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For Immediate Release:

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Teton Advisors Announces Third Quarter Results

Rye, New York, November 4, 2013 – Teton Advisors, Inc. (OTC Pink: TETAA) announced third quarter 2013 earnings of $642,061 or $0.58 per fully diluted share versus $393,566 or $0.34 per fully diluted share in the third quarter 2012. For the nine months ended September 30, 2013, Teton reported earnings of $1,744,315 or $1.58 per fully diluted share versus $1,224,500 or $1.03 per fully diluted share for the nine months ended September 30, 2012. Assets under management increased to $1.8 billion at September 30, 2013 up $0.3 billion, or 20%, from $1.5 billion at June 30, 2013 and up $981.5 million, or 116.5%, from $842.8 million at September 30, 2012.

Table I

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF INCOME

	Three months ended September 30, 2013	2012
Revenues		
Investment advisory fees-mutual funds	$ 2,835,626	$ 1,922,975
Investment advisory fees-separate accounts	771,923	45,528
Distribution fees and other income	124,079	45,369
Total revenues	3,731,628	2,013,872
Expenses		
Compensation	1,376,215	605,564
Marketing and administrative fees	420,095	318,604
Distribution costs and expense reimbursements	556,280	204,324
Advanced commissions	116,143	43,696
Sub-advisory fees	90,878	101,210
Other operating expenses	141,421	108,747
Total expenses	2,701,032	1,382,145
Income before income taxes	1,030,596	631,727
Income taxes	388,535	238,161
Net income	$ 642,061	$ 393,566
Net income per share:		
Basic	$ 0.58	$ 0.39
Diluted	$ 0.58	$ 0.34
Weighted average shares outstanding:		
Basic	1,104,242	1,021,649
Diluted	1,104,242	1,147,798

Table II

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF INCOME

	Nine months ended September 30, 2013	2012
Revenues		
Investment advisory fees-mutual funds	$ 7,228,333	$ 5,862,969
Investment advisory fees-separate accounts	2,283,844	141,479
Distribution fees and other income	247,362	230,240
Total revenues	9,759,539	6,234,688
Expenses		
Compensation	3,684,149	1,838,906
Marketing and administrative fees	1,119,911	972,192
Distribution costs and expense reimbursements	1,164,566	581,429
Advanced commissions	227,625	180,349
Sub-advisory fees	278,822	316,267
Other operating expenses	488,076	380,047
Total expenses	6,963,149	4,269,190
Income before income taxes	2,796,390	1,965,498
Income taxes	1,052,075	740,998
Net income	$ 1,744,315	$ 1,224,500
Net income per share:		
Basic	$ 1.58	$ 1.15
Diluted	$ 1.58	$ 1.03
Weighted average shares outstanding:		
Basic	1,104,242	1,061,795
Diluted	1,104,242	1,186,174

Table III

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF FINANCIAL CONDITION

	September 30, 2013	December 31, 2012
ASSETS	(Unaudited)	(Audited)
Cash and cash equivalents	$ 1,729,263	$ 267,670
Investment advisory fees receivable	1,670,775	1,154,933
Investment in securities	2,092	-
Deferred taxes, net	41,977	6,343
Receivable from affiliates	48,822	17,231
Contingent deferred sales commission	356,199	77,409
Other assets (net of accumulated depreciation of $18,450		
and $14,037, respectively)	85,519	83,045
Total assets	3,934,647	1,606,631
LIABILITIES AND STOCKHOLDERS' EQUITY		
Payable to affiliates	784,371	712,765
Deferred taxes, net	137,593	34,648
Income tax payable	76,336	37,444
Compensation payable	300,267	100,251
Distribution costs payable	198,647	120,091
Accrued expenses and other liabilities	249,205	157,519
Total liabilities	1,746,419	1,162,718
Stockholders' equity:		
Class A Common stock, $0.001 par value; 1,200,000		
shares authorized; 970,429 and 970,036 shares issued, respectively;		
770,429 and 770,036 shares outstanding, respectively	971	971
Class B Common stock, $0.001 par value; 800,000		
shares authorized; 792,000 shares issued; 333,813		
and 334,206 shares outstanding, respectively	342	342
Additional paid-in capital	588,899	588,899
Treasury stock, at cost (200,000 shares class A shares	(1,908,120)	(1,908,120)
and 8,000 class B shares)		
Retained earnings	3,506,136	1,761,821
Total stockholders' equity	2,188,228	443,913
Total liabilities and stockholders' equity	$ 3,934,647	$ 1,606,631

Table IV

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,	
	2013	2012
Operating activities		
Net income	$ 1,744,315	$ 1,224,500
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	4,412	3,548
Deferred income tax	(35,634)	2,657
Amortization of deferred sales commission	227,625	180,349
Stock based compensation expense	-	69,483
(Increase) decrease in operating assets:		
Investment advisory fees receivable	(515,842)	30,341
Investment in securities	(2,092)	-
Income tax receivable	-	-
Receivable from affiliates	(31,591)	25,941
Contingent deferred sales commission	(506,415)	(127,012)
Other assets	(6,886)	39,578
Increase (decrease) in operating liabilities:		
Payable to affiliates	71,606	38,398
Deferred tax liability	102,945	(43,352)
Income tax payable	38,892	(637,787)
Compensation payable	200,016	32,283
Distribution costs payable	78,556	(75,374)
Accrued expenses and other liabilities	91,686	(33,088)
Total adjustments	(282,722)	(494,035)
Net cash provided by operating activities	1,461,593	730,465
Financing activities		
Stock repurchased	-	(950,000)
Dividends paid	-	(785,154)
Net cash used in financing activities	-	(1,735,154)
Net increase (decrease) in cash and cash equivalents	1,461,593	(1,004,689)
Cash and cash equivalents at beginning of year	267,670	2,715,895
Cash and cash equivalents at end of the period	$ 1,729,263	$ 1,711,206
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ 909,386	$ 1,395,701

Table V

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total
Balance at December 31, 2012	$ 971	$ 342	$ 588,899	$ (1,908,120)	$ 1,761,821	$ 443,913
Net income	-	-	-	-	1,744,315	1,744,315
Balance at September 30, 2013	$ 971	$ 342	$ 588,899	$ (1,908,120)	$ 3,506,136	$ 2,188,228

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SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

Our disclosure and analysis in this press release may contain forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. 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.