

TEJON RANCH CO.  
Post Office Box 1000  
Lebec, California 93243

April 10, 1997

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Tejon Ranch Co. on Monday, May 12, 1997, at 9:30 A.M., Los Angeles time, in the Grand Salon I Room of the Park Hyatt Los Angeles at Century City, 2151 Avenue of the Stars, Los Angeles, California. Your Board of Directors and management look forward to greeting those stockholders who are able to attend.

The Notice of Annual Meeting and Proxy Statement containing information concerning the business to be transacted at the meeting appear in the following pages.

It is important that your shares be represented and voted at the meeting, whether or not you plan to attend. Please sign, date, and mail the enclosed proxy at your earliest convenience.

Your interest and participation in the affairs of the Company are greatly appreciated.

Sincerely,

Robert A. Stine,  
President and Chief Executive Officer  
TEJON RANCH CO.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
on  
May 12, 1997

The Annual Meeting of Stockholders of Tejon Ranch Co. (the "Company") will be held in the Grand Salon I Room of the Park Hyatt Los Angeles at Century City, 2151 Avenue of the Stars, Los Angeles, California on Monday, May 12, 1997, at 9:30 A.M., Los Angeles time, for the following purposes:

1. To elect three directors.
2. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The names of the nominees for the Board of Directors of the Company for election at the Meeting are: Otis Booth, Jr., Dan T. Daniels, and Robert F. Erburu.

The Board of Directors has fixed the close of business on April 1, 1997, as the record date for the determination of stockholders entitled to notice of and to vote at the meeting.

Your attention is invited to the accompanying Proxy Statement. To ensure that your shares are represented at the meeting, please date, sign, and mail the enclosed proxy, for which a return envelope is provided.

For the Board of Directors,

DONALD HASKELL, Chairman of the Board

Lebec, California  
April 10, 1997

PLEASE MARK YOUR INSTRUCTIONS ON THE ENCLOSED PROXY, SIGN AND DATE THE PROXY, AND RETURN IT IN THE ENCLOSED POSTAGE PAID ENVELOPE EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING. IF YOU ATTEND THE MEETING AND WISH TO DO SO, YOU MAY VOTE YOUR SHARES IN PERSON EVEN IF YOU HAVE SIGNED AND RETURNED YOUR PROXY.

TEJON RANCH CO.  
Post Office Box 1000  
Lebec, California 93243

PROXY STATEMENT

Annual Meeting of Stockholders  
May 12, 1997

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Company for use at the Annual Meeting of Stockholders to be held on May 12, 1997.

It is anticipated that the mailing of this Proxy Statement and accompanying form of Proxy to stockholders will begin on or about April 10, 1997.

SOLICITATION OF PROXIES

At the Meeting, the stockholders of the Company will be asked (1) to elect three directors, and (2) to transact such other business as may properly come before the Meeting. Your Board of Directors is asking for your proxy for use at the Meeting. Although management does not know of any other matter to be acted upon at the Meeting, shares represented by valid proxies will be voted by the persons named on the proxy in accordance with their best judgment with respect to any other matters which may properly come before the Meeting.

The cost of preparing, assembling, and mailing the Notice of Meeting, this Proxy Statement and the enclosed proxy ballot will be paid by the Company. Following the mailing of this Proxy Statement, directors, officers, and regular employees of the Company may solicit proxies by mail, telephone, telegraph, or in person; such persons will receive no additional compensation for such services. Brokerage houses and other nominees, fiduciaries and custodians nominally holding shares of record will be requested to forward proxy soliciting material to the beneficial owners of such shares and will be reimbursed by the Company for their charges and expenses in connection therewith at the rates approved by the American Stock Exchange. It is anticipated that the mailing of proxy materials will begin on or about April 10, 1997.

RECORD DATE AND VOTING

Holders of shares of Common Stock of record at the close of business on April 1, 1997, are entitled to notice of, and to vote at, the Meeting. There were 12,682,244 shares of Common Stock outstanding at the record date. A stockholder giving a proxy may revoke it at any time before it is voted by filing with the Company's Secretary a written notice of revocation or a duly executed proxy bearing a later date. Unless a proxy is revoked, shares represented by a proxy will be voted in accordance with the voting instructions on the proxy and, on matters for which no voting instructions are given, shares will be voted for the nominees of the Board of Directors as shown on the proxy. On a matter for which the "WITHHOLD AUTHORITY" instruction is given, shares will be voted neither "FOR" nor "AGAINST." Stockholders cannot abstain in the election of directors, but they can withhold authority. Stockholders who withhold authority will be considered present for purposes of determining a quorum. The rules of the New York and American Stock Exchanges permit member organizations ("brokers") to vote shares on behalf of beneficial owners, in the absence of instructions from beneficial owners, on certain "routine" matters, including the election of directors and ratification of independent public accountants, but do not permit such votes on "non-routine" matters. Situations where

brokers are unable to vote on non-routine proposals are referred to as "broker non-votes." Since the election of directors is regarded as a routine matter and is the only item of business expected to be considered at the Annual Meeting, no broker non-votes are anticipated. However, under circumstances where there are broker non-votes, such non-votes will not be counted as present for purposes of determining a quorum, have no effect on the outcome of matters requiring the affirmative vote of a majority or super-majority of shares represented at the Meeting and have the effect of a negative vote on matters requiring the affirmative vote of the holders of a majority or super-majority of the shares outstanding.

Stockholders vote cumulatively in the election of directors. Cumulative voting means that each share is entitled to a number of votes equal to the number of directors to be elected, which votes may be cast for one nominee or distributed among two or more nominees. The three candidates receiving the highest number of affirmative votes will be elected as directors. On all other matters, each share has one vote.

#### STOCK OWNERSHIP OF PRINCIPAL STOCKHOLDERS AND MANAGEMENT

The following table lists the stockholders known to the Company to be the beneficial owners of more than 5% of the shares of Company Common Stock outstanding as of March 11, 1997. The table also provides the stock ownership of all directors and of the most highly compensated executive officers as of the same date.

Name and Address of Stockholder	Amount and Nature of Beneficial Ownership(1)	Percent of Class
Ardell Investment Company P.O. Box 1715 Newport Beach, CA 92659	1,055,828 (2)	8.33%
M.H. Sherman Company P.O. Box 1715 Newport Beach, CA 92659	1,140,630 (2)	8.99%
The Times Mirror Company Times Mirror Square Los Angeles, CA 90053	3,812,330 (3)	30.06%
State of Wisconsin Investment Board P.O. Box 7842 Madison, WI 53707	1,075,500 (4)	8.48%
Directors		
Otis Booth, Jr.	1,000	below 1%
Craig Cadwalader	2,228,530 (5)	17.57%
Dan T. Daniels	2,228,530 (6)	17.57%
Rayburn S. Dezember	1,000 (7)	below 1%
Robert F. Erburu	3,812,330 (8)	30.06%
Clayton W. Frye, Jr.	3,822,330 (9)	30.14%
Donald Haskell	2,279,630 (10)	17.97%
Robert A. Stine	-0-	-0-
Raymond L. Watson	-0-	-0-
Phillip L. Williams	-0-	-0-
Officers		
Matt J. Echeverria	300 (11)	below 1%
John A. Wood	6,900 (11)	below 1%
All officers and directors as a group (15 persons)	6,111,160	48.19%

- (1) In each case, the named stockholder has the sole voting and investment power as to the indicated shares, except as set forth in the footnotes below.
- (2) Does not include 32,072 shares (0.25% of the number of shares outstanding) owned of record and beneficially by the Sherman Foundation, a non-profit public charity, three of the trustees of which are directors of Ardell Investment Company and M.H. Sherman Company, those being Messrs. Donald Haskell, Chairman of the Board of Directors of the Company, and Craig Cadwalader and Dan T. Daniels, directors of the Company.
- (3) Does not include 300,000 shares (2.37% of the number of shares outstanding) owned of record and beneficially by The Times Mirror Foundation, a private, non-profit, philanthropic foundation, all of the directors of which are employees of The Times Mirror Company or its subsidiaries.
- (4) Based upon information provided to the Company by the stockholder on a Schedule 13G dated January 21, 1997, and filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.
- (5) Includes 1,055,828 shares owned by Ardell Investment Company, 1,140,630 shares owned by M.H. Sherman Company, and 32,072 shares owned by Sherman Foundation. Mr. Cadwalader is a director of Ardell Investment Company and M.H. Sherman Company and a trustee of Sherman Foundation. Mr. Cadwalader disclaims beneficial ownership as to all of the shares owned by said entities.
- (6) Includes 1,055,828 shares owned by Ardell Investment Company, 1,140,630 shares owned by M.H. Sherman Company, and 32,072 shares owned by Sherman Foundation. Mr. Daniels is Vice President, Treasurer and a director of Ardell Investment Company, President and a director of M.H. Sherman Company, and Vice President, Secretary and a trustee of Sherman Foundation. Mr. Daniels disclaims beneficial ownership as to all of the shares owned by said entities.
- (7) Mr. Dezember's shares are held by a family trust. Mr. Dezember and his spouse share voting and investment power with respect to those shares.
- (8) Includes 3,812,330 shares owned by The Times Mirror Company of which Mr. Erburu is a director. Mr. Erburu disclaims beneficial ownership of all such shares.
- (9) Includes 10,000 shares owned by Mr. Frye personally, and 3,812,330 shares owned by The Times Mirror Company, of which Mr. Frye is a director. Mr. Frye disclaims beneficial ownership of the shares owned by The Times Mirror Company.
- (10) Includes 51,100 shares owned by Mr. Haskell personally, 1,055,828 shares owned by Ardell Investment Company, 1,140,630 shares owned by M.H. Sherman Company, and 32,072 shares owned by Sherman Foundation. Mr. Haskell is President and a director of Ardell Investment Company, Chairman of the Board and a director of M.H. Sherman Company, and has the power to vote a majority of the shares of each company. He is also President and a trustee of Sherman Foundation. Mr. Haskell disclaims beneficial ownership of the shares owned by the Sherman Foundation.
- (11) The shares owned by Messrs. Echeverria and Wood are held as community property. Each officer and his spouse share voting and investment power with respect to their shares.

In December 1978 a Schedule 13D was filed with the Securities and Exchange Commission on behalf of a group comprised of Ardell Investment Company, M.H. Sherman Company, The Times Mirror Company, Chandis Securities Company and The Times Mirror Foundation (collectively, the "Affiliated Group") reporting the formation of the group and the contemplated purchase by The Times Mirror Company of additional shares of Common Stock of Tejon Ranch Co., the California corporation now wholly owned by the Company, "to the end that...[such shareholders] will ultimately increase their degree of control of..." that corporation. Each outstanding share of Common Stock of that corporation was converted into one share of Common Stock of the Company in

connection with a 1987 reincorporation transaction. As a result, the Schedule 13D has been amended to reflect the conversion of the shares of Common Stock, and all references describing the Schedule 13D below refer to the Company and its Common Stock instead of the California corporation of which the members of the Affiliated Group were stockholders at the time the Schedule 13D was filed.

The Schedule 13D has been further amended several times, including amendments to reflect Chandis Securities Company's disposition of its shares and its withdrawal from the Affiliated Group and the addition to the Affiliated Group of Donald Haskell, Chairman of the Board of Directors of the Company, and Sherman Foundation, a non-profit public charity of which Mr. Haskell is President and a trustee. As of December 31, 1996, the stockholders constituting the Affiliated Group owned 6,391,960 shares of Company Common Stock constituting 50.40% of the number of shares outstanding.

On February 3, 1997, The Times Mirror Company and The Times Mirror Foundation filed an amendment to the Schedule 13D with the Securities and Exchange Commission stating that such entities are no longer acting together with the other members of the Affiliated Group as a group with respect to the ownership of shares of the Company's Common Stock, and that each entity is considering a sale of all or part of its shares in the Company depending on market conditions and other factors. On February 4, 1997, Ardell Investment Company, M.H. Sherman Company, Donald Haskell, and Sherman Foundation each filed a Schedule 13D with the Securities and Exchange Commission stating that as a result of letters received from The Times Mirror Company on January 31, 1997, notifying them of The Times Mirror Company's decision to dissolve the group, they were no longer acting as a group with respect to the ownership of shares of the Company's Common Stock. Furthermore, they reported that they had not formulated any definite plans or proposals with respect to their investment in the Company, but that they may consider the acquisition of additional shares of Common Stock of the Company or the disposition of some or all of the Common Stock of the Company each of them currently holds, depending on market conditions and other circumstances.

#### ELECTION OF DIRECTORS

The Board of Directors now consists of ten directors, the authorized number of directors having been increased in 1996 from 9 to 10. The directors are divided into three classes based upon when their terms expire. The terms of three directors (Class I) expire at the 1997 Annual Meeting, the terms of four directors (Class II) expire at the 1998 Annual Meeting, and the terms of three directors (Class III) expire at the 1999 Annual Meeting. The regular terms of directors expire at the third Annual Meeting following the Annual Meeting at which the directors were elected, although directors continue to serve until their successors are elected and qualified, unless the authorized number of directors has been decreased.

The names of the nominees of the Board of Directors for election as directors at the 1997 Annual Meeting (all of whom are presently directors) are set forth in the table below, along with certain other information. The table also includes information as to the other present directors of the Company.

Other than nominations made at the direction of the Board of Directors, nomination of persons for election to the Board of Directors by stockholders must be made pursuant to timely notice in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company not later than the close of business on the 10th day following the day on which the Notice of Annual Meeting of Stockholders was mailed. Such stockholder's notice must set forth: (i) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors or is otherwise required, in each case pursuant to the Securities Exchange Act of 1934, as amended; and (ii) as to the stockholder giving the notice, the name and address, as they appear on the Company's books, of such stockholder, and the class and number of shares of the Company which are beneficially owned

by such stockholder.

Except as noted below, each proxy solicited by and on behalf of the Board of Directors will be voted "FOR" the election of the nominees named below (unless such authority is withheld as provided in the proxy) and one third of the votes to which the stockholder is entitled will be cast for each of the three nominees. In the event any one or more of the nominees shall become unable to serve or refuse to serve as director (an event which is not anticipated), the proxy holders will vote for substitute nominees in their discretion. If one or more persons other than those named below as nominees for the 1997 Annual Meeting are nominated as candidates for director by persons other than the Board of Directors, the enclosed proxy may be voted in favor of any one or more of said nominees of the Board of Directors or substitute nominees to the exclusion of the other such nominees and in such order of preference as the proxy holders may determine in their discretion.

All references to the Company in the table below and the remainder of this Proxy Statement relating to periods prior to the effectiveness of the June 1987 reincorporation transaction referred to under "Stock Ownership of Principal Stockholders and Management" include references to Tejon Ranch Co., the California corporation which became a wholly owned subsidiary of the Company as a result of the reincorporation transaction.

Nominees for Class I Directors Whose Terms Expire in 1997 and Principal Occupation or Employment(1)	First Became Director	Age
Otis Booth, Jr.(2)(3) Private investments and ranching; Director of Clipper Fund, Inc. and Schooner Fund, Inc.	1970	73
Dan T. Daniels(2)(4) President and Director, M.H. Sherman Company, investments	1982	55
Robert F. Erburu(3) Director of The Times Mirror Company, Cox Communications, Inc., and Marsh & McLennan Companies, Inc. Continuing Directors and Principal Occupation or Employment(1)	1975	66
Craig Cadwalader President, Chief Operating Officer and Director, Ardell Marina, Inc., yacht brokerage; Director, M.H. Sherman Co.	1994	56
Rayburn S. Dezember(2) Director of Wells Fargo & Co., CalMat Los Angeles, Bolthouse Farms, Inc., and The Bakersfield Californian	1990	66
Clayton W. Frye, Jr.(3) Senior Associate of Laurance S. Rockefeller, business and investment management; Director of The Times Mirror Company, and King Ranch, Inc.	1975	66
Donald Haskell(3)(4) Chairman of the Board, M.H. Sherman Company, investments; President, Ardell Investment Company, investments; Chairman of the Board, Tejon Ranch Co.	1967	69
Robert A. Stine(3) President and Chief Executive Officer, Tejon Ranch Co.; Director of Rancho Santa Fe National Bank	1996	50
Raymond L. Watson Vice Chairman of The Irvine Company, farming and real estate development; Director of The Walt Disney Company, Pacific Mutual Life Insurance Company, and Mitchell Energy and Development Company	1994	70
Phillip L. Williams(2)(4)	1987	74

Private investments and business advisor;  
Director, IXC Communications, Inc.;  
Vice Chairman (Retired), The Times Mirror  
Company

- (1) Except as set forth below, each of the directors has been engaged in his principal occupation described above during the past five years. There are no family relationships among any directors of the Company. Mr. Dezember served as Chief Executive Officer of The Bakersfield Californian from December 1991 to June 1992. Mr. Erburu served as Chief Executive Officer of The Times Mirror Company from 1981 to June 1, 1995, and as Chairman of its Board of Directors from 1986 to January 1, 1996. Mr. Stine served as the Chief Executive Officer of The Collins Companies from 1986 to April 1995. He became President and Chief Executive Officer of the Company on May 1, 1996, and a Director of the Company on May 13, 1996. Mr. Williams served as Vice Chairman of the Board of The Times Mirror Company from 1987 to May 4, 1993. All directors are members of the Real Estate Committee, which sits as a committee of the whole.
- (2) Member of Audit Committee.
- (3) Member of Executive Committee.
- (4) Member of Compensation Committee.

The terms of Messrs. Cadwalader, Dezember, Stine and Williams expire at the 1998 Annual Meeting, and the terms of Messrs. Frye, Haskell and Watson expire at the 1999 Annual Meeting. No director's term expires at an Annual Meeting unless his successor has been elected and qualified, or the authorized number of directors has been decreased.

#### Board of Directors and Committees

Standing committees of the Board of Directors include the Executive, Audit, Compensation, and Real Estate Committees. The major functions of each of these committees are described briefly below.

Except for certain powers which, under Delaware law, may be exercised only by the full Board of Directors, the Executive Committee may exercise all powers and authority of the Board of Directors in the management of the business and affairs of the Company.

The Audit Committee recommends engagement of the independent accountants, reviews the arrangement and scope of audit, considers comments made by the independent accountants with respect to internal controls, reviews internal accounting procedures and controls with the Company's financial accounting staff, and reviews non-audit services provided by the Company's independent accountants.

The Compensation Committee periodically reviews and recommends appropriate adjustments to the compensation arrangements for executive officers.

The Real Estate Committee reviews all activities and issues related to the Company's real estate assets. It receives and considers the analyses of the Company's outside land use and development consultants. The Committee directs management and the planning team on the direction that the Company's land use planning activities should take.

The Company does not have a nominating committee. The nominees for director proposed by the Board of Directors are selected by the entire Board.

During 1996, there were four meetings of the Board of Directors, two of the Audit Committee, two of the Compensation Committee, and none of the Real Estate Committee or the Executive Committee. During 1996 all incumbent directors attended 75% or more of the aggregate total of such meetings of the Board of Directors and committees of the Board on which they served, except Mr. Booth.

During 1996, directors who are not employees of the Company each received a quarterly retainer of \$2,000, a fee of \$1,000 for

attendance at any meeting of the Board and a fee of \$500 for attendance at any meeting of a Committee.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers and persons who own beneficially more than 10% of the Company's common stock to file reports of beneficial ownership and changes in ownership with the Securities and Exchange Commission. Sherman Foundation failed to timely file two reports with respect to three transactions which occurred in March and April 1996 but has since filed the reports.

#### EXECUTIVE COMPENSATION

The following table shows the aggregate compensation paid on an accrual basis by the Company and its subsidiaries during 1996 and each of the two previous years to the two persons who acted as chief executive officer during 1996, and to the four other executive officers of the Company who were most highly compensated in 1996.

#### SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL	YEAR	ANNUAL COMPENSATION		LONG TERM COMPENSATION AWARDS		ALL OTHER COMPENSATION (3)
		SALARY(1) (\$)	BONUS(1) (\$)	SECURITIES UNDERLYING OPTIONS(2) (#)	LTIP PAYOUT (\$)	
Robert A. Stine President and Chief Executive Officer	1996	183,333	(4) 36,665	100,000		0
	1995	0	0	0		0
	1994	0	0	0		0
Matt J. Echeverria Senior Vice President Acting CEO through April 1996	1996	165,000	25,000	0		1,650
	1995	144,232	25,000	0		1,442
	1994	115,000	10,000	0		1,150
Dennis Mullins Vice President, General Counsel and Secretary	1996	135,000	12,500	0		1,350
	1995	125,000	12,500	0		1,250
	1994	117,500	12,500	0		0
David Dmohowski Vice President	1996	133,000	9,000	0		1,330
	1995	133,000	9,500	0		1,330
	1994	129,000	9,500	0		1,290
John A. Wood Vice President	1996	101,500	39,495	0		1,015
	1995	101,500	37,462	0	80,000 (5)	1,015
	1994	125,000	15,000	0		1,250
Allen E. Lyda Vice President, Treasurer and Secretary	1996	115,000	20,000	0		1,150
	1995	100,000	12,000	0		1,000
	1994	90,000	10,000	0		900

(1) Amounts shown include salary earned and received by executive officers as well as salary earned but deferred at the election of those officers. The bonus amounts shown were accrued by the Company in the years shown but were received by the officers in January of the following year.

(2) Of the above executive officers, only Mr. Stine received a stock option during 1996.

(3) The amounts in this column include the matching contributions made by the Company under its 401(k) defined contribution plan.

(4) The amount shown reflects compensation for the partial year from May 1, 1996, when Mr. Stine became President and Chief



Executive Officer of the Company, through December 31, 1996.

- (5) This payment, which was calculated by multiplying a fraction of salary times years of service, was paid pursuant to a Long Term Incentive Plan offered to all employees working in the farming operations of Laval Farms Limited Partnership (formerly Tejon Agricultural Partners) to encourage them to work as long as needed during the wind-down of the partnership.

The Company has entered into an agreement with Mr. Stine providing for him to serve as President, Chief Executive Officer and a director of the Company. Under the agreement he is entitled to a salary at an annual rate of \$275,000 per year (subject to review after November 1997), a bonus of up to 50% of base salary and the grant of an option to purchase 100,000 shares of the Common Stock of the Company at the fair market value of the shares on the date the option was granted (\$17.875 per share). See "Stock Options." Although the agreement does not provide for a term of employment, Mr. Stine will be entitled to continuation of his salary for two years if the Company terminates his employment without cause prior to May 1, 1998, and to continuation of his salary for one year if the Company terminates his employment without cause thereafter. In addition such a termination would result in acceleration of the exercise dates of Mr. Stine's stock option. The agreement also provides for perquisites consisting of a company car and a country club membership and participation in the Company's health, disability and life insurance programs and its retirement plan.

#### Stock Options

In March 1992 the Board of Directors adopted a 1992 Stock Option Plan providing for the granting of options to purchase a maximum of 230,000 shares of the Company's Common Stock to employees, advisors, and consultants of the Company. The 1992 Stock Option Plan was approved by the stockholders at the 1992 Annual Meeting.

The following table shows information concerning the only grant of a stock option made in 1996 pursuant to the 1992 Stock Option Plan.

#### OPTIONS GRANTS IN LAST FISCAL YEAR

NAME	OPTIONS GRANTED	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR		EXERCISE OR BASE PRICE(per share)	EXPIRATION DATE	GRANT DATE PRESENT VALUE(1)
			YEAR			
Robert A. Stine	100,000	100%		\$17.875	4/30/06	\$631,000

- (1) Based on the Black-Scholes option pricing model adapted for use in valuing executive stock options.

The following table shows the number of shares subject to exercisable and nonexercisable stock options outstanding at December 31, 1996, and held by executive officers named in the preceding Summary Compensation Table.

#### OPTIONS EXERCISES AND YEAR-END VALUE TABLE

##### TEJON RANCH CO. PROXY

This is solicited on behalf of the Board of Directors.

This undersigned acknowledges receipt of the Notice of Annual Meeting of Stockholders and Proxy Statement, each dated April 10, 1997 and hereby appoints DONALD HASKELL and ROBERT A. STINE as Proxies (each with full power to act in the absence of the other, and each with full power of substitution), to represent and to vote all shares of Common Stock of Tejon Ranch Co. held of record by the undersigned on April 1, 1997, at the annual meeting of stockholders to be held on May 12, 1997, or any adjournment or postponement thereof.

In their discretion, the proxies are authorized to vote upon such other business as properly may come before the meeting.

PLEASE SIGN AND DATE ON REVERSE SIDE AND RETURN IN THE ACCOMPANYING ENVELOPE (Continued on reverse side)

FOLD AND DETACH HERE

TEJON RANCH CO.

Annual Meeting of Stockholders
May 12, 1997 9:30 a.m.
Park Hyatt Los Angeles
at Century City
Grand Salon I Room
2151 Avenue of the Stars
Los Angeles, CA 90067

- 1. election of Three Directors (Class I) (except as written to the contrary below) Otis Booth, Jr., Dan T. Daniels, and Robert F. Erburu. Includes columns for 'For' and 'Withheld For All' with slashes for voting marks.

(Instructions: to withhold authority to vote for any individual nominee write the nominee's name in the space below)

This Proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no direction is made, this proxy will be vested for the election of directors.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Please sign exactly as name appears below. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

FOLD AND DETACH HERE

TEJON RANCH CO.

Annual Meeting of Stockholders
May 12, 1997 9:30 a.m.
Park Hyatt Los Angeles
at Century City
Grand Salon I Room
2151 Avenue of the Stars
Los Angeles, CA 90067

TEJON RANCH CO.

Narrative Description of Graphic and Image  
Information in Registrant's Proxy Materials

Description of Graphic or Image Information  
Proxy Statement

Page 12 Contains line graph comparing five year total  
cumulative return on \$100 invested in Tejon Ranch Co.,  
Dow Jones Equity Market and Dow Jones Real Estate  
showing the data points set forth below:

	1991	1992	1993	1994	1995	1996
Tejon Ranch Co.	100.00	98.01	85.51	70.47	85.51	83.33
DJ Equity Market	100.00	108.6	119.41	120.33	166.50	205.57
DJ Real Estate	100.00	90.23	105.63	100.46	124.15	166.48

Form of Proxy

Front Printed material indicating notice of Annual  
Meeting and voting record date.

Reverse Printed material includes two boxes for purpose  
of marking votes and includes signature lines.