


FPI LISTED NYSE

Q4 2022 Supplemental Package

Farmland Partners Inc. (NYSE: FPI) is an internally managed real estate company that owns and seeks to acquire high-quality farmland throughout North America addressing the global demand for food, feed, fiber and fuel.




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Some of the statements contained in this presentation, including statements regarding our full year 2023 guidance, portfolio development approach, our pending acquisitions and dispositions, the potential impacts of trade disputes and weather on the Company's results, internal rates of return, and other investment opportunities, our future growth prospects and targeted returns, farmland investment characteristics and certain trends, constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "projects," "predicts," or "potential" or the negative of these words or similar words, which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances, many of which are beyond our control, that may cause actual results to differ significantly from those expressed in any forward-looking statement. While forward-looking statements reflect our good faith beliefs, assumptions and expectations, they are not guarantees of future performance. Furthermore, we expressly disclaim any obligation to update or revise any forward-looking statement to reflect changes in the underlying assumptions or factors, new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause our future results to differ significantly from any forward-looking statements, see the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021, and our other filings with the Securities and Exchange Commission.

This presentation contains statistics and other data that has been obtained from or compiled from information made available by third parties. We believe that the information obtained from or compiled by third parties is reliable, but we have not independently verified such information.

Farmland Partners Inc. Reports Fourth Quarter and Full Year 2022 Results
Reports Record Year; Initiates 2023 Guidance

DENVER, February 22, 2023 (BUSINESS WIRE) -- Farmland Partners Inc. (NYSE: FPI) ("FPI" or the "Company") today reported financial results for the quarter and year ended December 31, 2022.

Selected Fiscal Year 2022 Highlights

During the year ended December 31, 2022, the Company:

- recorded net income of $12.0 million, or $0.16 per share available to common stockholders, compared to $10.3 million, or ($0.17) per share available to common stockholders, for the same period in 2021;
- recorded AFFO of $15.8 million, or $0.30 per share, compared to $0.4 million, or $0.01 per share, for the same period in 2021;
- decreased indebtedness by $73.9 million, from $513.4 million of total debt outstanding at December 31, 2021 to $439.5 million at December 31, 2022;
- increased access to liquidity to $176.7 million, compared to $30.2 million for the same period in 2021; and
- renewed approximately 95% of row crop fixed farm rent leases expiring in 2022[1] at average rent increases of approximately 16%.

Selected Q4 2022 Highlights

During the quarter ended December 31, 2022, the Company:

- recorded net income of $6.7 million (including $1.3 million in losses on grape vine and citrus tree redevelopment/retirement), or $0.11 per share available to common stockholders, compared to $13.3 million (including $5.9 million in gains on sale of properties), or $0.14 per share available to common stockholders, for the same period in 2021; and
- recorded AFFO of $10.0 million, or $0.18 per share, compared to $8.9 million, or $0.19 per share, for the same period in 2021.

CEO Comments

Paul A. Pittman, Chairman and CEO said: "2022 was a strong year for FPI—total revenue and AFFO were the highest in the history of the company. Higher rents on fixed leases, increased auction and brokerage fee revenue, and lower litigation expenses helped propel the company to an outstanding year. During 2022 the Company had very strong results on its row crop properties and faced challenges on the specialty crop properties due to drought and ongoing supply/demand imbalances. We remain positive on the outlook for the farm economy, as global food demand continues to be very strong and values of premium farms in our Corn Belt, Mississippi Delta, and Southeast regions continue to increase to their highest levels in years. As we move into 2023, our overall business is solid. However, inflation that is helping to push farmer profitability and land values to record levels is also leading to increased interest costs for the Company and borrowers worldwide. At the same time, supply chain disruptions, weather events, and other factors have resulted in volatility in certain crop yields and crop prices. Our bottom line will be negatively impacted by these headwinds, but we remain confident that we are positioned well to withstand these pressures and continue to operate profitably, efficiently, and effectively until we can resume our strategic growth plan once those headwinds abate."

[1] Row crop fixed farm rent leases with expiration in 2022 represented approximately 13% of total revenue in 2022.

Financial and Operating Results

- The tables below show financial and operating results for the quarters and years ended December 31, 2022 and 2021.

Financial Results:	As reported For the years ended December 31, 2022	2021	Change
Net Income	$ 11,960	$ 10,259	16.6 %
Net income (loss) per share available to common stockholders	$ 0.16	$ (0.17)	NM
AFFO	$ 15,761	$ 410	NM
AFFO per weighted average common shares	$ 0.30	$ 0.01	NM
Adjusted EBITDAre	$ 34,759	$ 25,845	34.5 %
Operating Results:			
Total Operating Revenues	$ 61,210	$ 51,739	18.3 %
Operating Income	$ 24,974	$ 16,813	48.5 %
Net Operating Income (NOI)	$ 47,054	$ 42,883	9.7 %

NM = Not Meaningful

Financial Results:	As reported For the three months ended December 31, 2022	2021	Change
Net Income	$ 6,707	$ 13,313	(49.6)%
Net income per share available to common stockholders	$ 0.11	$ 0.14	(21.4)%
AFFO	$ 10,031	$ 8,901	12.7 %
AFFO per weighted average common shares	$ 0.18	$ 0.19	(5.3)%
Adjusted EBITDAre	$ 15,107	$ 13,625	10.9 %
Operating Results:			
Total Operating Revenues	$ 21,823	$ 20,046	8.9 %
Operating Income	$ 12,473	$ 11,322	10.2 %
Net Operating Income (NOI)	$ 18,240	$ 18,156	0.5 %

- See "Non-GAAP Financial Measures" for complete definitions of AFFO, Adjusted EBITDAre, and NOI and the financial tables accompanying this press release for reconciliations of net income to AFFO, Adjusted EBITDAre and NOI.

Acquisition and Disposition Activity

- During the year ended December 31, 2022, the Company acquired 20 properties for total consideration of $54.4 million in real estate purchases accounted for as asset acquisitions plus $17.3 million for the purchase of land and buildings for four agriculture equipment dealerships in Ohio leased to Ag Pro under the John Deere brand. Those leases are accounted for as financing receivables and reflected in loans and financing receivables, net on the Company's balance sheet.
- During the year ended December 31, 2022, the Company completed five property dispositions for cash consideration of $17.0 million and total gain on sale of $2.6 million.

Balance Sheet

- The Company had total debt outstanding of $439.5 million at December 31, 2022, compared to total debt outstanding of $513.4 million at December 31, 2021, a reduction of $73.9 million during the year ended December 31, 2022.
- At December 31, 2022, the Company had access to liquidity of $176.7 million, consisting of $7.7 million in cash and $169.0 million in undrawn availability under its credit facilities, respectively, compared to cash of $30.2 million and no undrawn availability on the Company's credit facilities at December 31, 2021.

- During the year ended December 31, 2022, the Company sold 8.6 million shares of common stock at a weighted average price of $14.13 for aggregate net proceeds of $121.3 million under its “at-the-market” offering program.
- As of February 17, 2023, the Company had 55,577,529 shares of common stock outstanding on a fully diluted basis.
- The company had Series A preferred units of $110.2 million outstanding after the redemption of $10.0 million of Series A preferred units during the year ended December 31, 2022.

Dividend Declarations

- The Company’s Board of Directors declared a quarterly cash dividend of $0.06 per share of common stock and per Class A Common OP unit. The dividends are payable on April 17, 2023, to stockholders and common unit holders of record on April 3, 2023.

Subsequent to Q4 2022

- Subsequent to December 31, 2022, the Company reset rates on $109.4 million of the $174.1 million with interest rate resets in 2023: MetLife Term Loan #5 repriced to 5.63%, effective January 12, 2023; MetLife #6 repriced to 5.55%, effective February 14, 2023; MetLife Term Loan #1 and 4 repriced to 5.55%, effective March 29, 2023.

2023 Earnings Guidance and Supplemental Package

For 2023 earnings guidance, please see pages 14 to 17 of the supplemental package, which can be accessed through the Investor Relations section of the Company's website.

Conference Call Information

The Company has scheduled a conference call on February 23, 2023, at 11:00 a.m. (Eastern Time) to discuss the financial results and provide a company update.

The call can be accessed by dialing 1-844-200-6205 (USA), 1-833-950-0062 (Canada), or 1-929-526-1599 (other locations) and using the access code 185046. The conference call will also be available via a live listen-only webcast and can be accessed through the Investor Relations section of the Company's website, www.farmlandpartners.com.

A replay of the conference call will be available beginning shortly after the end of the event until March 5, 2023, by dialing 1-866-813-9403 (USA), 1-226-828-7578 (Canada), or +44 (20) 4525-0658 (other locations) and using the access code 548018. A replay of the webcast will also be accessible on the Investor Relations section of the Company's website for a limited time following the event.

About Farmland Partners Inc.

Farmland Partners Inc. is an internally managed real estate company that owns and seeks to acquire high-quality North American farmland and makes loans to farmers secured by farm real estate. As of December 31, 2022, the Company owns and/or manages approximately 196,100 acres in 19 states, including Alabama, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Mississippi, Missouri, Nebraska, North Carolina, South Carolina, Texas, and Virginia. In addition, we own land and buildings for four agriculture equipment dealerships in Ohio leased to Ag Pro under the John Deere brand. We have approximately 26 crop types and over 100 tenants. The Company elected to be taxed as a real estate investment trust, or REIT, for U.S. federal income tax purposes, commencing with the taxable year ended December 31, 2014. Additional information: www.farmlandpartners.com or (720) 452-3100.

Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the federal securities laws, including, without limitation, statements with respect to our outlook and the outlook for the farm economy generally, proposed and pending acquisitions and dispositions, financing activities, crop yields and prices and anticipated rental rates. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” or similar expressions or their negatives, as well as statements in future tense. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, beliefs and expectations, such forward-looking statements are not predictions of future events or guarantees of future performance and our actual results could differ materially from those set forth in the forward-looking statements. Some factors that might cause such a difference include the following: the on-going war in Ukraine and its impact on the world agriculture market, world food supply, the farm economy, and our tenants’ businesses; general volatility of the capital markets and the market price of the Company’s common stock; changes in the Company’s business strategy, availability, terms and deployment of capital; the Company’s ability to refinance existing indebtedness at or prior to maturity on favorable terms, or at all; availability of qualified personnel; changes in the Company’s industry, interest rates or the general economy; adverse developments related to crop yields or crop prices; the degree and nature of the Company’s competition; the timing, price or amount of repurchases, if any, under the Company's share repurchase program; the ability to consummate acquisitions or dispositions under contract; and the other factors described in the section entitled “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, and the Company’s other filings with the Securities and Exchange Commission. Any forward-looking information presented herein is made only as of the date of this press release, and the Company does not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Farmland Partners Inc.
Consolidated Balance Sheets
As of December 31, 2022 and 2021
(in thousands)

	December 31, 2022	December 31, 2021
ASSETS		
Land, at cost	$ 980,521	$ 945,951
Grain facilities	11,349	10,754
Groundwater	17,682	10,214
Irrigation improvements	50,097	52,693
Drainage improvements	12,543	12,606
Permanent plantings	50,394	53,698
Other	6,967	6,848
Construction in progress	14,810	10,647
Real estate, at cost	1,144,363	1,103,411
Less accumulated depreciation	(38,447)	(38,303)
Total real estate, net	1,105,916	1,065,108
Deposits	148	58
Cash and cash equivalents	7,654	30,171
Assets held for sale	33	530
Loans and financing receivables, net	21,921	6,112
Right of use asset	325	107
Deferred offering costs	63	40
Accounts receivable, net	7,055	4,900
Derivative asset	2,084	—
Inventory	2,808	3,059
Equity method investments	4,185	3,427
Intangible assets, net	2,055	1,915
Goodwill	2,706	2,706
Prepaid and other assets	3,196	3,392
TOTAL ASSETS	$ 1,160,149	$ 1,121,525
LIABILITIES AND EQUITY		
LIABILITIES		
Mortgage notes and bonds payable, net	$ 436,875	$ 511,323
Lease liability	325	107
Dividends payable	3,333	2,342
Derivative liability	—	785
Accrued interest	4,135	3,011
Accrued property taxes	2,008	1,762
Deferred revenue	44	45
Accrued expenses	9,215	9,564
Total liabilities	455,935	528,939
Commitments and contingencies		
Redeemable non-controlling interest in operating partnership, Series A preferred units	110,210	120,510
EQUITY		
Common stock, $0.01 par value, 500,000,000 shares authorized; 54,318,312 shares issued and outstanding at December 31, 2022, and 45,474,145 shares issued and outstanding at December 31, 2021	531	444
Additional paid in capital	647,346	524,183
Retained earnings (deficit)	3,567	(4,739)
Cumulative dividends	(73,964)	(61,853)
Other comprehensive income	3,306	279
Non-controlling interests in operating partnership	13,218	13,762
Total equity	594,004	472,076
TOTAL LIABILITIES, REDEEMABLE NON-CONTROLLING INTERESTS IN OPERATING PARTNERSHIP AND EQUITY	$ 1,160,149	$ 1,121,525

Farmland Partners Inc.
Consolidated Statements of Operations
Years Ended December 31, 2022 and 2021
(in thousands except per share amounts)

	For the Years Ended December 31, 2022	For the Years Ended December 31, 2021
OPERATING REVENUES:		
Rental income	$ 45,615	$ 45,251
Tenant reimbursements	3,264	3,450
Crop sales	5,372	880
Other revenue	6,959	2,158
Total operating revenues	61,210	51,739
OPERATING EXPENSES		
Depreciation, depletion and amortization	6,960	7,629
Property operating expenses	8,190	7,331
Cost of goods sold	5,966	1,525
Acquisition and due diligence costs	111	55
General and administrative expenses	12,005	8,208
Legal and accounting	2,874	10,147
Other operating expenses	130	31
Total operating expenses	36,236	34,926
OPERATING INCOME	24,974	16,813
OTHER (INCOME) EXPENSE:		
Other (income)	(663)	(66)
(Income) from equity method investment	(52)	(19)
(Gain) on disposition of assets	(2,641)	(9,290)
Interest expense	16,143	15,929
Total other expense	12,787	6,554
Net income before income tax expense	12,187	10,259
Income tax expense	227	—
NET INCOME	11,960	10,259
Net (income) attributable to non-controlling interests in operating partnership	(286)	(268)
Net income attributable to the Company	11,674	9,991
Nonforfeitable distributions allocated to unvested restricted shares	(63)	(57)
Distributions on Series A Preferred Units and Series B Preferred Stock	(3,210)	(10,052)
Redemption of Series B Participating Preferred Stock	—	(5,716)
Net income (loss) available to common stockholders of Farmland Partners Inc.	$ 8,401	$ (5,834)
Basic and diluted per common share data:		
Basic net income (loss) available to common stockholders	$ 0.16	$ (0.17)
Diluted net income (loss) available to common stockholders	$ 0.16	$ (0.17)
Basic weighted average common shares outstanding	50,953	34,641
Diluted weighted average common shares outstanding	50,953	34,641
Dividends declared per common share	$ 0.23	$ 0.20

Farmland Partners Inc.
Reconciliation of Non-GAAP Measures
Years Ended December 31, 2022 and 2021

(in thousands except per share amounts)	For the years ended December 31, 2022	2021
Net income	$ 11,960	$ 10,259
(Gain) on disposition of assets	(2,641)	(9,290)
Depreciation, depletion and amortization	6,960	7,629
FFO	$ 16,279	$ 8,598
Stock-based compensation and incentive	1,999	1,263
Deferred impact of interest rate swap terminations	582	546
Real estate related acquisition and due diligence costs	111	55
Distributions on Preferred units and stock	(3,210)	(10,052)
AFFO	$ 15,761	$ 410
AFFO per diluted weighted average share data:		
AFFO weighted average common shares	52,531	36,410
Net income (loss) available to common stockholders of Farmland Partners Inc.	$ 0.16	$ (0.17)
Income available to redeemable non-controlling interest and non-controlling interest in operating partnership	0.08	0.48
Depreciation, depletion and amortization	0.13	0.21
Stock-based compensation and incentive	0.04	0.03
(Gain) on disposition of assets	(0.05)	(0.26)
Distributions on Preferred units and stock	(0.06)	(0.28)
AFFO per diluted weighted average share	$ 0.30	$ 0.01

(in thousands)	For the years ended December 31, 2022	2021
Net income	$ 11,960	$ 10,259
Interest expense	16,143	15,929
Income tax expense	227	—
Depreciation, depletion and amortization	6,960	7,629
(Gain) on disposition of assets	(2,641)	(9,290)
EBITDAre	$ 32,649	$ 24,527
Stock-based compensation and incentive	1,999	1,263
Real estate related acquisition and due diligence costs	111	55
Adjusted EBITDAre	$ 34,759	$ 25,845

Farmland Partners Inc.
Reconciliation of Non-GAAP Measures
Years Ended December 31, 2022 and 2021

	For the years ended December 31,	
($ in thousands)	**2022**	**2021**
OPERATING REVENUES:		
Rental income	$ 45,615	$ 45,251
Tenant reimbursements	3,264	3,450
Crop sales	5,372	880
Other revenue	6,959	2,158
Total operating revenues	61,210	51,739
Property operating expenses	8,190	7,331
Cost of goods sold	5,966	1,525
NOI	47,054	42,883
Depreciation, depletion and amortization	6,960	7,629
Acquisition and due diligence costs	111	55
General and administrative expenses	12,005	8,208
Legal and accounting	2,874	10,147
Other operating expenses	130	31
Other (income)	(663)	(66)
(Income) from equity method investment	(52)	(19)
(Gain) loss on disposition of assets	(2,641)	(9,290)
Interest expense	16,143	15,929
Income tax expense	227	—
NET INCOME	$ 11,960	$ 10,259

Non-GAAP Financial Measures

The Company considers the following non-GAAP measures as useful to investors as key supplemental measures of its performance: FFO, NOI, AFFO, EBITDAre and Adjusted EBITDAre. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income or loss as a measure of the Company's operating performance. FFO, NOI, AFFO, EBITDAre and Adjusted EBITDAre, as calculated by the Company, may not be comparable to other companies that do not define such terms exactly as the Company.

FFO

The Company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income (loss) (calculated in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, plus real estate related depreciation, depletion and amortization (excluding amortization of deferred financing costs), and after adjustments for unconsolidated partnerships and joint ventures. Management presents FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the Company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from sales of depreciable operating properties, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. The Company also believes that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the Company's operating performance with that of other REITs. However, other equity REITs may not calculate FFO in accordance with the NAREIT definition as the Company does, and, accordingly, the Company's FFO may not be comparable to such other REITs' FFO.

AFFO

The Company calculates AFFO by adjusting FFO to exclude the income and expenses that the Company believes are not reflective of the sustainability of the Company's ongoing operating performance, including, but not limited to, real estate related acquisition and due diligence costs, stock-based compensation and incentive, deferred impact of interest rate swap terminations, and distributions on the Company's preferred units. For the avoidance of doubt, $5.7 million non-cash redemption of Series B Participating Preferred Stock in Q4 2021 is not included in AFFO.

Changes in GAAP accounting and reporting rules that were put in effect after the establishment of NAREIT's definition of FFO in 1999 result in the inclusion of a number of items in FFO that do not correlate with the sustainability of the Company's operating performance. Therefore, in addition to FFO, the Company presents AFFO and AFFO per share, fully diluted, both of which are non-GAAP measures. Management considers AFFO a useful supplemental performance metric for investors as it is more indicative of the Company's operational performance than FFO. AFFO is not intended to represent cash flow or liquidity for the period and is only intended to provide an additional measure of the Company's operating performance. Even AFFO, however, does not properly capture the timing of cash receipts, especially in connection with full-year rent payments under lease agreements entered into in connection with newly acquired farms. Management considers AFFO per share, fully diluted to be a supplemental metric to GAAP earnings per share. AFFO per share, fully diluted provides additional insight into how the Company's operating performance could be allocated to potential shares outstanding at a specific point in time. Management believes that AFFO is a widely recognized measure of the operations of REITs and presenting AFFO will enable investors to assess the Company's performance in comparison to other REITs. However, other REITs may use different methodologies for calculating AFFO and AFFO per share, fully diluted and, accordingly, the Company's AFFO and AFFO per share, fully diluted may not always be comparable to AFFO and AFFO per share amounts calculated by other REITs. AFFO and AFFO per share, fully diluted should not be considered as an alternative to net income (loss) or earnings per share (determined in accordance with GAAP) as an indication of financial performance, or as an alternative to net income (loss) earnings per share (determined in accordance with GAAP) as a measure of the Company's liquidity, nor are they indicative of funds available to fund the Company's cash needs, including its ability to make distributions.

EBITDAre and Adjusted EBITDAre

The Company calculates Earnings Before Interest Taxes Depreciation and Amortization for real estate ("EBITDAre") in accordance with the standards established by NAREIT in its September 2017 White Paper. NAREIT defines EBITDAre as net income (calculated in accordance with GAAP) excluding interest expense, income tax, depreciation and amortization, gains or losses on disposition of depreciated property (including gains or losses on change of control), impairment write-downs of depreciated property and of investments in unconsolidated affiliates caused by a decrease in value of depreciated property in the affiliate, and adjustments to reflect the entity's pro rata share of EBITDAre of unconsolidated affiliates. EBITDAre is a key financial measure used to evaluate the Company's operating performance but should not be construed as an alternative to operating income, cash flows from operating activities or net income, in each case as determined in accordance with GAAP. The Company believes that EBITDAre is a useful performance measure commonly reported and will be widely used by analysts and investors in the Company's industry. However, while EBITDAre is a performance measure widely used across the Company's industry, the Company does not believe that it correctly captures the Company's business operating performance because it includes non-cash expenses and recurring adjustments that are necessary to better understand the Company's business operating performance. Therefore, in addition to EBITDAre, management uses Adjusted EBITDAre, a non-GAAP measure.

The Company calculates Adjusted EBITDAre by adjusting EBITDAre for certain items such as stock-based compensation and incentive and real estate related acquisition and due diligence costs that the Company considers necessary to understand its operating performance. The Company believes that Adjusted EBITDAre provides useful supplemental information to investors regarding the Company's ongoing operating performance that, when considered with net income and EBITDAre, is beneficial to an investor's understanding of the Company's operating performance. However, EBITDAre and Adjusted EBITDAre have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

In prior periods, the Company has presented EBITDA and Adjusted EBITDA. In accordance with NAREIT's recommendation, beginning with the Company's reported results for the three months ended March 31, 2018, the Company is reporting EBITDAre and Adjusted EBITDAre in place of EBITDA and Adjusted EBITDA.

Net Operating Income (NOI)

The Company calculates net operating income (NOI) as total operating revenues (rental income, tenant reimbursements, crop sales and other revenue), less property operating expenses (direct property expenses and real estate taxes), less cost of goods sold. Since net operating income excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expenses, other income and losses and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and leasing farmland real estate, providing a perspective not immediately apparent from net income. However, net operating income should not be viewed as an alternative measure of the Company's financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, other income and losses.

Supplemental Information

Overview Information

About Farmland Partners (NYSE: FPI)

- Internally managed REIT that owns and manages high-quality farmland located in agricultural markets throughout North America.
- ~70% of portfolio (by value) grows primary crops, such as corn, soybeans, wheat, rice, and cotton.
- ~30% of portfolio (by value) grows specialty crops, such citrus and tree nuts.
- FPI provides exposure to the increasing global food demand in the face of growing scarcity of high-quality farmland.
- FPI also provides auction, brokerage, third-party farm management, and third-party asset management services.

Equity Analyst Coverage

Firm	Name	Email
B Riley Securities	Craig Kucera	craigkucera@brileyfin.com
Janney Montgomery Scott	Robert Stevenson	robstevenson@janney.com
Raymond James	Buck Horne	buck.horne@raymondjames.com
Robert W. Baird	David Rodgers	drodgers@rwbaird.com
Roth	Gerry Sweeney	gsweeney@roth.com

Board of Directors

Name	Position
Paul A. Pittman	Chairman
Chris A. Downey	Lead Independent Director
Joseph W. Glauber	Independent Director
John A. Good	Independent Director
Thomas P. Heneghan	Independent Director
Danny D. Moore	Independent Director
Murray Wise	Director

Senior Management Team

Name	Position
Paul A. Pittman	Chairman & Chief Executive Officer (1)
Luca Fabbri	President (1)
James Gilligan	Chief Financial Officer & Treasurer
Christine Garrison	General Counsel & Secretary
Richard Keck	Vice President, Operations
Murray Wise	Chairman Emeritus, Murray Wise Associates
Eric Sarff	President, Murray Wise Associates

Contact Information

- Exchange: Ticker — NYSE: FPI
- Website — http://www.farmlandpartners.com
- Transfer Agent — AST (https://www.astfinancial.com)
- Corporate Office — 4600 S. Syracuse Street, Suite 1450, Denver, CO 80237
- Phone Number — (720) 452-3100
- General Inquiries — info@farmlandpartners.com
- Investor Relations Inquiries — ir@farmlandpartners.com
- FPI Loan Program Inquiries — FPILoans@farmlandpartners.com

1. Luca Fabbri will assume the role of CEO after the filing of the 2022 10-K.

Financial Highlights

($ in thousands except per share amounts)	For the Three Months Ended December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
As Reported					
Total operating revenues	$ 21,823	$ 13,140	$ 12,357	$ 13,890	$ 20,046
Net income	$ 6,709	$ 1,119	$ 2,993	$ 1,139	$ 13,316
Net income available to common stockholders of Farmland Partners Inc.	$ 0.11	$ 0.01	$ 0.04	$ 0.00	$ 0.14
AFFO	$ 10,033	$ 2,498	$ 1,111	$ 2,119	$ 8,903
AFFO per diluted weighted average share	$ 0.18	$ 0.05	$ 0.02	$ 0.04	$ 0.19

Debt Summary as of December 31, 2022

($ in thousands)	
Total Outstanding Principal	$ 439,488
Debt Issuance Costs	(2,613)
Total Debt, net	$ 436,875
Fixed Rate to Maturity	$ 24,987
Fixed Rate Adjusting Periodically	262,001
Floating Rate [2]	152,500
Total Outstanding Principal	$ 439,488
Weighted Average Cost of Debt [2]	4.07%

Capitalization Summary as of December 31, 2022

($ in thousands except per share amounts)	
Fully Diluted Shares Outstanding [1]	55,555.651
Share Price as of December 31, 2022	$ 12.46
Equity Market Capitalization	$ 692,223
Total Debt Outstanding	$ 439,488
Preferred	110,210
Less: Cash	(7,654)
Enterprise Value	$ 1,234,267

Debt Summary as of December 31, 2022

($ in thousands)

Loan	Annual Rate	Terms	Adj. Date	Outstanding	Maturity
Farmer Mac Bond #6	3.69%	Fixed	N/A	$ 13,827	April 2025
Farmer Mac Bond #7	3.68%	Fixed	N/A	11,160	April 2025
Farmer Mac Facility	5.82%	SOFR + 1.50%	N/A	75,000	December 2025
MetLife Term Loan #1	3.30%	Fixed for 3 years	Mar 2023 [4]	72,623	March 2026
MetLife Term Loan #4	3.30%	Fixed for 3 years	Mar 2023 [4]	9,880	June 2026
MetLife Term Loan #5	3.50%	Fixed for 3 years	Jan 2023 [4]	5,179	January 2027
MetLife Term Loan #6	3.45%	Fixed for 3 years	Feb 2023 [4]	21,726	February 2027
MetLife Term Loan #7	3.20%	Fixed for 3 years	June 2023	15,699	June 2027
MetLife Term Loan #8	4.12%	Fixed for 3 years	Dec 2027	44,000	December 2042
MetLife Term Loan #9	3.20%	Fixed for 3 years	May 2024	16,800	May 2028
MetLife Term Loan #10	3.00%	Fixed for 3 years	Oct 2023	48,985	October 2030
MetLife Term Loan #11	2.85%	Fixed for 3 years	Oct 2024	12,750	October 2031
MetLife Term Loan #12	3.11%	Fixed for 3 years	Dec 2024	14,359	December 2031
MetLife Facility	5.82%	SOFR + 2.10%	N/A	—	October 2027
Rabobank	5.87%	LIBOR + 1.70%	Mar 2024 [3]	59,500	March 2028
Rutledge Facility	5.51%	SOFR + 1.95%	Feb 2023 [3]	18,000	March 2027
Total outstanding principal				439,488	
Debt issuance costs				(2,613)	
Total mortgage notes and bonds payable, net				$ 436,875	

Note: For detail on the rate resets, see "Note 7— Mortgage Notes, Lines of Credit and Bonds Payable" of the 12/31/2022 10-K, when filed.

1. Includes unvested restricted shares.
2. Includes swap associated with Rabobank debt ($33.2 million notional of fixed LIBOR of 2.114% until 3/2026). Weighted average cost of debt will increase with changes in SOFR, LIBOR, and MetLife rate resets described herein.
3. The adjustment date included in the table above is for the spread noted under "Interest Rate Terms".
4. MetLife #5 & #6 repriced to 5.63% & 5.55%, 1/12/2023 and 2/14/2023, respectively. Metlife #1 and 4 will reprice to 5.55% 3/29/2023. All include the ability to repay 40% of original principal balance each year without penalty.

Income Statement Overview
(in millions)

Item	Explanation	Timing of Cash	Timing of Revenue Recognition
Fixed Payments	• Fixed farm rent • Solar, wind, recreation rent • Tenant reimbursements • Management fees & interest income	• Farm rent: 50% to 100% of individual leases paid before planting (generally Q1)	• Generally straight-lined over the term of the lease contract
Variable Payments	• Rent paid by tenants, determined as a percentage of the farm revenue • Low-risk variable rent: one large ~$6.5 million contract	• Vast majority of cash received after harvest in Q4, with some spillover into following year	• Variable rent is generally recognized when FPI has certainty of amounts (tenant crop insurance provides a baseline)
Direct Operations Gross Profit	• Crop sales and crop insurance proceeds less cost of goods sold	• Varies by crop	• Crop sales, crop insurance, and COGS are recognized when FPI has certainty of amounts
Other Items	• Auction and brokerage • Miscellaneous	• Varies	• Varies

Supp. Categories (from above)	GAAP Revenue Categories				GAAP Expense
	Rental Income	**Tenant Reimbursements**	**Crop Sales**	**Other Revenue**	**Cost of Goods Sold**
Fixed Payments	- Fixed Farm Rent - Solar, Wind, Rec Rent	- Tenant Reimburse.		- Management Fees - Interest Income	
Variable Payments	- Variable Farm Rent				
Direct Operations Gross Profit			- Crop Sales	- Crop Insurance	- Cost of Goods Sold
Other Items				- Auction - Brokerage - Misc. items (various)	

Income Statement Details 2022 vs. 2021

(in millions)

	Fixed Farm Rent	Solar, Wind, Recreation	Tenant Reimursements	Mgmt Fees & Interest Income	Variable Payments	Crop Sales	Crop Insurance	Other Items	Total Revenue	Cost of Goods Sold	Total Revenue - COGS
2021											
Q1 2021	$8.3	$0.3	$0.9	$0.0	$1.7	$0.2	$0.0	$0.1	$11.6	($0.2)	$11.3
Q2 2021	7.8	0.2	0.8	0.1	0.3	0.2	0.0	0.6	10.0	(0.7)	9.3
Q3 2021	7.6	0.3	0.9	0.1	1.0	0.3	0.0	0.0	10.1	(0.4)	9.7
Q4 2021	7.1	0.4	0.8	0.1	10.3	0.2	0.0	1.1	20.0	(0.2)	19.9
FY 2021	$30.8	$1.3	$3.5	$0.4	$13.2	$0.9	$0.0	$1.8	$51.7	($1.5)	$50.2
2022											
Q1 2022	$8.3	$0.6	$0.8	$0.3	$0.6	$0.7	$1.9	$0.7	$13.9	($1.4)	$12.5
Q2 2022	8.0	0.5	0.8	0.3	0.7	1.1	0.0	0.9	12.4	(1.3)	11.0
Q3 2022	8.1	0.8	0.9	0.3	0.2	2.5	0.0	0.4	13.1	(1.7)	11.5
Q4 2022	8.5	0.7	0.8	0.5	8.6	1.1	0.7	1.0	21.8	(1.5)	20.3
FY 2022	$32.9	$2.6	$3.3	$1.3	$10.1	$5.4	$2.6	$3.0	$61.2	($6.0)	$55.2

Change in Fixed Payments Same Row Crop Farms [(1)]

Q1	$0.2
Q2	0.2
Q3	0.2
Q4	0.4
FY	$1.0

Comments:

- Fixed farm rent increased due to additional properties purchased and new leases signed
- Approximately one-third of fixed farm rents renew every year (generally in Q4)
- Solar increased due to project moving into construction phase in 2022
- Tenant reimbursements decreased due to citrus farms that converted from third-party leases in 2021 to direct operations in 2022 and dispositions
- Acquisition of land and buildings for four agricultural equipment dealerships in Ohio treated as financing arrangements (see Note 6 in 2022 10-K when filed) and cause increase in interest income
- Variable payments decreased due to lower performance in tree nuts, grapes, and citrus farms that converted from third-party leases in 2021 to direct operations in 2022.
- Direct Operations Gross Profit = Crop Sales + Crop Insurance - Cost of Goods Sold:
    - Increase due to citrus farms that converted to direct operations in 2022
- Other items increase due to full year of auction and brokerage revenue following acquisition of MWA in Q4 2021

Footnote:

1. Same row crop farms are row-crop farms that were in the portfolio before 1/1/2021 through 12/31/2022. Does not include permanent crops, direct operations, and other non-comparable farms between the periods. Increased from ~$24.1m in 2021 to $25.0m in 2022.

Full Year 2022 Results vs. Outlook

(in millions, except per share data)

	October 2022 2022 Forecast Range		2022
	Low	High	
Fixed Payments	$39.4	$39.6	$40.1
Variable Payments	10.0	10.3	10.1
Direct Operations Gross Profit	2.1	2.4	2.0
Other	2.9	3.1	3.0
Revenue Less COGS	$54.4	$55.4	$55.2
Property Operating Expenses	($7.7)	($7.5)	($8.2)
General & Administrative	(12.1)	(11.9)	(12.0)
Legal & Accounting	(3.2)	(3.0)	(2.9)
Interest Expense	(16.1)	(15.9)	(16.1)
Preferred Dividends	($3.4)	($3.4)	($3.2)
Weighted Average Diluted Shares	52.2	52.2	52.5
AFFO	$14.3	$16.1	$15.8
AFFO / Diluted Share	$0.27	$0.31	$0.30

Comments:

- Fixed Payments increased due to additional properties purchased and new leases signed.
- Direct Operations Gross Profit down due to lower performance related to harvest in Q4 2022 and crop insurance payments that have lagged from a timing perspective.
- Property Operating Expenses up due to allowance for credit loss associated with the Q4 2022 acquisitions of land and buildings four agricultural equipment dealerships properties in Ohio, higher than projected state franchise taxes in Q4 2022, and higher than projected property taxes in Q4 2022.

Full Year 2023 Outlook

(in millions, except per share data)

	2022	February 2023 2023 Forecast Range	
		Low	High
Fixed Farm Rent	$32.9	$35.1	$35.5
Solar, Wind, Recreation Rent	2.6	2.8	3.1
Tenant Reimbursements	3.3	3.2	3.4
Management Fees & Interest Income	1.3	2.2	2.3
Variable Payments	10.1	8.7	9.1
Crop Sales	5.4	3.7	4.0
Crop Insurance	2.6	1.3	1.5
Other Items	3.0	3.5	3.9
Total Revenue	$61.2	$60.5	$62.8
Cost of Goods Sold	($6.0)	($5.5)	($5.4)
Total Revenue Less COGS	$55.2	$55.0	$57.4
Property Operating Expenses	($8.2)	($8.6)	($8.4)
General and Administrative	(12.0)	(12.0)	(11.6)
Legal and Accounting	(2.9)	(2.0)	(1.8)
Interest Expense	(16.1)	(21.5)	(20.5)
Weighted Average Shares	52.5	55.7	55.7
AFFO	$15.8	$9.3	$13.5
AFFO / Share	$0.30	$0.17	$0.24

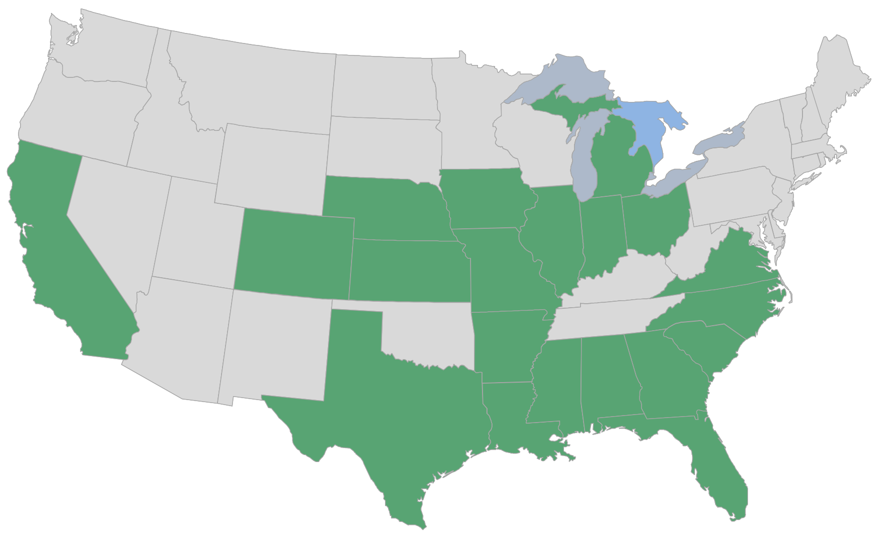
Assumptions:

- The outlook will be updated as necessary/practical.
- Approximately one-third of fixed farm rents renew every year (generally in Q4)
- Same row crop farms fixed payments (farm rent + solar rent + wind rent + recreation rent + tenant reimbursements for same row crop farms) increase by ~$1.5 million from 2022 to 2023
- Acquisition of land and buildings for four agricultural equipment dealerships in Ohio treated as financing arrangements (see Note 6 in 2022 10-K when filed) and cause increase in interest income
- Variable Payments assumptions:
  - Lower volume from 2022 harvest and pricing pressure in various crops
  - No variable payments from large farm in Louisiana that shifted to 100% fixed payments in fall 2022 (net positive)
  - Higher results in citrus due to two farms converting from direct operations to third-party leases in 2023
- Direct Operations Gross Profit = Crop Sales + Crop Insurance - Cost of Goods Sold:
  - Decrease due to two citrus farms that converted from direct operations to third-party leases in 2023 and tree-nut farm that converted to direct operations in 2023
- Other Items assumptions: higher brokerage and auction revenue
- Property Operating Expenses assume higher insurance premiums and property taxes
- General and Administrative Expenses decreases due to less stock-based incentive connected to the 2021 acquisition of MWA, offset by increases in various categories
- Legal and Accounting includes $250k in litigation related expenses
- Interest Expense assumptions:
  - Forward curves from Bloomberg 2/13/2023
  - $109m of MetLife debt with rate resets in 2023 already agreed (5.55% for #1, #4, #6 and 5.63% for #5)
  - Remaining 2023 rate resets at 3-year UST + historical spreads
  - LIBOR conversion to SOFR mid-2023
  - Assumes no significant borrowings for acquisitions; asset dispositions of $25m to $50m, with proceeds used to repay debt.

Portfolio Overview

Portfolio

- As of December 31, 2022, the portfolio included approximately 165,200 acres of owned farmland and 30,900 acres of managed farmland.
- 19 states with approximately 26 crop types and over 100 tenants plus land and buildings leased to agriculture equipment dealerships in Ohio.
- Portfolio vacancy is 0%.



Region [1]	Owned Acres	Managed Acres	Total Acres
Corn Belt [2]	47,182	21,961	69,143
Delta and South	32,878	1,489	34,367
High Plains	33,006	1,380	34,386
Southeast	40,354	6,107	46,461
West Coast	11,752	—	11,752
	165,172	30,937	196,109

1. Corn Belt includes farms located in Illinois, Indiana, Iowa, Michigan, Missouri and eastern Nebraska.
   Delta and South includes farms located in Arkansas, Louisiana, Mississippi.
   High Plains includes farms located in Colorado, Kansas, and western Nebraska.
   Southeast includes farms located in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia.
   West Coast includes farms located in California.
2. In addition, we own land and buildings for four agriculture equipment dealerships in Ohio leased to Ag Pro under the John Deere brand.

Consolidated Balance Sheets — Quarterly

(Unaudited)

(in thousands)	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
ASSETS					
Total real estate, net	$ 1,105,916	$ 1,090,433	$ 1,081,987	$ 1,071,659	$ 1,065,108
Deposits	148	269	531	1,776	58
Cash	7,654	8,869	19,696	16,102	30,171
Assets held for sale	33	34	83	407	530
Notes and interest receivable, net	21,921	5,910	5,855	7,488	6,112
Convertible notes receivable	—	—	—	—	—
Right of use asset	325	368	387	443	107
Deferred offering costs	63	53	83	23	40
Deferred financing fees, net	—	—	—	—	—
Accounts receivable, net	7,055	6,632	2,457	3,104	4,900
Derivative asset	2,084	2,014	698	259	—
Inventory	2,808	3,123	2,962	2,973	3,059
Equity method investments	4,185	4,149	4,148	3,435	3,427
Intangible assets, net	2,055	2,060	1,912	1,913	1,915
Goodwill	2,706	2,706	2,706	2,706	2,706
Prepaid and other assets	3,196	1,256	1,655	2,778	3,392
TOTAL ASSETS	$ 1,160,149	$ 1,127,876	$ 1,125,160	$ 1,115,066	$ 1,121,525
LIABILITIES AND EQUITY					
LIABILITIES					
Mortgage notes and bonds payable, net	$ 436,875	$ 408,372	$ 424,474	$ 462,836	$ 511,323
Lease liability	325	368	387	443	107
Dividends payable	3,333	3,333	3,239	2,496	2,342
Derivative liability	—	—	—	—	785
Accrued interest	4,135	3,578	2,991	3,120	3,011
Accrued property taxes	2,008	2,856	1,851	2,337	1,762
Deferred revenue	44	111	1,317	7,926	45
Accrued expenses	9,215	8,855	7,826	8,331	9,564
Total liabilities	455,935	427,473	442,085	487,489	528,939
Series B Participating Preferred Stock	—	—	—	—	—
Series A preferred units	110,210	109,408	113,680	117,878	120,510
EQUITY					
Common stock	531	531	515	474	444
Additional paid in capital	647,346	646,999	623,748	562,717	524,183
Retained earnings (deficit)	3,567	(2,189)	(2,456)	(4,511)	(4,739)
Cumulative dividends	(73,964)	(70,705)	(67,446)	(64,281)	(61,853)
Other comprehensive income	3,306	3,205	1,857	1,386	279
Non-controlling interests in operating partnership	13,218	13,154	13,177	13,914	13,762
Total equity	594,004	590,995	569,395	509,699	472,076
TOTAL LIABILITIESAND EQUITY	$ 1,160,149	$ 1,127,876	$ 1,125,160	$ 1,115,066	$ 1,121,525

Consolidated Statement of Operations — Quarterly

(Unaudited)

(in thousands except per share amounts)	For the Three Months Ended December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
OPERATING REVENUES:					
Rental income	$ 17,791	$ 9,081	$ 9,196	$ 9,547	$ 17,851
Tenant reimbursements	794	883	809	778	812
Crop sales	1,056	2,471	1,150	695	165
Other revenue	2,182	705	1,202	2,870	1,218
Total operating revenues	21,823	13,140	12,357	13,890	20,046
OPERATING EXPENSES					
Depreciation, depletion and amortization	1,884	1,665	1,660	1,751	1,898
Property operating expenses	2,062	2,115	2,058	1,955	1,699
Cost of goods sold	1,521	1,673	1,333	1,439	191
Acquisition and due diligence costs	24	24	—	63	50
General and administrative expenses	3,393	2,505	3,004	3,103	2,948
Legal and accounting	395	407	816	1,256	1,905
Other operating expenses	70	26	31	3	29
Total operating expenses	9,349	8,415	8,902	9,570	8,720
OPERATING INCOME	12,474	4,725	3,455	4,320	11,326
OTHER (INCOME) EXPENSE:					
Other (income) expense	(284)	(366)	(34)	21	(7)
(Income) from equity method investment	(37)	—	(8)	(7)	(4)
(Gain) loss on disposition of assets	1,306	48	(3,335)	(660)	(5,936)
Interest expense	4,682	3,891	3,743	3,827	3,957
Total other expense	5,667	3,573	366	3,181	(1,990)
Income tax expense	98	33	96	—	—
NET INCOME	6,709	1,119	2,993	1,139	13,316
Net (income) attributable to non-controlling interests in operating partnership	(151)	(25)	(77)	(33)	(396)
Nonforfeitable distributions allocated to unvested restricted shares	(16)	(16)	(16)	(15)	(15)
Distributions on Series A Preferred Units and Series B Preferred Stock	(764)	(728)	(840)	(878)	(878)
Redemption of Series B Participating Preferred Stock	—	—	—	—	(5,716)
Net income available to common stockholders of Farmland Partners Inc.	$ 5,778	$ 350	$ 2,060	$ 213	$ 6,311

Reconciliation of Non-GAAP Measures — Quarterly

(Unaudited)

	For the Three Months Ended				
(in thousands except per share amounts)	**December 31, 2022**	**September 30, 2022**	**June 30, 2022**	**March 31, 2022**	**December 31, 2021**
Net income	$ 6,709	$ 1,119	$ 2,993	$ 1,139	$ 13,316
(Gain) loss on disposition of assets	1,306	48	(3,335)	(660)	(5,936)
Depreciation, depletion and amortization	1,884	1,665	1,660	1,751	1,898
FFO	9,899	2,832	1,318	2,230	9,278
Stock-based compensation and incentive	405	351	601	642	344
Deferred impact of interest rate swap terminations	469	19	32	62	109
Real estate related acquisition and due diligence costs	24	24	—	63	50
Distributions on Preferred units	(764)	(728)	(840)	(878)	(878)
AFFO	$ 10,033	$ 2,498	$ 1,111	$ 2,119	$ 8,903
AFFO weighted average common shares	55,556	55,000	51,985	47,427	46,038
Net income available to common stockholders of Farmland Partners Inc.	$ 0.11	$ 0.01	$ 0.04	$ 0.00	$ 0.14
Income available to redeemable non-controlling interest and non-controlling interest in operating partnership	0.02	0.01	0.02	0.02	0.15
Depreciation and depletion	0.03	0.03	0.03	0.04	0.04
Stock-based compensation and incentive	0.01	0.01	0.01	0.01	0.01
(Gain) loss on disposition of assets	0.02	0.00	(0.06)	(0.01)	(0.13)
Distributions on Preferred units	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)
AFFO per diluted weighted average share	$ 0.18	$ 0.05	$ 0.02	$ 0.04	$ 0.19
FFO	9,899	2,832	1,318	2,230	9,278
Interest expense	4,682	3,891	3,743	3,827	3,957
Stock-based compensation and incentive	405	351	601	642	344
Income Tax Expense	98	33	96	—	—
Real estate related acquisition and due diligence costs	24	24	—	63	50
Adjusted EBITDAre	$ 15,108	$ 7,131	$ 5,758	$ 6,762	$ 13,629

Note: Per share values will not sum to annual total due to difference in weighted average share count for quarters compared to year.