

## FRMO Corp. Announces Results for Fiscal 2016

WHITE PLAINS, N.Y. — August 9, 2016

FRMO Corp. (the “Company” or “FRMO”) (OTC Pink: FRMO) today reported its financial results for the fiscal year 2016, which ended May 31, 2016.

### Financial Highlights

FRMO’s 2016 book value was \$99.8 million (\$2.27 per share on a fully diluted basis) as of May 31, 2016 compared with \$102.2 million (\$2.32 per share) as of May 31, 2015. Current assets, comprised primarily of cash and equivalents and investments available for sale, amounted to \$90.3 million as of May 31, 2016, and \$94.5 million as of May 31, 2015. Total liabilities were \$15.2 million as of May 31, 2016, compared to \$16.5 million as of May 31, 2015, the majority of each being deferred taxes.

FRMO’s 2016 net income for the fiscal year ended May 31, 2016 was \$3,692,697 (\$0.09 per share basic and diluted) compared with \$4,901,856 (\$0.11 per share basic and diluted) for the same period in 2015.

In May 2016, FRMO made a small investment in Miami International Holdings, Inc. (MIH), which is the parent holding company of the MIAX Options Exchange (MIAX Options), a fully automated electronic options exchange for trading options on equities and ETFs. MIH is a private company.

Further details are available in the Company’s Consolidated Financial Statements for the fiscal year ended May 31, 2016. 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).

### Annual Meeting Information

The Chairman, President, and Board of Directors of FRMO Corp. cordially invite shareholders to attend the Company’s Annual Meeting of Shareholders at which the Chairman and President will review the Fiscal 2016 financial results and the outlook for the future. Board members will be available to answer questions. The details for the Annual Meeting are as follows:

Tuesday, August 30, 2016 at 3PM  
The Harvard Club  
35 West 44th Street  
New York, NY

**Admission** to the FRMO Annual Meeting is limited to shareholders who owned Common Stock as of the close of business on July 12, 2016 (the record date), or their duly appointed proxies, and one guest. *Proof of ownership of FRMO stock and valid government-issued photo identification must be presented in order to be admitted to the Annual Meeting.* Each guest must present a valid government-issued photo identification. If your shares are held in the name of a bank, broker, or other holder of record, you must bring a brokerage statement or other proof of ownership (or the equivalent proof of ownership as of the close of business on the record date of the stockholder who granted you the proxy). If your shares are held in certificate form, ownership will be verified by consulting the list of Registered Shareholders as of the record date. Registration will begin at 2:00 p.m. *No cameras, recording equipment, electronic devices, large bags, briefcases, or packages will be permitted in the Annual Meeting. Dress code for the Harvard Club is business casual (no jeans, sneakers or athletic wear permitted).*

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

	<b>May 31, 2016</b>	<b>May 31, 2015</b>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 49,092	\$ 44,745
Investments, available for sale, at fair value	39,198	48,008
Other	1,994	1,743
<b>Total Current Assets</b>	<b>90,284</b>	<b>94,496</b>
Investment in OneChicago LLC	246	-
Investment in Digital Currency Group, Inc.	76	-
Investment in CNSX Markets, Inc.	243	-
Investment in Miami International Holdings, Inc.	250	-
Investment in The Bermuda Stock Exchange	2,642	2,639
Investment in Horizon Kinetics LLC	10,880	11,200
Participation in Horizon Kinetics LLC revenue stream	10,200	10,200
Other assets	139	139
<b>Total Assets</b>	<b>\$ 114,960</b>	<b>\$ 118,674</b>
<b>Liabilities and Stockholders' Equity</b>		
Current Liabilities:		
Securities sold, not yet purchased	\$ 4,412	\$ 1,798
Deferred Tax Liability	5,820	10,286
Other current liabilities	183	152
<b>Total Current Liabilities</b>	<b>10,415</b>	<b>12,236</b>
Deferred Tax Liability - non-current	4,753	4,274
<b>Total Liabilities</b>	<b>15,168</b>	<b>16,510</b>
Stockholders' Equity	99,792	102,164
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 114,960</b>	<b>\$ 118,674</b>

## Condensed Consolidated Statements of Income

(amounts in thousands, except share data)

	Three Months Ended		Year Ended	
	May 31, 2016	May 31, 2015	May 31, 2016	May 31, 2015
	(Unaudited)			
<b>Revenue:</b>				
Consultancy and advisory fees	\$ 506	\$ 736	\$ 2,536	\$ 3,215
Income from investment partnerships and limited liability companies	1,121	1,018	2,029	1,779
Income from unconsolidated subsidiary	4	22	3	92
Other	1,196	761	3,921	2,852
<b>Total Revenue</b>	<b>2,827</b>	<b>2,537</b>	<b>8,489</b>	<b>7,938</b>
<b>Total Expenses</b>	<b>197</b>	<b>99</b>	<b>721</b>	<b>578</b>
Income from Operations	2,630	2,438	7,768	7,360
Provision for Income Taxes	1,730	693	4,075	2,458
<b>Net Income</b>	<b>900</b>	<b>1,745</b>	<b>3,693</b>	<b>4,902</b>
Less net (loss) attributable to noncontrolling interests	(109)	-	(109)	-
<b>Net Income Attributable to FRMO Corporation</b>	<b>\$ 1,009</b>	<b>\$ 1,745</b>	<b>\$ 3,802</b>	<b>\$ 4,902</b>
Diluted Earnings per Common Share	\$ 0.02	\$ 0.04	\$ 0.09	\$ 0.11
Weighted Average Common Shares Outstanding				
Basic	43,953,155	43,722,595	43,820,150	43,644,295
Diluted	44,002,465	44,117,609	43,872,460	44,050,646

### 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 May 31, 2016.

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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