



## **PORT ST. JOE CITY COMMISSION APPROVES ZONING FOR SITE OF FORMER PAPER MILL**

### **City Action Marks Important Milestone in Plan to Redevelop the Port St. Joe Mill Site**

#### **The St. Joe Company (NYSE: JOE) Plan Includes Approximately 600 Residential Units on 166 Acres of Waterfront in Downtown Port St. Joe, Florida**

**Port St. Joe, Florida** – (November 2, 2005) – Last night, the city commission of Port St. Joe, Florida adopted a zoning ordinance allowing for a mix of residential and commercial uses on 166 acres formerly occupied by the Port St. Joe paper mill. The St. Joe Company (NYSE: JOE) owns 40 acres of the site while the remaining 126 acres is owned by a joint venture between JOE and Smurfit-Stone Container Corporation (NASDAQ: SSCC).

The city commission also approved the annexation of the new phase of JOE's WindMark Beach, a beachfront resort destination with 1,662 residential units on 2,020 acres, into the city of Port St. Joe.

The paper mill site redevelopment is currently being planned for approximately 600 residential units, mostly multifamily units on the bay front. The plan also includes 350,000 square feet of retail space being designed as a civic gathering place and entertainment district for Port St. Joe. The plan provides for a public waterfront on the St. Josephs Bay. An additional 150,000 square feet of office space is designated to house the growing need for professional services. Plans also call for a 150-room hotel and 500 wet and dry boat slips. A new Town Hall with city government offices is also provided for in the plan.

"This is an historic day for Port St. Joe, the city from which we take our name," said Peter S. Rummell, chairman and CEO of JOE. "For the better part of fifty years, this town was the heart and soul of The St. Joe Company. We are very proud to have the opportunity to work with Port St. Joe's community leaders toward revitalizing this town. Port St. Joe has tremendous character. Our goal with the mill site has always been to capture that character in a distinctive place. Working with the community, we have developed a plan that preserves Port St. Joe's essential character while adding exciting new elements that will make this an even better place to call home."

"The people of this community are to be applauded for their vision and their commitment to making Port St. Joe one of the best communities on the gulf coast," said Frank Pate, Jr., mayor of the City of Port St. Joe. "The plan that has been approved brings new retail and living options to Port St. Joe, creates wonderful new public spaces for all to share and enjoy, and most importantly, provides vital links between the new development and historic Port St. Joe. Thanks to the outstanding public input we received during the planning process, this is one of the best downtown revitalization plans we've ever seen. And when this project is complete, Port St. Joe will be an even better place to live, work and raise a family."

"Port St. Joe has had a colorful past," said John Reeves, Port St. Joe city commissioner. "Over the past 200 years a resilient Port St. Joe has risen and fallen several times. It was the site of the first Florida Constitutional Convention. But its past pales when compared to its future. Now, Port St. Joe is on the rise again."

The demolition and clean-up of the paper mill and site was completed last year. The paper mill had started operations in 1938 and was closed permanently in 1999.

A planning team, including representatives of the City of Port St. Joe, the Port St. Joe Port Authority, JOE and Smurfit-Stone held a number of public meetings over a two-year period to discuss and study redevelopment options for the entire Port St. Joe waterfront area, including the former mill site. In early 2004, JOE and Smurfit-Stone formed a joint venture to develop the former paper mill site. The venture then acquired the 126-acre mill site formerly owned by Smurfit-Stone.

#### **About Smurfit-Stone Container Corporation**

Smurfit-Stone Container Corporation is the industry's leading integrated manufacturer of paperboard and paper-based packaging. Smurfit-Stone is a leading producer of containerboard, including white top linerboard and recycled medium; corrugated containers; point-of-purchase displays; multiwall and specialty bags; and clay-coated recycled boxboard. Smurfit-Stone is one of the world's largest collectors and marketers of recovered fiber. In addition, Smurfit-Stone is a leading producer of solid bleached sulfate, folding cartons, flexible packaging, and labels. The company operates approximately 250 facilities, located primarily in the U.S., Canada, and Mexico, and employees approximately 35,000 people.

## **About The St. Joe Company**

The St. Joe Company, a publicly held company based in Jacksonville, is one of Florida's largest real estate operating companies. It is engaged in town, resort, commercial and industrial development and land sales. JOE also has significant interests in timber.

More information about JOE can be found at our web site at <http://www.joe.com>.

## **Forward-Looking Statements**

Statements in this press release that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about our beliefs, plans, goals, expectations and intentions. Forward-looking statements involve risk and uncertainty, and there can be no assurance that the results described in such statements will be realized. Such statements are based on our current expectations and we undertake no obligation to publicly update or reissue any forward-looking statements. Risk factors that may cause the actual results to differ are described in this press release and in various documents we have filed with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2004.

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