

NON-GAAP FINANCIAL MEASURES – THIRD QUARTER 2008

In a conference call on November 4, 2008, JOE management disclosed the following non-GAAP financial measures:

The Company's total cash overhead – the combination of corporate overhead, field overhead and capitalized overhead – declined by approximately \$9.8 million (net of a \$5 million termination fee in the third quarter of 2007), or 33 percent, during the third quarter of 2008 as compared to the third quarter of 2007.

The Company's liquidity (as defined in our revolving credit facility with Branch Banking & Trust Company) at September 30, 2008 was approximately \$200 million. This liquidity amount includes the undrawn amount of our revolving credit facility.

We believe these non-GAAP financial measures provide information useful to investors in understanding the underlying operational performance of the company, its business and performance trends. Specifically, we believe that the reduction in total cash overhead shows investors the cash savings achieved by management through various restructuring initiatives. We believe that the liquidity disclosure helps investors understand our access to available cash, as well as debt, to fund our operating requirements and capital expenditures. Although we believe disclosure of total cash overhead and liquidity enhances investors' understanding of our business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP basis financial measures.

The following is a reconciliation of these non-GAAP financial measures to GAAP.

Total cash overhead:

	Three months ended September 30,			
	<u>2008</u>	<u>2007</u>	<u>Change</u>	<u>% Change</u>
	(In thousands)			
Other operating expenses	\$ 14,383	\$ 19,425*		
Corporate expense	<u>8,008</u>	<u>8,937</u>		
Total GAAP overhead	22,391	28,362		
Plus capitalized overhead	841	7,440		
Less non-cash overhead	<u>3,372</u>	<u>1,147</u>		
Total cash overhead	<u>\$ 19,860</u>	<u>\$ 34,655</u>	\$(14,795)	(43%)

* Third quarter 2007 other operating expenses included a \$5.0 million termination fee paid to a third party management company. Excluding this one-time cash charge, the percentage decrease in total cash overhead is 33%.

Liquidity:

September 30, 2008

(In thousands)

Cash and cash equivalents	\$ 106,272
Undrawn amount of credit facility	<u>100,000</u>
Total liquidity	\$ <u><u>206,272</u></u>

NON-GAAP FINANCIAL MEASURES – SECOND QUARTER 2008

In a conference call on August 5, 2008, JOE management disclosed that total cash overhead – the combination of corporate overhead, field overhead and capitalized overhead – declined by about \$7.5 million, or 26 percent, during the second quarter of 2008 as compared to the second quarter of 2007. Total cash overhead is a non-GAAP financial measure.

JOE believes this non-GAAP financial measure provides information useful to investors in understanding the underlying operational performance of the company, its business and performance trends. Specifically, JOE believes that the reduction in total cash overhead shows investors the cash savings achieved by management through various restructuring initiatives. Although JOE believes disclosure of total cash overhead enhances investors' understanding of our business and performance, this non-GAAP financial measure should not be considered an alternative to GAAP basis financial measures.

The following is a reconciliation of the non-GAAP financial measure to GAAP.

	Three months ended			
	June 30,	June 30,		%
	<u>2008</u>	<u>2007</u>	<u>Change</u>	<u>Change</u>
	(In millions)			
Other operating expenses	\$ 13.4	\$ 16.1		
Corporate expense	<u>9.4</u>	<u>9.1</u>		
Total GAAP overhead	22.8	25.2		
Plus capitalized overhead	0.9	6.0		
Less non-cash overhead	<u>2.8</u>	<u>2.8</u>		
Total cash overhead	<u>\$ 20.9</u>	<u>\$ 28.4</u>	\$(7.5)	(26%)