

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) February 6, 2007

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-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 6, 2007, The St. Joe Company (the "Company") issued a press release announcing the Company's financial results for the quarter and year ended December 31, 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 February 6, 2007

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: February 6, 2007

By: /s/ Michael N. Regan

Michael N. Regan
Chief Financial Officer

The St. Joe Company Reports Full Year 2006 Net Income of \$0.71 Per Share, after
\$0.11 Per Share Charges Relating to Florida Homebuilding Exit and Corporate
Reorganization

Fourth Quarter Net Income was \$23.8 Million, or \$0.32 per Share

Residential Market Continues to be Challenging

Solid Commercial and Rural Land Sales

JOE Closed Rights-of-Way Sale with Florida Department of
Transportation

JACKSONVILLE, Fla.--(BUSINESS WIRE)--Feb. 6, 2007--The St. Joe Company (NYSE:JOE) today announced that its Net Income for the fourth quarter 2006 was \$23.8 million, or \$0.32 per share, compared with \$37.2 million, or \$0.49 per share, for the fourth quarter of 2005. All per share references in this release are presented on a diluted basis.

Net Income for the full year 2006 was \$52.5 million, or \$0.71 per share, compared with \$126.6 million, or \$1.66 per share, for the full year 2005. Included in the full-year results for 2006 are charges of \$13.4 million pretax (or \$0.11 per share after tax) related to JOE's exit from the homebuilding business in Florida and the corporate reorganization announced last August.

2006 Was a Very Challenging Year

"This past year has been very challenging for JOE and most companies in the residential real estate business," said JOE Chairman and CEO Peter S. Rummell. "While we responded prudently to the dramatic slowdown in Florida's real estate markets, the challenge has been to react appropriately to what we believe is a cyclical market downturn without inhibiting our ability to create significant long-term value for shareholders. We believe we've struck the right balance for our residential business. JOE's 2006 Commercial and Rural Land Sales results were solid throughout the year."

"Over the course of 2006, as the scope of the residential slowdown became apparent, we reviewed and significantly reduced capital expenditures, streamlined operations and evaluated corporate activities to ensure they were contributing to value creation," said Rummell. "As we enter 2007, resort and primary residential resale inventories remain high in our Florida markets. By the end of the year, we expect the level of existing inventories to be on a downward trend. We believe we are making the appropriate investments in entitlements and planning, along with community and regional infrastructure, to meet demand once the Florida market works through the downturn."

"The pricing of some of our resort and seasonal product has been revised to reflect current market conditions," said Rummell. "We have lengthened the required time periods for home-site purchasers to start construction of their homes. And, with completed homes now in greater demand than home sites, we are seeking new alliances with home builders to bring finished product to market in our communities."

"While it's too early to make any predictions about results for the full year, recently we have seen an increasing level of sales-center traffic in our resort, seasonal and primary residential projects," said Rummell. "We are a long way from achieving supply-demand equilibrium, but we are optimistic that things are beginning to move in the right direction."

"Commercial interest in Northwest Florida remains a bright spot in this difficult market," said Rummell. "National and regional retail developers have discovered Northwest Florida and are expressing a high level of interest in the region. In SouthWood, for example, four retail transactions closed in the fourth quarter, with aggregate gross revenues of \$14.1 million that will bring new retail choices to the area."

"Rural Land Sales had a strong fourth quarter, with JOE selling 16,857 acres in 15 transactions for \$31.5 million," said Rummell. "The average price per acre declined in the fourth quarter to \$1,900 from \$4,100 per acre in the third quarter, primarily due to two transactions totaling 15,469 acres, which sold for an average price of \$1,700 per acre. Per acre pricing variations of rural land are largely a function of the location and attributes of the particular tracts

being sold."

JOE Positioned for Future Growth

In the third quarter of 2006, JOE announced company-wide organizational changes to meet its future strategic needs. As the company continued to reassess its long-term plans, more adjustments were required. As a result, in January 2007, JOE announced additional organizational revisions designed to advance its Rural Land Sales strategies. These changes are designed to position JOE for the next decade of value creation.

"By most any measure, JOE has been quite successful over the last decade," said Rummell. "But, what we did to be successful in our first ten years would not produce the same success for our next ten. The realization of our potential in the decade ahead requires a shift in strategy and tactics."

"While our previous structure served us well, JOE's new structure is designed to meet our future needs," said Rummell. "In August, we began our exit from homebuilding in Florida and have streamlined and organized our field operations regionally to insure each of our landholdings ultimately find their highest and best use. This restructuring of the business was required regardless of current market conditions. We have thoroughly reviewed our strategy and tactics for each product type in every market where we operate. At the same time, we have focused on regional place making including land enhancement, entitlements and strategic alliances. As a result, we are entering 2007 re-energized, with renewed commitment to creating long-term shareholder value, and better positioned to capture the opportunities ahead. Great companies build on their core competencies and keep evolving. We believe the opportunities for JOE over the next ten years are likely to be different than the previous decade."

"Moving forward, we believe it is important for JOE to focus on our core competencies and leverage them with strong strategic partners," said Rummell. "Our goal is to accelerate value creation by working closely with top-quality strategic partners who can bring capital, expertise and brand recognition to Northwest Florida."

Homebuilding Alliances Show Results

"Our homebuilding alliances are beginning to show significant results with activity across five communities," said Rummell. "Beazer Homes closed on the purchase of 264 JOE primary residential home sites during the fourth quarter of 2006, with gross revenues of \$15.6 million, and David Weekly Homes closed on the purchase of 21 home sites, with gross revenues of \$1.5 million."

"By forming homebuilding alliances with Beazer Homes and David Weekly Homes, we are better able to concentrate on what we do best, land enhancement, large-scale planning, entitlements and regional place-making," said Britt Greene, JOE's Chief Operating Officer. "They bring strong brands to our market, highly-evolved homebuilding operations to our towns and marketing expertise to our sales centers. We intend to expand alliances with more builders in 2007 and the years ahead, as our markets recover and grow."

Airport Relocation Project Continues to Advance

During the fourth quarter, The Panama City-Bay County Airport and Industrial District (Airport Authority) announced that it had received the final State of Florida permits necessary to move forward with the relocation of the Panama City-Bay County International Airport. Issuance of the state permits clears the way for the U.S. Army Corps of Engineers to issue a Section 404 permit, the final major environmental permit necessary before construction of the new airport can begin.

Previously JOE agreed to donate 4,000 acres to the Airport Authority when relocation funding and all permits are in place. On September 15, 2006, the Federal Aviation Administration (FAA) issued its Record of Decision (ROD) approving the relocation of the Panama City-Bay County International Airport to a site in West Bay. A Petition for Review of the Record of Decision has been filed against the FAA by the Natural Resources Defense Council and other petitioners in New York Federal Circuit Court.

Regulatory steps remain before construction of the new airport can begin. The relocation of the airport is also dependent on adequate funding.

JOE and National Audubon Society to Study Nature Center Feasibility

In January 2007, JOE and the National Audubon Society signed a Memorandum of Understanding creating a strategic alliance to study the feasibility of establishing a state-of-the-art, world-class nature center in the West Bay Preservation Area in Bay County to showcase Northwest Florida's rich environmental and cultural heritage. The nature center concept includes a multi-functional facility designed to promote environmental education, experiences, research and stewardship.

The proposed nature center would be a step in the realization of the West Bay Preservation Area that is planned to include tens of thousands of acres of conservation land with open space that could be used for wildlife greenways, hunting, fishing, hiking, bird-watching, parks, recreational areas and educational areas. A substantial portion of the West Bay Preservation Area includes the mitigation lands for the relocated airport in Bay County. These mitigation lands are currently encumbered by a conservation easement, which is contingent on the construction of the relocated airport.

JOE Closed Rights-of-Way Sale with Florida Department of Transportation

In the fourth quarter, JOE closed a transaction with the Florida Department of Transportation (FDOT) for the sale of approximately 4,000 acres in Northwest Florida to be used for rights-of-way for future road and highway construction in the region. JOE received \$46 million in cash from this transaction. 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.

Entitlements Pipeline Continues to Strengthen

On December 31, 2006, JOE owned approximately 805,000 acres, concentrated primarily in Northwest Florida. These holdings included approximately 334,000 acres within 10 miles of the coast of the Gulf of Mexico and approximately 424,000 acres outside the 10-mile coastal perimeter, plus approximately 47,000 acres in southwest Georgia.

Also, on December 31, 2006, JOE had land-use entitlements in hand or in process for approximately 44,300 residential units and approximately 14.5 million square feet of commercial space. An additional 627 acres was zoned for commercial uses. These entitlements are on approximately 58,000 acres.

"Securing land-use entitlements is a priority and a performance measure," said Chris Corr, JOE's Chief Strategy Officer. "Land-use entitlements are fundamental to our value creation strategy. For JOE, they represent value we have created but not yet monetized. That's why we have made securing entitlements a core competency for JOE; it's why we've made it a significant measure of our success."

During the fourth quarter, the Florida Department of Community Affairs found that the Bonfire Beach comprehensive plan amendment is in compliance with all applicable laws. Bonfire Beach, located in Mexico Beach in Bay County, is being planned for resort and seasonal residential development. The land-use plan, now final, provides for 750 residential units and 70,000 square feet of commercial space on 550 acres. Additional regulatory steps remain before development work can begin.

In November, the Town of Cedar Grove voted to adopt a comprehensive plan amendment for DeerPoint Cedar Grove, a proposed 750-unit project on 599 acres in Bay County. This new project will provide important new primary residential choices in eastern Bay County.

During the fourth quarter, the state of Florida issued a Final Order for the implementation of the Carrabelle East and St. James Island comprehensive land-use plan amendments, upholding a ruling that found these comprehensive land-use plans in compliance with the law. Franklin County was required to enact remedial measures on portions of its comprehensive plan, which were enacted in December. Carrabelle East consists of 600 primary residential units on 200 acres and the St. James Island land-use plan provides for 2,840 resort and rural residential units on 5,204 acres.

Also, in the fourth quarter, an administrative law judge denied all challenges related to the West Bay DSAP and College Station projects in Bay County. The Florida Department of Community Affairs is expected to issue its final order for these two projects later this quarter. The West Bay DSAP consists of 5,842 residential units, 4.3 million square feet of commercial space near the relocated airport site, and 800 wet and dry boat slips all in Bay County. College Station is being planned for 800 primary residential units on 567 acres.

"We will remain tightly focused on securing land-use entitlements, regardless of market conditions," said Corr. "We know that it will never get any easier to entitle land in Florida. That's just one reason we're committed to building as strong a pipeline as possible."

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

Court Upholds Regional General Permit for 48,150 Acres in Walton and Bay Counties

In the fourth quarter, the U.S. District Court in Jacksonville upheld a Regional General Permit (RGP) issued to JOE by the U.S. Army Corps of Engineers (USACE) in 2004 to implement large-scale environmental and development planning for 48,150 acres in Walton and Bay Counties.

The court vacated its previously granted temporary injunction that halted further implementation of the RGP. The plaintiffs have appealed the ruling. This legal action has had only a minimal effect to date on JOE's real estate development activity.

"JOE joined with a coalition of local citizens, leaders and local and national environmental groups in an effort to create a model for large-scale ecological protection across an entire region, which encompasses multiple watersheds," said Corr. "The RGP is also the result of an interagency comprehensive regional planning effort in which the USACE, State of Florida, the Florida Department of Environmental Protection, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, the U.S. Environmental Protection Agency and JOE all participated."

2007 OUTLOOK

"The overall outlook for JOE's performance in 2007 reflects many of the same challenges we experienced in 2006," said JOE's Chief Financial Officer Michael N. Regan. "We anticipate that 2007's results will be partly a function of supply-demand balance in our residential markets, as well as the confidence level of retail and commercial users in the long-term health of Northwest Florida."

"Specifically, we expect 2007 to be much like 2006 in our residential segment," said Regan. "A brightspot is expected to be commercial real estate sales, which we anticipate will continue at the solid pace consistent with the last couple of years. We believe commercial real estate customers traditionally take a longer view and continue to have a positive view of Northwest Florida's long-term economic prospects. We believe Rural Land Sales have the potential for another strong year, with results driven by the sale of a few larger tracts."

"As we work our way through this phase of the real estate cycle, our objective is to remain flexible, keep debt at a manageable level and leverage our low-basis land to be well-positioned to create value when the market returns," said Regan.

Residential Real Estate

"High inventories of existing residential product will likely continue to restrain sales of new product in the majority of our markets in 2007," said Regan. "We expect that it will take some time before supply and demand reach equilibrium."

"During this phase of the real estate cycle, we continue to entitle and plan projects," said Regan. "We are limiting construction activity, however, as we wait for the market to rebound. We feel we have adequate lot inventory so when the market turns, we will be ready. In 2007, we have started to see improved traffic in sales

centers in many communities."

"The mix of residential product sold in 2007 will differ significantly from that of 2006," said Regan. "As we expand our strategic alliances with national, regional and local homebuilders, residential sales are expected to be dominated by transactions with homebuilders, with a declining proportion of sales to individuals. Because there are so many variables involved, it is difficult to forecast the amount and timing of homebuilder transactions. We closed on several sales to homebuilders in the last half of 2006 and we expect to announce additional relationships and sales during 2007."

Commercial Real Estate

"Commercial land sales is expected to be a bright spot in 2007, although we expect substantial variability with respect to the timing of transactions," said Regan. "We expect to see continued strong demand for retail land in Northwest Florida as well as industrial parcels in our commerce parks. Retail sales are expected to include both stand-alone parcels and retail parcels in our mixed-use developments."

"We have entered into a listing agreement with Eastdil Secured, LLC, a wholly-owned subsidiary of Wells Fargo & Company in Atlanta, for the marketing and potential disposition of JOE's office building portfolio," said Regan. "The portfolio is located in seven markets throughout the Southeast and consists of seventeen buildings with approximately 2.3 million net rentable square feet. Given the currently low capitalization rates (by historic standards) coupled with abundant capital flowing into office real estate investments, we feel that a potentially unique opportunity exists to sell the portfolio. However, there is obviously significant variability with respect to the timing of any transaction."

Rural Land Sales

"Full year 2007 Rural Land Sales may be on par with that experienced in 2006," said Regan. "We completed several large rural land transactions in 2006, and we may see more of these larger acreage sales during 2007. The per-acre pricing is expected to vary significantly depending on the quality, size, and location of the parcels being sold."

DIVIDENDS AND STOCK REPURCHASE

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

On December 31, 74,272,665 JOE shares were outstanding. The number of weighted-average diluted shares in the fourth quarter of 2006 was 74,274,077.

During the fourth quarter of 2006, JOE expended an aggregate of \$11.9 million for dividends. The company did not purchase any of its shares on the open market during the quarter. On December 31, 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.

Range of Anticipated Share Repurchase Activity Lowered for 2007

During 2006, JOE expended an aggregate of \$105.0 million for dividends (\$47.7 million) and the acquisition of its shares (\$57.3 million).

"In 2007, we expect to expend approximately \$50 to \$100 million for dividends and acquisition of our shares," said Regan. "Our dividend and repurchase program is an important component to creating shareholder value. However, we will be prudent in our approach toward repurchase activity in 2007 considering our other capital commitments. Our level of investment in the repurchase program will become clearer as we gain greater visibility of our sales activity as the selling season begins."

RESIDENTIAL REAL ESTATE

Pretax income from continuing operations for JOE's residential real estate segment was \$8.5 million for the fourth quarter of 2006, compared to \$42.7 million in the fourth quarter of 2005. Fourth quarter 2006 results include restructuring charges of \$0.4 million. Pretax income from continuing operations for the year 2006 was \$36.6 million, compared to \$155.4 million for 2005. These results exclude income from unconsolidated affiliates.

In the fourth quarter of 2006, the residential real estate segment closed on the sales of 638 units and generated revenues from housing and home sites of \$125.9 million, compared to 630 units and \$195.7 million in revenues in the fourth quarter of 2005. For the year 2006, the residential real estate segment closed on the sales of 1,902 units and generated revenues from housing and home sites of \$498.7 million, compared to 2,309 units and \$692.9 million in revenues in 2005. See Table 5 below for additional information on our residential sales activity.

JOE accepted contracts for 131 homes and 317 home sites in the fourth quarter of 2006, compared to 286 homes and 104 home sites in the fourth quarter last year. JOE accepted contracts for 776 homes and 565 home sites in 2006, compared to 1,653 homes and 514 home sites in 2005.

The decrease in home contracts and increase in home-site contracts reflect our strategic shift away from vertical homebuilding and our growing relationships with homebuilders. See Table 6 below for additional information on units placed under contract.

The backlog of home sites and homes under contract was 268 units as of December 31, 2006, compared to 822 units as of December 31, 2005. "As a result of the slower sales pace in 2006, our backlog continued to be reduced in the fourth quarter as closings of units far outpaced units placed under contract," said Greene. "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 at or nearing sell-out." See Table 7 below for additional backlog information.

For the fourth quarter, the average margin for homes and home sites was 15.4 percent and 36.0 percent, compared to 21.4 percent and 67.4 percent, respectively, for the same period in 2005. The contraction of home and home site margins reflects a change of mix with more sales of primary community lots 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.

During the fourth quarter, the WaterColor Inn was ranked Northwest Florida's only AAA "Four Diamond" hotel. "The WaterColor Inn continues to set a new hospitality standard not only for this region, but for resorts nationwide," said Greene.

COMMERCIAL REAL ESTATE

Pretax income from continuing operations for the commercial segment was \$13.3 million for the fourth quarter of 2006, compared to \$4.7 million in the same quarter of 2005. For the year 2006, pretax income from continuing operations was \$21.7 million compared to \$22.2 million in 2005.

Pretax income from discontinued operations for the fourth quarter of 2006 was \$1.8 million, compared to \$5.6 million in the fourth quarter of 2005. For the year 2006, pretax income from discontinued operations was \$17.3 million compared to \$20.8 million in 2005. See Table of Quarterly Discontinued Operations below for net-of-tax results.

"During the fourth quarter, we closed on four commercial transactions at SouthWood, highlighted by a \$12 million deal with The Sembler Company, a privately-owned regional shopping center development and management firm," said Greene. "Sembler plans to break ground later this year on a 430,000 square foot retail center expected to be anchored by a home improvement store and a first-class soft

goods retailer. We continue to see increased interest in SouthWood from national and regional retailers and are pleased that Sembler will expand the retail offerings for the SouthWood community."

"In Bay, Walton and Gulf counties, we continue to see interest in our commercial offerings from commerce parks to retail outparcels," said Greene. "Highlights of the quarter include a \$4.5 million sale of a land parcel to the Port St. Joe Port authority and a \$4.9 million sale of a 30,000 square foot, JOE-developed commercial office building at Beckrich Office Park, which is presented in discontinued operations."

Information on JOE's commercial land sales activity can be found in Table 10 below. Table 11 contains information on JOE's portfolio of office buildings.

RURAL LAND SALES

The Rural Land Sales segment had pretax income from continuing operations of \$26.8 million in the fourth quarter of 2006, compared to \$19.1 million in the fourth quarter of 2005. For the year 2006, the Rural Land Sales segment had pretax income from continuing operations of \$72.5 million, compared to \$50.6 million for the year 2005.

In the fourth quarter of 2006, sales of Woodlands, JOE's rural recreational land, totaled \$29.7 million for 16,695 acres at an average price of \$1,800 per acre, compared to \$17.0 million for 7,805 acres at an average price of \$2,200 per acre in the fourth quarter of 2005. The results in the fourth quarter were primarily due to two transactions totaling 15,469 acres for an average price of \$1,700 per acre. For the year 2006, JOE sold 34,335 acres of rural recreational land at an average price of \$2,600 per acre, compared with 28,958 acres of rural land at an average price of \$2,400 per acre in 2005.

Additional information on JOE's Rural 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 December 31, 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
December 31, 2006

Project	Class.(2)	County	Project Acres	Project Units(3)

In Development:(6)				

Artisan Park (7)	PR	Osceola	175	616
Cutter Ridge	PR	Franklin	10	25
Hawks Landing Landings at Wetappo	PR	Bay	88	168
Palmetto Trace	RR	Gulf	113	24
Paseos (7)	PR	Bay	141	481
RiverCamps on Crooked Creek	PR	Palm Beach	175	325
Rivercrest (7)	RS	Bay	1,491	408
RiverSide at Chipola	PR	Hillsborough	413	1,382
RiverTown	RR	Calhoun	120	10
SevenShores (Perico Island)	PR	St. Johns	4,170	4,500
SouthWood	RS	Manatee	192	686
	VAR	Leon	3,370	4,770

St. Johns Golf & Country Club	PR	St. Johns	880	799
SummerCamp	RS	Franklin	762	499
The Hammocks	PR	Bay	133	457
Victoria Park	PR	Volusia	1,859	4,200
WaterColor	RS	Walton	499	1,140
WaterSound	VAR	Walton	2,425	1,432
WaterSound Beach	RS	Walton	256	511
WaterSound West Beach	RS	Walton	62	199
WindMark Beach	RS	Gulf	2,020	1,662
Subtotal			19,354	24,294

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
Bonfire Beach	RS	Bay	550	750
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 West	PR	Bay	59	382
Long Avenue	PR	Gulf	10	30
Palmetto Bayou	PR	Bay	58	217
ParkSide	PR	Bay	48	480
Pier Park NE	VAR	Bay	57	460
Pier Park Timeshare	RS	Bay	13	125
PineWood (ParkPlace)	RS	Bay	118	264
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	5,842
WestBay Landing	VAR	Bay	950	214
WhiteFence Farms, Red Hills	RR	Leon	373	61
Subtotal			26,043	16,309
Total			45,397	40,603

Project	Residential Units Closed Since Inception	Residential Units Under Contract as of 12/31/06(4)	Total Residential Units Remaining(4)	Remaining Commercial Entitlements (Sq. Ft.) (5)
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In Development:(6)

Artisan Park (7)	498	29	89	--
Cutter Ridge	--	--	25	--
Hawks Landing	59	2	107	--
Landings at Wetappo	7	--	17	--
Palmetto Trace	460	--	21	--
Paseos (7)	322	--	3	--
RiverCamps on Crooked Creek	182	--	226	--
Rivercrest (7)	1,365	5	12	--

RiverSide at				
Chipola	2	--	8	--
RiverTown	--	--	4,500	500,000
SevenShores				
(Perico Island)	--	9	677	9,000
SouthWood	2,142	19	2,609	4,715,360
St. Johns Golf &				
Country Club	785	5	9	--
SummerCamp	80	1	418	25,000
The Hammocks	453	--	4	--
Victoria Park	1,294	3	2,903	854,254
WaterColor	870	--	270	47,600
WaterSound	15	--	1,417	457,380
WaterSound Beach	419	3	89	29,000
WaterSound West				
Beach	13	--	186	--
WindMark Beach	127	--	1,535	75,000
	-----	-----	-----	-----
Subtotal	9,093	76	15,125	6,712,594
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In Pre-Development:(6)

Avenue A	--	--	96	--
Bayview Estates	--	--	45	--
Bayview				
Multifamily	--	--	300	--
Beckrich NE	--	--	70	--
Boggy Creek	--	--	526	--
Bonfire Beach	--	--	750	70,000
College Station	--	--	800	--
East Lake Creek	--	--	313	--
East Lake Powell	--	--	360	30,000
Hills Road	--	--	356	--
Howards Creek	--	--	33	--
Laguna Beach West	--	--	382	--
Long Avenue	--	--	30	--
Palmetto Bayou	--	--	217	90,000
ParkSide	--	--	480	--
Pier Park NE	--	--	460	190,000
Pier Park				
Timeshare	--	--	125	--
PineWood				
(ParkPlace)	--	--	264	--
Port St. Joe Town				
Center	--	--	624	500,000
Powell Adams	--	--	1,425	--
RiverCamps on				
Sandy Creek	--	--	624	--
Sabal Island	--	--	18	--
The Cove	--	--	81	--
Timber Island (8)	--	--	407	14,500
Topsail	--	--	627	300,000
Wavecrest	--	--	95	--
WestBay Corners SE	--	--	524	50,000
WestBay Corners SW	--	--	160	--
WestBay DSAP	--	--	5,842	4,330,000
WestBay Landing	--	--	214	--
WhiteFence Farms,				
Red Hills	--	--	61	--
	-----	-----	-----	-----
Subtotal	--	--	16,309	5,574,500
	-----	-----	-----	-----
Total	9,093	76	31,434	12,287,094
	=====	=====	=====	=====

(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 December 31, 2006, the Mid-Atlantic region had 1,492 home sites owned or under contract. Of that total, 191 have been sold and 1,301 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
Proposed JOE Residential and Mixed-Use Projects
In the Land-Use Entitlement Process in Florida (1)
December 31, 2006

Project	Class.(2)	County	Project Acres	Estimated Project Units(3)	Estimated Commercial Entitlements (Sq. Ft.)(3)
Beacon Hill	RR	Gulf	3	12	--
Carrabelle East	PR	Franklin	200	600	--
Country Walk	RR	Bay	1,300	125	--
DeerPoint Cedar Grove	PR	Bay	599	750	--
Panama City Mixed Use	VAR	Bay	1,414	3,100	635,000
Port St. Joe Draper, Phase I	PR	Gulf	639	1,200	--
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	--
The Cove, Phase 3	RR	Gulf	7	26	--
Total			11,302	12,913	2,165,000

(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
Summary of Additional Commercial Land-Use Entitlements (1)
(Commercial Projects Not Included in Tables 1 and 2 Above)
Active JOE Florida Commercial Projects
December 31, 2006

Project	County	Project Acres	Acres Under Contract		Total Acres Remaining
			Acres Sold Since Inception	As of 12/31/06	
Airport Commerce	Leon	45	--	5	40
Airport Road	Franklin	13	--	--	13
Alf Coleman Retail	Bay	25	16	1	8
Avery St. Retail	Bay	10	10	--	--
Beach Commerce	Bay	157	149	2	6
Beach Commerce II	Bay	112	11	--	101
Beckrich Office Park	Bay	16	12	--	4
Beckrich Retail	Bay	47	19	2	26
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	18	4	17
Total		981	296	58	627

(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
Stock Repurchase Activity
Through December 31, 2006

Period	Shares			Total Cost (in millions)	Average Price
	Purchased	Surrendered(1)	Total		
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	948,200	148,417	1,096,617	57.3	52.22
Total/Weighted					

Average	27,945,611	2,253,559	30,199,170	\$928.8	\$30.73
	=====	=====	=====	=====	=====

(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.

Table 5
Residential Real Estate
Sales Activity
Three Months Ended December 31,
(\$ 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)	334	\$30.8	\$19.7	\$11.1	113	\$36.2	\$11.8	\$24.4
Homes (3)	304	95.1	80.5	14.6	517	159.5	125.3	34.2
Total	638	\$125.9	\$100.2	\$25.7	630	\$195.7	\$137.1	\$58.6

	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)	563	\$69.3	\$36.0	\$33.3	513	\$155.3	\$42.4	\$112.9
Homes (3)	1,339	429.4	344.3	85.1	1,796	537.6	440.3	97.3
Total	1,902	\$498.7	\$380.3	\$118.4	2,309	\$692.9	\$482.7	\$210.2

(1) Cost of sales for home sites in the fourth quarter of 2006 consisted of \$17.1 million in direct costs, \$0.5 million in selling costs and \$2.1 million in indirect costs. Cost of sales for home sites in the fourth quarter of 2005 consisted of \$8.0 million in direct costs, \$1.1 million in selling costs and \$2.7 million in indirect costs. Cost of sales for homes in the fourth quarter of 2006 consisted of \$67.6 million in direct costs, \$5.0 million in selling costs and \$7.8 million in indirect costs. Cost of sales for homes in the fourth quarter of 2005 consisted of \$107.1 million in direct costs, \$8.0 million in selling costs and \$10.2 million in indirect costs.

(2) Profit has been deferred as a result of continuing development obligations at SummerCamp and WaterSound West Beach. 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 fourth quarter of 2006 and 2005. Paseos and Rivercrest, two unconsolidated joint ventures, are not included. Sales are substantially complete at both of these communities.

Table 6
Residential Real Estate
Units Placed Under Contract
Three Months Ended December 31,

	2006	2005	Percentage Change
Home Sites	317	104	204.8 %
Homes (1)	131	286	(54.2)
Total (1)	448	390	14.9 %

Year Ended December 31,

	2006	2005	Percentage Change
Home Sites	565	514	9.9 %
Homes (1)	776	1,653	(53.1)
Total (1)	1,341	2,167	(38.1) %

(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)

	December 31, 2006		December 31, 2005	
	Units	Revenues	Units	Revenues
Home Sites	21	\$3.9	12	\$2.2
Homes (3)	247	87.6	810	278.7
Total	268	\$91.5	822	\$280.9

(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 \$1.2 million for 5 units at the end of the fourth quarter of 2006, compared to \$108.3 million for 414 units at the end of the fourth quarter of 2005.

(2) Excludes national homebuilder units committed but not under contract that are included in Table 8.

(3) As of December 31, 2006, there were 24 units subject to percentage-of-completion accounting in the homes backlog with related revenue of \$12.5 million (of which \$11.9 million had previously been recognized in the financial statements). As of December 31, 2005, there were 151 units subject to percentage-of-completion accounting with related revenue of \$64.8 million (of which \$41.3 million had previously been recognized in the financial statements).

Table 8
Residential Real Estate
National Homebuilder Summary
of Home Site Commitments and Purchases
April 1, 2006 through December 31, 2006

	Total Units		Average Price Closed Units	Remaining Units To Close
	Total Units Committed(1)	Closed 12/31/06		
Beazer Homes				
Beckrich Point	70	0	N/A	70
Laguna West	350	0	N/A	350

SouthWood	163	107	\$42,941	56
Victoria Park	179	179	\$66,369	0
David Weekley Homes				
Hawks Landing	99	10	\$60,900	89
Palmetto Trace	56	48	\$77,688	8
PineWood (ParkPlace)	70	0	N/A	70
RiverCamps on Crooked Creek	3	3	\$209,667	0
SouthWood	140	0	N/A	140
Victoria Park	72	72	\$102,444	0
WaterSound	7	7	\$144,248	0
	-----	-----		-----
Total	1,209	426		783
	=====	=====		=====

(1) Includes amounts under contract or committed.

Table 9
Residential Real Estate Sales Activity
Three Months Ended December 31,
(\$ 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	17	516.0	(3)	772.0
Multifamily Homes	36	427.9	(1)	399.9
Hawks Landing				
Home Sites	31	71.2	12	63.3
Palmetto Trace				
Home Sites	9	81.2	9	81.2
Single-Family Homes	2	296.8	2	296.8
Paseos (2)				
Single-Family Homes	3	582.8	1	485.0
RiverCamps on Crooked Creek				
Home Sites	0	0.0	0	0.0
Rivercrest (2)				
Single-Family Homes	68	222.5	0	0.0
Saussy Burbank				
Single-Family Homes	184	298.9	121	287.8
SevenShores				
Multifamily Homes	0	0.0	0	0.0
SouthWood				
Home Sites	97	54.4	106	59.6
Single-Family Homes	21	289.6	0	0.0
St. Johns G & CC				
Home Sites	1	135.0	1	135.0
Single-Family Homes	7	435.2	8	462.3
SummerCamp				
Home Sites	7	709.5	5	874.0
Single-Family Homes	0	0.0	0	0.0
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	0	0.0	(1)	152.7
Victoria Park				
Home Sites	181	66.4	182	67.7
Single-Family Homes	28	347.5	4	164.9
WaterColor				
Home Sites	0	0.0	0	0.0
Single/Multifamily Homes	2	712.4	1	813.1
PRC Shares	0	0.0	0	0.0
WaterSound				
Home Sites	1	165.0	0	0.0
WaterSound Beach				
Home Sites	1	1,843.8	0	0.0
Single-Family Homes	7	1,274.8	0	0.0
PRC Shares	0	0.0	0	0.0
WaterSound West Beach				
Home Sites	0	0.0	0	0.0
Single-Family Homes	0	0.0	0	0.0

WindMark Beach Home Sites	6	200.9	2	238.7
Total	709	\$217.8	449	\$141.0

2005

	Units Closed	Avg. Price Accepted(1)	Avg. Price	
Artisan Park (2)				
Home Sites	7	\$463.6	7	\$463.6
Single-Family Homes	51	595.8	24	678.5
Multifamily Homes	54	294.7	12	510.9
Hawks Landing				
Home Sites	0	0.0	0	0.0
Palmetto Trace				
Home Sites	15	75.0	15	75.0
Single-Family Homes	41	257.8	9	277.2
Paseos (2)				
Single-Family Homes	28	482.4	0	0.0
RiverCamps on Crooked Creek				
Home Sites	6	282.5	8	272.5
Rivercrest (2)				
Single-Family Homes	121	179.6	4	207.3
Saussy Burbank				
Single-Family Homes	197	258.4	130	272.5
SevenShores				
Multifamily Homes	0	0.0	0	0.0
SouthWood				
Home Sites	19	113.9	26	110.8
Single-Family Homes	43	282.3	58	293.5
St. Johns G & CC				
Home Sites	11	72.1	0	0.0
Single-Family Homes	18	446.7	6	587.9
SummerCamp				
Home Sites	16	260.9	16	260.9
Single-Family Homes	0	0.0	1	902.4
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	19	164.5	6	245.8
Victoria Park				
Home Sites	28	144.2	23	137.9
Single-Family Homes	80	276.3	40	351.2
WaterColor				
Home Sites	1	571.4	0	0.0
Single/Multifamily Homes	5	966.0	0	0.0
PRC Shares	0	0.0	0	0.0
WaterSound				
Home Sites	0	0.0	0	0.0
WaterSound Beach				
Home Sites	6	1,778.9	6	1,778.9
Single-Family Homes	9	1,547.2	0	0.0
PRC Shares	0	0.0	0	0.0
WaterSound West Beach				
Home Sites	4	737.9	3	736.4
Single-Family Homes	0	0.0	0	0.0
WindMark Beach				
Home Sites	0	0.0	0	0.0
Total	779	\$306.3	394	\$324.2

Year Ended December 31,
(\$ in thousands)

2006

	Units Closed	Avg. Price Accepted(1)	Avg. Price	
Artisan Park (2)				
Home Sites	1	\$495.0	1	\$495.0
Single-Family Homes	73	626.8	19	661.5
Multifamily Homes	136	414.3	9	451.2

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	59	71.8	61	72.0
Palmetto Trace				
Home Sites	33	78.9	33	78.9
Single-Family Homes	48	310.6	10	289.0
Paseos (2)				
Single-Family Homes	66	532.4	(1)	490.3
RiverCamps on Crooked Creek				
Home Sites	7	232.7	5	228.8
Rivercrest (2)				
Single-Family Homes	333	207.4	(9)	237.2
Saussy Burbank				
Single-Family Homes	637	285.6	611	290.8
SevenShores				
Multifamily Homes	0	0.0	9	1,013.8
SouthWood				
Home Sites	134	58.0	140	60.7
Single-Family Homes	162	300.1	24	316.4
St. Johns G & CC				
Home Sites	7	144.7	9	147.6
Single-Family Homes	54	519.5	35	522.1
SummerCamp				
Home Sites	16	500.0	16	500.0
Single-Family Homes	0	0.0	0	0.0
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	39	151.1	(1)	152.7
Victoria Park				
Home Sites	257	80.0	256	79.6
Single-Family Homes	170	319.8	36	315.5
WaterColor				
Home Sites	2	318.2	2	318.2
Single/Multifamily Homes	8	981.1	5	1,025.7
PRC Shares	0	0.0	0	0.0
WaterSound				
Home Sites	15	162.3	15	162.3
WaterSound Beach				
Home Sites	1	1,843.8	2	1,632.6
Single-Family Homes	12	1,162.2	12	1,156.2
PRC Shares	0	0.0	7	275.0
WaterSound West Beach				
Home Sites	3	441.4	2	293.9
Single-Family Homes	0	0.0	0	0.0
WindMarkBeach				
Home Sites	23	242.4	23	242.4
Total	2,296	\$270.0	1,331	\$241.2

2005

Units Closed Avg. Price Accepted(1) Avg. Price

Artisan Park (2)				
Home Sites	16	\$425.6	16	\$425.6
Single-Family Homes	95	529.3	85	654.4
Multifamily Homes	86	294.2	88	472.4
Bridgeport				
Home Sites	36	23.7	36	23.7
Hampton Park/James Island				
Single-Family Homes	13	419.7	4	502.4
Hawks Landing				
Home Sites	0	0.0	0	0.0
Palmetto Trace				
Home Sites	15	75.0	15	75.0
Single-Family Homes	141	214.5	104	275.7
Paseos (2)				
Single-Family Homes	117	450.8	1	773.0
RiverCamps on Crooked Creek				
Home Sites	111	315.9	113	314.6

Rivercrest (2)				
Single-Family Homes	491	168.5	294	203.5
Saussy Burbank				
Single-Family Homes	699	255.0	783	261.2
SevenShores				
Multifamily Homes	0	0.0	0	0.0
SouthWood				
Home Sites	63	125.1	67	125.5
Single-Family Homes	216	254.1	209	290.2
St. Johns G & CC				
Home Sites	43	68.4	35	70.2
Single-Family Homes	111	412.6	47	488.5
SummerCamp				
Home Sites	64	350.2	64	350.2
Single-Family Homes	0	0.0	1	968.7
The Hammocks				
Home Sites	0	0.0	0	0.0
Single-Family Homes	79	164.7	71	154.2
Victoria Park				
Home Sites	64	130.9	61	135.3
Single-Family Homes	299	267.4	261	303.8
WaterColor				
Home Sites	50	660.6	50	660.6
Single/Multifamily Homes	8	885.5	0	0.0
PRC Shares	1	285.0	1	285.0
WaterSound				
Home Sites	0	0.0	0	0.0
WaterSound Beach				
Home Sites	46	1,128.4	46	1,128.4
Single-Family Homes	48	1,501.1	(1)	1,250.0
PRC Shares	0	0.0	0	0.0
WaterSound West Beach				
Home Sites	10	719.4	11	720.9
Single-Family Homes	0	0.0	0	0.0
WindMark Beach				
Home Sites	0	0.0	0	0.0
Total	2,922	\$299.7	2,462	\$302.8

(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
Commercial Northwest Florida Land Sales
Three Months Ended December 31,

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006	11	145	\$27,390	\$189
2005	6	21	3,961	186

Year Ended December 31,

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006	29	245	\$48,891	\$200
2005	36	220	30,885	140

Table 11
Investment Portfolio of Office Buildings
December 31, 2006

Location	Number of Properties	Net Rentable Square Feet	Leased Percentage
Florida	6	609,000	94%
Georgia	8	1,289,000	78
Virginia	3	354,000	97
Total	17	2,252,000	85%

Table 12
Rural Land Sales
Three Months Ended December 31, 2006

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006				
Woodlands	9	16,695	\$29,672	\$1.8
Other	6	162	1,871	11.5
Total	15	16,857	\$31,543	\$1.9
2005				
Woodlands	29	7,805	16,979	2.2
FloridaWild	1	953	2,400	2.5
Homesteads	1	55	1,840	33.4
Other	3	297	3,483	11.7
Total	34	9,110	\$24,702	\$2.7

Year Ended December 31, 2006

	Number of Sales	Acres Sold	Gross Sales Price (in thousands)	Average Price/Acre (in thousands)
2006				
Woodlands	63	28,935	\$60,265	\$2.1
FloridaWild	6	4,692	17,519	3.7
Homestead	1	20	150	7.5
Other	14	688	12,056	17.5
Total	84	34,335	\$89,990	\$2.6
2005				
Woodlands	90	25,876	49,488	1.9
FloridaWild	1	953	2,400	2.5
Homesteads	42	1,738	8,722	5.0
Other	9	391	8,250	21.1
Total	142	28,958	\$68,860	\$2.4

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

	December 31, 2006	December 31, 2005
Assets		
Investment in real estate	\$1,213.5	\$1,036.2
Cash and cash equivalents	36.9	202.6
Accounts receivable	25.8	58.9
Prepaid pension asset	100.9	95.0
Property, plant and equipment, net	44.6	40.2
Other assets	138.7	159.0
Total assets	\$1,560.4	\$1,591.9

Liabilities and Stockholders' Equity		
Debt	\$627.1	\$554.4
Accounts payable, accrued liabilities	248.2	214.4
Deferred income taxes	212.0	315.9

Total liabilities	1,087.3	1,084.7
Minority interest	10.5	18.2
Total stockholders' equity	462.6	489.0

Total liabilities and stockholders' equity	\$1,560.4	\$1,591.9
=====		

Debt Schedule

	December 31, 2006	December 31, 2005

Revolving debt facility	\$60.0	\$--
Senior notes	307.0	407.0
Bridge loan	100.0	--
Acquisition and other debt	4.0	14.7
Other collateralized/specific asset related debt	156.1	132.7

Total debt	\$627.1	\$554.4
=====		

Consolidated Comparisons

	Quarter Ended December 31, 2006		Year Ended December 31, 2005	
	2006	2005	2006	2005

Revenues:				
Real estate sales	\$186.2	\$231.4	\$638.2	\$824.8
Rental revenue	10.5	8.7	41.0	34.6
Timber sales	6.4	6.2	29.9	28.0
Other revenues	7.6	9.8	39.1	44.7

Total revenues	210.7	256.1	748.2	932.1

Expenses:				
Cost of real estate sales	116.6	145.9	407.1	526.1
Cost of rental revenue	4.2	3.7	16.9	13.9
Cost of timber sales	4.4	4.9	21.9	20.0
Cost of other revenues	8.4	10.0	41.7	39.8
Other operating expenses	17.7	17.4	77.3	69.4
Corporate expense, net	10.7	11.7	51.3	48.0
Impairment loss	1.5	--	1.5	--
Restructuring charges	0.3	--	13.4	--
Depreciation and amortization	10.1	9.2	38.9	35.9

Total expenses	173.9	202.8	670.0	753.1

Operating profit	36.8	53.3	78.2	179.0
Other income (expense)	(4.7)	(1.4)	(13.5)	(6.4)

Pretax income from continuing operations	32.1	51.9	64.7	172.6
Income tax expense	(10.8)	(16.5)	(26.1)	(64.2)
Minority interest				

expense	(0.5)	(4.4)	(6.1)	(7.8)
Equity in income of unconsolidated affiliates	2.0	2.4	9.3	13.0
Discontinued operations, net of tax	1.0	3.8	10.7	13.0
Net income	\$23.8	\$37.2	\$52.5	\$126.6
Net income per diluted share	\$0.32	\$0.49	\$0.71	\$1.66
Weighted average diluted shares outstanding	74,274,077	75,537,965	74,419,159	76,208,936

Revenues by Segment

	Quarter Ended December 31,		Year Ended December 31,	
	2006	2005	2006	2005
Residential Real Estate:				
Real estate sales	\$126.7	\$195.8	\$499.6	\$693.2
Rental revenue	0.3	0.3	1.7	1.6
Other revenues	7.3	9.2	38.3	43.6
Total Residential Real Estate	134.3	205.3	539.6	738.4
Commercial Real Estate:				
Real estate sales	28.0	10.9	48.5	62.7
Rental revenue	10.2	8.4	39.3	33.1
Other revenues	0.2	0.6	0.9	1.2
Total Commercial Real Estate	38.4	19.9	88.7	97.0
Rural Land Sales:				
Real estate sales	31.6	24.7	90.0	68.8
Total Rural Land Sales	31.6	24.7	90.0	68.8
Forestry Sales	6.4	6.2	29.9	27.9
Total revenues	\$210.7	\$256.1	\$748.2	\$932.1

Quarterly Segment Pretax Income From Continuing Operations (1)

	12/31 2006(2)	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
Residential Real Estate	\$8.5	\$(4.4)	\$20.4	\$12.1	\$42.7	\$30.5	\$56.8	\$25.4	\$26.9
Commercial Real Estate	13.3	7.7	0.7	--	4.7	14.1	2.3	1.1	16.9
Rural Land Sales	26.8	12.2	22.1	11.4	19.1	11.7	10.1	9.7	14.1
Forestry	0.1	1.4	0.9	2.0	0.4	0.6	1.6	2.0	2.1
Corporate and other	(16.6)	(16.4)	(17.3)	(20.3)	(15.0)	(16.1)	(15.3)	(13.8)	(17.0)
Pretax income from continuing operations	\$32.1	\$0.5	\$26.8	\$5.2	\$51.9	\$40.8	\$55.5	\$24.4	\$43.0

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

(2) Includes restructuring charges. See Restructuring Charges Pretax by Segment table below.

Restructuring Charges Pretax by Segment
Year Ended December 31, 2006

	Residential	Commercial	Rural Land Sales	Other	Total
Write-off of capitalized homebuilding costs	\$9.3	\$--	\$--	\$--	\$9.3
One-time termination benefits to employees	3.0	0.2	0.2	0.7	4.1
Total restructuring charges, pretax	\$12.3	\$0.2	\$0.2	\$0.7	\$13.4

Discontinued Operations, Net of Tax

	Quarter Ended Dec. 31,		Year Ended Dec. 31,	
	2006	2005	2006	2005
Income (loss) from Advantis operations, net of tax	\$--	\$0.3	\$--	\$(0.7)
Income from office buildings, net of tax	--	0.2	0.4	0.3
Gains on sales of office buildings, net of tax	1.0	3.3	10.3	19.2
Loss on sale of Advantis, net of tax	--	--	--	(5.9)
Net income from discontinued operations	\$1.0	\$3.8	\$10.7	\$12.9

Other Income (Expense)

	Quarter Ended Dec. 31,		Year Ended Dec. 31,	
	2006	2005	2006	2005
Dividend and interest income	\$1.3	\$2.2	\$5.1	\$3.5
Interest expense	(6.9)	(4.6)	(20.5)	(13.9)
Other	0.9	1.0	1.9	4.0
Total	\$(4.7)	\$(1.4)	\$(13.5)	\$(6.4)

Equity in Income of Unconsolidated Affiliates

	Quarter Ended Dec. 31,		Year Ended Dec. 31,	
	2006	2005	2006	2005
Residential Real Estate	\$2.0	\$2.4	\$9.3	\$10.6
Commercial Real Estate	--	--	--	2.4

Total	\$2.0	\$2.4	\$9.3	\$13.0
	=====	=====	=====	=====

Reported results are preliminary and not final until the filing of our Form 10-K 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 December 31, 2006, and to discuss our outlook for 2007 on Tuesday, February 6, 2007, at 10:30 a.m., Eastern Standard Time.

To participate in the call, please phone 866-409-1555 (for domestic calls from the United States) or 913-312-1235 (for international calls) approximately ten minutes before the scheduled start time. You will be asked for a Confirmation Code which is: 7749257. 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 7749257. 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 development 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;
- future residential and commercial entitlements;
- expected development timetables and projected timing for 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 or building 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 levels of resale inventory in our developments and the regions in which they are located;
- the development of relationships with strategic partners, including homebuilders;
- 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 prices and availability of labor and building materials;
- changes in insurance rates and deductibles for property in Florida, particularly in coastal areas;
- 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.

(C) 2007, The St. Joe Company. "St. Joe," "JOE," "Artisan Park," "Paseos," "Pier Park," "RiverCamps," "RiverTown," "SouthWood," "SummerCamp," "Victoria Park," "WaterColor," "WaterSound," "WhiteFence Farms," "WindMark," and the "Taking Flight" design are service marks of The St. Joe Company.

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