

## FRMO Corp. Announces First Quarter 2018 Financial Results and Conference Call

WHITE PLAINS, N.Y. — October 12, 2017

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) today reported its financial results for the 2018 first quarter, which ended August 31, 2017 (May Fiscal Year).

### Financial Highlights

FRMO’s book value as of August 31, 2017 was \$118.7 million (\$2.70 per share on a fully diluted basis), including \$13.1 million of non-controlling interests. The figure from the prior fiscal year-end as of May 31, 2017 was \$114.2 million (\$2.60 per share) including \$10.9 million of non-controlling interests. Current assets, comprised primarily of cash and equivalents and investments available for sale, amounted to \$74.4 million as of August 31, 2017, and \$71.3 million as of May 31, 2017. Total liabilities were \$14.5 million as of August 31, 2017, compared to \$13.1 million as of May 31, 2017, the majority of each being deferred taxes.

FRMO’s net income attributable to the Company was \$2,187,439 (\$0.05 per share basic and diluted) for the three months ended August 31, 2017 compared with \$997,107 (\$0.02 per share basic and diluted) for the quarter ended August 31, 2016. Income from operations was \$3,215,483 for the first quarter of fiscal 2018, compared to \$1,528,018 for the same period in the prior year. Comprehensive income (loss) was \$1,987,494 for the first quarter of fiscal 2018 compared to \$1,902,226 for the same period in the prior year. The figures in this paragraph reflect the Company’s retrospective adoption of Accounting Standards Update 2015-07, as disclosed in the financial statements.

Further details are available in the Quarterly Report of the Company’s Consolidated Financial Statements for the quarter ended August 31, 2017. 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](http://www.otcmarkets.com/stock/FRMO/filings). These documents are also available on the FRMO web site at [www.frmocorp.com](http://www.frmocorp.com).

### Conference Call

Murray Stahl, Chairman and CEO, and Steven Bregman, President and CFO, will host a conference call on Tuesday, October 17, 2017 at 4:15 p.m. ET. *Only questions submitted to [info@frmocorp.com](mailto:info@frmocorp.com) before 1:00 p.m. on the day of the call will be considered.* The call can be accessed by dialing 1-888-857-6931 (domestic toll free) or 719-457-2605 (international toll) and entering the following conference ID: 8096032. A replay will be available from 7:15 p.m. on the day of the teleconference until Thursday, November 16, 2017. To listen to the archived call, dial 1-888-203-1112 (domestic toll free) or 719-457-0820 (international toll), and enter conference ID number 8096032.

**Condensed Consolidated Balance Sheets**  
(in thousands)

	<b>August 31, 2017</b>	<b>May 31, 2017</b>
	<u>(Unaudited)</u>	
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 51,808	\$ 51,125
Bond and equity securities, available for sale, at fair value	21,683	18,933
Other current assets	905	1,219
<b>Total Current Assets</b>	<u>74,396</u>	<u>71,277</u>
Investment in South LaSalle Partners, LP	5,821	5,743
Investment in Winland Electronics, Inc.	773	739
Investments in limited partnerships	27,182	24,833
Investment in OneChicago LLC	246	246
Investment in Digital Currency Group Inc.	76	76
Investment in CNSX Markets, Inc.	243	243
Investment in Miami International Holdings, Inc.	250	250
Investment in National Stock Exchange Holdings, Inc.	249	249
Investment in The Bermuda Stock Exchange	2,716	2,704
Investment in Horizon Kinetics LLC	11,084	10,773
Participation in Horizon Kinetics LLC revenue stream	10,200	10,200
<b>Total Assets</b>	<u>\$ 133,236</u>	<u>\$ 127,333</u>
<b>Liabilities and Stockholders' Equity</b>		
Current Liabilities:		
Securities sold, not yet purchased	\$ 4,903	\$ 4,131
Other current liabilities	374	140
<b>Total Current Liabilities</b>	<u>5,277</u>	<u>4,271</u>
Deferred Tax Liability	9,234	8,842
<b>Total Liabilities</b>	<u>14,511</u>	<u>13,113</u>
Stockholders' Equity	118,725	114,220
<b>Total Liabilities and Stockholders' Equity</b>	<u>\$ 133,236</u>	<u>\$ 127,333</u>

## Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

	Three Months Ended	
	August 31, 2017	August 31, 2016
	(Unaudited)	
<b>Revenue:</b>		
Consultancy and advisory fees	\$ 438	\$ 502
Income from investment partnerships and limited liability companies	1,049	96
Unrealized gain from investments subject to net asset valuation and fair value adjustments	1,764	945
Income from unconsolidated subsidiary	12	29
Other	137	178
Total Revenue	3,400	1,750
<b>Total Expenses</b>	185	222
Income from Operations	3,215	1,528
Provision for Income Taxes	1,041	471
<b>Net Income</b>	2,174	1,057
Less net income (loss) attributable to noncontrolling interests	(13)	60
<b>Net Income Attributable to FRMO Corporation</b>	\$ 2,187	\$ 997
Diluted Net Income per Common Share	\$ 0.05	\$ 0.02
Weighted Average Common Shares Outstanding		
Basic	43,953,155	43,953,155
Diluted	43,996,620	43,999,239

### About FRMO Corp.

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

FRMO has 43,953,155 shares of common stock outstanding as of August 31, 2017.

For more information, visit our Web site at [www.frmocorp.com](http://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](http://www.frmocorp.com) and on [www.otcmartets.com/stock/FRMO/filings](http://www.otcmartets.com/stock/FRMO/filings).

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