

FRMO Corp. Announces Second Quarter 2016 Financial Results and Conference Call

WHITE PLAINS, N.Y. — January 14, 2016

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) today reported its financial results for the 2016 second quarter, which ended November 30, 2015 (May Fiscal Year).

Financial Highlights

FRMO’s book value was \$97.9 million (\$2.23 per share) as of November 30, 2015, compared with \$102.2 million (\$2.34 per share) as of May 31, 2015, the prior fiscal year-end. Cash and cash equivalents amounted to \$50.7 million as of November 30, 2015, versus \$44.7 million as of May 31, 2015. Total liabilities were \$15.7 million as of November 30, 2015, compared to \$16.5 million as of May 31, 2015, the majority of each being deferred taxes.

FRMO’s net income was \$1,441,808 (\$0.03 per share basic and diluted) for the three months ended November 30, 2015, up from \$1,061,110 (\$0.02 per share basic and diluted) for the same quarter of 2014. For the six months ended November 30, 2015, constituting the first half of the current fiscal year ending May 31, 2016, net income was \$2,602,913 (\$0.06 per share basic and diluted) up from \$1,828,639 (\$0.04 per share basic and diluted) for the same period in the prior year.

Further details are available in the Quarterly Report of the Company’s Consolidated Financial Statements for the quarter ended November 30, 2015. 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.

Conference Call

Murray Stahl, Chairman and CEO, and Steven Bregman, President and CFO, will host a conference call on Tuesday, January 19, 2016 at 4:15 p.m. ET. *Only questions submitted to info@frmocorp.com before 2:00 p.m. on the day of the call will be considered.* The call can be accessed by dialing 1-888-481-2877 (domestic toll free) or 1-719-325-2491 (international toll) and entering the following conference ID: 7834541. A replay will be available from 7:15 p.m. on the day of the teleconference until Thursday, February 18, 2016. 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 7834541.

Condensed Consolidated Balance Sheets*(in thousands)*

	November 30, 2015	May 31, 2015
Assets		
Current Assets:		
Cash and cash equivalents	\$ 50,679	\$ 44,745
Investments, available for sale, at fair value	37,558	48,008
Other	1,180	1,743
Total Current Assets	89,417	94,496
Investment in Horizon Kinetics LLC	11,011	11,200
Participation in Horizon Kinetics LLC revenue stream	10,200	10,200
Investment in The Bermuda Stock Exchange	2,668	2,639
Investment in OneChicago LLC	246	-
Other assets	52	138
Total Assets	\$ 113,594	\$ 118,673
Liabilities and Stockholders' Equity		
Current Liabilities:		
Deferred Tax Liability	\$ 7,034	\$ 10,286
Other current liabilities	4,391	1,949
Total Current Liabilities	11,425	12,235
Deferred Tax Liability - non-current	4,284	4,274
Total Liabilities	15,709	16,509
Stockholders' Equity	97,885	102,164
Total Liabilities and Stockholders' Equity	\$ 113,594	\$ 118,673

Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

	Three Months Ended		Six Months Ended	
	November 30, 2015	November 30, 2014	November 30, 2015	November 30, 2014
	(Unaudited)		(Unaudited)	
Revenue:				
Consultancy and advisory fees	\$ 578	\$ 799	\$ 1,268	\$ 1,721
Income (loss) from investment partnerships and limited liability companies	1,866	196	2,679	335
Income from unconsolidated subsidiary	20	30	29	61
Other	304	686	1,110	1,116
Total Revenue	2,768	1,711	5,086	3,233
Total Expenses	186	135	355	358
Income from Operations	2,582	1,576	4,731	2,875
Provision for Income Taxes	1,140	515	2,128	1,046
Net Income	<u>\$ 1,442</u>	<u>\$ 1,061</u>	<u>\$ 2,603</u>	<u>\$ 1,829</u>
Diluted Earnings per Common Share	\$ 0.03	\$ 0.02	\$ 0.06	\$ 0.04
Weighted Average Common Shares Outstanding				
Basic	43,733,375	43,670,405	43,730,751	43,587,171
Diluted	43,893,085	44,136,652	43,893,796	44,047,816

About FRMO Corp.

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

FRMO has 43,813,155 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.

Contact

Thérèse Byars
Corporate Secretary
Email: tbyars@frmocorp.com
Telephone: 646-495-7337
www.frmocorp.com