

FRMO Corp. Announces Results for Fiscal 2012

Extends invitation to attend Annual Meeting in NYC August 28

Pleasantville, N.Y. August 6, 2012. ([BUSINESS WIRE](#)) FRMO Corp. (FRMO-OTC-PINK), has issued its audited Annual Report for its fiscal year ended May 31, 2012

Financial Highlights

FRMO's net income was \$3.27 million (8.3 cents per share pre and post full dilution) for the fiscal year ended May 31, 2012. Being that the financials were GAAP audited and also for a changed fiscal year, income cannot be presented on a comparable basis to the fiscal February 28, 2011 previous year results, which were unaudited.

Tangible book value advanced for the eleventh consecutive year (since inception) to a record \$54.26 million (\$1.38 per share) vs. \$50.92 (\$1.30 per share). Current assets, comprised primarily of cash and equivalents and investments available for sale, amounted to \$59.09 million. Total liabilities amounted to \$5.05 million, the majority being non-current deferred taxes.

Further detail is available in the audited report of the Company's Consolidated Financial Statements for the Year Ended May 31, 2012, and for contextual content in particular, the Letter to Shareholders from Murray Stahl, Chairman and Chief Executive Officer. These, as well as the Proxy Statement for the Annual Meeting of Shareholders, have been filed on the OTC Markets Group's Disclosure and News Services (DNS), which may be accessed at www.otcmarkets.com/stock/FRMO/filings. These documents, as well as research referred to in the Shareholder Letter, are also available on the FRMO web site, www.frmocorp.com.

Condensed Consolidated Balance Sheets

(in thousands)

| | <u>May 31, 2012</u> | <u>May 31, 2011</u> |
|--|-------------------------|-------------------------|
| Assets | | |
| Current Assets: | | |
| Cash and equivalents | \$ 19,405 | \$ 16,703 |
| Investments, available for sale, at fair value | 38,376 | 34,762 |
| Other | 1,312 | 1,635 |
| Total current assets | <u>\$ 59,093</u> | <u>\$ 53,100</u> |
| Other Assets | <u>217</u> | <u>5,106</u> |
| Total Assets | \$ 59,310 | \$ 58,206 |
| Liabilities and Stockholders' Equity | | |
| Current Liabilities | \$ 2,091 | \$ 4,830 |
| Redeemable preferred stock | <u>50</u> | <u>-</u> |
| Total Current Liabilities | 2,141 | 4,830 |
| Deferred Tax Liability – non-current | <u>2,909</u> | <u>2,452</u> |
| Total Liabilities | 5,050 | 7,282 |
| Stockholders' Equity | <u>54,261</u> | <u>50,924</u> |
| Total Liabilities and Stockholders' Equity | \$ 59,310 | \$ 58,206 |

Condensed Consolidated Statement of Income*(in thousands)*

| | Year Ended May 31, 2012 |
|---|------------------------------------|
| Revenue: | |
| Consultancy and advisory fees | \$ 2,325 |
| Income from investment partnerships | 1,321 |
| Revenue from unconsolidated subsidiary | 169 |
| Other | <u>1,670</u> |
| Total Revenue | <u>\$ 5,485</u> |
| Total Expenses: | <u>885</u> |
| Income from Operations | 4,600 |
| Provision for Income Taxes | <u>1,332</u> |
| Net Income | \$ 3,268 |
| | |
| Basic and Diluted Earnings per Common Share | \$ 0.08 |
| | |
| Weighted Average Common Shares Outstanding | |
| Basic | 39,138,105 |
| Diluted | 39,188,105 |

Other Matters – Annual Meeting Invitation

The Chairman and President and Board of Directors of FRMO Corp. cordially invite your attendance at its Annual Meeting where they will review the Fiscal 2012 financial results, the outlook for the future and be available to answer questions. We look forward to meeting you. The Annual Meeting will be held on:

**Tuesday, August 28, 2012 at 3PM
at the Harvard Club,
27 West 44th Street in New York City.**

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.fromcorp.com and on www.otcmarkets.com/stock/FRMO/filings.

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