

TEJON RANCH COMPANY

2008 *Annual Report*



OUR VISION FOR THE FUTURE

Tejon Ranch Company

is a diversified real estate development and agribusiness company committed to responsibly using its land and resources to meet the housing, employment and lifestyle needs of Californians and to create value for its shareholders.

The Company's Vision is guided by the Ranch's historic core values of conservation and good stewardship.

*Robert A. Stine, President & CEO,
with California Governor Arnold
Schwarzenegger*



TO OUR VALUED SHAREHOLDERS

IT IS THE FIRST THING you come to when you open the pages of our Annual Report. It is prominently displayed in our lobby and in numerous locations throughout our office. As I sit here at my desk today, all I have to do is glance over to the wall on my right to be reminded of its words:

Tejon Ranch Company is a diversified real estate development and agribusiness company committed to responsibly using its land and resources to meet the housing, employment and lifestyle needs of Californians and to create value for its shareholders. The Company's Vision is guided by the Ranch's historic core values of conservation and good stewardship.

-MISSION STATEMENT OF TEJON RANCH CO.

Tejon Ranch Company's Mission Statement is more than just words found in an annual report or on a plaque on the wall. It's what guides us and gives us purpose and direction. In a very real sense, our mission statement contains our marching orders and our code of conduct.

But are the goals set forth in our mission statement truly attainable? For at first glance, some elements of our mission statement appear to be in conflict. How can we use our land to create homes and economic opportunity for Californians and protect the environment at the same time? Can we create value for our shareholders while adhering to our core values of conservation and good stewardship? Is it truly possible to "Provide for California's Future" and "Preserve California's Legacy" at the same time? I believe the answer is a resounding yes! We can accomplish every goal our mission statement outlines while being the Company described in our Vision. Conservation value and shareholder value are not mutually exclusive; they are inclusive. It's this conviction that motivated us to spend nearly two years in negotiations with the country's most respected and influential environmental organizations, negotiations that led to the historic Tejon Ranch Conservation and Land Use Agreement we announced last year.

*Original oil painting of late
Fall on Winters Ridge*

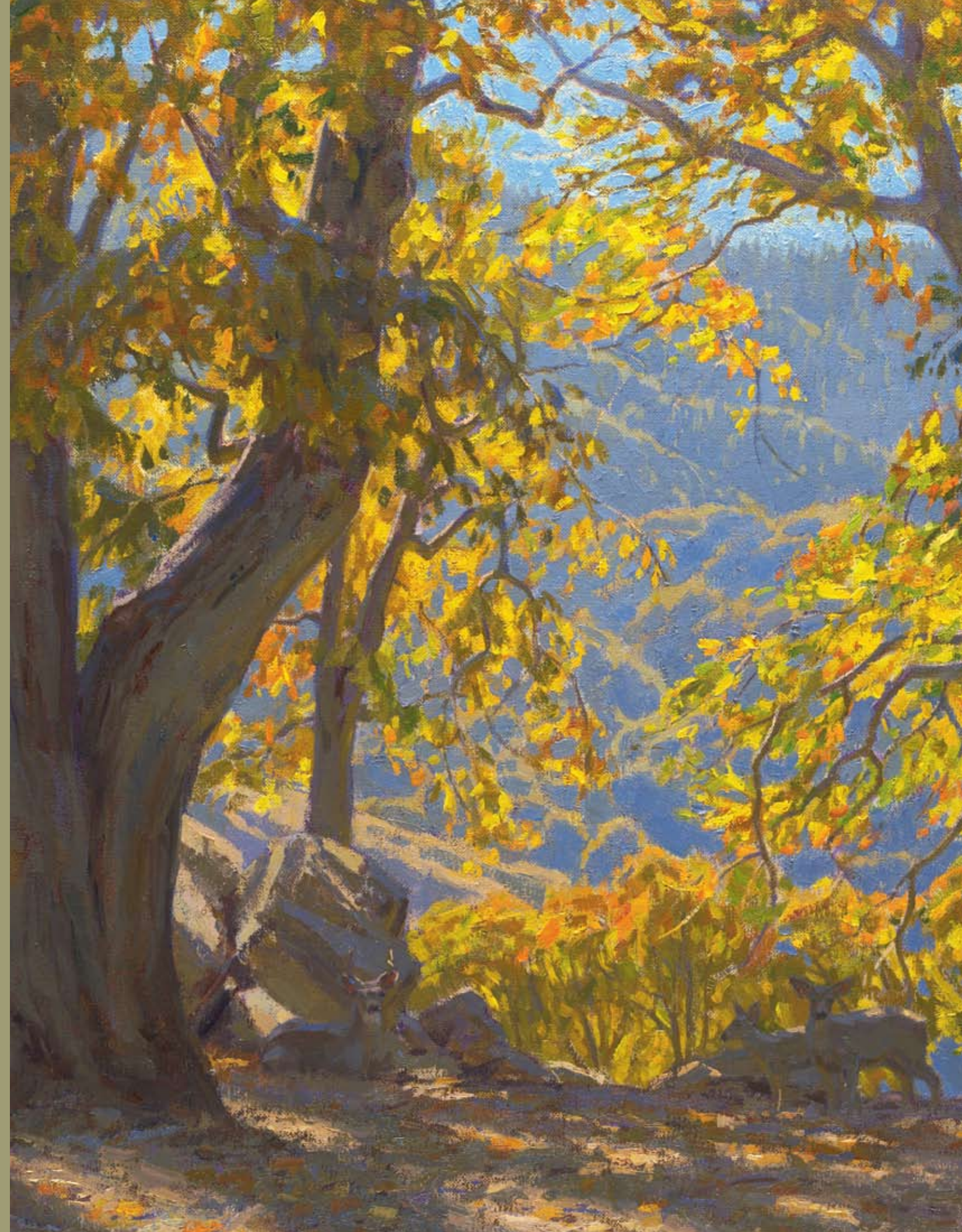
The Agreement with Audubon California, Endangered Habitats League, Natural Resources Defense Council, Planning and Conservation League and the Sierra Club, will result in the permanent conservation of a significant portion of our landholdings while guaranteeing that the signatory environmental organizations will not oppose our development plans.

While the full Agreement has been filed with the Securities and Exchange Commission and is available for every shareholder to read, let me take some time to provide you with some background on the Agreement, summarize its key provisions, and explain why I agree with Michael H. Winer, Portfolio Manager for Third Avenue Management LLC, the Company's largest shareholder, and member of the Tejon Ranch Co. Board of Directors, who said: "Without a doubt, this agreement is good for the Company and its shareholders as it's the key to unlocking the value of Tejon Ranch. By removing the potential obstacles that have plagued similar development efforts in California, we'll be able to move ahead with the entitlement processes on our current development projects in a much more timely fashion."

Additionally, I believe the Agreement is not only critical to unlocking and enhancing the value of our land, both its preservation and economic value; it will also be instrumental in enhancing the value of the Company itself.

AGREEMENT BACKGROUND

FOR OVER TEN YEARS, we have been focusing on three master planned communities on the western-most portions of the Ranch. The first, which is entitled and currently being developed, is Tejon Industrial Complex (TIC), a 1,450-acre commercial/industrial business park community spanning both sides of Interstate 5 near the junction with California Highway 99. Moving south, Tejon Mountain Village (TMV) is a resort-oriented community located in the heart of the Ranch's high-country, but easily accessible from Interstate 5. The total planning area for TMV is approximately 26,400 acres, of which more than 21,000 – in excess of 80 percent – will remain as undisturbed open space. The specific plan filed with the County of Kern calls for up to 3,450 dwelling units along with complementary





Tejon Ranch Co. President & CEO Robert A. Stine presents framed photo of Tejon Ranch wildflowers to Gov. Arnold Schwarzenegger.



A large crowd gathered for the May 8, 2008 announcement of the Tejon Ranch Conservation and Land Use Agreement.



lodging, recreational and commercial facilities and other resort amenities. Our third master planned community, Centennial, is a 12,000-acre sustainable new town located in Los Angeles County, at the confluence of Interstate 5 and Highway 138 in the Antelope Valley. As designed, Centennial will encompass 23,000 housing units; commercial, industrial and retail space, and a wide array of community amenities. Each of our residential and resort communities will be built in phases, with development expected to take place over a 20 to 30 year time frame. We've also identified approximately 16,000 acres at the base of the Grapevine where development could one day occur, but we haven't developed any specific plans beyond TIC, TMV and Centennial.

FEW WOULD ARGUE that obtaining the right to develop in California is amongst the most challenging anywhere. Successful development of Centennial and TMV will require completion of several public agency environmental review and approval processes, including local approval from the respective County Boards of Supervisors, and additional discretionary permits and approvals from regional, state and/or federal agencies with jurisdiction over the natural resource concerns such as protected species and water quality. Most of the permits or authorizations issued by these agencies, as well as the initial local approval, are subject to public comment processes and third-party administrative appeal and/or litigation risks.

As noted above, the process for gaining development entitlements in California is complex, time-consuming and expensive. Additionally, as the largest contiguous private landholding under single ownership in California, development on Tejon Ranch has been a very controversial issue for many prominent, influential local, state and national environmental organizations. For many years, a number of these groups have actively opposed the Ranch's development plans. You'll recall that TIC received its final approvals in 2007, but only after several years of litigation with various environmental groups. We've always believed that obtaining development entitlements for Centennial and Tejon Mountain Village would be more controversial than TIC, especially considering that TIC is located in an area of the Ranch that is less environmentally sensitive.

We've always understood opposition by a coalition of well-funded groups would be a very formidable obstacle, resulting in the potential for multiple lawsuits and extended political campaigns aimed at blocking the required agency approvals. While confident that we would eventually prevail, as we did with TIC, the cost in terms of the delay in the development of these communities would be very significant.

At the same time, many environmental groups recognized that opposing development on Tejon Ranch project-by-project was also fraught with uncertainty and most likely would not result in the large-scale conservation of the Ranch that they were seeking. So, approximately two years ago, we began negotiating with prominent environmental groups to devise a Ranch-wide agreement to allow for development of certain portions of the Ranch while providing assurances that a large portion of the Ranch would be preserved in open space.

AGREEMENT'S KEY PROVISIONS

MAY 8, 2008 was a historic day at Tejon Ranch. Joined by California Governor Arnold Schwarzenegger and a host of key state regulatory officials, Tejon Ranch Company, Audubon California, Endangered Habitats League, National Resources Defense Council, Planning and Conservation League and Sierra Club jointly unveiled the Tejon Ranch Conservation and Land Use Agreement, an agreement which allows for both the right to develop and the assurances of long term land preservation.

The Agreement provides that these signatory environmental organizations will not oppose any of the required local, state and/or federal approvals and permits required to develop Centennial, Tejon Mountain Village, TIC or any future development project at the base of the Grapevine. On our part, Tejon Ranch Company has committed to a phased land conservation program over the next several decades. Through a combination of conservation easements dedicated as we receive development approvals, and designated project open space areas, we will permanently protect approximately 178,000 acres of very important environmentally sensitive open space. During the first three years of the Agreement, the environmental organizations will have options to acquire conservation easements covering five

*Original oil painting of foothills
rising from the floor of the San
Joaquin Valley*





*Gov. Schwarzenegger and
Tejon Ranch President & CEO,
Robert A. Stine*

additional parcels of land comprising approximately 62,000 acres. The price for each parcel will be determined by a state appraisal process. If the environmental organizations exercise all five options, combined with the 178,000 acres permanently set aside, a total of 240,000 acres of Tejon Ranch would be permanently conserved. If the groups are unable to exercise the options, we will retain the parcels for future development. However, those future developments would be subject to the entitlement process in place at the time of project initiation and the environmental organizations would not be prohibited from opposing them.

UNDER THE AGREEMENT, we will also be able to continue with our historic revenue-producing activities on the conserved lands in accordance with a management plan jointly developed with the Tejon Ranch Conservancy described below. Cattle grazing, game management and filming will continue to be permitted uses throughout the Ranch and oil and gas extraction, farming and sand and gravel mining will be permitted within existing areas and defined expansion areas.

The Agreement also establishes the independent Tejon Ranch Conservancy. Guided by a board of directors, a third of whom represent Tejon Ranch, a third the environmental organizations, with the final third being independent directors jointly appointed, the Conservancy's mission is to preserve, enhance and restore the conservation lands. The Conservancy will also establish and manage a public access program. We are advancing the initial funding for the Conservancy until sales generated from Centennial and TMV are sufficient to cover ongoing costs. Perpetual funding for the Conservancy and reimbursement of our advances will come from a conservation fee equal to 0.25% of the sales price of certain residential sales and resales.

UNLOCKING VALUE **BEFORE EXPLAINING WHY** we believe the Agreement is the key to unlocking the value of Tejon Ranch, I'd like to take a little time explaining why Tejon Ranch – and specifically the area we plan to develop - is so valuable to begin with.



*Robert A. Stine, President & CEO,
announcing the agreement Tejon
Ranch Co. had reached with five
major environmental organizations*



Land, of course, has intrinsic value, especially in California where a myriad of regulations, restrictions and a penchant for litigation make it extremely difficult to transform raw land into entitled land. Land, like Tejon Ranch, located in the path of growth, in close proximity to a major metropolitan area, is even more valuable.

Beyond its location, the physical characteristics of the Ranch add to its worth. There are few places in California more striking and beautiful than Tejon Ranch. The Ranch is 422 square miles of mountain peaks, fertile valleys, deep canyons and golden hillsides covered with oaks. It's a magnificent natural landscape where we believe families will desire to make their home as they share in our legacy of stewardship. To help you experience the beauty of the Ranch, inside the back cover we've enclosed a DVD that includes much of Tejon's spectacular scenery. It also explains our vision for how we plan to stay true to our mission statement to build shareholder value while still preserving the conservation value of Tejon Ranch.

IN 2009, we will reach an important milestone in our entitlement efforts for Centennial and Tejon Mountain Village, with the expected release of Environmental Impact Reports and the commencement of County level public hearings. The agreement by major environmental organizations not to oppose these master planned communities removes a potential impediment to the achievement of our objectives. Unfortunately, there's no guarantee an environmental group, not a party to the Agreement, won't provide some opposition. But such opposition would not be in the best interests of long term conservation. Much of the 178,000 acres of conservation land called for in the Agreement will be dedicated in phases as entitlement approvals are received. If there's a delay in receiving entitlements and the permits we need to start building, the dedication of significant portions of the conservation land would also be delayed. Also, the major funding mechanism for the Tejon Ranch Conservancy and its conservation work will be fees derived from the sale and resale of certain residential properties in Centennial and TMV. This ensures that on-going conservation will benefit from vibrant, successful and growing master planned communities.

Original oil painting of springtime
view from Martinez Ridge



*Original oil painting of
Beartrap Canyon*

ENHANCING VALUE **THE TEJON RANCH CONSERVATION AND LAND USE AGREEMENT** not only is the key to unlocking the value of Tejon Ranch, we believe it will also be instrumental in raising the value of the land we plan to develop and enhancing the overall value of the Company. Home buyers place a premium on land connected to significant open space areas. They know that being surrounded by land which won't be developed and will be maintained in its natural state, with limited access by others, only serves to make their property more valuable.

The Agreement also provides us with an opportunity to monetize, in the near term, potential long-term value associated with the possible purchase of conservation easements related to the five future planning areas. We believe bringing forward this value will enhance the overall value of the Company.

The Agreement is further evidence of Tejon Ranch's brand as a conservation minded company. We've taken many steps to care for our land for more than 150 years and this Agreement demonstrates that our core values of conservation and good stewardship will continue to guide our future. These values apply to not only what and how we conserve, but also to what and how we build. Our future communities have been planned with leading edge sustainable design features and will employ stringent green building standards.

SPEAKING OF OUR BRAND, we continue our efforts to expand our brand identity and attributes in ways to realize both the development and non-development potential of the Tejon Ranch brand. We want the Tejon Ranch brand to be known for a commitment to quality, a connection to California's legacy, a land stewardship ethic and having a vision for the future. Preserving and enhancing our brand will greatly support our marketing efforts for Centennial and Tejon Mountain Village.

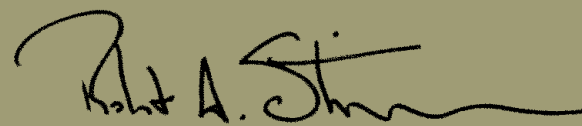
It goes without saying that 2008 was an extraordinarily difficult year for our economy and for real estate in particular. But we are firmly convinced that our industry will turn around as it always has in the past. Whenever that happens, we want to be prepared with fully



entitled, permitted and planned communities. The Tejon Ranch Conservation and Land Use Agreement is critical to our ability to be prepared. By maximizing conservation and minimizing the prospects of extended litigation over our development plans, it puts your Company in a position to accomplish all the goals set forth in our mission statement, especially the goal of building shareholder value.

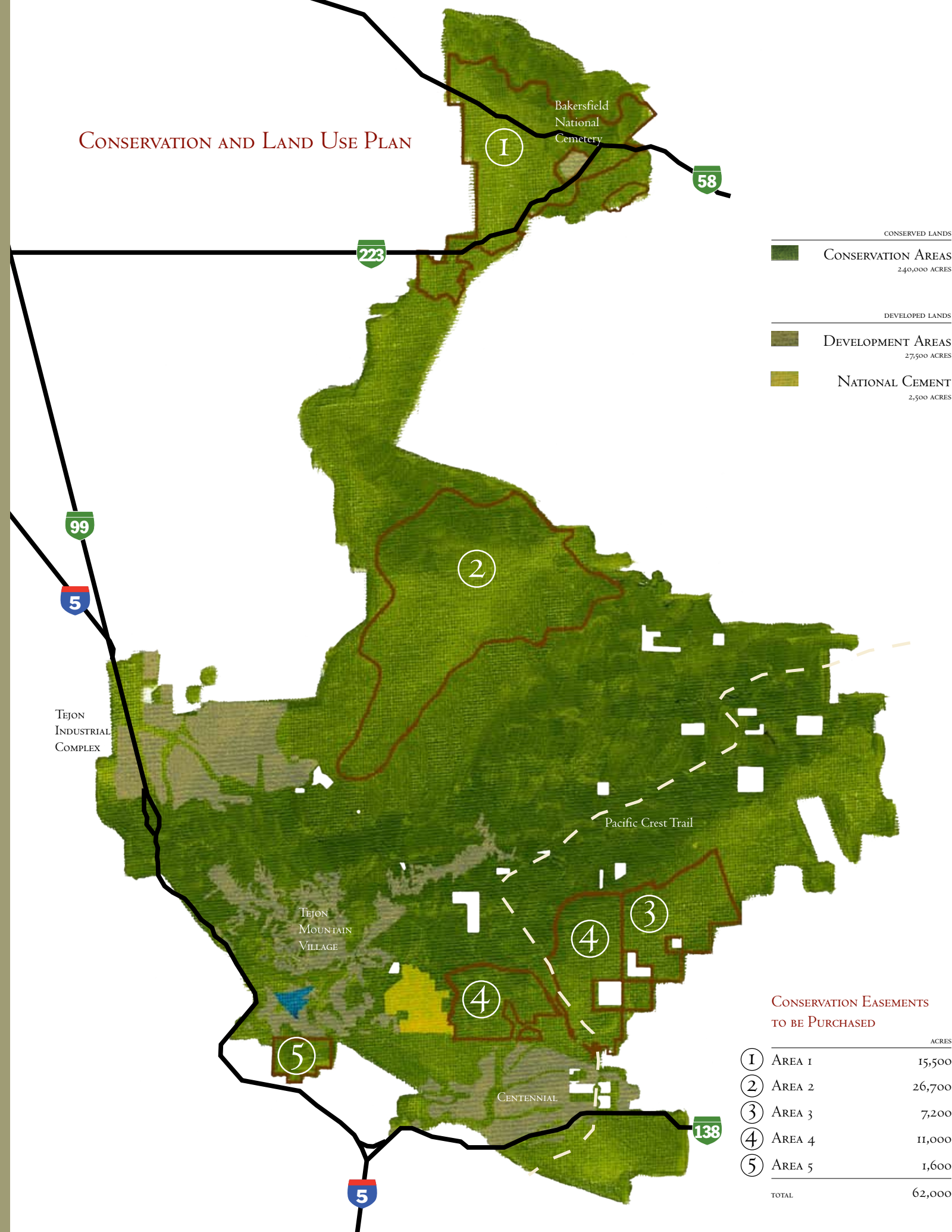
WHEN YOU THINK of things considered by our culture to be valuable, the diamond is often at the top of the list. But what is a diamond and what makes it valuable? A diamond is simply a piece of carbon that has been exposed to extreme pressure for a long period of time. It's a process that only occurs in certain places on the planet. But even at this point, while rare, the diamond hasn't realized its true worth. Only when it's purposefully cut and shaped does a diamond achieve its maximum value. In many ways, Tejon Ranch is much like a diamond in raw form. There are few landscapes like it in the world and it certainly has been exposed to great pressure. But like the diamond, its greatest value will be realized when it has been planned, shaped and cut.

That's been our mission for more than a decade as we endeavor to responsibly use this remarkable expanse of land and great brand to create the greatest long term value for our shareholders, for our communities and for the people of the State of California. Thank you for your patience and trust as we polish this gem known as Tejon Ranch.



ROBERT A. STINE
President and Chief Executive Officer

CONSERVATION AND LAND USE PLAN



CONSOLIDATED BALANCE SHEETS

(\$ in thousands)	DECEMBER 31	
	2008	2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,032	\$ 9,454
Marketable securities	52,007	67,559
Accounts receivable	8,281	9,352
Inventories	2,007	2,258
Prepaid expenses and other current assets	4,525	3,996
Deferred tax assets	1,138	548
Total current assets	<u>70,990</u>	<u>93,167</u>
Property and equipment, net	65,255	50,357
Investments in unconsolidated joint ventures	32,333	24,464
Long-term water assets	13,345	2,121
Long-term deferred tax assets	4,235	4,515
Other assets	914	879
Total assets	<u>\$ 187,072</u>	<u>\$ 175,503</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 2,824	\$ 1,511
Other accrued liabilities	659	656
Deferred income	760	572
Income taxes payable	-	1,359
Short-term line of credit	2,750	-
Current portion of long-term debt	30	28
Total current liabilities	<u>7,023</u>	<u>4,126</u>
Long-term debt, less current portion	358	389
Long-term deferred gains	1,688	1,688
Other liabilities	3,174	2,954
Pension liability	1,523	1,292
Commitments and contingencies		
Stockholders' equity		
Common stock, \$.50 par value per share:		
Authorized shares - 30,000,000		
Issued and outstanding shares - 16,986,770 in 2008 and 16,899,982 in 2007	8,493	8,450
Additional paid-in capital	123,193	118,370
Accumulated other comprehensive loss	(2,797)	(2,071)
Retained earnings	<u>44,417</u>	<u>40,305</u>
Total stockholders' equity	<u>173,306</u>	<u>165,054</u>
Total liabilities and stockholders' equity	<u>\$ 187,072</u>	<u>\$ 175,503</u>

CONSOLIDATED STATEMENTS OF OPERATIONS

(\$ in thousands, except per share amounts)	YEAR ENDED DECEMBER 31		
	2008	2007	2006
REVENUES			
Real estate - commercial/industrial	\$ 27,234	\$ 16,940	\$ 16,010
Farming	12,887	15,404	12,412
Total revenues	<u>40,121</u>	<u>32,344</u>	<u>28,422</u>
Costs and expenses:			
Real estate - commercial/industrial	13,846	12,427	11,231
Real estate - resort/residential	4,563	3,512	3,408
Farming	11,692	10,432	9,324
Corporate expenses	8,539	8,547	13,173
Total expenses	<u>38,640</u>	<u>34,918</u>	<u>37,136</u>
Operating income (loss)	1,481	(2,574)	(8,714)
OTHER INCOME (EXPENSE)			
Investment income	2,169	3,509	2,975
Other	349	55	119
Interest expense	(70)	(70)	(70)
Total other income	<u>2,448</u>	<u>3,494</u>	<u>3,024</u>
Income (loss) from operations before equity in earnings of unconsolidated joint ventures	3,929	920	(5,690)
Equity in earnings of unconsolidated joint ventures, net	<u>2,227</u>	<u>10,580</u>	<u>1,247</u>
Income (loss) from operations before income tax provision (benefit)	6,156	11,500	(4,443)
Income tax provision (benefit)	<u>2,044</u>	<u>4,167</u>	<u>(1,714)</u>
Net income (loss)	<u>\$ 4,112</u>	<u>\$ 7,333</u>	<u>\$ (2,729)</u>
Net income (loss) per share, basic	<u>\$ 0.24</u>	<u>\$ 0.43</u>	<u>\$ (0.16)</u>
Net income (loss) per share, diluted	<u>\$ 0.23</u>	<u>\$ 0.42</u>	<u>\$ (0.16)</u>

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

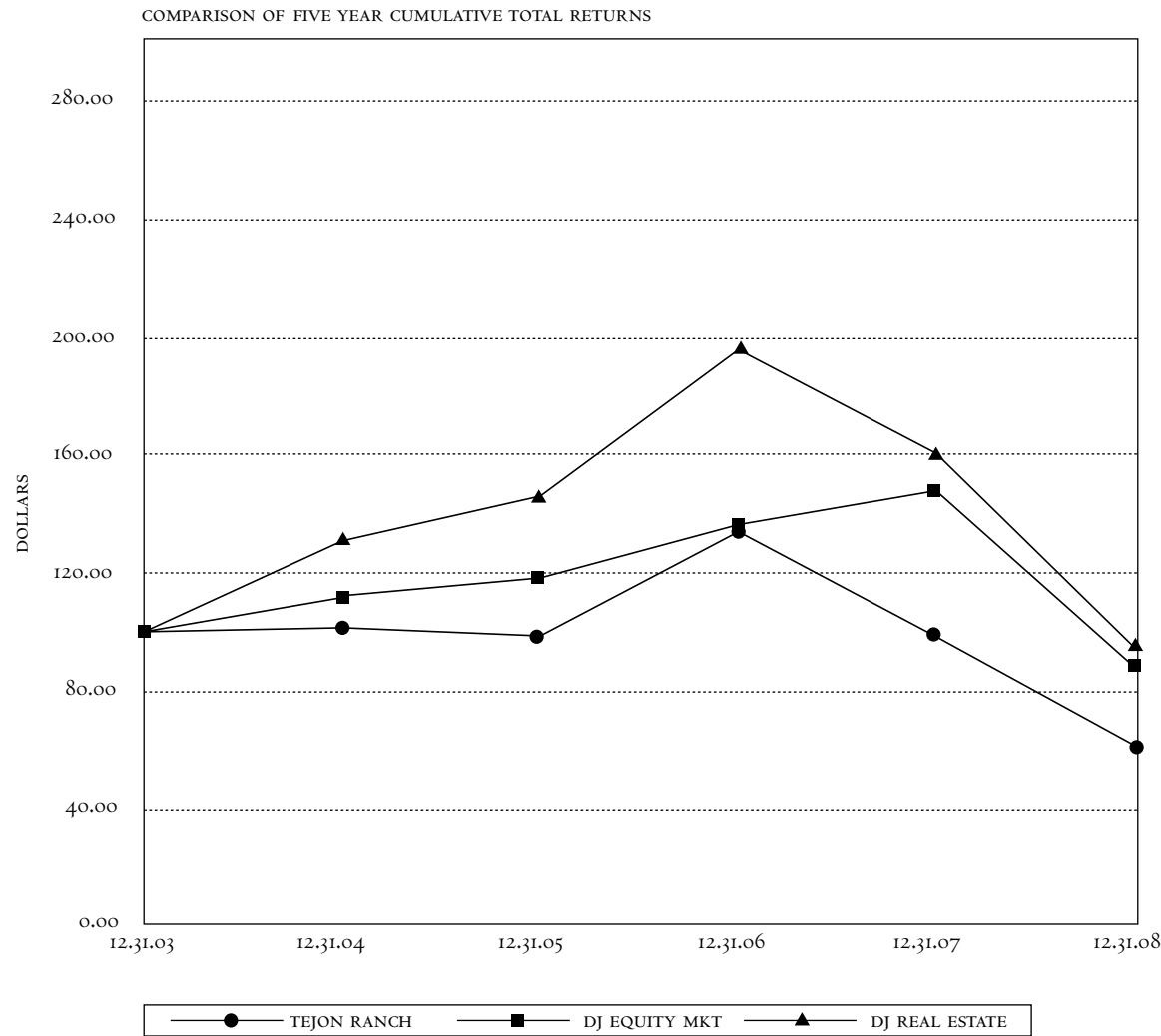
(\$ in thousands, except share information)	YEAR ENDED DECEMBER 31					
	COMMON STOCK SHARES OUTSTANDING	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED OTHER COMPREHENSIVE LOSS	RETAINED EARNINGS	TOTAL
Balance, December 31, 2005	16,507,512	\$ 8,254	\$ 97,841	\$ (2,965)	\$ 35,701	\$ 138,831
Net income	-	-	-	-	(2,729)	(2,729)
Changes in unrealized losses on available-for-sale securities, net of taxes of \$104	-	-	-	139	-	139
Adjustment to initially apply FASB 158, net of taxes of \$33	-	-	-	43	-	43
SERP liability adjustment, net of taxes of \$84	-	-	-	(111)	-	(111)
Equity in other comprehensive income of unconsolidated joint venture, net of taxes of \$5	-	-	-	6	-	6
Comprehensive loss						(2,652)
Exercise of stock options and related tax benefit of \$1,329	171,017	85	5,380	-	-	5,465
Restricted stock issuance	22,277	12	542	-	-	554
Stock compensation	70,507	35	6,597	-	-	6,632
Charitable contribution of stock	4,736	2	198	-	-	200
Balance, December 31, 2006	16,776,049	8,388	110,558	(2,888)	32,972	149,030
Net income	-	-	-	-	7,333	7,333
Changes in unrealized losses on available-for-sale securities, net of taxes of \$457	-	-	-	692	-	692
Benefit plan adjustments, net of taxes of \$44	-	-	-	67	-	67
SERP liability adjustment, net of taxes of \$79	-	-	-	120	-	120
Equity in other comprehensive income of unconsolidated joint venture, net of taxes of \$41	-	-	-	(62)	-	(62)
Comprehensive income						8,150
Exercise of stock options and related tax benefit of \$343	101,539	51	2,436	-	-	2,487
Restricted stock issuance	22,394	11	(11)	-	-	-
Stock compensation	-	-	5,387	-	-	5,387
Balance, December 31, 2007	16,899,982	8,450	118,370	(2,071)	40,305	165,054
Net income	-	-	-	-	4,112	4,112
Changes in unrealized losses on available-for-sale securities, net of taxes of \$506	-	-	-	(765)	-	(765)
Benefit plan adjustments, net of taxes of \$77	-	-	-	(154)	-	(154)
SERP liability adjustment, net of taxes of \$109	-	-	-	165	-	165
Equity in other comprehensive income of unconsolidated joint venture, net of taxes of \$37	-	-	-	28	-	28
Comprehensive income						3,386
Exercise of stock options and related tax benefit of \$227	56,064	28	1,425	-	-	1,453
Restricted stock issuance	30,724	15	(15)	-	-	-
Stock compensation	-	-	3,413	-	-	3,413
Balance, December 31, 2008	16,986,770	\$ 8,493	\$ 123,193	\$ (2,797)	\$ 44,417	\$ 173,306

CONSOLIDATED STATEMENTS OF CASH FLOWS

(\$ in thousands)	YEAR ENDED DECEMBER 31		
	2008	2007	2006
OPERATING ACTIVITIES			
Net income (loss)	\$ 4,112	\$ 7,333	\$ (2,729)
Items not affecting cash:			
Depreciation and amortization	2,885	2,410	2,176
Deferred income taxes	(314)	(976)	(1,677)
Gain from sale of real estate	(6,219)	(712)	(804)
Non-cash straight line rent income	(151)	(562)	(735)
Non-cash expense of retirement plans	791	586	974
(Gain) loss on sales of assets/investments	225	25	(29)
Fair market value adjustments	304	-	-
Equity in (earnings) losses of unconsolidated joint ventures, net	(2,227)	(10,580)	(1,247)
Non-cash issuances of stock and stock compensation expense	3,413	5,387	7,186
Excess tax benefit from stock-based compensation	(227)	(343)	(1,329)
Charitable contribution of stock	-	-	200
Distribution of earnings from joint ventures	-	8,016	1,200
Changes in certain current assets and current liabilities:			
Accounts receivable	1,071	(1,802)	895
Inventories	215	300	(495)
Prepaid expenses and deferred taxes	91	(338)	(193)
Trade accounts payable and other accrued liabilities	1,290	(44)	(115)
Deferred income	188	(25)	(12)
Income taxes payable	(1,134)	1,359	(1,076)
Net cash provided by operating activities	4,313	10,034	2,190
INVESTING ACTIVITIES			
Maturities of marketable securities	42,438	28,697	14,910
Funds invested in marketable securities	(28,904)	(21,944)	(26,378)
Reimbursement proceeds from community facilities district	-	2,981	3,524
Proceeds from sale of real estate	7,376	-	2,667
Distribution of equity from joint ventures	55	1,182	14,735
Property and equipment disposals	36	33	41
Property and equipment expenditures	(20,402)	(9,887)	(11,789)
Investments in long-term water assets	(11,376)	(2,121)	-
Investment in unconsolidated joint ventures	(3,828)	(6,455)	(126)
Other	(304)	(188)	(664)
Net cash used in investing activities	(14,909)	(7,702)	(3,080)
FINANCING ACTIVITIES			
Payments on short-term debt	(5,000)	-	(5,400)
Borrowing of short-term debt	7,750	-	5,400
Repayment of long-term debt	(29)	(27)	(27)
Excess tax benefit from stock-based compensation	227	343	1,329
Exercise of stock options	1,226	2,144	4,136
Net cash provided by financing activities	4,174	2,460	5,438
Increase (decrease) in cash and cash equivalents	(6,422)	4,792	4,548
Cash and cash equivalents at beginning of year	9,454	4,662	114
Cash and cash equivalents at end of year	\$ 3,032	\$ 9,454	\$ 4,662
SUPPLEMENTAL CASH FLOW INFORMATION			
Interest paid (net of amounts capitalized)	\$ 70	\$ 70	\$ 70
Taxes paid (net of refunds)	\$ 3,430	\$ 2,813	\$ 1,039

PERFORMANCE GRAPH

The following graph is a comparison of cumulative total shareholder returns for the Company, the Dow Jones Equity Market Index, and the Dow Jones Real Estate Index for the period shown.



- Assumes \$100 invested on December 31, 2003
- Total return assumes reinvestment of dividends
- Fiscal year ending December 31

	2004	2005	2006	2007	2008
TEJON RANCH	-0.51%	-2.16%	39.88%	-26.84%	-39.44%
DJ EQUITY MKT	12.01%	6.32%	15.57%	6.01%	-37.16%
DJ REAL ESTATE	31.22%	9.64%	35.50%	-18.15%	-40.07%

The stock price performance depicted in the above graph is not necessarily indicative of future price performance. The Performance Graph will not be deemed to be incorporated by reference in any filing by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, except where the Company specifically incorporates the Performance Graph by reference.

The Dow Jones Real Estate Index, for the most part, includes companies which have revenues substantially greater than those of the Company. The Company is unaware of any industry or line-of-business index that is more nearly comparable.

DIRECTORS AND EXECUTIVE OFFICERS

BOARD OF DIRECTORS

- Kent G. Snyder**
Chairman of the Board,
Tejon Ranch Company;
Real Estate Attorney
- John L. Goolsby**
Private Investments and Real Estate
- Barbara Grimm-Marshall**
Co-owner
Grimmway Farms
- Norman Metcalfe**
Real Estate and Investments
- George G.C. Parker**
Dean Witter Distinguished
Professor of Finance,
Stanford Business School

- Robert C. Ruocco**
Principal, Carl Marks
Management Company, L.P.,
Investment Management
- Geoffrey L. Stack**
Managing Director,
SARES-REGIS Group,
Real Estate Development
and Management
- Robert A. Stine**
President and Chief Executive Officer,
Tejon Ranch Company
- Michael H. Winer**
Portfolio Manager, Third Avenue
Management LLC,
Investment Management

EXECUTIVE OFFICERS

- Robert A. Stine**
President and Chief Executive Officer
- Dennis J. Atkinson**
Senior Vice President – Agriculture
- Teri A. Bjorn**
Vice President, General Counsel
and Secretary
- Joseph E. Drew**
Senior Vice President – Real Estate
- Allen E. Lyda**
Senior Vice President, Chief Financial
Officer and Assistant Secretary
- Kathleen J. Perkinson**
Senior Vice President,
Natural Resources and Stewardship

COMMON STOCK INFORMATION

QUARTER	2008		2007	
	HIGH	LOW	HIGH	LOW
First	\$ 39.72	\$ 33.71	\$ 56.95	\$ 45.37
Second	43.87	36.06	50.89	44.19
Third	38.00	30.11	47.72	37.70
Fourth	36.58	20.83	44.51	35.80

As of February 26, 2009, there were 426 owners of record of our Common Stock.

CORPORATE DIRECTORY

CORPORATE OFFICE

Tejon Ranch Company
Post Office Box 1000
4436 Lebec Road
Lebec, California 93243
Telephone: (661) 248-3000

SECURITIES LISTING

Tejon Ranch Company
Common Stock is listed on
the New York Stock Exchange
under the ticker symbol: TRC

STOCK TRANSFER AGENT AND REGISTRAR

Mellon Investor Services LLC
85 Challenger Road
Ridgefield Park, New Jersey 07660

AUDITORS

Ernst & Young LLP

FORM 10-K

A copy of this report and the Company's
Annual Report to the Securities and
Exchange Commission
on Form 10-k, without exhibits, will be
provided without charge to any stockholder
submitting a written request to the
Corporate Secretary:

TEJON RANCH COMPANY

Post Office Box 1000
4436 Lebec Road
Lebec, California 93243

ARTIST CREDIT:

Autumn Overlook BY CHARLES MUENCH (COVER); *Autumn Oaks* BY CHARLES MUENCH;
Tejon Foothills BY DOUGLAS OLIVER; *Spring Bloom – Tejon Ranch* BY CHARLES MUENCH; *Beartrap Morning* BY DOUGLAS OLIVER

DVD INSTRUCTIONS:

Load DVD into a DVD player or the DVD drive on your computer. The disc will not play in computers without a DVD drive.

Once the DVD loads, press "Play" and the DVD will automatically play.

Total running time: 16 minutes

