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Teton Advisors Announces Fourth Quarter and Full Year Results

Rye, New York, March 1, 2013 – Teton Advisors, Inc. (OTC Markets Group: TETAA) announced fourth quarter 2012 earnings of $414,000 or $0.38 per fully diluted share versus $380,000 or $0.31 per fully diluted share in the fourth quarter 2011. For the year ended December 31, 2012, earnings were $1.6 million or $1.41 per fully diluted share versus $1.7 million or $1.38 per fully diluted share in 2011.

The Company reported Assets Under Management as follows (in millions):

Table I: Fund Flows - 4th Quarter 2012

	September 30, 2012	Market appreciation/ (depreciation)	Net cash flows	December 31, 2012
Equities:				
Open-end Funds	$ 792.6	$ 31.9	$ (27.6)	$ 796.9
Separate accounts	26.5	14.4	397.3	438.2
Total Equities	819.1	46.3	369.7	1,235.1
Fixed Income:				
Open-end Funds	23.7	1.2	1.5	26.4
Total Fixed Income	23.7	1.2	1.5	26.4
Total Assets Under Management	$ 842.8	$ 47.5	$ 371.2	$ 1,261.5

Table II: Assets Under Management by Quarter

	12/11	3/12	6/12	9/12	12/12	% Increase/ (decrease) from 12/11	% Increase/ (decrease) from 9/12
Equities:							
Open-end Funds	$ 797.8	$ 845.0	$ 787.6	$ 792.6	$ 796.9		
Separate accounts	26.5	28.4	26.0	26.5	438.2		
Total Equities	824.3	873.4	813.6	819.1	1,235.1	49.8	50.8
Fixed Income:							
Open-end Funds	21.2	21.4	22.8	23.7	26.4		
Total Fixed Income	21.2	21.4	22.8	23.7	26.4	24.5	11.4
Total Assets Under Management	$ 845.5	$ 894.8	$ 836.4	$ 842.8	$ 1,261.5	49.2%	49.7%

Table III

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF INCOME
(Dollars in thousands, except shares and per share data)

	For the Three Months Ended December 31,		
	2012	**2011**	**% Inc. (Dec.)**
Investment advisory fees	$ 2,474	$ 2,015	
Distribution fees and other income	46	121	
Total revenues	2,520	2,136	18.0%
Compensation	1,023	637	
Marketing and administration fees	317	325	
Other operating expenses	503	579	
Total expenses	1,843	1,541	19.6
Income before income taxes	677	595	13.8
Income tax expense	263	215	
Net income	$ 414	$ 380	8.9
Net income per share:			
Basic	$ 0.40	$ 0.34	17.6
Diluted	$ 0.38	$ 0.31	22.6
Weighted average shares outstanding:			
Basic	1,032,889	1,121,649	(7.9)
Diluted	1,091,370	1,240,672	(12.0)
Actual shares outstanding (a)	1,104,242	1,304,242	(15.3%)

Notes:
(a) Includes 0 and 182,594 of Restricted Stock Awards ("RSAs"), respectively.

Table IV

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF INCOME
(Dollars in thousands, except shares and per share data)

	For the Years Ended December 31,		
	2012	**2011**	**% Inc. (Dec.)**
Investment advisory fees	$ 8,478	$ 8,641	
Distribution fees and other income	276	499	
Total revenues	8,754	9,140	(4.2%)
Compensation	2,862	2,598	
Marketing and administration fees	1,289	1,365	
Other operating expenses	1,961	2,546	
Total expenses	6,112	6,509	(6.1)
Income before income taxes	2,642	2,631	0.4
Income tax expense	1,004	938	
Net income	$ 1,638	$ 1,693	(3.2)
Net income per share:			
Basic	$ 1.55	$ 1.57	(1.3)
Diluted	$ 1.41	$ 1.38	2.2
Weighted average shares outstanding:			
Basic	1,054,528	1,079,198	(2.3)
Diluted	1,162,343	1,224,913	(5.1)
Actual shares outstanding (a)	1,104,242	1,304,242	(15.3%)

Notes:
(a) Includes 0 and 182,594 of RSAs, respectively.

Table V

TETON ADVISORS, INC.
UNAUDITED CONDENSED STATEMENTS OF FINANCIAL CONDITION
(Dollars in thousands)

	December 31, 2012	December 31, 2011
ASSETS		
Cash and cash equivalents	$ 268	$ 2,716
Investment advisory fees receivable	1,155	647
Other assets	177	310
Total assets	$ 1,600	$ 3,673
LIABILITIES AND EQUITY		
Payable to affiliates	$ 713	$ 373
Dividends payable	-	1,005
Accrued expenses and other liabilities	443	1,070
Total liabilities	1,156	2,448
Total equity	444	1,225
Total liabilities and equity	$ 1,600	$ 3,673

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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.