

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

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For six months ended February 28, 1999.

OR

_____ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

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 of organization)	(I.R.S. Employer Identification No.)
P. O. Box 338, La Belle, FL	33975
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	941/675-2966

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 the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

There were 7,027,827 shares of common stock, par value \$1.00 per share, outstanding at April 13, 1999.

<TABLE>
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ALICO, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(See Accountants' Review Report)

<S>	(Unaudited) Three Months Ended		(Unaudited) Six Months Ended	
	Feb. 28, 1999	Feb. 28, 1998	Feb. 28, 1999	Feb. 28, 1998
Revenue:	<C>	<C>	<C>	<C>
Citrus	\$ 8,535,053	\$ 8,372,605	\$10,121,651	\$12,187,463
Sugarcane	2,221,271	2,796,753	3,414,804	4,496,443
Ranch	1,060,374	1,143,736	3,707,730	4,243,414
Rock products and sand	279,816	263,586	631,990	575,668
Oil lease and land rentals	285,024	104,113	419,473	264,009
Forest products	12,452	37,622	66,700	82,113
Profit on sales of real estate	4,293,376	5,712	4,293,376	633,372
Interest and investment income	240,439	324,505	436,291	620,037
Other	16,392	28,076	27,938	42,675
Total revenue	16,944,197	13,076,708	23,119,953	23,145,194
Cost and expenses:				
Citrus production, harvesting and marketing	6,306,360	6,557,629	7,581,598	10,000,637
Sugarcane production and harvesting	1,705,466	2,240,340	2,581,388	3,715,636
Ranch	1,000,815	1,014,643	3,787,843	3,833,030
Real estate expenses	18,649	110,794	149,761	214,419
Interest	397,677	208,335	806,614	378,330
Other, general and administrative	686,625	670,050	1,375,612	1,258,098
Total costs and				

expenses	10,115,592	10,801,791	16,282,816	19,400,150
Income before income taxes	6,828,605	2,274,917	6,837,137	3,745,044
Provision for income taxes	3,127,489	824,679	3,108,927	1,347,468
Net income	3,701,116	1,450,238	3,728,210	2,397,576
Other comprehensive income, net of tax:				
Unrealized gains on securities	31,620	224,862	565,629	358,265
Comprehensive income	3,732,736	1,675,100	4,293,839	2,755,841

Weighted average number of shares outstanding	7,027,827	7,027,827	7,027,827	7,027,827
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Per share amounts:

Net income	\$.53	\$.21	\$.53	\$.34
Dividends	\$ -	\$ -	\$.50	\$.60

<FN>

See accompanying notes to condensed consolidated financial statements.

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ALICO, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS
(See Accountants' Review Report)

	(Unaudited)	
	February 28, 1999	August 31, 1998
ASSETS		
<S>	<C>	<C>
Current assets:		
Cash and cash investments	\$ 530,700	\$ 908,268
Marketable Securities	13,753,558	12,291,767
Accounts and mortgage notes receivable	9,161,000	11,193,508
Inventories	16,646,791	17,625,923
Other current assets	501,734	334,577
Total current assets	40,593,783	42,354,043
Mortgage notes receivable, non-current	439,234	514,796
Land held for development and sale	9,128,860	8,837,957
Other assets	988,118	965,230
Property, buildings and equipment	110,690,755	107,064,751
Less: Accumulated depreciation	(29,803,315)	(29,182,416)
Total assets	\$132,037,435	\$130,554,361

(Continued)

<S>	(Unaudited)	
	February 28, 1999	August 31, 1998
LIABILITIES	<C>	<C>
Current liabilities:		
Accounts payable	\$ 1,336,372	\$ 1,464,159
Due to profit sharing plan	-	296,368
Accrued ad valorem taxes	344,470	1,329,136
Current portion of notes payable	55,366	28,145
Accrued expenses	525,667	538,897
Income taxes payable	1,286,801	623,128
Deferred income taxes	247,606	1,023,886
Deferred revenue	-	345,763
Total current liabilities	3,796,282	5,649,482
Notes payable	25,038,502	23,210,723
Deferred income taxes	11,872,815	11,723,895
Deferred retirement benefits	582,970	3,320
Total liabilities	41,290,569	40,587,420
STOCKHOLDERS' EQUITY		
Common stock	\$ 7,027,827	\$ 7,027,827
Accumulated other comprehensive income	733,974	168,345
Retained earnings	82,985,065	82,770,769
Total stockholders' equity	90,746,866	89,966,941
Total liabilities and stockholders' equity	\$132,037,435	\$130,554,361

<FN>

See Accompanying notes to condensed consolidated financial statements.

</TABLE>

ALICO, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(See Accountants' Review Report)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Income
	Shares Issued	Amount		
Balances August 31, 1997	7,027,827	\$7,027,827	\$80,211,659	\$913,059
Net income for the year ended August 31, 1997	-	-	6,775,806	-
Other comprehensive income, net of tax	-	-	-	(744,714)
Dividends paid	-	-	(4,216,696)	-
Balances August 31, 1998	7,027,827	7,027,827	82,770,769	168,345
Net income for the six months ended February 28, 1999	-	-	3,728,210	-
Other comprehensive income, net of tax	-	-	-	565,629
Dividends paid	-	-	(3,513,914)	-
Balances February 28, 1999	7,027,827	\$7,027,827	\$82,985,065	\$733,974

See accompanying notes to condensed consolidated financial statement.

<TABLE>
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ALICO, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(See Accountants' Review Report)

(Unaudited)

	Feb. 28, 1999	Feb. 28, 1998
<S>		
Cash flows from operating activities:		
Net income	<C> \$ 3,728,210	<C> \$ 2,397,576
Adjustments to reconcile net income to cash provided from operating activities:		
Depreciation	2,411,785	2,272,562
Net decrease in current assets and liabilities	1,055,830	211,026
Deferred income taxes	(968,626)	(170,710)
Gain on sale of real estate	(4,268,132)	(616,268)
Other	389,952	(603,317)
	2,349,019	3,490,869
Cash flows from investing activities:		
Purchases of property and equipment	(4,998,455)	(2,411,878)
Proceeds from sales of real estate	4,404,902	650,000
Proceeds from sales of other property and equipment	-	250,852
Purchases of marketable securities	(1,986,946)	(2,537,697)
Proceeds from sales of marketable securities	1,428,472	1,788,792
	(1,152,027)	(2,259,931)
Cash flows from financing activities:		
Notes receivable collections	84,354	21,272
Repayment of bank loan	(16,747,000)	(11,225,000)
Proceeds from bank loan	18,602,000	13,625,000
Dividends paid	(3,513,914)	(4,216,696)
	(1,574,560)	(1,795,424)
Net decrease in cash and cash investments	\$ (377,568)	\$ (564,486)
Supplemental disclosures of cash flow information:		
Cash paid for interest, net of amount capitalized	\$ 776,717	\$ 362,251
Cash paid for income taxes, including interest and penalties	\$ 3,403,372	\$ 1,612,600

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

ALICO, INC. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(See Accountants' Review Report)

1. Basis of financial statement presentation:

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

The accompanying unaudited condensed consolidated financial statements have been prepared on a basis consistent with the accounting principles and policies reflected in the Company's annual report for the year ended August 31, 1998. In the opinion of Management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of its consolidated financial position and stockholders' equity at February 28, 1999 and August 31, 1998 and the consolidated results of operations and cash flows for the six months ended February 28, 1999 and 1998.

The basic business of the Company is agriculture which is of a seasonal nature and subject to the influence of natural phenomena and wide price fluctuations. Fluctuation in the market prices for citrus fruit caused the Company to recognize additional revenue from the prior year's crop totaling approximately \$219,000 in 1999 and \$2,536,000 in 1998. The results of operations for the stated periods are not necessarily indicative of results to be expected for the full year.

2. Real estate:

Real estate sales are recorded under the accrual method of accounting. Under this method, a sale is not recognized until payment is received, including interest, aggregating 10% of the contract sales price for residential properties and 20% for commercial properties.

3. Inventories:

A summary of the Company's inventories (in thousands) is shown below:

	February 28, 1999	August 31, 1998
Unharvested fruit crop on trees	\$ 8,007	\$ 7,466
Unharvested sugarcane	1,809	2,358
Beef cattle	6,562	7,535
Sod	269	267
	\$16,647	\$17,626

<TABLE>
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4. Income taxes:

The provision for income taxes for the quarters and six months ended February 28, 1999 and 1998 is summarized as follows:

	Three Months Ended		Six Months Ended	
	Feb. 28, 1999	Feb. 28, 1998	Feb. 28, 1999	Feb. 28, 1998
<S>	<C>	<C>	<C>	<C>
Current:				
Federal income tax	\$1,948,486	\$678,251	\$2,048,939	\$1,220,936
State income tax	172,997	72,413	190,048	166,936
	2,121,483	750,664	2,238,987	1,387,872
Deferred:				
Federal income tax	908,948	66,876	786,008	(36,506)
State income tax	97,058	7,139	83,932	(3,898)
	1,006,006	74,015	869,940	(40,404)
Total provision for income taxes	\$3,127,489	\$824,679	\$3,108,927	\$1,347,468

Following is a reconciliation of the expected income tax expense computed at the U. S. Federal statutory rate of 34% and the actual income tax provision for the quarters and six months ended February 28, 1999 and 1998:

<S>	Three Months Ended		Six Months Ended	
	Feb. 28, 1999	Feb. 28, 1998	Feb. 28, 1999	Feb. 28, 1998
<C>	<C>	<C>	<C>	<C>
Expected income tax	\$2,321,726	\$773,472	\$2,324,627	\$1,273,315
Increase (decrease) resulting from:				
State income taxes, net of federal benefit	247,878	82,579	248,188	135,945
Nontaxable interest and dividends	(22,411)	(25,459)	(46,236)	(50,973)
Interest and penalties net of federal and state benefit	593,878	-	593,878	-
Other reconciling items, net	(13,582)	(5,913)	(11,530)	(10,819)
Total provision for income taxes	\$3,127,489	\$824,679	\$3,108,927	\$1,347,468

The Company is currently under examination by the Internal Revenue Service for the years ended August 31, 1993, 1994, 1995 and 1996. Previously the Company had been under audit for the years ended August 31, 1991 and 1992. A final settlement was reached in February 1999. The resulting income taxes, related to the timing of recognition of certain items previously expensed, totaled \$1,037,803.

5. Indebtedness:

The Company has financing agreements with commercial banks that permit the Company to borrow up to \$34 million. The financing agreements allow the Company to borrow up to \$27,000,000 which is due in 2000 and up to \$7,000,000 which is due on demand. The total amount of long-term debt under these agreements at February 28, 1999 and August 31, 1998 was \$25,038,502 and \$23,210,723, respectively.

Interest cost expensed and capitalized during the six months ended February 28, 1999 and February 28, 1998 was as follows:

	1999	1998
Interest expensed	\$806,614	\$378,330
Interest capitalized	74,190	172,516
Total interest cost	\$880,804	\$550,846

6. Dividends:

On October 6, 1998 the Company declared a year-end dividend of \$.50 per share, which was paid on November 6, 1998.

7. Disclosures about reportable segments:

Alico, Inc. has four reportable segments: citrus, sugarcane, ranching and general corporate. The commodities produced by these segments are sold to wholesalers and processors who prepare the products for consumption. The Company's operations are located in Florida.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Alico, Inc. evaluates performance based on profit or loss from operations before income taxes. Alico, Inc.'s reportable segments are strategic business units that offer different products. They are managed separately because each segment requires different management techniques, knowledge and skills.

The following table presents information for each of the Company's operating segments as of and for the six months ended February 28, 1999:

	Citrus	Sugarcane	Ranch	General Corporate*	Consolidated Total
Revenue	\$10,121,651	3,414,804	3,707,730	5,875,768	23,119,953
Costs and expenses	7,581,598	2,581,388	3,787,843	2,331,987	16,282,816
Depreciation and amortization	1,067,697	493,811	650,463	199,814	2,411,785
Segment profit (loss)	3,815,291	1,709,338	2,706,915	(1,394,407)	6,837,137
Segment assets	31,040,599	30,196,983	10,635,445	60,164,408	132,037,435

*Consists of rents, investments, real estate activities and other such items of a general corporate nature.

8. Accounting pronouncements:

As of September 1, 1998, Alico adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), "Reporting Comprehensive Income," with retroactive reporting for previous periods. Statement 130 requires that an enterprise compute and display comprehensive income and its components in a full set of general-purpose financial statements. Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It includes both net income and other comprehensive income which caused the equity change.

Items included in other comprehensive income shall be classified based on their nature. For example, it would include unrealized holding gains and losses relating to securities transactions, and changes in market values of futures contracts which qualifies as a hedge among other items. The total of other comprehensive income for a period will be transferred to an equity account and displayed as "accumulated other comprehensive income."

9. Stock Incentive Plan:

At its annual meeting of shareholders on December 1, 1998, the stockholders approved an incentive plan which is intended to provide officers, board members and other key employees of the Company an opportunity to increase their stock ownership in the Company and give them additional incentive to achieve the Company's objectives. There are 650,000 shares of the Company's Common Stock reserved for awards under the incentive plan. No grants have yet been approved or distributed under the Plan.

10. Subsequent events:

In March 1999, the Company purchased 7,680 acres in Hendry County, Florida for \$22.5 million. The acquisition included producing citrus and sugarcane operations. Additionally, the Company mortgaged the property for \$19 million.

11. Accountants' review report:

The accompanying unaudited condensed consolidated financial statements have been reviewed by the Company's independent auditors in accordance with standards for such limited reviews established by the American Institute of Certified Public Accountants. The report of such auditors with respect to their limited review is attached hereto as Exhibit A.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

LIQUIDITY AND CAPITAL RESOURCES:

Working capital increased to \$36,797,501 at February 28, 1999, up from \$36,704,561 at August 31, 1998. As of February 28, 1999, the Company had cash and cash investments of \$530,700 compared to \$908,268 at August 31, 1998. Marketable securities increased from \$12,291,767 to \$13,753,558 during the same period. The ratio of current assets to current liabilities increased to 10.69 to 1 at February 28, 1999 from 7.50 to 1 at August 31, 1998. Total assets increased by \$1,483,074 to \$132,037,435 at February 28, 1999 from \$130,554,361 at August 31, 1998.

The working capital increase of \$92,940 largely resulted from the decrease in current liabilities, accrued at August 31, 1998. The ad valorem tax decrease (\$984,666) and payment of the amount due to the profit sharing plan (\$296,368) were the most significant factors.

In connection with financing agreements with commercial banks (See Note 5 under Notes to Condensed Consolidated Financial Statements), the Company has an unused availability of funds of approximately \$8.9 million at February 28, 1999.

RESULTS OF OPERATIONS:

Net income for the three months ending February 28, 1999 increased by \$2,250,878 when compared to the second quarter of fiscal 1998, and \$1,330,634 when compared to the six-month period then ended. Income before income taxes increased \$4,553,688 and \$3,092,093 for the three and six months ended February 28, 1999, respectively, when compared to the same periods a year ago. This was largely due to the sale of approximately 7,100 acres of land in Hendry County, Florida, to the South Florida Water Management District for \$4.4 million during the current fiscal year. The pretax gain from the sale totaled \$4.3 million.

Year-to-date earnings from agriculture activities decreased from the prior year (\$2,804,057 vs. \$2,500,482 for the second quarter, and \$3,293,356 vs. \$3,378,017 during the first half of fiscal 1999 and 1998, respectively).

Citrus

Citrus earnings increased both for the quarter (\$2,228,693 during fiscal 1999 vs. \$1,814,976 during fiscal 1998) and the six months (\$2,540,053 during fiscal 1999 vs. \$2,186,826 during fiscal 1998) ended February 28, 1999, when compared to the prior year. Improved market prices for this year's crop is the primary reason for the increase in earnings for this division offset by lower additional revenue from prior year's crop in 1998.

Sugarcane

Sugarcane earnings were lower for the second quarter (\$515,805 during fiscal 1999 vs. \$556,413 during fiscal 1998) but are higher for the six months ended February 28, 1999 (\$833,416 in 1999 vs. \$780,807 in 1998), when compared to the prior year.

Improved sugar yield per acre continued to generate the higher year-to-date earnings.

ITEM 2. Management's Discussion
RESULTS OF OPERATIONS (Continued)

Ranching

Ranch earnings were lower for both the quarter and six months ended February 28, 1999 when compared to the prior year (\$59,559 vs. \$129,093 for the three months ended February 28, 1999 and February 28, 1998, respectively), and (\$80,113 vs. \$410,384 for the six months ending February 28, 1999 and February 28, 1998, respectively). Lower market prices for beef is the primary cause of the decline.

General Corporate

The Company is continuing its marketing and permit activities for its land which surrounds the Florida Gulf Coast University.

During November of 1996, the Company announced an agreement with Miromar Development, Inc. of Montreal, Canada to sell 550 acres of land surrounding the University site in Lee County for \$9.35 million. The contract calls for 25 percent of the purchase price to be paid at closing, with the balance payable over the four years. If the sale closes, it will generate a pretax gain of approximately \$8.7 million. The closing is dependent upon satisfactory completion of various permit issues.

Additionally, the Company announced an option agreement with REJ Group, Inc., of Cleveland, Ohio, during May 1997. The option agreement permits the acquisition of a minimum 150 acres and a maximum of 400 acres within the 2,300 acre University Village. The potential pretax gain to Alico, if the option is exercised, would vary from \$8.5 million to \$24.5 million, depending on the time at which the option is exercised, and the total number of acres selected.

In February 1999, the South Florida Water Management District purchased approximately 12,728 acres of land in Hendry and Collier Counties, Florida from Alico, Inc. for \$8.8 million. Upon completion of the sale, the Company recognized a gain of approximately \$4.2 million on 7,142 acres. The remaining acres were used in a like-kind exchange, as part of a \$22.5 million acquisition of approximately 7,680 acres in Hendry County, Florida that was completed during March of 1999. The acquisition includes producing citrus and sugarcane operations. The transaction included like-kind exchanges totaling \$6.1 million and debt restructuring that resulted in a \$19 million mortgage. (See Note 10 under Notes to Consolidated Financial Statements.)

Year 2000 Compliance

The Company recognizes that Year 2000 issues could result in system failures or miscalculations causing disruptions of operations, including, among others, a temporary inability to process transactions, send invoices or engage in similar normal business activities.

The Company has been engaged in an evaluation of its Year 2000 readiness in connection with various aspects of its business. Specifically, the Company has focused on its information technology and non-information technology systems. In addition, the Company has analyzed its production processes and products. The Company has also attempted to analyze Year 2000 issues relating to third parties with whom the Company has a business relationship.

The current status of the Company's efforts is as follows:

Internal Systems, Processes and Products

Information Technology Systems:

The Company's accounting software provider and operating system provider have advised the Company that such software is Year 2000 compliant.

Non-Information Technology Systems:

The Company does not believe that non-information technology systems are material to its business; however, the Company has completed its review and testing of

such systems. The Company is not aware of any problems concerning its non-information technology.

Products:

The Company's products are not date sensitive. Therefore, the Company does not believe it has any material exposure with regard to its products as a result of the Year 2000 issue.

Year 2000 Issues Relating to Third Parties

Suppliers:

Certain products purchased by the Company are obtained from a limited group of suppliers. The Company surveyed such suppliers in 1998 regarding their Year 2000 status. Absent widespread difficulties affecting several major vendors, the Company does not anticipate that vendors' Year 2000 issues would have a material adverse effect on the Company, because the Company believes alternative sources of supply are available for all required components.

The Company is not currently aware of the Year 2000 readiness of certain outside service companies. Any adverse effect caused by the failure of these providers to be Year 2000 compliant is not currently susceptible to quantification.

Customers:

Because the Company intends to distribute the majority of its agricultural products through third party distribution and marketing agreements, and because the customer base is expected to change from year to year, the Company is unable to predict the identity of most of its major customers in the Year 2000 and thereafter. Accordingly, the Company is unable to make an inquiry as to whether the customers' computer driven payment or purchasing processes are Year 2000 compliant.

A customer's Year 2000 issues could cause a delay in receipt of purchase orders or in payment. If Year 2000 issues are widespread among the Company's customers, the Company's sales and cash flow could be materially affected.

Cautionary Statement

This report of Form 10Q contains certain forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements as a result of various factors, including but not limited to, the competitive environment of the Company's products, weather forces and government regulations.

PART II. OTHER INFORMATION

ITEM 6. Exhibits and reports on Form 8-K.

(a) Exhibits:

- A. Accountant's Report.
- B. Computation of Weighted Average Shares Outstanding at February 28, 1999.
- C. Exhibit 27 - Financial Data Schedule.

(b) Reports on Form 8-K.

None.

SIGNATURES

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

ALICO, INC.
(Registrant)

April 13, 1999
Date

W. Bernard Lester
President
Chief Operating Officer
(Signature)

April 13, 1999
Date

L. Craig Simmons
Vice President
Chief Financial Officer
(Signature)

April 13, 1999
Date

Deirdre Smith
Controller
(Signature)

EXHIBIT A

Independent Accountants' Review Report

The Stockholders and
Board of Directors
Alico, Inc:

We have reviewed the condensed consolidated balance sheet of Alico, Inc. and

subsidiary as of February 28, 1999, and the related condensed consolidated statements of operations and retained earnings for the three-month and six-month periods ended February 28, 1999 and 1998, and the related condensed consolidated statements of cash flows for the six-month periods ended February 28, 1999 and 1998. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical review procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Alico, Inc. and subsidiary as of August 31, 1998 and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein); and in our report dated October 9, 1998 we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of August 31, 1998, is fairly presented, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

KPMG LLP
(Signature)

Orlando, Florida
March 30, 1999

FORM 10-Q

ALICO, INC.

Computation of Weighted Average Shares Outstanding as of February 28, 1999:

Number of shares outstanding at August 31, 1998	7,027,827

Number of shares outstanding at February 28, 1999	7,027,827

Weighted Average 09/01/98 - 02/28/99	7,027,827

EXHIBIT B

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET OF ALICO, INC. AND SUBSIDIARY AS OF FEBRUARY 28, 1999 AND THE RELATED STATEMENTS OF OPERATIONS AND RETAINED EARNINGS AND CASH FLOWS FOR THE SIX MONTHS THEN ENDED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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