UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
FORM 10-K

__X__ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (FEE REQUIRED)
For the fiscal year ended August 31, 1996.
OR
_____ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)
For the transition period from ________________ to_______________.
Commission file number 0-261.

ALICO, INC.
(Exact name of registrant as specified in its charter)

Florida	59-0906081
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
P. O. Box 338, La Belle, Florida	33975
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (941)675-2966

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Name of each exchange on which registered
None	None

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:

COMMON CAPITAL STOCK, $1.00 Par value, Non-cumulative
(Title of Class)

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.
____

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that such registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes __X__ No_____

As of October 11, 1996 there were 7,027,827 shares of stock outstanding and the aggregate market value (based upon the average bid and asked price, as quoted on NASDAQ) of the common stock held by nonaffiliates was approximately $72,187,420.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Annual Report and Proxy Statement dated November 4, 1996 are incorporated by reference in Parts II and III, respectively.

PART I

Item 1. Business.

Alico, Inc. (the "Company") is generally recognized as an agribusiness company operating in Central and Southwest Florida. The Company's primary asset is 164,568 acres of land located in Collier, Hendry, Lee and Polk Counties. (See table on Page 5 for location and acreage by current primary use.) The Company is involved in various operations and activities including citrus fruit production, cattle ranching, sugarcane and sod production, and forestry. The Company also leases land for farming, cattle grazing, recreation, and oil exploration.

The Company's land is managed for multiple use wherever possible. Cattle ranching, forestry and land leased for farming, grazing, recreation and oil exploration, in some instances, utilize the same acreage.

Agricultural operations have combined to produce from 73 to 93 percent of annual revenues during the past five years. Citrus groves generate the most gross revenue. Sugarcane ranks second in revenue production. While the cattle ranching operation utilizes the largest acreage, it ranks third in the production of revenue. Approximately 10,006 acres of the Company's property are classified as timberlands, however, the area in which these lands are located is not highly rated for timber production. These lands are also utilized as native range, in the ranching operation, and leased out for recreation and oil exploration.

Diversification of the Company's agricultural base was initiated with the development of a Sugarcane Division at the end of the 1988 fiscal year. The 5,023 acres in production during the 1996 fiscal year consisted of 110 acres planted in the fall of 1989, 380 acres planted in 1990, 1904 acres planted in 1992, 1,060 acres planted in 1993, and 1,569 acres planted in 1994.

The Company continued to expand agriculture activities during the 1996 fiscal year, continuing development of a farm leasing project.

Leasing of lands for rock mining and oil and mineral exploration, rental of land for grazing, farming, recreation and other uses, while not classified as agricultural operations, are important components of the Company's land utilization and operation. Gross revenue from these activities during the past five years has ranged from 3 to 5 percent of total revenue.

The Company is not in the land sales and development business, except through its wholly owned subsidiary, Saddlebag Lake Resorts, Inc.; however, it does from time to time sell properties which, in the judgment of management, are surplus to the Company's primary operations. Gross revenue from land sales during the past five years has ranged from 1 to 20 percent of total revenues.

For further discussion of the relative importance of the various segments of the Company's operations, including financial information regarding revenues, operating profits (losses) and assets attributable to each major segment of the Company's business, see Note 11 of Notes to Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated in this document.

Subsidiary Operations

The Company's wholly owned subsidiary, Saddlebag Lake Resorts, Inc. (the "Subsidiary"), is only active in the subdividing, development and sale of real estate. The financial results of the operation of this subsidiary are consolidated with those of the Company. (See Note 1 of Notes to Financial Statements.)

Contributions by the Subsidiary to the net income of the Company, during the past five years, have ranged from 0 to 1 percent. The Subsidiary has two subdivisions near Frostproof, Florida which have been developed and are on the market. Approximately 70% of the lots have been sold.

Citrus

Approximately 7,790 acres of citrus were harvested during the 1996 season. Since 1983 the Company has maintained a marketing contract covering the majority of the Company's citrus crop with Ben Hill Griffin, Inc., a Florida corporation and major shareholder. The agreement provides for modifications to meet changing market conditions and provides that either party may terminate the contract by giving notice prior to August 1st, preceding the fruit season immediately following. Under the terms of the contract the Company's fruit is packed and/or processed and sold along with fruit from other growers, including Ben Hill Griffin, Inc. The proceeds are distributed on a pro rata basis as the finished product is sold. During the year ended August 31, 1996, approximately 88% of the Company's fruit crop was marketed under this agreement, the same percentage as in 1994/95. The Company expects that the majority of the 1996/97 crop will be marketed under the same terms. In addition, Ben Hill Griffin, Inc. provides harvesting services to the Company for citrus sold to unrelated processors. These sales accounted for the remaining 12% of total citrus revenue for the year.

Ranch

The Company has a cattle operation located in Hendry and Collier Counties, Florida which is engaged primarily in the production of beef cattle and the raising of replacement heifers. The breeding herd consists of approximately 20,000 cows, bulls and replacement heifers. Approximately 45% of the herd are from one to five years old, while the remaining 55% are six and older. The Company primarily sells to contract cattle buyers. The Company also sells cattle through local livestock auction markets and to packing and processing plants located in the area. These buyers provide ready markets for the Company's cattle. The loss of any one or a few of these plants and/or buyers would not, in management's view, have a material adverse effect on the Company's cattle operation. Subject to prevailing market conditions, the Company may hedge up to 50% of its beef inventory by entering into cattle futures contracts to reduce exposure to changes in market prices. During 1993, the Company began a program of retaining ownership of calves shipped to Midwest feedlots. This program results in increased sales prices per head as weight is added in the feedlot.

Sugarcane

The Company had 5,023 acres and 5,000 acres of sugarcane in production during the 1995/96 and 1994/95 fiscal year, respectively. The 1995/96 and 1994/95 crops yielded approximately 187,000 and 186,000 gross tons, respectively.

Forest Products

Approximately 6% of the Company's properties are classified as timberlands. The principal forest products sold by the Company, prior to the 1992/93 fiscal year, were pulpwood and sabal palms. These products were sold to a paper company and various landscaping companies, respectively. During the 1995/96 fiscal year, revenues consisted entirely of sabal palms sold to landscaping companies. The Company does not incur any of the harvesting expenses.

Part of the lands, from which the timber was removed, is being converted to semi-improved pasture and other uses.

Land Rental for Grazing, Agricultural and Other Uses

The Company rents lands to others for grazing, farming and recreational uses, on a tenant-at-will basis, for an annual fee. The income is not significant when compared to overall gross income, however, it does help to offset the expense of carrying these properties until they are put to a more profitable use. The Company has developed additional land to lease for farming.

There were no significant changes in the method of rental for these purposes during the past fiscal year.

Leases for Oil and Mineral Exploration

The Company has leased subsurface rights to a portion of it's properties for the purpose of oil and mineral exploration. Currently, there is one lease in effect.

Twenty-three wells have been drilled during the years that the Company has been leasing subsurface rights to oil companies. The drilling has resulted in twenty-one dry holes, one marginal producer, which has been abandoned, and one average producer, still producing.

Mining Operations: Rock and Sand

The Company leases 7,927 acres in Lee County, Florida to Florida Rock Industries, Inc. of Jacksonville, Florida for mining and production of rock, aggregate, sand, baserock and other road building and construction materials.

Royalties which the company receives for these products are based on a percentage of the f.o.b. plant sales price.

Competition

As indicated, the Company is primarily engaged in a limited number of agricultural activities, all of which are highly competitive. For instance, citrus is grown in several states, the most notable of which are: Florida, California, Arizona and Texas. In addition, citrus and sugarcane products are imported from some foreign countries. Beef cattle are produced throughout the United States and domestic beef sales must also compete with sales of imported beef. Additionally, forest and rock products are produced in most parts of the United States. Leasing of land for oil exploration is also widespread.

The Company's share of the market for citrus, cattle and forest products in the United States is insignificant.

Environmental Regulations

The Company's operation is subject to various federal, state and local laws regulating the discharge of materials into the environment. The Company is in substantial compliance with all such rules and such compliance has not had a material effect upon capital expenditures, earnings or the competitive position of the Company.

While compliance with environmental regulations has not had a material economic effect on the Company's operations, executive officers are required to spend a considerable amount of time keeping current on these matters. In addition, there are ongoing costs incurred in complying with the permitting and reporting requirements.

Employees

At the end of August 1996 the Company had a total of 134 full-time employees classified as follows: Citrus 60; Ranch 17; Sugarcane 10; Facilities Maintenance Support 32; General and Administrative 15. There are no employees engaged in the development of new products or research.

Seasonal Nature of Business

As with any agribusiness enterprise, the Company's business operations are predominantly seasonal in nature. The harvest and sale of citrus fruit generally occurs from October to June. Cattle sales usually occur in the first and fourth quarters of the fiscal year, with the majority occurring in the fourth quarter. Sugarcane is harvested during the first, second and third quarters. Other segments of the Company's business such as its timber, mining and leasing operations, tend to be more successive than seasonal in nature.

Item 2. Properties.

At August 31, 1996, the Company owned a total of 164,568 acres of land located in four counties in Florida. Acreage in each county and the primary classification with respect to present use of these properties is shown in the following table:

<TABLE>
<CAPTION>

ACREAGE BY CURRENT PRIMARY USE

County	Timber Land	Native Pasture	Improved Pasture	Sod	Citrus Land	Sugar-cane	Agri-culture	Other	Total
Polk	550	8,870	447	--	3,148	--	--	4	13,019
Lee	3,731	1,088	--	--	--	--	1,460	3,645	9,924
Hendry	3,823	76,798	26,136	220	2,299	7,600	6,261	3,629	126,766
Collier	1,902	5,371	1,212	--	4,041	--	--	2,333	14,859
Totals	10,006	92,127	27,795	220	9,488	7,600	7,721	9,611	164,568

</TABLE>

Of the above lands, the Company utilizes 27,348 acres of improved pasture plus approximately 56,000 acres of native pasture for cattle production and 7,927 acres are leased for rock mining operations. Much of the land is also leased for multi-purpose use such as cattle grazing, oil exploration, agriculture and recreation.

In addition to the land shown in the above table, the Company owns full subsurface rights to 1,173 acres and fractional subsurface rights to 18,882 acres.

From the inception of the Company's initial development program in 1948, the goal has been to develop the lands for the most profitable use. Prior to implementation of the development program, detailed studies were made of the properties focusing on soil capabilities, topography, transportation, availability of markets and the climatic characteristics of each of the tracts. Based on these and later studies, the use of each tract was determined. It is the opinion of Management that the lands are suitable for agricultural, residential and commercial uses. However, since the Company is primarily engaged in agricultural activities, some of the lands are considered surplus to its needs for this purpose and, as indicated under Item 1 of this report, sales of real property are made from time to time.

Management believes that each of the major programs is adequately supported by agricultural equipment, buildings, fences, irrigation systems and other amenities required for the operation of the projects.

In October 1992 the Company entered into a contract, with the Board of Regents of the State of Florida, committing to a donation of 975 acres of land and other items, in connection with a new state university. In addition to the contribution of land, the following items and amounts were also committed: design and planning - $200,000; academic chairs - $1,200,000; road construction - $2,400,000.

Governmental approvals have been obtained to develop approximately 2,500 acres surrounding the University site. However, the development schedule of the University is subject to the appropriation of funds by the legislature. Currently, construction began in January 1996 with the opening to occur in the fall of 1997.

Item 3. Legal Proceedings.

There are no pending legal proceedings involving the Company.

Item 4. Submission of Matters to a Vote of Security Holders.

There were no matters submitted to a vote of security holders during the 1996 fiscal year.

Executive Officers of the Company

Pursuant to General Instruction G(3) of Form 10-K, the following list is included as an unnumbered Item in Part I of this report in lieu of being included in the Proxy Statement for the Annual Meeting of Stockholders to be held on November 26, 1996.

Election of Executive Officer is held each year at the Annual Meeting of the Board of Directors following the Annual Meeting of the Stockholders.

Name	Title	Age
Ben Hill Griffin, III	Chairman of the Board (since March 1990), President and Chief Executive Office (since January 1988) and Director (since March 1973)	54
W. Bernard Lester	Executive Vice President and Chief Operating Officer (since January 1988) and Director (since 1987), prior to July 1, 1986 was Executive Director of Florida Department of Citrus for over five years	57
L. Craig Simmons	Vice President (effective February, 1995), Treasurer and Chief Financial Officer (effective September 1, 1992), prior thereto was Controller (from January 1 to August 31, 1992) and Assistant Comptroller (from January 1 to December 31, 1991), prior to September 1990 was Controller of Farm/Citrus Division, Collier Enterprises, Agribusiness Group	44

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to the Company pursuant to Rule 16a-3(e) during the 1996 fiscal year and Forms 5 and amendments thereto furnished to the Company during fiscal year 1992 and certain written representations, if any, made to the Company, no officer, director or beneficial owners of 10% or more of the Company's common stock has failed to file on a timely basis any reports required by Section 16(a) of the Exchange Act to be filed during fiscal 1996, except for a form 4 which was filed late by Mr. Thomas E. Oakley reporting the sale of 1,500 shares of Common Stock on April 25, 1996 and the purchase of 50 shares of Common Stock on April 29, 1996.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters.

Common Stock Prices

The common stock of Alico, Inc. is traded over-the-counter on the NASDAQ National Market System under the symbol ALCO. The high and low sales prices, by fiscal quarter, during the years ended August 31, 1996 and 1995 are presented below:

<TABLE>
<CAPTION>

<S>	1996 Bid Price		1995 Bid Price	
	High <C>	Low <C>	High <C>	Low <C>
First Quarter	22 1/4	17	18 1/4	16 1/2
Second Quarter	26 1/2	21 3/4	17 5/16	15 1/2
Third Quarter	25 1/2	20 11/16	17 1/2	15
Fourth Quarter	22 3/4	17 1/4	20	15 1/2

</TABLE>

Approximate Number of Holders of Common Stock

As of October 11, 1996 there were approximately 1,023 holders of record of Alico, Inc. Common Stock.

Dividend Information

Only year-end dividends have been paid, and during the last three fiscal years were as follows:

Record Date	Payment Date	Amount Paid Per Share
October 22, 1993	November 12, 1993	$.15
October 21, 1994	November 10, 1994	$.25
October 20, 1995	November 10, 1995	$.35

Dividends are paid at the discretion of the Company's Board of Directors. The Company foresees no change in its ability to pay annual dividends in the immediate future; nevertheless, there is no assurance that dividends will be paid in the future since they are dependent upon earnings, the financial condition of the Company, and other factors.

Item 6. Selected Financial Data.

<TABLE>
<CAPTION>

<S> DESCRIPTION	Years Ended August 31, 1996	1995	1994	1993	1992
	(In Thousands Except Per Share Amounts)				
	<C>	<C>	<C>	<C>	<C>
Revenues	$ 36,089	$ 39,571	$ 38,502	$ 28,563	$ 32,284
Costs and Expenses	29,269	25,105	26,799	24,103	24,930
Income Taxes	2,381	5,525	3,975	1,503	2,455
Cumulative Effect of Accounting Change	-	-	-	2,337	-
Net Income	4,439	8,941	7,728	5,294	4,899
Average Number of Shares Outstanding	7,028	7,028	7,028	7,028	7,028
Net Income per Share	.63	1.27	1.10	.75	.70
Cash Dividend Paid per Share	.35	.25	.15	.15	.15
Current Assets	34,877	31,736	28,341	23,597	22,572
Total Assets	114,504	109,007	102,185	90,516	85,632
Current Liabilities	5,115	5,656	5,660	2,936	4,748
Ratio-Current Assets to Current Liabilities	6.82:1	5.61:1	5.01:1	8.04:1	4.75:1
Working Capital	29,762	26,080	22,680	20,661	17,824
Long-Term Obligations	32,006	27,945	28,568	26,296	23,840
Total Liabilities	37,121	33,601	34,228	29,232	28,588
Stockholders' Equity	77,383	75,406	67,957	61,283	57,043

</TABLE>

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion focuses on the results of operations and the financial condition of Alico.

This section should be read in conjunction with the consolidated financial statements and notes.

Liquidity and Capital Resources

The Company had cash and marketable securities of $11.1 million at August 31, 1996 compared with $10.6 million at August 31, 1995. Working capital also increased, from $26.1 million at August 31, 1995 to $29.8 million at August 31, 1996. Improved market prices for citrus products has caused an increase in year end receivables for these products and is the primary factor in the rise of working capital.

Actual construction on the university began in the third quarter of fiscal 1996 (see note 10). Current plans are to have the core buildings completed for a projected opening in the fall of 1997.

In connection with the examination by the Internal Revenue Service (see note 8) for the years ended August 31, 1992, 1991 and 1990, partial settlements were made with the Internal Revenue Service during April of 1995 and June of 1996 for the year ended August 31, 1990. The items conceded related to the timing of recognition of certain items previously expensed. The effect of the $385,043 payment made in April 1995 was to increase interest expense by $124,784 and reduce the current deferred tax liability by $260,259. The $1,000,000 payment made in June 1996 reduced the current deferred tax liability by $737,000. Interest totaling $263,000 was recognized for the year ending August 31, 1996. The issues conceded related to the timing of items previously expensed. When the matter is completely resolved, any income taxes due will become currently payable. However, virtually all of the adjustments relate to differences of opinion regarding the timing of recognition of various deductions and, as a result, provision has been made through deferred income taxes and no further significant adjustment to earnings is expected. Management expects to resolve the remaining proposed adjustments during fiscal 1997.

Cash outlay for land, equipment, buildings, and other improvements totaled $7.1 million, compared to $8.3 million during August 31, 1996 and 1995, respectively. Major expenditures included capitalized maintenance costs for young citrus groves. Land excavation for farm leasing also continued, as did expenditures for replacement equipment and sugarcane capital maintenance. Development is now complete on citrus groves. Capital projects are currently expected to decline during the next fiscal year.

Management believes that the Company will be able to meet its working capital requirements, for the foreseeable future, with internally generated funds. In addition, the Company has unused credit commitments which provided for revolving credit of up to $30 million of which $9.4 million was available for the Company's general use at August 31, 1996 (see note 6).

Results of Operations

Summary of results (in thousands):

<TABLE>
<CAPTION>

	Years Ended August 31, 1996	1995	1994
<S>	<C>	<C>	<C>
Operating revenue	$34,505	$30,547	$33,188
Gross profit	6,721	7,059	7,607
Profit (loss) on sale of real estate	56	7,585	3,726
Interest and investment income	1,033	998	1,045
Interest expense	990	1,176	675
Provision for income taxes	2,381	5,525	3,975
Effective income tax rate	34.9%	38.2%	34.0%
Net income	4,439	8,941	7,728

</TABLE>

Operating Revenue

Operating revenues for fiscal 1996 increased 13 percent over fiscal 1995, primarily the result of increased citrus and ranch sales revenues.

Fiscal 1995 operating revenues decreased by 8 percent from fiscal 1994. The decrease was primarily attributable to lower agricultural revenues.

Gross Profit

Gross profit during fiscal 1996 decreased 5 percent from fiscal 1995. While gross profit from agriculture during the year approximated the prior year, the decline was due to increases in general and administrative expenses and allocated costs.

Gross profit during fiscal 1995 declined by 7 percent from fiscal 1994. The decrease was attributable to higher production costs for citrus, decreased sugarcane production, and lower market prices for beef, combined with decreased sales volume.

Profit on Sale of Real Estate

Profit from the sale of real estate declined to $56 thousand during fiscal 1996, compared to $7.6 million during fiscal 1995. Sales were minimal, compared to the past two years, which included large sales in Polk and Lee Counties during fiscal 1995 and 1994, respectively.

The Company recognized a $7.6 million profit from real estate sales during fiscal 1995, compared to a $3.7 million profit during fiscal 1994. The fiscal 1995 profit was attributable to the sale of 5,800 acres in Polk County to the State of Florida.

Interest and Investment Income

Interest and investment income is generated principally from investments in marketable equity securities, corporate and municipal bonds, mutual funds, U.S. Treasury securities and mortgages held on real estate sold on the installment basis. Investment earnings were reinvested throughout fiscal 1996 and 1995, increasing investment levels during each year. The rise in fiscal 1996 net interest and investment income resulted from higher investment levels.

Interest and investment income was lower in 1995 than fiscal 1994 primarily because of increased investment levels in equity securities.

Interest Expense

Interest expense decreased 16 percent during fiscal 1996 due to falling interest rates during the year. Conversely, fiscal 1995 interest expense rose 74 % due to increased rates. Total interest cost, which includes capitalized interest and is discussed in Note 6, decreased 3 percent during fiscal 1996 and rose 69 percent during fiscal 1995, compared to each respective prior fiscal year.

Provision for Income Taxes

The effective tax rate was 34.9 percent during fiscal year 1996, compared to 38.2 percent during fiscal 1995 and 34 percent in fiscal 1994. The fiscal 1995 increase was due to deferred tax accruals to provide for the effects of the IRS audit (see note 8).

Individual Operating Divisions

Gross profit for the individual operating divisions, for fiscal 1996, 1995 and 1994, is presented in the following schedule and is discussed in subsequent sections:

<TABLE>
<CAPTION>

	Years Ended August 31, (in thousands)		
	1996	1995	1994
<S>	<C>	<C>	<C>
CITRUS			
Revenues:			
Sales	$22,966	$19,674	$18,796
Less harvesting & marketing	6,948	6,569	6,226
Net Sales	16,018	13,105	12,570
Cost and Expenses:			
Direct production**	5,964	5,488	4,926
Allocated cost*	2,470	2,205	2,220
Total	8,434	7,693	7,146
Gross profit, citrus	7,584	5,412	5,424
SUGARCANE			
Revenues:			
Sales	5,851	6,026	6,839
Less harvesting & hauling	1,237	1,294	1,566
Net Sales	4,614	4,732	5,273
Costs and expenses:			
Direct production	1,758	1,681	1,789
Allocated cost*	1,152	1,291	1,367
Total	2,910	2,972	3,156
Gross profit, sugarcane	1,704	1,760	2,117

Individual Operating Divisions (Continued)

	Years Ended August 31, (in thousands) 1996	1995	1994
<S>	<C>	<C>	<C>
RANCH			
Revenues:			
Sales	3,796	2,952	5,518
Costs and expenses:			
Direct production	3,890	1,438	2,241
Allocated cost*	1,539	1,008	1,608
Total	5,429	2,446	3,849
Gross profit (loss), ranch	(1,633)	506	1,669
Total gross profit, agriculture	7,655	7,678	9,210
OTHER OPERATIONS			
Revenues:			
Rock products and sand	935	956	1,123
Oil leases and land rentals	679	678	708
Sabal palms	197	146	134
Other	81	116	71
Total	1,892	1,896	2,036
Costs and expenses:			
Allocated Cost*	456	384	383
General and administrative, all operations	2,370	2,131	3,256
Total	2,826	2,515	3,639
Gross loss, other operations	(934)	(619)	(1,603)
Total gross profit	6,721	7,059	7,607

	Years Ended August 31, (in thousands) 1996	1995	1994
<S>	<C>	<C>	<C>
INTEREST & DIVIDENDS			
Revenue	1,033	998	1,045
Expense	990	1,176	675
Interest & dividends, net	43	(178)	370
REAL ESTATE			
Revenue:			
Sale of real estate	551	8,026	4,268
Expenses:			
Cost of sales	151	111	192
Other Costs	344	330	350
Total	495	441	542
Gain on sale of real estate	56	7,585	3,726
Income before income taxes	$ 6,820	$14,466	$11,703

</TABLE>

* Allocated expense includes ad valorem and payroll taxes, depreciation and insurance.

** Excludes capitalized maintenance cost of groves less than five years of age consisting of $1.6 million on 1,648 acres in 1996, $1.4 million on 1,718 acres in 1995 and $1.0 million on 2,212 acres in 1994.

Citrus

Gross profit was $7.6 million for fiscal 1996 and $5.4 million for fiscal 1995 and 1994.

Revenue from citrus sales increased 17 percent during fiscal 1996, compared to fiscal 1995 ($22.9 million during fiscal 1996 vs. $19.7 million during fiscal 1995). This was largely attributable to an 8 percent increase in production for the year (3.7 million boxes during fiscal 1996 vs. 3.4 million during fiscal 1995), combined with an 8 percent increase in the average market price per box ($6.21 in fiscal 1996 vs. $5.80 in fiscal 1995).

Direct production costs, associated with the increased yield, rose 10 percent during fiscal 1996. The corresponding large increase in revenues from citrus sales offset the rise in costs and generated the 40 percent increase in gross profit for this division.

Citrus revenue for fiscal 1995 rose 5 percent over fiscal 1994 ($19.7 million during fiscal 1995 vs. $18.8 million during fiscal 1994), the result of a 7 percent production increase for the year, as 3.4 million boxes were harvested during fiscal 1995, compared to 3.2 million boxes during fiscal 1994. Direct production costs increased 11 percent over fiscal 1994 ($5.5 million during fiscal 1995 vs. $4.9 million during fiscal 1994), while allocated costs remained constant for fiscal 1995 and 1994 at $2.2 million each year.

The rise in citrus revenue during fiscal 1995 was largely attributable to the increase in production discussed above. The average market price, however, declined 2 percent ($5.80 per box in fiscal 1995 vs. $5.94 per box in fiscal 1994).

The increase in direct production during fiscal 1995 was due, in part, to the addition of the last phase of the Corkscrew West Grove. However, cultivation costs increased again in fiscal 1996. These expenses are typically impacted by various circumstances, such as, the weather, insect and other parasite pressure,combined with various disease prevention and treatment programs. The Company practices cultivation techniques that are designed to increase yield per acre and maximize the related cost to benefit ratio.

The final returns from citrus pools are not precisely determinable at year end. Returns are estimated each year based on the most current information available conservatively applied. Differences between the estimates and the final realization of revenues can be significant. Revenue collected in excess of prior year and year end estimates was $1.1 million, $1.8 million and $1.7 million during fiscal 1996, 1995 and 1994, respectively.
<TABLE>
<CAPTION>
ACREAGE BY VARIETY AND AGE

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
VARIETY	0-1	1-2	3-4	5-6	7-8	9-10	11-12	13-14	15-16	20+	Acres
Early:											
Parson Brown Oranges	-	-	-	117	30	-	-	-	-	-	147
Hamlin Oranges	-	386	170	62	-	714	-	110	239	1,335	3,016
Red Grapefruit	-	-	-	54	-	-	-	48	158	169	429
White Grapefruit	-	-	-	-	318	-	-	-	-	21	339
Tangelos	-	-	-	-	-	-	-	-	-	135	135
Navel Oranges	-	-	-	15	-	-	-	54	84	-	153
Mid Season:											
Pineapple Oranges	-	-	103	-	-	-	-	18	-	467	588
Queen Oranges	-	-	-	-	-	-	-	-	-	51	51
Honey Tangerines	-	80	-	-	45	-	-	-	94	-	219
Midsweet Oranges	-	54	110	-	-	-	-	-	-	-	164
Late:											
Valencia Oranges	-	826	310	557	329	800	-	35	165	1,225	4,247
Totals:	-	1,346	693	805	722	1,514	-	265	740	3,403	9,488

</TABLE>

Sugarcane

Gross profit for fiscal 1996 was $1.7 million compared to $1.8 million for fiscal 1995 and $2.1 million for fiscal 1994.

Sales revenues from sugarcane decreased 3 percent during fiscal 1996, compared to fiscal 1995 ($5.9 million vs. $6.0 million, respectively). Direct production and allocated costs also decreased 2 percent during the year ($2.9 million vs. $3.0 million, respectively).

The number of acres harvested and resulting yield for fiscal 1996 approximated fiscal 1995 levels, resulting in the relatively minor difference in operating results (5 thousand acres harvested yielded 187 thousand gross tons in fiscal 1996 vs. 5 thousand acres yielding 186 thousand gross tons during fiscal 1995).

Sugarcane revenue decreased 12 percent during fiscal 1995 compared to fiscal 1994 ($6.0 million vs. $6.8 million, respectively). Direct production and allocated costs decreased 6 percent during the year ($3.0 million vs. $3.2 million during fiscal 1995 and 1994, respectively).

The sugarcane revenue and cost decreases were the result of an 11 percent decrease in the number of acres harvested during the year (5,000 acres in fiscal 1995 vs. 5,626 acres in fiscal 1994).

Ranching

The gross profit (loss) from ranch operations for fiscal 1996, 1995 and 1994 was $(1.6 million), $506 thousand and $1.7 million, respectively.

Revenues from cattle sales increased 27 percent during fiscal 1996, compared to fiscal 1995 ($3.8 million in fiscal 1996 vs. $3.0 million in fiscal 1995). The number of animals sold during the year increased 11 percent over the prior year (7,211 sold in fiscal 1996 vs. 6,482 in fiscal 1995); however, the average revenue per pound decreased 17 percent.

Due to current market conditions, the Company has continued to retain ownership in calves, which would have been sold in prior years, improving gross profit per head. Additionally, the Company has purchased futures contracts (see note 4) to hedge against future price declines.

The large increase in revenue is attributable to the increase in the number of feeder cattle sold during fiscal 1996. By retaining ownership in calves and selling them at heavier weights, the Company was able to increase revenue per head by 22 percent. However, direct production and allocated costs have more than doubled ($5.4 million vs. $2.4 million during fiscal 1996 and 1995, respectively). A large portion of the increase reflects the additional cost of feeding the calves until they reach a saleable finished weight. Adverse weather and growing conditions for corn combined to cause a grain shortage, significantly driving the cost of cattle feed up.

The decrease in the market prices for beef is the primary cause for the loss in this division. An adjustment totaling $909 thousand was required during the year to write the beef inventory down to its estimated net realizable value (lower of cost or market).

Historically, the Company has included its sod farming activities with ranching operations. Due to excessive rain and weed intrusion, the Company had to write off certain sod fields in May 1996. The writeoff included approximately $160 thousand of remaining basis and $240 thousand of inventoried costs, for a total loss of approximately $400 thousand.

Ranch revenue declined 47 percent during fiscal 1995, compared to fiscal 1994 ($3.0 million in fiscal 1995 vs. $5.5 million in fiscal 1994). Direct production and allocated costs decreased 36 percent during the same period ($2.4 million in fiscal 1995 vs. $3.8 million in fiscal 1994).

As a result of retaining calves in the feedlot, 44 percent fewer animals were sold in fiscal 1995 than in fiscal 1994 (6,482 sold in fiscal 1995 vs. 11,525 in fiscal 1994).

The decrease in direct production and allocated costs was also caused by the decrease in the number of animals sold.

Other Operations

Revenues from oil royalties and land rentals were $679 thousand for fiscal 1996 compared to $678 thousand and $708 thousand for fiscal 1995 and 1994, respectively. The decline during fiscal 1996 and 1995 from fiscal 1994 was due to a decline in grazing and recreational leases due to land sales and development around the university site.

Returns from rock products and sand were $935 thousand for fiscal 1996 compared to $955 thousand and $1.1 million for fiscal 1995 and 1994, respectively. The variations between each of the years is due to the overall economic situation in the construction and road building industries. Rock and sand supplies are sufficient, and no major price changes have occurred over the past 3 years.

Profits from the sale of sabal palms, for landscaping purposes, during fiscal 1996 were $197 thousand compared to $146 thousand and $134 thousand for fiscal years 1995 and 1994, respectively.

Direct and allocated expenses charged to the "Other" operations category included general and administrative and other costs not charged directly to citrus, ranching, sugarcane or forestry. These expenses totaled $2.8 million during fiscal 1996 compared to $2.5 million during fiscal 1995 and $3.6 million during fiscal 1994. The fiscal 1996 increase over fiscal 1995 is primarily attributable to increases in employee benefits ($141 thousand), workers' compensation expense ($38 thousand) and ad valorem taxes ($82 thousand). The decrease of fiscal 1995 from fiscal 1994, was largely due to the donation of land for the new university included in the 1994 expenses totaling $880 thousand.

During May of 1996, the Company agreed to sell 21,700 acres of land, in Hendry County, Florida, to the South Florida Water Management District for $11.5 million. The closing is expected to occur by the end of December 1996. The

Company may elect to use a portion of the sales value for a like kind property exchange. If a like kind property exchange occurs, the Company will not recognize revenues or profit for the portion of the property exchanged. If the property is sold, the Company will recognize revenue totaling $11.5 million and a pretax gain in excess of $11 million.

Item 8. Financial Statements and Supplementary Data.

Independent Auditors' Report

The Stockholders and Board of Directors
Alico, Inc.:

We have audited the consolidated balance sheets of Alico, Inc. and subsidiary as of August 31, 1996 and 1995 and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended August 31, 1996. In connection with our audits of the consolidated financial statements, we also have audited the related consolidated financial statement schedules as listed in Item 14(a)(2) herein. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alico, Inc. and subsidiary at August 31, 1996 and 1995, and the results of their operations and their cash flows for each of the years in the three-year period ended August 31, 1996, in conformity with generally accepted accounting principles. Also in our opinion, the related consolidated financial statement schedules, when considered in relation to the consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

KPMG PEAT MARWICK LLP
(Signature)

October 4, 1996
Orlando, Florida

<TABLE>
<CAPTION>

CONSOLIDATED BALANCE SHEETS

	August 31, 1996	August 31, 1995
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash, including time deposits and other cash investments of $1,396,193 in 1996 and $1,116,194 in 1995	$ 1,428,059	$ 1,148,733
Marketable equity securities available for sale, at estimated fair value in 1996 and in 1995 (note 2)	6,799,590	4,204,731
Other marketable securities available for sale, at estimated fair value in 1996, and in 1995 (note 2)	2,826,435	5,206,205
Accounts receivable ($7,758,469 in 1996 and $5,272,823 in 1995 due from affiliate) (note 9)	9,432,838	6,989,369
Mortgages and notes receivable, current portion (note 3)	867,145	864,885
Accrued interest receivable	113,286	163,342
Inventories (note 4)	13,284,527	13,057,136
Prepaid expenses	124,752	101,461

Total current assets	34,876,632	31,735,862
Other assets:		
Land inventories	7,777,942	7,322,740
Mortgages and notes receivable, net of current portion (note 3)	1,531,947	2,229,528
Investments	1,016,526	925,785
Other	-	42,983
Total other assets	10,326,415	10,521,036
Property, buildings and equipment (note 5)	97,029,453	91,703,367
Less accumulated depreciation	(27,728,927)	(24,953,086)
Net property, buildings and equipment	69,300,526	66,750,281
Total assets	$114,503,573	$109,007,179

	August 31, 1996	1995
<S>	<C>	<C>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,070,092	$ 949,397
Due to profit sharing plan (note 7)	223,152	217,968
Accrued ad valorem taxes	1,095,427	1,076,241
Accrued donation (note 10)	1,236,340	1,638,038
Accrued expenses	142,047	136,597
Income taxes payable	190,639	254,393
Deferred income taxes (note 8)	1,157,169	1,383,820
Total current liabilities	5,114,866	5,656,454
Note payable to a bank (note 6)	20,630,000	16,055,000
Deferred income taxes (note 8)	11,291,936	11,674,524
Deferred retirement benefits (note 7)	84,117	214,945
Total liabilities	37,120,919	33,600,923
Stockholders' equity:		
Preferred stock, no par value. Authorized 1,000,000 shares; issued, none	-	-
Common stock, $1 par value. Authorized 15,000,000 shares; issued and outstanding 7,027,827 in 1996 and 1995	7,027,827	7,027,827
Unrealized gains on marketable securities (note 2)	261,686	264,739
Retained earnings	70,093,141	68,113,690
Total stockholders' equity	77,382,654	75,406,256
Total liabilities and stockholders' equity	$114,503,573	$109,007,179

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>
<CAPTION>

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended August 31, 1996	1995	1994
<S>	<C>	<C>	<C>

Revenue:			
Citrus (note 9)	$22,966,004	$19,673,501	$18,796,161
Sugarcane	5,850,764	6,025,745	6,838,759
Ranch	3,795,612	2,952,214	5,517,537
Forest products	196,906	146,196	134,036
Rock products and sand	934,992	955,461	1,122,893
Oil lease and land rentals	679,039	677,712	707,616
Profit on sales of real estate	550,578	8,026,209	4,267,504
Interest and investment income	1,033,124	998,185	1,046,198
Other income	81,817	115,760	71,449
Total revenue	36,088,836	39,570,983	38,502,153
Costs and expenses (including charges from affiliate (note 9):			
Citrus production, harvesting and marketing	15,381,924	14,261,502	13,371,456
Sugarcane production, harvesting and hauling	4,147,284	4,265,976	4,721,731
Ranch	5,429,239	2,446,117	3,848,877
Real estate	494,281	441,535	542,188
Interest (note 6)	990,082	1,175,599	674,803
Other, general and administrative expenses	2,826,422	2,514,573	3,639,768
Total costs and expenses	29,269,232	25,105,302	26,798,823
Income before income taxes	6,819,604	14,465,681	11,703,330
Provision for income taxes (note 8)	2,380,414	5,524,311	3,975,486
Net Income	$ 4,439,190	$ 8,941,370	$ 7,727,844
Weighted average number of shares outstanding	7,027,827	7,027,827	7,027,827
Per share amounts:			
Net income	$ .63	$ 1.27	$ 1.10
Dividends	$ .35	$ .25	$ .15

<FN>
See accompanying notes to consolidated financial statements.
</TABLE>

<TABLE>
<CAPTION> CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

<S>	Preferred Stock <C>	Common Stock Shares Issued <C>	Amount <C>	Retained Earnings <C>	Unrealized Gains On Securities <C>
Balance, August 31, 1993	-	7,027,827	$7,027,827	$54,255,607	-
Net income for the year ended August 31, 1994	-	-	-	7,727,844	-
Dividends paid	-	-	-	(1,054,174)	-
Balance, August 31, 1994	-	7,027,827	$7,027,827	$60,929,277	-
Net income for the year ended August 31, 1995	-	-	-	8,941,370	-
Unrealized gains on securities	-	-	-	-	264,739
Dividends paid	-	-	-	(1,756,957)	-
Balance, August 31, 1995	-	7,027,827	$7,027,827	$68,113,690	$264,739
Net income for the year ended August 31, 1996	-	-	-	4,439,190	-
Unrealized loss on securities	-	-	-	-	(3,053)
Dividends paid	-	-	-	(2,459,739)	-
Balance, August 31, 1996	-	7,027,827	$7,027,827	$70,093,141	$261,686

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>
<CAPTION>

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended August 31, 1996	1995	1994
<S>	<C>	<C>	<C>
Increase (Decrease) in Cash and Cash Investments:			
Cash flows from operating activities:			
Net Income	$ 4,439,190	$ 8,941,370	$ 7,727,844
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	4,136,333	4,177,199	3,883,351
Gain on breeding herd sales	(255,277)	(185,422)	(181,232)
Deferred income tax expense and payments	(607,302)	2,906,324	1,474,842
Deferred retirement benefits	(130,828)	(213,796)	35,898
Net (gain) loss on sale of marketable securities	(128,473)	(14,511)	84,311
Donations	(401,698)	(465,013)	879,540
(Gain) loss on sale of property and equipment	305,485	157,334	(3,697)
Gain on real estate sales	(379,734)	(8,011,703)	(4,075,316)
Increase in land inventories	(455,202)	(565,191)	(987,591)
Other	74,426	(70,388)	(72,065)
Cash provided by (used for) changes in:			
Accounts receivable	(2,443,469)	(53,005)	(1,450,066)
Inventories	(227,391)	(2,375,786)	(1,021,537)
Prepaid expenses	(23,291)	87,659	19,053
Other assets	42,983	(2,513)	-
Accounts payable and accrued expenses	126,145	(455,575)	668,127
Income taxes payable	(63,754)	198,090	(329,921)
Net cash provided by operating activities	4,008,143	4,055,073	6,651,541

	Years Ended August 31, 1996	1995	1994
<S>	<C>	<C>	<C>
Cash flows from investing activities:			
Purchases of property and equipment	(7,141,814)	(8,340,284)	(7,624,472)
Proceeds from disposals of property and equipment	364,398	233,813	430,075
Proceeds from sale of real estate	420,364	8,322,300	1,417,847
Purchases of other assets	(215,575)	(115,108)	-
Proceeds from the sale of other assets	124,834	-	-
Purchases of marketable securities	(3,848,245)	(1,900,519)	(2,098,657)
Proceeds from sales of marketable securities	3,756,639	1,622,586	1,579,321
Collection of mortgages and notes receivable	695,321	719,631	149,380
Net cash provided by (used for) investing activities	(5,844,078)	542,419	(6,146,506)
Cash flows from financing activities:			
Proceeds of bank loans	17,316,000	17,666,002	12,184,574
Repayment of loans	(12,741,000)	(20,325,000)	(11,190,025)

Dividends paid	(2,459,739)	(1,756,957)	(1,054,174)
Net cash provided by (used for) financing activities	2,115,261	(4,415,955)	(59,625)
Net increase in cash and cash investments	279,326	181,537	445,410
Cash and Cash investments:			
At beginning of year	1,148,733	967,196	521,786
At end of year	$ 1,428,059	$ 1,148,733	$ 967,196
Supplemental disclosures of cash flow information:			
Cash paid for interest, net of amount capitalized	$ 886,239	$ 1,079,939	$ 582,245
Cash paid for income taxes	$ 3,186,861	$ 2,419,600	$ 2,830,861

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended August 31, 1996, 1995 and 1994

(1) Summary of Significant Accounting Policies

(a) Basis of Consolidated Financial Statement Presentation

The accompanying financial statements include the accounts of Alico, Inc. (the Company) and its wholly owned subsidiary, Saddlebag Lake Resorts, Inc. (Saddlebag), after elimination of all significant intercompany balances and transactions.

(b) Revenue Recognition

Income from sales of citrus under marketing pool agreements is recognized at the time the crop is harvested. The revenue is based on the Company's estimates of the amounts to be received as the sales of pooled products are completed. Fluxuation in the market prices for citrus fruit has caused the Company to recognize additional revenue from the prior year's crop totaling $1,087,921, $1,770,146, and $1,697,547 during fiscal years 1996, 1995 and 1994, respectively.

(c) Real Estate

Real estate sales are recorded under the accrual method of accounting. Retail land sales are not recognized until payments received, including interest, aggregate 10 percent of the contract sales price for residential real estate or 20 percent for commercial real estate. Sales are discounted to yield the market rate of interest where the stated rate is less than the market rate. The recorded valuation discounts are realized as the balances due are collected. In the event of early liquidation, interest is recognized on the simple interest method.

Tangible assets that are purchased during the period to aid in the sale of the project as well as costs for services performed to obtain regulatory approval of the sales are capitalized as land and land improvements to the extent they are estimated to be recoverable from the sale of the property. Land and land improvement costs are allocated to individual parcels on a per lot basis which approximates the relative sales value method.

(1), Continued

The Company has entered into an agreement with a real estate consultant to assist in obtaining the necessary regulatory approvals for the development and marketing of a tract of raw land. The marketing costs under this agreement are being expensed as incurred. The costs incurred to obtain the necessary regulatory approvals are capitalized into land costs when paid. These costs will be expensed as cost of sales when the underlying real estate is sold.

(d) Marketable Securities Available for Sale

For the year ending August 31, 1995, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 115 "Accounting for Certain Investments in Debt and Equity Securities". Prior years' consolidated financial statements have not been restated to retroactively apply the provisions of this statement.

At August 31, 1995 and 1996, marketable securities available for sale are carried at the aggregate estimated fair value of the portfolio. Aggregate net unrealized investment gains or losses are recorded net of related deferred taxes in a separate component of stockholders' equity until realized.

Fair value for debt and equity investments is based on quoted market prices at the reporting date for those or similar investments.

At August 31, 1994, marketable securities available for sale were carried at the lower of the aggregate cost or market value of the portfolio. Aggregate net unrealized investment losses were included in the results of operations.

The cost of all marketable securities available for sale are determined on the specific identification method.

(e) Inventories

Beef cattle inventories are stated at the lower of cost or market. The cost of the beef cattle inventory is based on the accumulated cost of developing such animals for sale.

Unharvested crops are stated at the lower of cost or market. The cost for unharvested crops is based on accumulated production costs incurred during the eight month period from January 1 through August 31.

(f) Property, Buildings and Equipment

Property, buildings and equipment are stated at cost. Properties acquired from the Company's predecessor corporation in exchange for common stock issued in 1960, at the inception of the Company, are stated on the basis of cost to the predecessor corporation. Property acquired as part of a land exchange trust is valued at the carrying value of the property transferred to the trust.

The breeding herd consists of purchased animals and animals raised on the ranch. Purchased animals are stated at cost. The cost of animals raised on the ranch is based on the accumulated cost of developing such animals for productive use.

Depreciation for financial reporting purposes is computed on straight-line and accelerated methods over the estimated useful lives of the various classes of depreciable assets.

(g) Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(h) Earnings Per Share

Earnings per share has been computed by dividing net income by the weighted average number of common shares outstanding during the year.

(i) Cash Flows

For purposes of the cash flows, cash and cash investments include cash on hand and amounts due from banks with an original maturity of less than three months.

(j) Reclassifications

Certain amounts from 1995 and 1994 have been reclassified to conform to the 1996 presentation.

(k) Use of Estimates

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ significantly from those estimates. Although some variability is inherent in these estimates, management believes that the amounts provided are adequate.

(l) Financial Instruments and Accruals

The carrying amounts in the consolidated balance sheets for accounts receivable, accounts payable and accrued expenses approximate fair value, because of the immediate or short term maturity of these items. The carrying amounts reported for the Company's long-term debt approximate fair value, because the instrument is a variable rate note which reprices frequently.

(2) Marketable Securities Available for Sale

The Company implemented Statement of Financial Auditing Standards (SFAS) No. 115 "Accounting for Certain Investments in Debt and Equity Securities" as of September 1, 1994. Prior years' consolidated financial statements have not been restated to retroactively apply the provisions of this statement.

SFAS 115 changes the way the Company determines the carrying value of certain debt and equity investments. Under prior guidelines, investments were carried at the lower of cost or fair market value. Gains or losses on the individual securities were recognized in earnings when the investments were sold.

At August 31, 1994, the marketable equity securities, which had a cost basis of $4,038,704, were carried at market. The unrealized loss, totaling $22,167, was included in the results of operations for the year then ended.

Under SFAS 115, the Company has classified 100% of its investments in marketable securities as available-for-sale and, as such, the securities are carried at estimated fair value. Any unrealized gains and losses, net of related deferred taxes, are recorded as a net amount in a separate component of stockholders' equity until realized.

The amortized cost and estimated fair values of marketable securities available for sale at August 31, 1996 and 1995 (in thousands) were as follows:

<TABLE>
<CAPTION>

	1996				1995			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Equity securities	$6,486	$421	$107	$6,800	$3,917	$352	$ 64	$4,205
Debt securities	2,721	119	14	2,826	5,069	208	71	5,206
Marketable securities available for sale	$9,207	$540	$121	$9,626	$8,986	$560	$135	$9,411

At August 31, 1996, debt instruments are collectible as follows: $152,000 within one year, $321,020 between one and five years, $560,249 between five and ten years, and $841,254 thereafter.

</TABLE>

(3) Notes Receivable

Notes receivable include mortgage and other notes receivable. Mortgage notes receivable arose principally from real estate sales.

The balances (in thousands) at August 31, 1996 and 1995 are as follows:
<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>
Mortgage notes receivable on retail land sales, net	$ 448	$ 470
Mortgage notes receivable on bulk land sales	1,735	2,453
Other notes receivable	216	171
Total mortgage notes receivable	2,399	3,094
Less current portion	867	865
Non-current portion	$1,532	$2,229

</TABLE>

At August 31, 1996, substantially all contracts and mortgages on retail land sales were collectible over periods ranging from 1 to 10 years with expected maturities as follows: $53 thousand in 1997, $53 thousand in 1998, $50 thousand in 1999, $36 thousand in 2000, $25 thousand in 2001, and $231 thousand thereafter.

At August 31, 1996, notes receivable, other than those from retail land sales, were collectible over periods ranging from 1 to 5 years with expected maturities as follows: $814 thousand in 1997, $1,050 thousand in 1998, $11 thousand in 1999, $11 thousand in 2000, and $65 thousand in 2001, and none thereafter.

(4) Inventories

A summary of the Company's inventories (in thousands) at August 31, 1996 and 1995 is shown below:
<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>
Unharvested fruit crop on trees	$ 7,064	$ 6,027
Unharvested sugarcane	2,231	2,138
Beef cattle	3,937	4,429
Sod	53	463
Total inventories	$13,285	$13,057

</TABLE>
Subject to prevailing market conditions, the Company may hedge up to 50% of its beef inventory by entering into cattle futures contracts to reduce exposure to changes in market prices. The Company has designated these agreements as a hedge and, therefore, any gains or losses anticipated under these agreements will be deferred, with the cost of the related cattle being adjusted when the contracts are settled.

(5) Property, Buildings and Equipment

A summary of the Company's property, buildings and equipment (in thousands) at August 31, 1996 and 1995 is shown below:
<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	Estimated Useful Lives <C>
Breeding herd	$13,184	$12,094	5-7 years
Buildings	3,038	3,035	5-40 years
Citrus trees	20,109	17,846	22-40 years
Sugarcane	2,651	2,142	4-15 years
Equipment and other facilities	24,624	24,256	3-40 years
Total depreciable properties	63,606	59,373	
Less accumulated depreciation	27,729	24,953	
Net depreciable properties	35,877	34,420	

Land and land improvements	33,424	32,330
Net property, buildings and equipment	$69,301	$66,750

</TABLE>

Except for special situations, the Company's citrus trees, fruit crop, unharvested sugarcane and cattle are uninsured.

(6) Indebtedness

The Company has an unsecured financing agreement with commercial banks that permit the Company to borrow up to $3,000,000 which is due on demand and up to $27,000,000 which is due in January 1998. Under these agreements, there was no current debt as of August 31, 1996 and 1995. The total amount of long-term debt under this agreement at August 31, 1996 and 1995 was $20,630,000 and $16,055,000, respectively.

Interest cost expensed and capitalized (in thousands) during the three years ended August 31, 1996, 1995 and 1994 was as follows:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Interest expense	$ 990	$1,176	$ 675
Interest capitalized	703	576	359
Total interest cost	$1,693	$1,752	$1,034

</TABLE>

(7) Employee Benefit Plans

The Company has a profit sharing plan covering substantially all employees. The plan was established under Internal Revenue Code Section 401(k). Contributions made to the profit sharing plan were $223,152, $217,968 and $248,594 for the years ended August 31, 1996, 1995 and 1994, respectively.

Certain officers and employees also have employment contracts for additional retirement benefits, the cost of which is accruable on a present value basis over the remaining term of the employment agreements. The lives of such officers and employees have been insured as a means of funding such additional benefits. The accrued pension liability for these additional retirement benefits at August 31, 1996 and 1995 was $56,088 and $109,973, respectively.

Additionally, the Company implemented a nonqualified defined benefit retirement plan covering the officers and other key management personnel of the Company. The plan is being funded by the purchase of insurance contracts. The accrued pension liability for the nonqualified defined benefit retirement plan at August 31, 1996 and 1995 was $28,029 and $108,862, respectively.

Pension expenses for the additional retirement benefits were approximately $191,000, $167,000 and $196,000 for the years ended August 31, 1996, 1995 and 1994, respectively.

(8) Income Taxes

The provision for income taxes (in thousands) for the years ended August 31, 1996, 1995 and 1994 is summarized as follows:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Current:			
Federal income tax	$1,974	$1,980	$2,172
State income tax	353	322	327
	2,327	2,302	2,499
Deferred:			
Federal income tax	48	2,911	1,234
State income tax	5	311	242
	53	3,222	1,476
Total provision for income taxes	$2,380	$5,524	$3,975

</TABLE>

Following is a reconciliation of the expected income tax expense computed at the U.S. Federal statutory rate of 34 percent and the actual income tax provision (in thousands) for the years ended August 31, 1996, 1995 and 1994:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Expected income tax	$2,319	$4,918	$3,979
Increase (decrease) resulting from:			
State income taxes, net of federal benefit	248	525	425
Nontaxable interest and dividends	(174)	(180)	(181)
Other reconciling items, net	(13)	261	(248)
Total provision for income taxes	$2,380	$5,524	$3,975

</TABLE>

(8), Continued

Some items of revenue and expense included in the statement of operations may not be currently taxable or deductible on the income tax returns. Therefore, income tax assets and liabilities are divided into a current portion, which is the amount attributable to the current year's tax return, and a deferred portion, which is the amount attributable to another year's tax return. The revenue and expense items not currently taxable or deductible are called temporary differences.

At August 31, 1996 the Company had an unused charitable contribution carryover totaling $10,235,000. Management estimates that $1,500,000 will be used to reduce taxable income over the next four years. As a result, the estimated unusable portion of the carryover has been set up as the valuation amount in the deferred tax asset schedule below. The contribution carryover expires in 1999.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below (in thousands):

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>
Deferred Tax Assets:		
Contribution carryover	$(3,851)	$(4,081)
Less valuation allowance	3,287	3,291
Net contribution carryover	(564)	(790)
Beef cattle inventory	(136)	-
Pension	(116)	(163)
Other	(32)	(31)
Total gross deferred tax assets	(848)	(984)

(8), Continued

1996	1995

<S> <C> <C>

Deferred Tax Liabilities:		
Revenue recognized from citrus and sugarcane	999	546
Unharvested crop inventories	22	362
Deferred revenues	3,134	3,194
Property and equipment (principally due to depreciation and soil and water deductions)	8,208	8,302
Mortgage notes receivable	643	910
Other	291	728
Total gross deferred tax liabilities	13,297	14,042
Net deferred income tax liabilities	$12,449	$13,058

</TABLE>

The Company is currently under examination by the Internal Revenue Service for the years ended August 31, 1992, 1991 and 1990. The adjustments proposed to date by the Internal Revenue Service would potentially result in approximately $6.9 million in additional income taxes. When the matter is resolved, any income taxes due will become currently payable. However, the majority of the proposed adjustments relate to the timing of recognition of certain income and expense items already provided for in the Company's deferred tax liability accounts.

Partial settlements were made with the Internal Revenue Service during April of 1995 and June of 1996 for the year ended August 31, 1990. The items conceded related to the timing of recognition of certain items previously expensed. The effect of the $385,043 payment made in April 1995 was to increase interest expense by $124,784 and reduce the current deferred tax liability by $260,259. The $1,000,000 payment made in June 1996 reduced the current deferred tax liability by $737,000. Interest totaling $263,000 was recognized for the year ending August 31, 1996.

(9) Related Party Transactions

Citrus

Citrus revenues of $20,386,090, $17,398,420 and $16,555,206 were recognized for a portion of citrus crops sold under a marketing agreement with Ben Hill Griffin, Inc. (Griffin) for the years ended August 31, 1996, 1995 and 1994, respectively. Griffin is the owner of 49.71 percent of the Company's common stock. Accounts receivable from citrus sales, included in the accompanying balance sheets, include amounts due from Griffin totaling $7,758,469 and $5,272,823 at August 31, 1996 and 1995, respectively. These amounts represent estimated revenues to be received periodically under pooling agreements as the sale of pooled products is completed.

Harvesting, marketing, and processing costs, related to the citrus sales noted above, totaled $6,099,481, $5,732,506, and $5,437,019 for the years ended August 31, 1996, 1995 and 1994, respectively. In addition, Griffin provided the harvesting services for citrus sold to an unrelated processor. The aggregate cost of these services was $767,144, $764,082 and $738,737 for the years ended August 31, 1996, 1995 and 1994, respectively. The accompanying balance sheets include accounts payable to Griffin for citrus production, harvesting and processing costs in the amount of $484,789 and $312,045 at August 31, 1996 and 1995, respectively.

Other Transactions

The Company purchased fertilizer and other miscellaneous supplies, services, and operating equipment from Griffin, on a competitive bid basis, for use in its cattle, sugarcane, sod and citrus operations. Such purchases totaled $5,535,086, $4,190,784 and $3,282,467 during the years ended August 31, 1996, 1995 and 1994, respectively.

(10) Commitment

During October 1992 the Company entered into an agreement to donate land, improvements and other items, to the State of Florida, to be used as a site for a new university. The gift included 975 acres of land, road construction, engineering and planning services, assistance with utility costs and academic chairs. The commitment was recorded as a contribution in May 1994 when the title to the land was transferred. Costs related to road construction have been accrued and capitalized into land. Other costs will be expensed as incurred.

(11) Business Segment Information

The Company is primarily engaged in agricultural operations, which are subject to risk including market prices, weather conditions and environmental concerns. The Company is also engaged in retail land sales and, from time to time, sells real estate considered surplus to its operating needs. Information about the Company's operations (in thousands) for the years ended August 31, 1996, 1995 and 1994 is summarized as follows:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Revenues:			
Agriculture:			
Citrus	$ 22,966	$ 19,674	$ 18,796
Sugarcane	5,851	6,026	6,839
Ranch	3,796	2,952	5,518
Total agriculture	32,613	28,652	31,153
Real estate	551	8,026	4,268
General corporate revenue	2,925	2,893	3,081
Consolidated total	$ 36,089	$ 39,571	$ 38,502
Operating income (loss):			
Agriculture:			
Citrus	$ 7,584	$ 5,412	$ 5,425
Sugarcane	1,704	1,760	2,117
Ranch	(1,633)	506	1,669
Total agriculture	7,655	7,678	9,211
Real estate	56	7,585	3,725
General corporate revenue	2,925	2,893	3,082
Total operating income	10,636	18,156	16,018
Interest expense	(990)	(1,176)	(675)
General corporate expenses	(2,826)	(2,514)	(3,640)
Income before income taxes and cumulative effect	$ 6,820	$ 14,466	$ 11,703

<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Capital expenditures:			
Agriculture:			
Citrus	$ 2,734	$ 4,301	$ 3,977
Sugarcane	967	743	540
Ranch	2,786	2,189	2,064
Sod	54	78	14
Farm lands	365	155	294
Heavy equipment	89	574	569
Total agriculture	6,995	8,040	7,458
General corporate	147	300	166
Consolidated total	$ 7,142	$ 8,340	$ 7,624

<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Depreciation, depletion and amortization:			
Agriculture:			
Citrus	$ 1,706	$ 1,731	$ 1,524
Sugarcane	925	937	992
Ranch	1,040	1,035	862
Sod	49	81	83
Farm lands	11	5	2
Heavy equipment	311	295	255
Total agriculture	4,042	4,084	3,718
General corporate	94	93	165
Consolidated total	$ 4,136	$ 4,177	$ 3,883

Identifiable assets:			
Agriculture:			
Citrus	$ 47,874	$ 43,449	$ 40,602
Sugarcane	22,846	22,154	22,557
Ranch	13,710	12,619	9,354
Sod	247	1,474	1,380
Farm lands	1,240	887	736
Heavy equipment	1,461	1,699	1,503
Total agriculture	87,378	82,282	76,132
Real estate	10,177	10,417	9,719
General corporate	16,949	16,308	16,334
Consolidated total	$114,504	$109,007	$102,185

</TABLE>

Identifiable assets represents assets on hand at year-end which are allocable to a particular segment either by their direct use or by allocation when used jointly by two or more segments. General corporate assets consist principally of cash, temporary investments, mortgage notes receivable and property and equipment used in general corporate business.

<TABLE>
<CAPTION>

SELECTED QUARTERLY FINANCIAL DATA
(UNAUDITED)

Summarized quarterly financial data (in thousands except for per share amounts) for the years ended August 31, 1996 and August 31, 1995, is as follows:

	Quarters Ended							
	November 30, 1995	November 30, 1994	Feb. 29, 1996	Feb. 28, 1995	May 31, 1996	May 31, 1995	August 31, 1996	August 31, 1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue:								
Citrus	$ 4,170	$ 3,447	$ 7,133	$ 6,803	$8,721	$ 6,104	$ 2,942	$ 3,320
Sugarcane	1,386	1,162	4,022	3,861	355	848	88	155
Ranch	1,535	611	196	329	1,533	1,210	532	802
Property sales	17	20	80	17	91	61	363	7,928
Interest	352	246	260	274	234	238	187	240
Other revenues	364	390	429	372	506	604	593	529
Total revenue	7,824	5,876	12,120	11,656	11,440	9,065	4,705	12,974
Costs and expenses:								
Citrus	3,375	3,141	5,631	5,153	5,090	4,633	1,286	1,335
Sugarcane	1,051	792	3,147	2,960	-	486	(51)	28
Ranch	1,529	447	144	192	3,198	975	558	832
Interest	136	219	173	318	487	407	194	232
Other	748	638	866	650	585	642	1,122	1,025
Total costs and expenses	6,839	5,237	9,961	9,273	9,360	7,143	3,109	3,452
Income before income taxes	985	639	2,159	2,383	2,080	1,922	1,596	9,522
Provision for income taxes	338	218	759	843	857	695	427	3,768
Net income	$ 647	$ 421	$ 1,400	$ 1,540	$ 1,223	$ 1,227	$ 1,169	$ 5,754
Net income per share	$ .09	$ .06	$ .20	$ .22	$ .17	$ .17	$ .17	.82

The weighted average number of shares outstanding totaled 7,027,827 shares during each of the periods presented above.

</TABLE>

Item 9. Disagreements on Accounting and Financial Disclosure.

There were no disagreements on accounting and financial disclosures.

PART III

Item 10. Directors and Executive Officers of the Registrant.

For information with respect to the executive officers of the registrant, see "Executive Officers of the Registrant" at the end of Part I of this report.

The information called for regarding directors is incorporated by reference to Proxy Statement dated November 4, 1996.

Item 11. Executive Compensation.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

Item 13. Certain Relationships and Related Transactions.

Information called for by Items 11, 12 and 13 is incorporated by reference to Proxy Statement dated November 4, 1996.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K.

(a)1. Financial Statements:

Included in Part II, Item 8 of this Report

Report of Independent Certified Public Accountants

Consolidated Balance Sheets - August 31, 1996 and 1995

Consolidated Statements of Operations - For the Years Ended August 31, 1996, 1995 and 1994

Consolidated Statements of Stockholders' Equity - For the Years Ended August 31, 1996, 1995 and 1994

Consolidated Statements of Cash Flows - For the Years Ended August 31, 1996, 1995 and 1994

(a)2. Financial Statement Schedules:

Selected Quarterly Financial Data - For the Years Ended August 31, 1996 and 1995 - Included in Part II, Item 8

Schedule I - Marketable Securities and Other Investments - For Year Ended August 31, 1996

Schedule V - Property, Plant and Equipment - For the Years Ended August 31, 1996, 1995 and 1994

Schedule VI - Reserves for Depreciation, Depletion and Amortization of Property, Plant and Equipment - For the Years Ended August 31, 1996, 1995 and 1994

Schedule IX - Supplementary Income Statement Information - For the Years Ended August 31, 1996, 1995 and 1994

All other schedules not listed above are not submitted because they are not applicable or not required or because the required information is included in the financial statements or notes thereto.

(a)3. Exhibits:

(3) Articles of Incorporation: *

Schedule I - Restated Certificate of Incorporation, Dated February 17, 1972
Schedule II - Certificate of Amendment to Certificate of Incorporation, Dated January 14, 1974
Schedule III - Amendment to Articles of Incorporation, Dated January 14, 1987
Schedule IV - Amendment to Articles of Incorporation, Dated December 27, 1988
Schedule V - By-Laws of Alico, Inc., Amended to September 13, 1994

(4) Instruments Defining the Rights of Security Holders, Including Indentures - Not Applicable

(9) Voting Trust Agreement - Not Applicable

(10) Material Contracts - Citrus Processing and Marketing Agreement with Ben Hill Griffin, Inc., dated November 2, 1983, a Continuing Contract. *

(11) Statement - Computation of Per Share Earnings

(12) Statement - Computation of Ratios

(18) Change in Accounting Principal - Not Applicable

(19) Annual Report to Security Holders - By Reference

(21) Subsidiaries of the Registrant - Not Applicable

(22) Published Report Regarding Matters Submitted to Vote of Security Holders - Not Applicable

(23) Consents of Experts and Counsel - Not Applicable

(24) Power of Attorney - Not Applicable

(28) Information From Reports Furnished to State Insurance Regulatory Authorities - Not Applicable

(99) Additional Exhibits - None

(b)3. Reports on Form 8-K:

Form 8-K dated December 18, 1995 regarding re-election of Directors and election of Officers.

* Material has been filed with Securities and Exchange Commission and NASDAQ and may be obtained upon request.

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE I

Marketable Securities and Other Investments

August 31, 1996

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
Name of Issuer and Title of Each Issue	Number of Shares or Units-Principal Amounts of Bonds and Notes	Cost of Each Issue	Market Value of Each Issue at Balance Sheet Date	Amount of Which Each Portfolio of Equity Security Issues and Each Other Security Issue Carried in the Balance Sheet
<S>	<C>	<C>	<C>	<C>
Municipal Bonds	$1,722,523	$1,710,238	$1,817,093	$1,817,093
Mutual Funds	2,731,987	2,731,987	2,903,204	2,903,204
Preferred Stocks	91,100	2,472,839	2,506,633	2,506,633
Common Stocks	40,232	2,139,853	2,246,345	2,246,345
Other Investments		151,375	152,750	152,750
Total:		$9,206,292	$9,626,025	$9,626,025

</TABLE>

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE V

PROPERTY, PLANT AND EQUIPMENT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of Period	Additions at Cost	Retirements or Sales	Other Changes Debit and/or Credit-Describe	Balance at Close of Period
For the Year Ended August 31, 1996					
<C>	<C>	<C>	<C>	<C>	<C>
Land	$14,409,797	$ 133,396	$ 38,277	$	$14,504,916
Roads	489,213	256,312			745,525
Agricultural Land Preparation	9,906				9,906
Forest Improvements	100,026				100,026
Pasture Improvements	2,363,419	434,194		3,708 *	2,801,321
Buildings	3,034,835	82,938	80,198		3,037,575
Feeding and Watering Facilities for Cattle Herd	36,486		419		36,067
Water Control Facilities	871,337				871,337
Fences	228,811	47,066	5,744		270,133
Cattle Pens	155,219		20,264		134,955
Citrus Groves, Including Irrigation Systems	36,176,961	2,573,697	116,004		38,634,654
Equipment	6,815,062	328,372	143,471		6,999,963
Breeding Herd	12,094,179	2,165,878	1,075,766		13,184,291
Sugarcane-Land Prep.,Etc.	12,907,640	715,188		681,658 *	14,304,486
Sod-Land Preparation,Etc.	1,118,258	44,615	335,585	(685,366)*	141,922
Farm Land Preparation	892,218	360,158			1,252,376
	$91,703,367	$7,141,814	$1,815,728	$ 0	$97,029,453

* Reclassification

(/TABLE)

</TABLE>
<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE V

PROPERTY, PLANT AND EQUIPMENT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of Period	Additions at Cost	Retirements or Sales	Other Changes Debit and/or Credit-Describe	Balance at Close of Period
For Year Ended August 31, 1995					
<S>	<C>	<C>	<C>	<C>	<C>
Land	$14,574,228	$ 159,902	$ 324,333		$14,409,797
Roads	403,107	86,106			489,213
Agricultural Land Preparation	9,906				9,906
Forest Improvements	102,818		2,792		100,026
Pasture Improvements	1,997,036	366,383			2,363,419
Buildings	2,907,306	147,043	19,514		3,034,835
Feeding and Watering Facilities for Cattle Herd	32,886	3,600			36,486
Water Control Facilities	871,337				871,337
Fences	188,806	79,107	39,102		228,811
Cattle Pens	118,149	44,658	7,588		155,219
Citrus Groves, Including Irrigation Systems	32,761,874	3,611,450	196,363		36,176,961
Equipment	5,980,970	1,386,613	552,521		6,815,062
Breeding Herd	10,979,640	1,622,552	508,013		12,094,179
Sugarcane-Land Preparation,Etc.	12,761,667	629,125	483,152		12,907,640
Sod-Land Preparation,Etc.	1,080,849	48,305	10,896		1,118,258
Farm Land Preparation	736,778	155,440			892,218
	$85,507,357	$8,340,284	$2,144,274	$0	$91,703,367

</TABLE>

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE V

PROPERTY, PLANT AND EQUIPMENT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of Period	Additions at Cost	Retirements or Sales	Other Changes Debit and/or Credit-Describe	Balance at Close of Period
For Year Ended August 31, 1994					
<S>	<C>	<C>	<C>	<C>	<C>
Land	$14,891,438	$ 61,466	$ 301,327	($77,349) *	$14,574,228
Roads	371,164	31,943			403,107
Agricultural Land Preparation	9,906				9,906
Forest Improvements	102,818				102,818
Pasture Improvements	1,546,508	450,528			1,997,036
Buildings	2,784,232	353,003	196,276	(33,653) *	2,907,306

Feeding and Watering Facilities for Cattle Herd	32,886				32,886
Water Control Facilities	871,337				871,337
Fences	200,158	3,936	15,288		188,806
Cattle Pens	138,380	35,244	55,475		118,149
Citrus Groves, Including Irrigation Systems	29,430,781	3,347,928	33,191	16,356 *	32,761,874
Equipment	5,266,127	1,220,158	538,968	33,653 *	5,980,970
Breeding Herd	10,664,853	1,371,832	1,057,045		10,979,640
Sugarcane-Land Preparation,Etc.	12,787,783	446,203	502,808	30,489 *	12,761,667
Sod-Land Preparation,Etc.	1,104,105	13,759	6,526	(30,489) *	1,080,849
Farm Land Preparation	382,179	293,606		60,993 *	736,778
	$80,584,655	$7,629,606	$2,706,904	$0	$85,507,357

* Reclassification

</TABLE>

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE VI

Reserves for Depreciation, Depletion and Amortization of Property, Plant and Equipment

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of period	Additions Charged to Profit & Loss of Income	Retirements	Other Changes Add (Deduct) Describe	Balance at Close of Period
For the Year Ended August 31, 1996					
<C>	<C>	<C>	<C>	<C>	<C>
Buildings	$ 1,092,981	$ 139,665	$ 80,198	$	$ 1,152,448
Feeding and Watering Facilities for Cattle Herd	21,741	2,722	419		24,044
Water Control Facilities	866,000				866,000
Fences	96,330	21,430	5,744		112,016
Cattle Pens	49,676	13,951	20,265		43,362
Citrus Groves, Including Irrigation Systems	9,002,178	1,303,376	116,003		10,189,551
Equipment	3,329,601	904,448	127,171		4,106,878
Breeding Herd	7,559,946	867,887	909,077		7,518,756
Roads	0	10,731			10,731
Sugarcane-Land Prep.,Etc.	2,752,281	827,397		104,056 *	3,683,734
Sod-Land Preparation,Etc.	174,201	33,524	101,615	(104,056)*	2,054
Farm Land Preparation	8,151	11,202			19,353
	$24,953,086	$4,136,333	$1,360,492	$ 0	$27,728,927

* Reclassification

</TABLE>

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE VI

Reserves for Depreciation, Depletion and Amortization of Property, Plant and Equipment

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of Period	Additions Charged to Profit & Loss or Income	Retirements	Other Changes Add (Deduct) Describe	Balance at Close of Period
For the Year Ended August 31, 1995					
<S>	<C>	<C>	<C>	<C>	<C>
Forest Improvements	$ 2,792	$	$ 2,792		$ 0
Buildings	974,796	137,700	19,515		1,092,981
Feeding and Watering Facilities for Cattle Herd	19,034	2,707			21,741
Water Control Facilities	707,510	158,490			866,000
Fences	121,246	14,187	39,103		96,330
Cattle Pens	45,006	12,258	7,588		49,676
Citrus Groves, Including Irrigation System	7,834,438	1,364,102	196,362		9,002,178
Equipment	2,924,537	866,991	461,927		3,329,601
Breeding Herd	7,120,195	855,410	415,659		7,559,946
Sugarcane-Land Preparation, Etc.	2,521,318	714,115	483,152		2,752,281
Sod-Land Preparation, Etc.	129,539	46,514	1,852		174,201
Farm Land Preparation	3,426	4,725			8,151
	$22,403,837	$4,177,199	$1,627,950	$0	$24,953,086

</TABLE>

<TABLE>
<CAPTION>

ALICO, INC.

SCHEDULE VI

Reserves for Depreciation, Depletion and Amortization of Property, Plant and Equipment

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Description	Balance Beginning of Period	Additions Charged to Profit & Loss or Income	Retirements	Other Changes Add (Deduct) Describe	Balance at Close of Period
For the Year Ended August 31, 1994					
<S>	<C>	<C>	<C>	<C>	<C>
Forest Improvements	$ 2,792	$	$		$ 2,792
Pasture Improvements	0				0
Buildings	995,148	130,828	151,180		974,796
Feeding and Watering Facilities for Cattle Herd	16,394	2,640			19,034
Water Control Facilities	534,310	173,200			707,510
Fences	120,349	16,185	15,288		121,246
Cattle Pens	78,189	10,977	44,160		45,006
Citrus Groves, Including Irrigation Systems	6,671,252	1,196,377	33,191		7,834,438
Equipment	2,674,991	778,631	529,085		2,924,537
Breeding Herd	6,866,391	699,540	445,736		7,120,195
Sugarcane-Land Preparation, Etc.	2,269,475	754,651	502,808		2,521,318
Sod-Land Preparation, Etc.	83,420	46,402	283		129,539

Farm Land Preparation	996	2,430			3,426
	$20,313,707	$3,811,861	$1,721,731	$0	$22,403,837

</TABLE>

<TABLE>

<CAPTION>

ALICO, INC.

SCHEDULE IX

SUPPLEMENTARY INCOME STATEMENT INFORMATION

COLUMN A	COLUMN B		
	Charged to Costs and Expenses		
	Years Ended August 31,		
Item	1996	1995	1994
<S>	<C>	<C>	<C>
1. Maintenance and repairs	$ 858,253	$ 948,602	$ 916,433
2. Taxes, other than payroll and income taxes	1,476,159	1,539,544	1,794,973

</TABLE>

EXHIBIT 11

ALICO, INC.

Computation of Weighted Average Shares Outstanding as of August 31, 1996:

Number of shares outstanding at August 31, 1995	7,027,827
Number of shares outstanding at August 31, 1996	7,027,827
Weighted Average 9/1/95 - 8/31/96	7,027,827

EXHIBIT 12

ALICO, INC.

Computation of Ratios:

1995	Current Assets	$31,735,862
	Current Liabilities	5,656,454

31,735,862 divided by 5,656,454 = 5.61:1

1996	Current Assets	$34,876,632
	Current Liabilities	5,114,866

34,876,632 divided by 5,114,866 = 6.82:1

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALICO, INC.
(Registrant)

November 1, 1996 Date	Ben Hill Griffin, III President, Chief Executive Officer and Director (Signature)
November 1, 1996 Date	W. Bernard Lester Executive Vice President, Chief Operating Officer and Director (Signature)
November 1, 1996 Date	L. Craig Simmons Vice President and Chief Financial Officer (Signature)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

J. C. Barrow, Jr. Director (Signature)	K. E. Hartsaw Director (Signature)
Walker E. Blount, Jr. Director (Signature)	Lloyd G. Hendry Director (Signature)
Ben Hill Griffin, IV Director (Signature)	Thomas E. Oakley Director (Signature)
	John C. Updike Director (Signature)

November 1, 1996
Date

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND STATEMENT OF STOCKHOLDERS' EQUITY OF ALICO, INC. AND SUBSIDIARY AS OF AUGUST 31, 1996 AND THE RELATED STATEMENTS OF OPERATIONS AND CASH FLOWS FOR THE YEAR THEN ENDED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>

<S>	<C>	<C>	<C>
<PERIOD-TYPE>	YEAR	YEAR	YEAR
<FISCAL-YEAR-END>	AUG-31-1996	AUG-31-1995	AUG-31-1994
<PERIOD-START>	SEP-01-1995	SEP-01-1994	SEP-01-1993
<PERIOD-END>	AUG-31-1996	AUG-31-1995	AUG-31-1994
<CASH>	1428059	1148733	967196
<SECURITIES>	9626025	9410936	8693865
<RECEIVABLES>	10413269	8017596	7808063
<ALLOWANCES>	0	0	0
<INVENTORY>	13284527	13057136	10681350
<CURRENT-ASSETS>	34876632	31735862	28341017
<PP&E>	97029453	91703367	85507357
<DEPRECIATION>	(27728927)	(24953086)	(22403837)
<TOTAL-ASSETS>	114503573	109007179	102184698
<CURRENT-LIABILITIES>	5114866	5656454	5660148
<BONDS>	0	0	0
<COMMON>	7027827	7027827	7027827
<PREFERRED-MANDATORY>	0	0	0
<PREFERRED>	0	0	0
<OTHER-SE>	70354827	68378429	60929277
<TOTAL-LIABILITY-AND-EQUITY>	114503573	109007179	102184698
<SALES>	35055712	38572798	37455955
<TOTAL-REVENUES>	36088836	39570983	38502153
<CGS>	25452728	21415130	22484252
<TOTAL-COSTS>	25452728	21415130	22484252
<OTHER-EXPENSES>	2826422	2514573	3639768
<LOSS-PROVISION>	0	0	0
<INTEREST-EXPENSE>	990082	1175599	674803
<INCOME-PRETAX>	6819604	14465681	11703330
<INCOME-TAX>	2380414	5524311	3975486
<INCOME-CONTINUING>	4439190	8941370	7727844
<DISCONTINUED>	0	0	0
<EXTRAORDINARY>	0	0	0
<CHANGES>	0	0	0
<NET-INCOME>	4439190	8941370	7727844
<EPS-PRIMARY>	.63	1.27	1.10
<EPS-DILUTED>	.63	1.27	1.10

</TABLE>