

FRMO Corp. Announces First Quarter 2015 Financial Results and Conference Call

ELMSFORD, N.Y. — October 15, 2014

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) today reported its financial results for its 2015 first quarter, which ended August 31, 2014 (May Fiscal Year).

Financial Highlights

FRMO’s 2015 book value was \$98.4 million (\$2.25 per share) as of August 31, 2014 compared with \$94.0 million (\$2.16 per share) as of May 31, 2014, the prior fiscal year end. Current assets, comprised primarily of cash and equivalents and investments available for sale, amounted to \$91.5 million as of August 31, 2014 and \$86.5 million as of May 31, 2014. Total liabilities amounted to \$17.3 million as of August 31, 2014 compared to \$16.4 million as of May 31, 2014, the majority of each being deferred taxes.

Net income was \$767,529 (\$0.02 per share basic and diluted) for the quarter ended August 31, 2014 vs. \$1,403,230 (\$0.03 per share basic and diluted) for the quarter ended August 31, 2013.

Further details are available in the Quarterly Report of the Company’s Consolidated Financial Statements for the quarter ended August 31, 2014. These statements have been filed on the OTC Markets Group Disclosure and News Services (DNS), which may be accessed at www.otcm Markets.com/stock/FRMO/filings. These documents are also available on the FRMO web site at www.frmocorp.com.

Conference Call

Murray Stahl, Chairman and CEO, and Steven Bregman, President and CFO, of FRMO Corp. will host a conference call on Tuesday, October 21, 2014 at 4:15 p.m. ET. The call can be accessed by dialing 1-888-359-3627 (domestic toll free) or 719-325-2315 (international toll) and entering the following conference ID: 3067977. A replay will be available from 6:15 p.m. on the day of the teleconference until November 20, 2013. To listen to the archived call, dial 1-888-203-1112 (domestic toll free) or 1-719-457-0820 (international toll), and enter conference ID number 3067977.

Condensed Consolidated Balance Sheets*(in thousands)*

| | <u>August 31,</u> <u>2014</u> | <u>May 31,</u> <u>2014</u> |
|--|----------------------------------|-------------------------------|
| | (Unaudited) | |
| Assets | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 27,877 | \$ 27,257 |
| Investments, available for sale, at fair value | 61,901 | 58,670 |
| Other | 1,725 | 595 |
| Total Current Assets | 91,503 | 86,522 |
| Investment in Horizon Kinetics LLC | 11,387 | 11,214 |
| Participation in Horizon Kinetics LLC revenue stream | 10,200 | 10,200 |
| Investment in The Bermuda Stock Exchange | 2,424 | 2,371 |
| Other assets | 138 | 138 |
| Total Assets | <u>\$ 115,652</u> | <u>\$ 110,445</u> |
| Liabilities and Stockholders' Equity | | |
| Current Liabilities: | | |
| Deferred Tax Liability | \$ 9,971 | \$ 9,016 |
| Other current liabilities | 3,049 | 3,140 |
| Total Current Liabilities | 13,020 | 12,156 |
| Deferred Tax Liability - non-current | 4,250 | 4,238 |
| Total Liabilities | 17,270 | 16,394 |
| Stockholders' Equity | 98,382 | 94,051 |
| Total Liabilities and Stockholders' Equity | <u>\$ 115,652</u> | <u>\$ 110,445</u> |

Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

| | Three Months Ended | |
|--|--------------------|--------------------|
| | August 31, 2014 | August 31, 2013 |
| | (Unaudited) | |
| Revenue: | | |
| Consultancy and advisory fees | \$ 922 | \$ 679 |
| Income from investment partnerships and limited liability companies | 139 | 1,256 |
| Income from unconsolidated subsidiary | 31 | - |
| Other | 430 | 447 |
| Total Revenue | 1,522 | 2,382 |
| Total Expenses | 222 | 213 |
| Income from Operations | 1,300 | 2,169 |
| Provision for Income Taxes | 532 | 766 |
| Net Income | \$ 768 | \$ 1,403 |
| Diluted Earnings per Common Share | \$ 0.02 | \$ 0.03 |
| Weighted Average Common Shares Outstanding | | |
| Basic | 43,504,842 | 43,256,755 |
| Diluted | 43,965,022 | 43,646,328 |

About FRMO Corp.

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

FRMO has 43,670,405 shares of common stock outstanding as of October 14, 2014.

For more information, visit our website 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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