Table 9 below.

The historical results of operations of RiverCamps on Crooked Creek have been reclassified from the land sales segment to the residential real estate segment to conform to the current period's presentation.

During the third quarter, Travel + Leisure readers chose the WaterColor Inn as their number-one favorite family resort in the United States. The award was announced in the September 2006 issue of the magazine.

Also during the third quarter, 3.6 miles of relocated U.S. 98 within WindMark Beach were opened to traffic. JOE took title to the roadbed of the original highway and plans to restore the dune structure with one of the longest beachfront trail systems in Florida.

JOE's alliance with Southern Progress Corporation generated significant coverage for JOE communities and products during the third quarter. The Southern Living and Progressive Farmer 2006 Idea House program featured a house built at WhiteFence Farms in Tallahassee. The Southern Accents 2006 Showhouse at WindMark Beach was featured in the August edition of the magazine. During 2006, the Idea House and Showhouse programs generated nearly 20,000 visitors to JOE communities and dozens of pages of editorial coverage of JOE communities and products.

COMMERCIAL REAL ESTATE

Pretax income from continuing operations for the commercial segment was $7.8 million for the third quarter of 2006, compared to $14.1 million in the same quarter of 2005.

Pretax income from discontinued operations for the third quarter of 2006 was $10.7 million, compared to $14.8 million in the third quarter of 2005. See Table of Quarterly Discontinued Operations below for net-of-tax results.

"With Trammell Crow's 360-unit multifamily development under construction, combined with Simon Property Group's accelerated development of Pier Park, new momentum is coming to the Panama City Beach market," said Greene. "The Pier Park Target store is now open, and vertical construction has begun on the core shopping area. As the Trammell Crow units and the shopping complex come on line, we expect to see increased real estate activity near Pier Park, where JOE has additional out parcels and other property."

"We are seeing continued velocity at Beach Commerce Park in Bay County," said Greene. "The first phase of Beach Commerce Park is substantially sold out, and we are now selling product in the second phase where we closed a $2.3 million transaction during the third quarter. Momentum and economic activity at Beach Commerce Park continues to build with more than 500 jobs at various businesses there."

Information on JOE's commercial land sales activity can be found in Table 10 below.

Investment Portfolio

On September 29, 2006, JOE closed on the sale of One Crescent Ridge in Charlotte, North Carolina. The 158,000 square foot office building was sold for a gross sales price of $31.3 million, or $197 per square foot. Originally acquired in July 2003, the pretax gain on the transaction was $10.6 million. Table 11 contains information on JOE's portfolio of office buildings.

LAND SALES

The land sales segment had pretax income from continuing operations of $12.2 million in the third quarter of 2006, compared to $11.7 million in the third quarter of 2005.

WoodLands

Sales of WoodLands, JOE's rural recreational land, totaled $7.2 million for 2,127 acres at an average price of $3,400 per acre, compared to $13.2 million for 6,326 acres at an average price of $2,100 per acre in the third quarter of 2005.

Additional information on JOE's land sales activity can be found in Table 12 below.

TABLES AND DATA

Table 1 summarizes JOE's Florida residential and mixed-use projects with land-use entitlements as of September 30, 2006. This table includes multifamily projects, which are marketed by our commercial group. Also detailed in the table are commercial entitlements, in terms of square feet, that are entitled as part of JOE's mixed-use projects. These commercial entitlements include retail, office and industrial uses.

Table 1
Summary of Land-Use Entitlements (1)
Active JOE Residential and Mixed-Use Projects in Florida
September 30, 2006

Project	Class. (2)	County	Project Acres	Project Units (3)	Residential Units Closed Since Inception
In Development: (6)					
Artisan Park (7)	PR	Osceola	175	616	445
Bridgeport	PR	Gulf	15	37	36
Cutter Ridge	PR	Franklin	10	25	--

Hawks Landing	PR	Bay	88	168	28
Landings at Wetappo	RR	Gulf	113	24	7
Palmetto Trace	PR	Bay	141	481	449
Paseos (7)	PR	Palm Beach	175	325	319
RiverCamps on Crooked Creek	RS	Bay	1,491	408	182
Rivercrest (7)	PR	Hills- borough	413	1,382	1,297
RiverSide at Chipola	RR	Calhoun	120	10	2
RiverTown	PR	St. Johns	4,170	4,500	--
SevenShores (Perico Island)	RS	Manatee	192	686	--
SouthWood	VAR	Leon	3,370	4,770	2,024
St. Johns Golf & Country Club	PR	St. Johns	880	799	777
SummerCamp	RS	Franklin	762	499	73
The Hammocks	PR	Bay	133	457	453
Victoria Park	PR	Volusia	1,859	4,200	1,085
WaterColor	RS	Walton	499	1,140	868
WaterSound	VAR	Walton	2,425	1,432	14
WaterSound Beach	RS	Walton	256	511	411
WaterSound West Beach	RS	Walton	62	199	13
WindMark Beach	RS	Gulf	2,020	1,662	121
Subtotal			19,369	24,331	8,604
In Pre-Development: (6)					
Avenue A	PR	Gulf	6	96	--
Bayview Estates	PR	Gulf	31	45	--
Bayview Multifamily	PR	Gulf	20	300	--
Beckrich NE	PR	Bay	15	70	--
Boggy Creek	PR	Bay	630	526	--
College Station	PR	Bay	567	800	--
East Lake Creek	PR	Bay	81	313	--
East Lake Powell	RS	Bay	181	360	--
Hills Road	RS	Bay	30	356	--
Howards Creek	RR	Gulf	8	33	--
Laguna Beach East	PR	Bay	25	360	--
Laguna Beach West	PR	Bay	59	382	--
Long Avenue	PR	Gulf	10	30	--
Palmetto Bayou	PR	Bay	58	217	--
ParkPlace	PR	Bay	118	260	--
ParkSide	PR	Bay	48	480	--
Pier Park NE	VAR	Bay	57	460	--
Pier Park Timeshare	RS	Bay	13	125	--
Port St. Joe Town Center	VAR	Gulf	180	624	--
Powell Adams	RS	Bay	32	1,425	--
RiverCamps on Sandy Creek	RS	Bay	6,500	624	--
Sabal Island	RS	Gulf	45	18	--
The Cove	RR	Gulf	57	81	--
Timber Island (8)	RS	Franklin	49	407	--
Topsail	VAR	Walton	115	627	--
Wavecrest	RS	Bay	7	95	--
WestBay Corners SE	VAR	Bay	100	524	--
WestBay Corners SW	PR	Bay	64	160	--
WestBay DSAP	VAR	Bay	15,089	5,628	--
WestBay Landing	VAR	Bay	950	214	--
WhiteFence Farms, Red Hills	RR	Leon	373	61	--
Subtotal			25,518	15,701	--

Total			44,887	40,032	8,604

Project	Class. (2)	County	Residential Units Under Contract as of 9/30/06(4)	Total Residential Units Remaining(4)	Remaining Commercial Entitlements (Sq.Ft.)(5)
In Development: (6)					
Artisan Park (7)	PR	Osceola	86	85	--
Bridgeport	PR	Gulf	--	1	--
Cutter Ridge	PR	Franklin	--	25	--
Hawks Landing	PR	Bay	21	119	--
Landings at Wetappo	RR	Gulf	--	17	--
Palmetto Trace	PR	Bay	--	32	--
Paseos (7)	PR	Palm Beach	2	4	--
RiverCamps on Crooked Creek	RS	Bay	--	226	--
Rivercrest (7)	PR	Hills-borough	73	12	--
RiverSide at Chipola	RR	Calhoun	--	8	--
RiverTown	PR	St. Johns	--	4,500	500,000
SevenShores (Perico Island)	RS	Manatee	9	677	9,000
SouthWood	VAR	Leon	31	2,715	5,399,460
St. Johns Golf & Country Club	PR	St. Johns	4	18	--
SummerCamp	RS	Franklin	3	423	25,000
The Hammocks	PR	Bay	1	3	--
Victoria Park	PR	Volusia	26	3,089	854,254
WaterColor	RS	Walton	1	271	47,600
WaterSound	VAR	Walton	1	1,417	457,380
WaterSound Beach	RS	Walton	17	83	29,000
WaterSound West Beach	RS	Walton	--	186	--
WindMark Beach	RS	Gulf	4	1,537	75,000
Subtotal			279	15,448	7,396,694
In Pre-Development: (6)					
Avenue A	PR	Gulf	--	96	--
Bayview Estates	PR	Gulf	--	45	--
Bayview Multifamily	PR	Gulf	--	300	--
Beckrich NE	PR	Bay	--	70	--
Boggy Creek	PR	Bay	--	526	--
College Station	PR	Bay	--	800	--
East Lake Creek	PR	Bay	--	313	--
East Lake Powell	RS	Bay	--	360	--
Hills Road	RS	Bay	--	356	--
Howards Creek	RR	Gulf	--	33	--
Laguna Beach East	PR	Bay	--	360	--
Laguna Beach West	PR	Bay	--	382	--
Long Avenue	PR	Gulf	--	30	--
Palmetto Bayou	PR	Bay	--	217	90,000
ParkPlace	PR	Bay	--	260	--
ParkSide	PR	Bay	--	480	--
Pier Park NE	VAR	Bay	--	460	190,000
Pier Park Timeshare	RS	Bay	--	125	--
Port St. Joe Town Center	VAR	Gulf	--	624	500,000

Powell Adams	RS	Bay	--	1,425	--
RiverCamps on Sandy Creek	RS	Bay	--	624	--
Sabal Island	RS	Gulf	--	18	--
The Cove	RR	Gulf	--	81	--
Timber Island (8)	RS	Franklin	--	407	14,500
Topsail	VAR	Walton	--	627	300,000
Wavecrest	RS	Bay	--	95	--
WestBay Corners SE	VAR	Bay	--	524	50,000
WestBay Corners SW	PR	Bay	--	160	--
WestBay DSAP	VAR	Bay	--	5,628	4,330,000
WestBay Landing	VAR	Bay	--	214	--
WhiteFence Farms, Red Hills	RR	Leon	--	61	--
Subtotal			--	15,701	5,474,500
Total			279	31,149	12,871,194

(1) A project is deemed land-use entitled when all major discretionary governmental land-use approvals have been received. Some of these projects may require additional permits for development and/or build-out; they also may be subject to legal challenge.

(2) Current JOE land classifications:

- -- PR - Primary residential.
- -- RS - Resort and seasonal residential, which includes RiverCamps.
- -- RR - Rural residential, which includes WhiteFence Farms, Homesteads and other rural residential products.
- -- VAR - Includes multiple classifications. For example, a project may have substantial commercial and residential acres.

(3) Project units represent the maximum number of units entitled or currently expected at full build-out. The actual number of units or square feet to be constructed at full build-out may be lower than the number entitled or currently expected.

(4) Excludes our Mid-Atlantic region that includes activity in North and South Carolina where we are primarily engaged in homebuilding, and not obtaining entitlements. As of September 30, 2006, the Mid-Atlantic region had 1,673 home sites owned or under contract. Of that total, 245 have been sold and 1,428 remain to be sold.

(5) Represents the remaining square feet with land-use entitlements as designated in a development order or expected given the existing property land use or zoning and present plans. Commercial entitlements include retail, office and industrial uses. Industrial uses total 6,128,381 square feet including SouthWood, RiverTown and the West Bay DSAP.

(6) A project is "in development" when construction on the project has commenced. A project in "pre-development" has land-use entitlements but is still under internal evaluation or requires one or more additional permits prior to the commencement of construction.

(7) Artisan Park is 74 percent owned by JOE. Paseos and Rivercrest are each 50 percent owned by JOE.

(8) Timber Island entitlements include seven residential units and 400 units for hotel or other transient uses (including units held with fractional ownership such as private residence clubs) and include 480 wet/dry marina slips.

Table 2 details the proposed JOE residential and mixed-use projects in the land-use entitlements process in Florida.

Table 2
Proposed JOE Residential and Mixed-Use Projects
In the Land-Use Entitlement Process in Florida (1)
September 30, 2006

Project	Class. (2)	County	Project Acres	Estimated Project Units (3)	Estimated Commercial Entitlements (Sq. Ft.)(3)
Bonfire Beach	RS	Bay	550	750	70,000
Breakfast Point	VAR	Bay	1,448	3,100	635,000
Carrabelle East	PR	Franklin	200	600	--
Country Walk	RR	Bay	1,300	125	--
DeerPoint Cedar Grove	PR	Bay	599	750	--
SouthSide	VAR	Leon	1,625	2,800	1,150,000
South Walton Multifamily	PR	Walton	40	212	--
Star Avenue North	VAR	Bay	271	1,248	380,000
St. James Island McIntyre	RR	Franklin	1,704	340	--
St. James Island RiverCamps	RS	Franklin	2,500	500	--
St. James Island Granite Point	RS	Franklin	1,000	2,000	--
Total			11,237	12,425	2,235,000

(1) A project is deemed to be in the land-use entitlement process when customary steps necessary for the preparation and submittal of an application, such as conducting pre-application meetings or similar discussions with governmental officials, have commenced and/or an application has been filed. All projects listed have significant entitlement steps remaining that could affect their timing, scale and viability. There can be no assurance that these entitlements will ultimately be received.

(2) Current JOE land classifications:

- -- PR - Primary residential.
- -- RS - Resort and seasonal residential, which includes RiverCamps.
- -- RR - Rural residential, which includes WhiteFence Farms, Homesteads and other rural residential products.
- -- VAR - Includes multiple classifications. For example, a project may have substantial commercial and residential acres.

(3) The actual number of units or square feet to be constructed at full build-out may be lower than the number ultimately entitled.

Table 3 is a summary of the additional commercial land-use entitlements.

Table 3
Summary of Additional Commercial Land-Use Entitlements (1)
(Commercial Projects Not Included in Tables 1 and 2 Above)
Active JOE Florida Commercial Projects
September 30, 2006

Project	County	Project Acres	Acres Sold Since Inception	Acres Under Contract As of 9/30/06	Total Acres Remaining
Airport Commerce	Leon	45	--	2	43
Airport Road	Franklin	13	--	--	13
Alf Coleman Retail	Bay	25	15	1	9
Avery St. Retail	Bay	10	--	10	--
Beach Commerce	Bay	157	147	2	8
Beach Commerce II	Bay	112	11	--	101
Beckrich Office Park	Bay	12	8	4	--
Beckrich Retail	Bay	47	18	--	29
Cedar Grove Commerce	Bay	51	--	--	51
Franklin Industrial	Franklin	7	--	--	7
Glades Retail	Bay	14	--	--	14

Gulf Boulevard	Bay	76	21	--	55
Hammock Creek Commerce	Gadsden	165	27	--	138
Mill Creek Commerce	Bay	37	--	--	37
Nautilus Court	Bay	11	4	--	7
Port St. Joe Commerce II	Gulf	39	9	--	30
Port St. Joe Commerce III	Gulf	54	--	--	54
Port St. Joe Medical	Gulf	19	--	--	19
Powell Hills Retail	Bay	44	--	44	--
South Walton Commerce	Walton	39	15	2	22
Total		977	275	65	637

(1) A project is deemed land-use entitled when all major discretionary governmental land-use approvals have been received. Some of these projects may require additional permits for development and/or build-out; they also may be subject to legal challenge. Includes significant JOE projects that are either operating, under development or in the pre-development stage.

Table 4 summarizes the company's stock repurchase activity from 1998 through September 30, 2006.

Table 4
Stock Repurchase Activity
Through September 30, 2006

Period	Shares Purchased	Shares Surrendered (1)	Shares Total	Total Cost (in millions)	Average Price
1998	2,574,200	11,890	2,586,090	$55.5	$21.41
1999	2,843,200	11,890	2,855,090	69.5	24.31
2000	3,517,066	--	3,517,066	80.2	22.78
2001	7,071,300	58,550	7,129,850	176.0	24.67
2002	5,169,906	256,729	5,426,635	157.6	29.03
2003	2,555,174	812,802	3,367,976	102.9	30.55
2004	1,561,565	884,633	2,446,198	105.0	42.90
2005	1,705,000	68,648	1,773,648	124.8	70.33
2006 (through Sept. 30)	948,200	74,601	1,022,801	53.4	52.14
Total/ Weighted Average	27,945,611	2,179,743	30,125,354	$924.9	$30.68

(1) Shares surrendered by company executives as payment for the strike price and taxes due on exercised stock options and the vesting of restricted stock.

Tables 5 and 6 summarize sales activity for residential real estate for the third quarter of 2006 compared to the same period in 2005. Table 7 details backlog for residential real estate.

Table 5
Residential Real Estate
Sales Activity
For the Three Months
Ended September 30,
($ in millions)

2006 2005

	Number of Units Closed	Revenue	Cost of Sales (1)	Gross Profit	Number of Units Closed	Revenue	Cost of Sales (1)	Gross Profit
Home Sites (2)	134	$20.4	$9.6	$10.8	138	$29.1	$8.2	$20.9
Homes (3)	313	100.6	82.9	17.7	503	134.9	111.8	23.1
Total	447	$121.0	$92.5	$28.5	641	$164.0	$120.0	$44.0

(1) Cost of sales for home sites in the third quarter of 2006 consisted of $8.2 million in direct costs, $0.6 million in selling costs and $0.8 million in indirect costs. Cost of sales for home sites in the third quarter of 2005 consisted of $6.4 million in direct costs, $1.0 million in selling costs and $0.8 million in indirect costs. Cost of sales for homes in the third quarter of 2006 consisted of $70.6 million in direct costs, $5.1 million in selling costs and $7.2 million in indirect costs. Cost of sales for homes in the third quarter of 2005 consisted of $94.8 million in direct costs, $7.0 million in selling costs and $10.0 million in indirect costs.

(2) Profit has been deferred as a result of continuing development obligations at SummerCamp, WaterSound West Beach, and RiverCamps at Crooked Creek. As a consequence, revenue recognition and closings may occur in different periods.

(3) Homes include single-family, multifamily and Private Residence Club (PRC) units. Multifamily and PRC revenue is recognized, if preconditions are met, on a percentage-of-completion basis. As a consequence, revenue recognition and closings may occur in different periods. Percentage-of-completion accounting was utilized at Artisan Park in the third quarter of 2006 and Artisan Park, WaterColor and WaterSound Beach in the third quarter of 2005. Paseos and Rivercrest, two joint ventures 50 percent owned by JOE, are not included. Sales are substantially complete at both of these communities.

Table 6
Residential Real Estate
Units Placed Under Contract
For the Three Months
Ended September 30,

	2006	2005	Percentage Change
Home Sites	154	130	18.5 %
Homes (1)	179	387	(53.7)
Total (1)	333	517	(35.6) %

(1) Homes include single-family homes, multifamily and PRC units. Paseos and Rivercrest, two unconsolidated joint ventures, are not included. Sales are substantially complete at both of these communities.

Table 7
Residential Real Estate
Backlog (1) (2)
($ in millions)

	September 30, 2006		September 30, 2005	
	Units	Revenues	Units	Revenues
Home Sites	38	$7.5	28	$4.6
Homes (3)	420	157.4	1,041	354.7
Total	458	$164.9	1,069	$359.3

(1) Backlog represents units under contract but not yet closed. Paseos and Rivercrest, two joint ventures 50 percent owned by JOE, are not included. Backlog at Paseos and Rivercrest totaled $17.8 million for 75 units at the end of the third quarter of 2006, compared to $142.5 million for 559 units at the end of the third quarter of 2005. Sales are substantially complete at both of these communities.

(2) Excludes national homebuilder units included in Table 8.

(3) As of September 30, 2006, there were 61 units subject to percentage-of-completion accounting in the homes backlog with related revenue of $28.3 million (of which $25.8 million had previously been recognized in the financial statements). As of September 30, 2005, there were 202 units subject to percentage-of-completion accounting with related revenue of $88.5 million (of which $47.1 million had previously been recognized in the financial statements).

Table 8 summarizes commitments for home site purchases from national homebuilders.

Table 8
Residential Real Estate
National Homebuilder Summary
April 1, 2006 through October 31, 2006

	Total Units Committed(1)	Total Units Closed to Date	Average Price Closed Units	Remaining Units To Close (2)
Beazer Homes				
Beckrich Point	70	0	N/A	70
Laguna West	350	0	N/A	350
SouthWood	82	22	$40,000	60
Victoria Park	179	0	N/A	179
David Weekley Homes				
Hawks Landing	99	0	N/A	99
Palmetto Trace	56	39	$76,200	17
ParkPlace	70	0	N/A	70
RiverCamps on Crooked Creek	3	3	$210,000	0
SouthWood	140	0	N/A	140
Victoria Park	66	66	$100,300	0
WaterSound	7	7	$144,200	0
Total	1,122	137		985

(1) Includes developed home sites and land for single-family and multifamily units which are under contract or under option.

(2) These units are not included in the data in Table 7.

Table 9 summarizes the sales activity at various residential communities for the third quarter of 2006 compared to the same period in 2005.

Table 9
Residential Real Estate Sales Activity
For the Three Months Ended September 30,
($ in thousands)

	2006			
	Units Closed	Avg. Price	Accepted (1)	Avg. Price
Artisan Park (2)				
Home Sites	0	$0.0	0	$0.0
Single-Family Homes	9	700.1	7	505.5
Multifamily Homes	35	476.3	1	132.0
Bridgeport				
Home Sites	0	0.0	0	0.0
Hampton Park/James				

Island				
Single Family Homes	0	0.0	0	0.0
Hawks Landing				
Home Sites	5	76.0	11	75.9
Palmetto Trace				
Home Sites	8	79.6	8	79.7
Single-Family Homes	0	0.0	0	0.0
Paseos (2)				
Single-Family Homes	15	578.0	(2)	481.0
RiverCamps on Crooked Creek				
Home Sites	1	275.0	1	275.0
Rivercrest (2)				
Single-Family Homes	74	207.6	(8)	239.9
Saussy Burbank				
Single-Family Homes	154	292.6	150	273.1
SevenShores				
Multifamily Homes	0	0.0	0	0.0
SouthWood				
Home Sites	26	50.0	32	61.9
Single-Family Homes	54	294.5	3	336.8
St. Johns G & CC				
Home Sites	0	0.0	0	0
Single-Family Homes	16	564.7	9	544.7
SummerCamp				
Home Sites	3	309.2	4	318.5
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	0	0.0	0	0.0
Victoria Park				
Home Sites	67	101.6	67	101.6
Single-Family Homes	41	353.7	(7)	404.2
WaterColor				
Home Site	0	0.0	0	0.0
Single/Multifamily Homes	3	1,078.6	4	1,078.8
PRC Shares	0	0.0	0	0.0
WaterSound				
Home Sites	7	180.0	8	178.1
WaterSound Beach				
Home Sites	0	0.0	2	1,716.4
Single-Family Homes	1	1,069.0	5	1,335.4
PRC Shares	0	0.0	7	275.0
WaterSoundWest Beach				
Home Sites	0	0.0	0	0.0
Single-Family Homes	0	0.0	0	0.0
WindMark Beach				
Home Sites	17	257.0	21	242.5
Total	536	$284.0	323	$246.2

	2005			
	Units Closed	Avg. Price	Accepted (1)	Avg. Price
Artisan Park (2)				
Home Sites	1	$460.0	1	$460.0
Single-Family Homes	20	465.2	22	662.5
Multifamily Homes	32	293.2	13	528.1
Bridgeport				
Home Sites	21	29.9	21	29.9
Hampton Park/James Island				
Single Family Homes	2	374.6	1	399.9
Hawks Landing				
Home Sites	0	0.0	0	0.0
Palmetto Trace				
Home Sites	0	0.0	0	0.0
Single-Family Homes	33	252.1	18	339.8
Paseos (2)				
Single-Family Homes	28	454.6	0	0.0
RiverCamps on Crooked Creek				
Home Sites	25	339.4	25	339.4
Rivercrest (2)				
Single-Family Homes	136	166.9	(3)	161.1
Saussy Burbank				
Single-Family Homes	195	269.9	221	268.1

SevenShores				
Multifamily Homes	0	0.0	0	0.0
SouthWood				
Home Sites	12	141.5	8	142.8
Single-Family Homes	64	248.5	30	325.3
St. Johns G & CC				
Home Sites	12	74.0	0	0.0
Single-Family Homes	30	437.6	10	504.4
SummerCamp				
Home Sites	48	380.0	48	380.0
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	19	145.2	13	156.2
Victoria Park				
Home Sites	4	76.4	9	123.4
Single-Family Homes	68	279.8	59	317.2
WaterColor				
Home Site	5	851.4	6	804.8
Single/Multifamily Homes	1	782.6	0	0.0
PRC Shares	0	0.0	0	0.0
WaterSound				
Home Sites	0	0.0	0	0.0
WaterSound Beach				
Home Sites	4	1,361.7	4	1,361.7
Single-Family Homes	39	1,490.5	0	0.0
PRC Shares	0	0.0	0	0.0
WaterSoundWest Beach				
Home Sites	6	707.0	8	717.0
Single-Family Homes	0	0.0	0	0.0
WindMark Beach				
Home Sites	0	0.0	0	0.0
Total	805	$335.6	514	$327.5

(1) Contracts accepted during the quarter. Contracts accepted and closed in the same quarter are also included as units closed. Average prices shown reflect variations in the product mix across time periods as well as price changes for similar product.

(2) JOE owns 74 percent of Artisan Park and 50 percent of each of Paseos and Rivercrest. Sales from Paseos and Rivercrest are not consolidated with the financial results of residential real estate.

Table 10 summarizes JOE's commercial land sales in Northwest Florida for the third quarters of 2006 and 2005.

Table 10
Commercial Northwest Florida Land Sales
Quarter Ended September 30,

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006	7	53	$10,798	$204
2005	11	132	$19,194	$145

Table 11 summarizes JOE's investment property portfolio of office buildings as of September 30, 2006.

Table 11
Investment Portfolio of Office Buildings
September 30, 2006

Location	Number of Properties	Net Rentable Square Feet	Leased Percentage
Florida	6	609,000	93 %
Georgia	8	1,289,000	77
Virginia	3	354,000	96
Total	17	2,252,000	84 %

Table 12 summarizes JOE's land sales in Northwest Florida for the third quarters of 2006 and 2005.

Table 12
Land Sales
Quarter Ended September 30,

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006				
WoodLands	13	2,127	$7,186	$3.4
FloridaWild	4	1,783	5,041	2.8
Other	3	119	4,150	34.9
Total	20	4,029	$16,377	$4.1
2005				
WoodLands	19	6,326	13,181	2.1
Homesteads	10	89	1,208	13.6
Other	3	22	1,991	90.5
Total	32	6,437	$16,380	$2.6

FINANCIAL DATA
($ in millions except per share amounts)
Summary Balance Sheet

	September 30, 2006	December 31, 2005
Assets		
Investment in real estate	$1,218.0	$1,036.2
Cash and cash equivalents	21.7	202.6
Accounts receivable	44.9	58.9
Prepaid pension asset	97.3	95.0
Property, plant and equipment, net	38.3	40.2
Other assets	153.9	159.0
Total assets	$1,574.1	$1,591.9
Liabilities and Stockholders' Equity		
Debt	$653.5	$554.4
Accounts payable, accrued liabilities	206.3	214.4
Deferred income taxes	250.2	315.9
Total liabilities	1,110.0	1,084.7
Minority interest	14.6	18.2
Total stockholders' equity	449.5	489.0
Total liabilities and stockholders' equity	$1,574.1	$1,591.9

Debt Schedule

	September 30, 2006	December 31, 2005
Revolving debt facility	$95.0	$--
Medium term notes	407.0	407.0
Acquisition and other debt	4.0	14.7
Other collateralized/specific asset related debt	147.5	132.7
Total debt	$653.5	$554.4

Consolidated Quarterly Comparisons

	Quarter Ended Sept. 30, 2006	Quarter Ended Sept. 30, 2005	Nine Months Ended Sept. 30, 2006	Nine Months Ended Sept. 30, 2005
Revenues:				
Real estate sales	$149.2	206.5	$451.9	$593.4
Rental revenue	10.3	8.7	31.0	26.2
Timber sales	7.2	6.2	23.5	21.8
Other revenues	11.4	12.7	31.6	34.9
Total revenues	178.1	234.1	538.0	676.3
Expenses:				
Cost of real estate sales	95.6	132.7	290.5	380.2
Cost of rental revenue	4.4	3.2	12.8	10.2
Cost of timber sales	5.3	4.9	17.5	15.1
Cost of other revenues	13.0	10.0	33.3	29.9
Other operating expenses	21.4	18.9	59.7	52.1
Corporate expense, net	11.3	12.4	40.6	36.3
Restructuring Charge	13.1	--	13.1	--
Depreciation and amortization	9.6	9.1	28.9	26.8
Total expenses	173.7	191.2	496.4	550.6
Operating profit	4.4	42.9	41.6	125.7
Other income (expense)	(3.8)	(2.1)	(8.9)	(5.0)
Pretax income from continuing operations	0.6	40.8	32.7	120.7
Income tax expense	(2.3)	(15.8)	(15.3)	(47.7)
Minority interest expense	(0.7)	(1.3)	(5.6)	(3.4)
Equity in income of unconsolidated affiliates	1.7	3.1	7.3	10.6
Discontinued operations, net of tax	6.7	9.3	9.6	9.2
Net income	$6.0	$36.1	$28.7	$89.4
Net income per diluted share	$0.08	$0.47	$0.39	$1.17
Weighted average diluted shares outstanding	73,927,941	76,089,307	74,467,972	76,432,285

Quarterly Revenues by Segment

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2006	2005	2006	2005
Residential Real Estate:				
Real estate sales	$120.4	$177.5	$372.9	$497.4
Rental revenue	0.5	0.6	1.4	1.2
Other revenues	11.1	12.5	30.9	34.4
Total Residential Real Estate	132.0	190.6	405.2	533.0
Commercial Real Estate:				
Real estate sales	12.4	26.1	20.5	51.8
Rental revenue	9.8	8.2	29.6	25.0
Other revenues	0.3	0.3	0.7	0.5
Total Commercial Real Estate	22.5	34.6	50.8	77.3
Land Sales:				
Real estate sales	16.4	2.7	58.5	44.2
Total Land Sales	16.4	2.7	58.5	44.2
Forestry Sales	7.2	6.2	23.5	21.8
Total revenues	$178.1	$234.1	$538.0	$676.3

Quarterly Segment Pretax Income
From Continuing Operations (1)

	9/30 2006(2)	6/30 2006	3/31 2006	12/31 2005	9/30 2005	6/30 2005	3/31 2005	12/31 2004	9/30 2004
Residential Real Estate	$(4.4)	$19.4	$11.7	$24.4	$30.5	$56.8	$25.4	$26.9	$31.5
Commercial Real Estate	7.8	0.8	0.1	4.7	14.1	2.3	1.1	16.9	2.7
Land Sales	12.2	23.0	11.8	37.4	11.7	10.1	9.7	14.1	11.8
Forestry	1.4	0.9	2.0	0.4	0.6	1.6	2.0	2.1	1.9
Corporate and other	(16.4)	(17.3)	(20.3)	(15.0)	(16.1)	(15.3)	(13.8)	(17.0)	(13.6)
Pretax income from continuing operations	$0.6	$26.8	$5.3	$51.9	$40.8	$55.5	$24.4	$43.0	$34.3

(1) The historical results of operations of RiverCamps on Crooked Creek have been reclassified from the land sales segment to the residential real estate segment to conform to the current period's presentation.

(2) Includes restructuring charges incurred in the third quarter of 2006. See Restructuring Charges Pretax by Segment table below.

Restructuring Charges Pretax by Segment
Quarter Ended September 30, 2006

	Residential	Commercial	Land Sales	Other	Total
Write-off of capitalized					

homebuilding costs	$9.5	$--	$--	$--	$9.5
One-time termination benefits to employees	2.4	0.2	0.3	0.8	3.6
Total restructuring charges, pretax	$11.9	$0.2	$0.3	$0.8	$13.1

Quarterly Discontinued Operations, Net of Tax

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2006	2005	2006	2005
Income (loss) from Advantis operations, net of tax	$--	$(0.6)	$(0.1)	$(0.7)
Income from office buildings, net of tax	0.1	0.1	0.3	0.1
Gains on sales of office buildings, net of tax	6.6	16.0	9.4	16.0
Loss on sale of Advantis, net of tax	--	(6.2)	--	(6.2)
Net income from discontinued operations	$6.7	$9.3	$9.6	$9.2

Other Income (Expense)

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2006	2005	2006	2005
Dividend and interest income	$0.9	$0.8	$3.8	$1.4
Interest expense	(5.4)	(3.9)	(13.7)	(9.3)
Other	0.7	1.0	1.0	2.9
Total	$(3.8)	$(2.1)	$(8.9)	$(5.0)

Equity in Income of Unconsolidated Affiliates

	Quarter Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2006	2005	2006	2005
Residential Real Estate	$1.7	$3.1	$7.3	$8.1
Commercial Real Estate	--	--	--	2.4
Total	$1.7	$3.1	$7.3	$10.5

Reported results are preliminary and not final until the filing of our Form 10-Q with the SEC and, therefore, remain subject to adjustment.

Conference Call Information

JOE will host an interactive conference call to review the Company's results for the quarter ended September 30, 2006, and to discuss earnings guidance for the year on Tuesday, October 31, 2006, at 10:30 a.m., Eastern Standard Time.

To participate in the call, please phone 877-704-5380 (for domestic calls from the United States) or 913-312-1294 (for international calls) approximately ten minutes before the scheduled start time. You may be asked for a Confirmation Code which is: 4650542. Approximately three hours following the call, you may access a replay of the call by phoning 888-203-1112 (domestic) or 719-457-0820 (international) using access code 4650542. The replay will be available for one week.

JOE will also web cast the conference call live over the internet in a listen-only format. Listeners can participate by visiting the Company's web site at http://www.joe.com. Access will be available 15 minutes prior to the scheduled start time. A replay of the conference call will be posted to the JOE web site approximately three hours following the call. The replay of the call will be available for one week.

About JOE

The St. Joe Company (NYSE: JOE), a publicly held company based in Jacksonville, is one of Florida's largest real estate operating companies. We are primarily engaged in real estate development and sales, with significant interests in timber. Our mission is to create places that inspire people and make JOE's Florida an even better place to live, work and play. We're no ordinary JOE.

More information about JOE can be found at our web site at www.joe.com.

Forward-Looking Statements

We have made forward-looking statements in this earnings release, particularly in the Outlook Section, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Any statements in this release that are not historical facts are forward-looking statements. You can find many of these forward-looking statements by looking for words such as "intend", "anticipate", "believe", "estimate", "expect", "plan", "should", "forecast" or similar expressions. In particular, forward-looking statements include, among others, statements about the following:

-- future operating performance, revenues, earnings, cash flows, and short and long-term revenue and earnings growth rates;

-- the size and number of residential units and commercial buildings;

-- expected development timetables and projected timing for the first sales or closings of homes or home sites in a community;

-- development approvals and the ability to obtain such approvals, including possible legal challenges;

-- the anticipated price ranges of developments;

-- the number of units or commercial square footage that can be supported upon full build out of a development;

-- the number, price and timing of anticipated land sales or acquisitions;

-- estimated land holdings for a particular use within a specific time frame;

-- absorption rates and expected gains on land and home site sales;

-- the pace at which we release new products for sale;

-- comparisons to historical projects;

-- the amount of dividends we pay; and

-- the number of shares of company stock which may be purchased under the company's existing or future share-repurchase program.

Forward-looking statements are not guarantees of future performance. You are cautioned not to place undue reliance on any of these forward-looking statements. These statements are made as of the date hereof based on our current expectations, and we undertake no obligation to update the information contained in this release. New information, future events or risks may cause the forward-looking events we discuss in this earnings release not to occur.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated by a forward-looking statement include the risk factors described in our annual report on Form 10-K for the year ended December 31, 2005 as well as, among others, the following:

-- economic conditions, particularly in Northwest Florida, Florida as a whole and key areas of the southeastern United States that serve as feeder markets to our Northwest Florida operations;

-- changes in the demographics affecting projected population growth in Florida, including the demographic migration of Baby Boomers;

-- changes in perceptions or conditions in the national real estate market or the real estate markets in the states and regions in which we operate;

-- the termination of sales contracts or letters of intent due to, among other factors, the failure of one or more closing conditions or market changes;

-- whether our developments receive all land-use entitlements or other permits necessary for development and/or full build-out or are subject to legal challenge;

-- local conditions such as the supply of homes and home sites and residential or resort properties or a change in the demand for real estate in an area;

-- timing and costs associated with property developments and rentals;

-- the pace of commercial development in Northwest Florida;

-- competition from other real estate developers;

-- changes in pricing of our products and changes in the related profit margins;

-- changes in operating costs, including real estate taxes and the cost of construction materials;

-- changes in the amount or timing of federal and state income tax liabilities resulting from either a change in our application of tax laws, an adverse determination by a taxing authority or court, or legislative changes to existing laws;

-- changes in interest rates and the performance of the financial markets;

-- changes in market rental rates for our commercial and resort properties;

-- changes in the prices or availability of wood products;

-- the pace of development of public infrastructure, particularly in Northwest Florida, including a proposed new airport in Bay County, which is dependent on various regulatory approvals and permits and the availability of adequate funding;

-- potential liability under environmental laws or other laws or regulations;

-- changes in laws, regulations or the regulatory environment affecting the development of real estate;

-- fluctuations in the size and number of transactions from period to period;

-- natural disasters, including hurricanes and other severe weather conditions, and the impact on current and future demand for our products in Florida;

-- the continuing effects of recent hurricane disasters on the regional and national economies and current and future demand for our products in Florida;

-- the prices and availability of labor and building materials;

-- changes in insurance rates and deductibles for property in Florida;

-- changes in gasoline prices; and

-- acts of war, terrorism or other geopolitical events.

The foregoing list is not exhaustive and should be read in conjunction with other cautionary statements contained in our periodic and other filings with the Securities and Exchange Commission.

CONTACT: The St. Joe Company, Jacksonville
JOE Media Contact: Jerry M. Ray, 904-301-4430
jray@joe.com
or
JOE Investor Contact: Mike Daly, 904-301-4302
mdaly@joe.com