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For Immediate Release:

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Teton Advisors, Inc. Reports Record Fourth Quarter and Full Year Results

- **Assets under Management \$2.1 Billion**
- **Fourth Quarter Earnings Per Share Up 12.2% to \$1.01 per share**
- **Full Year Earnings Per Share Up 56.0% to \$3.87 per share**

Rye, New York, February 25, 2015 – Teton Advisors, Inc. (OTC PINK: TETAA) announced fourth quarter 2014 earnings of \$1.1 million, or \$1.01 per fully diluted share, versus \$1.0 million, or \$0.90 per fully diluted share, in the fourth quarter 2013. For the year ended December 31, 2014, earnings were \$4.3 million, or \$3.87 per fully diluted share, versus \$2.7 million, or \$2.48 per fully diluted share, in 2013. Teton Advisors also declared a regular quarterly dividend of \$0.05 per share on its Class A and Class B Common Stock payable on March 31st, 2015 to its Class A and Class B shareholders of record on March 17th, 2015.

Table I

**TETON ADVISORS, INC.
 UNAUDITED CONDENSED STATEMENTS OF INCOME**

| | For the Three Months Ended December 31, | |
|---|--|-------------------|
| | 2014 | 2013 |
| Revenues | | |
| Investment advisory fees-mutual funds | \$ 3,745,206 | \$ 3,369,124 |
| Investment advisory fees-separate accounts | 843,408 | 877,357 |
| Distribution fees and other income | 172,788 | 189,757 |
| Total revenues | <u>4,761,401</u> | <u>4,436,238</u> |
| Expenses | | |
| Compensation | 1,757,774 | 1,584,522 |
| Marketing and administrative fees | 507,993 | 473,619 |
| Distribution costs and expense reimbursements | 394,813 | 366,677 |
| Advanced commissions | 148,801 | 180,295 |
| Sub-advisory fees | 87,871 | 92,853 |
| Other operating expenses | 207,893 | 180,942 |
| Total expenses | <u>3,105,145</u> | <u>2,878,908</u> |
| Income before income taxes | 1,656,255 | 1,557,330 |
| Income taxes | 546,968 | 567,433 |
| Net income | <u>\$ 1,109,287</u> | <u>\$ 989,897</u> |
| Net income per share: | | |
| Basic | <u>\$ 1.01</u> | <u>\$ 0.90</u> |
| Diluted | <u>\$ 1.01</u> | <u>\$ 0.90</u> |
| Weighted average shares outstanding: | | |
| Basic | <u>1,099,637</u> | <u>1,103,969</u> |
| Diluted | <u>1,102,404</u> | <u>1,103,969</u> |

Table II

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF INCOME

| | For the Years Ended December 31, | |
|---|---|---------------------|
| | 2014 | 2013 |
| Revenues | | |
| Investment advisory fees-mutual funds | \$ 15,024,742 | \$ 10,597,457 |
| Investment advisory fees-separate accounts | 3,331,783 | 3,161,201 |
| Distribution fees and other income | 870,719 | 437,211 |
| Total revenues | <u>19,227,243</u> | <u>14,195,869</u> |
| Expenses | | |
| Compensation | 6,855,692 | 5,268,670 |
| Marketing and administrative fees | 2,032,807 | 1,593,530 |
| Distribution costs and expense reimbursements | 1,638,486 | 1,531,243 |
| Advanced commissions | 789,420 | 407,920 |
| Sub-advisory fees | 360,277 | 371,675 |
| Other operating expenses | 822,723 | 669,110 |
| Total expenses | <u>12,499,405</u> | <u>9,842,148</u> |
| Income before income taxes | 6,727,838 | 4,353,721 |
| Income taxes | 2,458,955 | 1,619,509 |
| Net income | <u>\$ 4,268,883</u> | <u>\$ 2,734,212</u> |
| Net income per share: | | |
| Basic | <u>\$ 3.87</u> | <u>\$ 2.48</u> |
| Diluted | <u>\$ 3.87</u> | <u>\$ 2.48</u> |
| Weighted average shares outstanding: | | |
| Basic | <u>1,101,929</u> | <u>1,104,173</u> |
| Diluted | <u>1,102,646</u> | <u>1,104,173</u> |

Table III

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF FINANCIAL CONDITION

| | <u>December 31,</u> <u>2014</u> | <u>December 31,</u> <u>2013</u> |
|---|------------------------------------|------------------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 6,310,494 | \$ 2,502,851 |
| Investment advisory fees receivable | 2,041,623 | 1,951,158 |
| Investment in securities | 106,647 | 2,227 |
| Deferred tax asset | 63,848 | 57,034 |
| Receivable from affiliates | 51,162 | 70,339 |
| Contingent deferred sales commission | 202,473 | 449,503 |
| Other assets (net of accumulated depr of \$19,969 and \$14,037, respectively) | 132,573 | 79,114 |
| Total assets | <u>8,908,820</u> | <u>5,112,226</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Payable to affiliates | \$ 904,308 | \$ 918,832 |
| Compensation payable | 260,978 | 332,316 |
| Deferred tax liability | 90,885 | 211,480 |
| Income tax payable | 64,317 | 171,455 |
| Distribution costs payable | 254,300 | 88,741 |
| Accrued expenses and other liabilities | 480,470 | 293,526 |
| Total liabilities | <u>2,055,258</u> | <u>2,016,350</u> |
| Stockholders' equity | | |
| Class A Common Stock, \$0.001 par value; 1,200,000 shares authorized; 979,884 and 974,083 shares issued, respectively; 772,720 and 773,098 shares outstanding, respectively | 971 | 971 |
| Class B Common Stock, \$0.001 par value; 800,000 shares authorized; 792,000 shares issued; 331,749 and 332,659 shares outstanding, respectively | 342 | 342 |
| Additional paid-in capital | 614,251 | 590,427 |
| Treasury stock, at cost (207,273 Class A shares and 8,000 Class B shares and 200,985 Class A Shares and 8,000 Class B shares, respectively) | (2,250,211) | (1,936,716) |
| Retained Earnings | 8,488,209 | 4,440,852 |
| Total stockholders' equity | <u>6,853,562</u> | <u>3,095,876</u> |
| Total liabilities and stockholders' equity | <u>\$ 8,908,820</u> | <u>\$ 5,112,226</u> |

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SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

Our disclosure and analysis in this press release contain some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. Such statements are subject to contingencies and uncertainties, some or all of which may be material. We direct your attention to the cautionary statements regarding forward-looking information set forth in documents on Teton's website. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.