

FRMO Corp. Announces First Quarter 2013 Financial Results and Conference Call

Business Wire

PLEASANTVILLE, N.Y. — October 15, 2012

FRMO Corp. (FRMO-OTC-PINK) (“FRMO” or “Company”) today reported its financial results for the first quarter ended August 31, 2012 (May Fiscal Year).

Murray Stahl, Chairman and CEO, and Steven Bregman, President and CFO, of FRMO Corp. will host a conference call on Tuesday, October 23, 2012 at 4:15 p.m. ET. The call can be accessed by dialing **1-888-401-4668** and entering the following conference ID: **5234630**. A replay will be available from 6:15 p.m. the day of the teleconference until November 22, 2012. To listen to the archived call, dial 1-888-203-1112, and enter conference ID number 5234630.

Financial Highlights

FRMO’s net income for the first quarter of its fiscal year ending May 31, 2013 was \$1.05 million (0.03 cents per share pre- and post-full dilution) compared with \$1.04 million in the first quarter of fiscal 2012.

Tangible book value advanced to a record (since inception) \$55.9 million (\$1.43 per share) vs. \$54.3 million (\$1.39 per share) for the comparable period in fiscal 2012. Current assets, comprised primarily of cash and equivalents and investments available for sale, amounted to \$61.7 million. Total liabilities amounted to \$5.9 million, the majority being non-current deferred taxes.

Further details are available in the Quarterly Report of the Company’s Consolidated Financial Statements for the quarter ended August 31, 2012. These statements have been filed on the OTC Markets Group Disclosure and News Services (DNS), which may be accessed at www.otcmarkets.com/stock/FRMO/filings. These documents are also available on the FRMO web site at www.frmocorp.com.

Condensed Consolidated Balance Sheets

(in thousands)

	August 31, 2012	May 31, 2012
	(Unaudited)	
Assets		
Current Assets:		
Cash and equivalents	\$ 20,617	\$ 19,405
Investments, available for sale, at fair value	39,901	38,376
Other	<u>1,181</u>	<u>1,312</u>
Total current assets	<u>\$ 61,699</u>	<u>\$ 59,093</u>
Other Assets	<u>199</u>	<u>217</u>
Total Assets	\$ 61,898	\$ 59,310

Liabilities and Stockholders' Equity

Current Liabilities	\$ 2,554	\$ 2,090
Redeemable preferred stock	<u>50</u>	<u>50</u>
Total Current Liabilities	2,604	2,140
Deferred Tax Liability – non-current	<u>3,355</u>	<u>2,909</u>
Total Liabilities	5,959	5,050
Stockholders' Equity	<u>55,939</u>	<u>54,261</u>
Total Liabilities and Stockholders' Equity	\$ 61,898	\$ 59,310

Condensed Consolidated Statement of Income*(in thousands)*

	Three Months Ended August 31,	
	2012	2011
	(Unaudited)	(Unaudited)
Revenue:		
Consultancy and advisory fees	\$ 542	\$ 673
Income from investment partnerships	450	253
Revenue from unconsolidated subsidiary	-	500
Other	<u>904</u>	<u>404</u>
Total Revenue	<u>\$ 1,896</u>	<u>\$ 1,830</u>
Total Expenses:	<u>245</u>	<u>244</u>
Income from Operations	1,651	1,586
Provision for Income Taxes	<u>597</u>	<u>549</u>
Net Income	\$ 1,054	\$ 1,037
Basic and Diluted Earnings per Common Share	\$ 0.03	\$ 0.03
Weighted Average Common Shares Outstanding		
Basic	39,138,154	39,157,944
Diluted	39,188,154	39,207,944

About FRMO Corp.

FRMO Corp. invests in and receives revenues based upon consulting and advisory fee interests in the asset management sector.

FRMO has 39,138,154 shares of common stock outstanding.

For more information, visit our Web site at www.frmocorp.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995 – With the exception of historical information, the matters discussed in this press release are forward-looking statements that involve a number of risks and uncertainties. Words like “believe,” “expect” and “anticipate” mean that these are our best estimates as of this writing, but that there can be no assurances that expected or anticipated results or events will actually take place, so our actual future results could differ significantly from those statements. Factors that could cause or contribute to such differences include, but are not limited to: our ability to maintain our competitive advantages, the general economics of the financial industry, our ability to finance growth, our ability to identify and close acquisitions on terms favorable to the Company, and a sustainable market.

Further information on our risk factors is contained in our quarterly and annual reports as filed on our website www.frmocorp.com and on www.otcmartets.com/stock/FRMO/filings.

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