Teton Advisors

2011 ANNUAL REPORT

April 2, 2012

Teton Advisors 2011 Shareholder Letter

Dear Shareholders,

The extreme volatility of global markets posed formidable challenges for our industry in 2011. Since our spinoff from GAMCO Investors, Inc. (NYSE:GBL) on March 20, 2009, Teton Advisors, Inc. (OTC Markets Group: TETAA) has weathered both a bear market brought on by 2008's financial crisis and, more recently, a severe stock market correction triggered by fears over a potential European sovereign debt related banking crisis. As a predominantly long-only equities asset manager, our business is not immune from the increased market volatility. We understand the necessity of having an efficient platform and strong operating margins so that during periods of capital market weakness and declining assets under management (AUM), we can avoid incurring operating losses. Nonetheless, asset management remains an attractive business that is scalable with significant profit potential. In fact, our business has not only persevered, but grown in a most challenging environment, and we believe we are now entering an opportune period where limited small-cap capacity will become an issue for endowments, foundations, public and corporate plan sponsors. Our long-range goal for Teton is to build out a multi-strategy asset management platform with emphasis on small and micro-cap, long only equity strategies.

As Teton exited 2011, our six GAMCO Westwood mutual funds and separate account assets totaled $846 million, up 3% from $820 million in December 2010. This compares with $374 million in AUM since our spinoff from GAMCO Investors, Inc. in 2009. For the year ended 2011, Teton generated gross operating revenue of $9.1 million versus $5.8 million in 2010. Teton's operating income for 2011 increased to $2.6 million (28.8% of gross revenue) versus $731,678 (12.6% of gross revenue) a year ago. Net income for 2011 was $1.7 million compared to $472,240 in 2010. Earnings per share were $1.38 for 2011 versus $0.39 a year ago. Given improved profitability, Teton declared a dividend of $0.70 per share payable January 3, 2012 to its shareholders of record on December 20, 2011.

As we look toward 2012 and beyond, we remain focused on building distribution of our small-capitalization strategies. In the fourth quarter, for example, we established a selling agreement with Morgan Stanley Smith Barney (MSSB) for our GAMCO Westwood SmallCap Equity Fund (WESCX). Currently, all six of our mutual funds have selling agreements with nearly every major broker dealer, along with regional outfits. In addition to selling our funds through G. distributors, LLC., we have forged an alliance with Palmetto Advisory Group to broaden coverage. Beyond our retail initiatives, we are pursuing endowment, foundation, defined contribution, institutional, sovereign wealth, sub-advisory, and emerging manager mandates. Moreover, acquisition opportunities have arisen as numerous regional banks disgorge asset managers to improve their regulatory capital ratios. We are also engaged in seeking strategic partnerships, in both equities and fixed income along with potential mutual fund adoptions similar to the merger of the Bjurman, Barry Micro-Cap Growth Fund into our GAMCO Westwood Mighty Mites℠ Fund (WEMMX) on March 27, 2009.

In 2011, we augmented Teton's management team with the addition of Beth Lilly who joined our Mighty Mites℠ Fund as Associate Portfolio Manager. Beth brings 26 years' experience as a small-cap portfolio manager and analyst. Tiffany Hayden, who joined Teton in 2008 from Trust Company of the West (TCW), was elevated to our Director of Marketing, assisted by Research Associate, Amy Saekow, a recent honors graduate from Middlebury College.

Our family of six GAMCO Westwood Mutual Funds (WEMMX; WESCX; WESRX; WESWX; WEBAX; WEIBX) have compiled solid long-term investment results and stand to attract significant inflows as retail investors shift their preference back to equities from bonds. Our GAMCO Westwood Mighty Mites℠ Fund, a microcap strategy managed by Mario Gabelli, Laura Linehan, Walter Walsh, and Beth Lilly, has significantly grown its AUM over the past three years. Our GAMCO Westwood SmallCap Equity Fund, has posted excellent performance since my stewardship of the Fund in July 2008. Our investment offerings include three funds sub-advised by Westwood Holdings Group (NYSE: WHG). The GAMCO Westwood Equity Fund is a large-cap value strategy, the GAMCO Westwood Balanced Fund is a blend of value equity and fixed income and the GAMCO Westwood Intermediate Bond Fund is a high grade fixed income fund. Rounding out our current offerings is the GAMCO Westwood Income Fund managed by Barbara Marcin, which holds higher yielding equities with a portion in fixed income securities. All six funds have solid ten-year track records.

While we remain optimistic about our growth prospects, macro headwinds pose significant challenges for our industry: net outflows of domestic equity mutual funds exceeded $140 billion in 2011 as their counterparts, bond funds, amassed a like amount. Domestic equity funds have had net outflows in each of the past five years. Despite this, the U.S. asset management industry continues to be the most consistently profitable business in financial services. We intend to seize the opportunity to build AUM with our focused strategy.

Despite a rising stock market and recovery in small-cap equities during the fourth quarter, the bounce did not fully offset the third quarter's decline. Global markets were buffeted by fears of U.S. economic recession exacerbated by a potential Euro break-up, European debt default and a banking crisis. This was evidenced by widening credit spreads of European sovereign debt, driving up borrowing costs for Euro member countries, such as Italy and Spain.

Dissolution of the Euro single currency and a break-up of the intergovernmental treaty would be disastrous for global trade and commerce. During 2011, equity market volatility was correlated to news flow related to the sovereign debt crisis and policy measures implemented to restore stability and confidence in the Euro zone. We believe the combination of emergency finance, tighter governance agreements and economic austerity measures form a basis for resolution of the crisis. This will be played out in 2012 as European policymakers hammer out the new stability architecture, measures that could help restore investor confidence in equities given their historically attractive valuations.

As European policy makers make meaningful headway in resolving the crisis, in 2012, the U.S. economy appears to be improving. Employment claims have fallen to 3½ year lows, as the jobless rate continued to trend down in January 2012 to 8.3% and nonfarm payroll employment improved with the addition of 243,000 jobs. The economy's firming tone was also validated by data showing acceleration in factory activity in the New York and Mid-Atlantic regions. Confidence among U.S. homebuilders rose in December for a third consecutive month, and existing home sales increased to the highest level since January 2011, a sign of stabilization in that market. An improving economy, accompanied by record low interest rates and monetary easing by a growing chorus of central banks in the U.S., Europe, China and Japan, should provide a potent catalyst for market appreciation in the next 12 to 18 months. In the U.S., the Federal Reserve has reemphasized its commitment to keep interest rates exceptionally low until 2014.

While markets were fixated on Europe and global macro concerns in 2011, the valuations of many stocks drifted down to historically cheap levels. Take for example how attractive small-caps have become: the price earnings ratio for the Russell 2000 small-cap benchmark was 12.6x versus its long-term average of 15.4x. In December, the benchmark traded at 10.2x enterprise value to earnings before interest and taxes plus depreciation (EV/EBITDA), 16% below its 15-year average. The Russell 2000's price to book was at 1.7x, below its long-term average of 2.1x. Currently, about 18% of the Russell 2000's market cap sits in cash. Small-caps are already priced for a decline in growth expectations. Low valuations are partially attributable to reduced small-cap analyst coverage, as Wall Street has consolidated and downsized its research departments in recent years. We seek to purchase the inefficiently priced stocks of companies with strong business models run by top-notch management teams.

As we look through the valley to the next market recovery cycle, we believe merger and acquisition activity will be a catalyst for appreciation in equities, particularly small-caps. Over the past 12 months, M&A activity in the U.S. has risen dramatically to $1.3 trillion compared to the trough level of $636 billion in 2009. We believe M&A activity is likely to increase because large corporate buyers are cash rich. According to Bloomberg, the 1,000 largest corporations have $3 trillion in cash on their balance sheets, and are seeking opportunities to boost growth and establish strategic advantages. Moreover, financial buyers once again have access to cheap capital and are on the prowl for attractive deals. Small-caps stand to benefit from this major wave. In our GAMCO Westwood SmallCap Equity portfolio, for example, we had 17 takeovers in 2011, following 14 in 2010. In Mighty Mites[SM], we had 12 takeovers in 2011, following 18 in 2010. As bottom-up, research driven, value investors, we employ many of the same metrics in the valuation of our portfolio candidates as criteria used by strategic corporate buyers and private equity outfits. Consequently, we stand to benefit from renewed acquisition activity.

At Teton, we have compiled excellent long-term investment performance and have laid a solid foundation for distribution of our funds and marketing of our separate account strategies. Building a boutique asset management company presents many challenges. Nonetheless, we expect to benefit from organic growth and consolidation opportunities along with improving market conditions and investor sentiment toward equities.

We appreciate your confidence and trust.

Sincerely,

Nicholas F. Galluccio
President and Chief Executive Officer
Teton Advisors, Inc.

Investors should consider the investment objectives, risks, sales charges and expense of a fund carefully before investing. The prospectus, which contains more information about this and other matters. The prospectus should be read carefully before investing. You can obtain a free prospectus by calling 1-800-WESTWOOD (1-800-937-966), or contacting your financial representative or by visiting http://www.tetonadv.com. Teton Advisors' Mutual Funds are distributed by G. distributors, LLC. One Corporate Center, Rye, NY 10580.

TETON ADVISORS, INC.

2011 ANNUAL REPORT

Teton Advisors, Inc.

Annual Report for the Fiscal Year Ended December 31, 2011

Forward-Looking Statements

Our disclosure and analysis in this report and in documents that are incorporated by reference contain some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results.

Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation: the adverse effect from a decline in the securities markets; a decline in the performance of our products; a general downturn in the economy; changes in government policy or regulation; changes in our ability to attract or retain key employees; and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We also direct your attention to any more specific discussions of risk contained in Item 1A below and in our other public filings or in documents incorporated by reference here or in prior filings or reports.

We are providing these statements as permitted by the Private Litigation Reform Act of 1995. 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.

BUSINESS

Unless we have indicated otherwise, or the context otherwise requires, references in this report to "Teton," "we," "us," "the Company" and "our" or similar terms are to Teton Advisors, Inc. and its predecessors.

Overview

Teton was spun-off from GAMCO Investors, Inc. ("GAMCO") on March 20, 2009. The board of directors and management of both Teton and GAMCO decided to pursue the separation primarily for the following reasons:

- The senior management and board of directors of each company will be able to more fully focus on its business with a resulting increase in accountability for decisions;

- Create a class of publicly traded equity securities, including restricted stock units, for Teton which should enable it to provide incentive compensation arrangements for its key employees which are directly related to the performance of Teton. Teton believes such equity-based compensation arrangements should provide enhanced incentives for performance, and improve the ability for Teton to attract, retain and motivate qualified personnel.

- The flexibility to issue equity as consideration in future acquisitions and alliances;

- Increase transparency and clarity into the businesses of GAMCO and Teton and allow investors to more appropriately value the merits, performance and future prospects of each company; and

- Reduce brand confusion between the "Gabelli" and "GAMCO" funds, on the one hand, and the "Westwood" funds, on the other hand.

Teton serves as the investment manager for the GAMCO Westwood Funds ("Funds"), six funds with AUM of $819.0 million at December 31, 2011.

The GAMCO Westwood Funds consist of the following six funds:

- GAMCO Westwood Income Fund
- GAMCO Westwood Balanced Fund
- GAMCO Westwood Equity Fund
- GAMCO Westwood SmallCap Equity Fund

- GAMCO Westwood Mighty Mites^{SM} Fund
- GAMCO Westwood Intermediate Bond Fund

Teton has retained Westwood Management Corporation, a subsidiary of Westwood Holdings Group, Inc., a NYSE listed company, to act as sub-advisor for the GAMCO Westwood Balanced Fund, the GAMCO Westwood Equity Fund and the GAMCO Westwood Intermediate Bond Fund. The remainder of the Funds are advised directly by Teton.

Teton also manages three separate accounts with AUM of $26.5 million at December 31, 2011.

G.distributors, LLC ("G.distributors"), an affiliate of Teton and a subsidiary of GAMCO, distributes the Funds pursuant to distribution agreements with each fund.

Business Strategy

Our business strategy targets global growth of the franchise through continued leveraging of our proven asset management strengths including our brand name and long-term performance record.

Business Description

Teton acts as investment advisor to the Funds. Teton was formed in Texas as Teton Advisers LLC in December 1994. On March 2, 1998, Teton Advisers LLC was renamed Gabelli Advisors LLC and, on the same date, merged into Gabelli Advisers, Inc., a Delaware corporation. On January 25, 2008, Gabelli Advisers, Inc. was renamed Teton Advisors, Inc. Teton's principal executive office is located at One Corporate Center, Rye, New York 10580 and our website is www.tetonadv.com.

Open-End Funds: Teton provides advisory services to the GAMCO Westwood family of funds, consisting of six open-end funds, three of which are managed on a day-to-day basis by Teton, and three of which are sub-advised by Westwood Management Corp. Teton was the interim advisor to the B.B. Micro Cap Growth Fund. The assets of this fund were merged into the GAMCO Westwood Mighty Mites^{SM} Fund in March of 2009. AUM in open-end Funds were $819.0 million at December 31, 2011, 3.3% above the $792.5 million of AUM at December 31, 2010.

On December 31, 2011, of the AUM in open-end Funds having an overall rating from Morningstar, Inc. ("Morningstar"), 92.5% were ranked "three stars" or better, with 69.7% ranked "five stars" or "four stars" on an overall basis (i.e., derived from a weighted average of the performance figures associated with their three-, five-, and ten-year Morningstar Rating metrics). There can be no assurance, however, that these Funds will be able to maintain such ratings or that past performance will be indicative of future results.

At December 31, 2011, approximately 11% of our AUM in open-end, equity Funds had been obtained through G.distributors's direct sales relationships. G.distributors also sells our open-end Funds through third-party distribution programs, notably No Transaction Fee ("NTF") Programs, and has developed additional classes of shares for many of our Funds for sale through additional third-party distribution channels on a commission basis. At December 31, 2011, Third Party Distribution Programs accounted for approximately 89% of all assets in open-end Funds.

Separate Accounts: Beginning in 2009, we provided investment management services to a separate account client. During 2011, we added two additional separate account clients. At December 31, 2011, we had $26.5 million of AUM in our separate account business, a decrease of $0.8 million, or 2.9%, from the $27.3 million at December 31, 2010. In general, our separate accounts will be managed to meet the specific needs and objectives of each client. The investment advisory agreement for our separate account clients are subject to termination by the client without penalty on 30 days' notice.

Shareholders of the open-end Funds are allowed to exchange shares among the same class of shares of the other open-end Funds as well as the Gabelli/GAMCO open-end funds as economic and market conditions and investor needs change at no additional cost. However, as noted below, certain open-end Funds impose a 2% redemption fee on shares redeemed in seven days or less after a purchase. We periodically introduce new funds designed to complement and expand our investment product offerings, respond to competitive developments in the financial marketplace and meet the changing needs of investors.

We provide investment advisory and management services pursuant to an investment management agreement with each Fund. The investment management agreements with the Funds generally provide that we are responsible for the overall investment and administrative services, subject to the oversight of each Fund's Board of Directors or Trustees and in accordance with each Fund's fundamental investment objectives and policies. The investment management agreements permit us to enter into separate agreements for administrative and accounting services on behalf of the respective Funds.

Teton provides the Funds with administrative services pursuant to the management contracts. Such services include, without limitation, supervision of the calculation of net asset value, preparation of financial reports for shareholders of the Funds, internal accounting, tax accounting and reporting, regulatory filings and other services. Most of these administrative services are provided through sub-contracts with unaffiliated third parties. Teton has contracted GAMCO to provide certain administration services on its behalf. Transfer agency and custodial services are provided directly to the Funds by unaffiliated third parties.

Our Fund investment management agreements may continue in effect from year to year only if specifically approved at least annually by (i) the Fund's Board of Directors or Trustees or (ii) the Fund's shareholders and, in either case, the vote of a majority of the Fund's directors or trustees who are not parties to the agreement or "interested persons" of any such party, within the meaning of the Investment Company Act of 1940 as amended (the “Investment Company Act”). Each Fund may terminate its investment management agreement at any time upon 60 days' written notice by (i) a vote of the majority of the Board of Directors or Trustees cast in person at a meeting called for the purpose of voting on such termination or (ii) a vote at a meeting of shareholders of the lesser of either 67% of the voting shares represented in person or by proxy or 50% of the outstanding voting shares of such Fund. Each investment management agreement automatically terminates in the event of its assignment, as defined in the Investment Company Act. We may terminate an investment management agreement without penalty on 60 days' written notice.

Assets Under Management

The following table sets forth total AUM by product type as of the dates shown:

Assets Under Management
By Product Type
(Dollars in millions)

	2007	2008	2009	2010	2011	% Inc (Dec) 2011 / 2010
Equities	$ 429	$ 436	$ 544	$ 803	$ 825	2.7%
Fixed Income	11	14	17	17	21	23.5
Total Assets Under Management	$ 440	$ 450	$ 561	$ 820	$ 846	3.2%

Distribution and Marketing

In an effort to increase AUM, the marketing team at Teton is focused on major mutual fund industry distribution channels, which include the direct, advisory, supermarket, retirement and institutional channels. In the direct channel, investors carry out transactions directly with mutual fund companies, in many cases calling in orders through a 1-800 telephone number. In all other mutual fund channels, individuals use intermediaries to purchase funds on their behalf. The advisory channel consists of financial intermediaries which provide ongoing investment advice and monitoring. These include full-service brokerage firms, banks, insurance companies and financial planners. Advisors are compensated through sales loads or fees. Through a service agreement with GAMCO Investors, Inc., Teton utilizes the G.distributors wholesaler and internal marketing force to gather assets in these two channels. In the fund supermarket channels, which have no transaction fee “NTF” programs, Teton serves as a business development and relationship manager. Teton is similarly targeting the defined contribution retirement channel and institutional, which consists of corporations, endowments and foundations. Teton believes it is capable of serving all of these channels because its mutual funds have multiple share classes.

Teton is pursuing non mutual fund opportunities mainly in the small cap equity asset class. The marketing effort is focused on subadvisory and traditional separate accounts. The target market consists of insurance companies, commercial banks and institutions that rely on consultant due diligence and recommendations. Teton seeks to build strategic relationships with institutions and wealth management providers with whom the Teton management team has developed long-term relationships.

G.distributors, a subsidiary of GAMCO, distributes the Funds pursuant to distribution agreements with each fund. Under the distribution agreements, G.distributors offers and sells the Funds’ shares on a continuous basis and pays all of the costs of marketing and selling the shares, including printing and mailing prospectuses and sales literature, advertising and maintaining sales and customer service personnel and sales and services fulfillment systems, and payments to the sponsors of third-party distribution programs, financial intermediaries and G.distributors sales personnel. G.distributors receives fees for such services pursuant to distribution plans adopted under provisions of Rule 12b-1 of the Investment Company Act of 1940, as amended. Prior to August 1, 2011, Gabelli & Company, Inc. ("Gabelli & Company"), a subsidiary of GAMCO, was the distributor of the Funds.

Under the distribution agreements, the no-load Class AAA shares of the Funds pay .25% per year on the average daily net assets of the fund to G.distributors and the Class A shares of the Funds pay .35% or .50% per year on the average daily net assets of the fund. Class B and Class C shares have a Rule 12b-1 distribution plan with a service and distribution fee totaling 1%. Prior to August 1, 2011 if Gabelli & Company expended more than the distribution fees received on a fund-by-fund basis, it was reimbursed by Teton. If Gabelli & Company expended less than the distribution fees received on a fund-by-fund basis, it would reimburse Teton for any previously reimbursed distribution expenses. For 2011, Teton reimbursed to Gabelli & Company $2,018. For 2010 and 2009, Gabelli & Company paid Teton $75,387 and $44,526, respectively, of previously reimbursed distribution expenses.

Most of the Funds have traditionally been distributed by using a variety of direct response marketing techniques, including telemarketing and advertising, and as a result Teton and G.distributors maintain direct relationships with many of the no-load GAMCO Westwood Fund shareholders. Beginning in late 1995, Teton expanded its product distribution by offering several of the Funds through third-party distribution programs, including NTF Programs. Third-party distribution programs have become an increasingly important source of asset growth for Teton. Of the $819.0 million of AUM in the Funds as of December 31, 2011, approximately $219.5 million, or 27%, were generated through NTF Programs. In addition, at December 31, 2011, approximately 91% of the NTF Program net assets in the Funds are attributable to two NTF Programs. The fee paid to the NTF programs and in fee based accounts range from 0.25% to 0.40% of the AUM held through these programs. G.distributors, as the distributor of the Funds, pays the first 0.25% of any fees with Teton paying any fee in excess of 0.25% subject to partial reimbursement by the Funds under certain circumstances. In 2011, 2010 and 2009, Teton paid $607,701, $207,820 and $141,775, respectively, for their share of these NTF programs. Remaining assets are held through full service broker dealers in fee based accounts or through retail accounts.

G.distributors' distribution agreements with the Funds may continue in effect from year to year only if specifically approved at least annually by (i) the Board of Trustees or (ii) the fund's shareholders and, in either case, the vote of a majority of the trustees who are not parties to the agreement or "interested persons" of any such party, within the meaning of the Investment Company Act. Each Westwood Fund may terminate its distribution agreement, or any agreement thereunder, at any time upon 60 days' written notice by (i) a vote of the majority of the trustees cast in person at a meeting called for the purpose of voting on such termination or (ii) a vote at a meeting of shareholders of the lesser of either 67% of the voting shares represented in person or by proxy or 50% of the outstanding voting shares of such fund. Each distribution agreement automatically terminates in the event of its assignment, as defined in the Investment Company Act. G.distributors may terminate a distribution agreement without penalty upon 60 days' written notice.

Investment Management Agreements

Teton provides investment advisory and management services pursuant to investment management agreements with the Funds. The investment management agreements with the Funds generally provide that Teton is responsible for the overall investment and administrative services, subject to the oversight of the Funds' Board of Trustees ("Board of Trustees") and in accordance with each fund's fundamental investment objectives and policies. The administrative services include, without limitation, supervision of the calculation of net asset value, preparation of financial reports for shareholders of the Funds, internal accounting, tax accounting and reporting, regulatory filings and other services. Most of these administrative services are provided through sub-contracts with unaffiliated third parties. Transfer agency and custodial services are provided directly to the Funds by unaffiliated third parties.

The Funds' investment management agreements may continue in effect from year to year only if specifically approved at least annually by (i) the Board of Trustees or (ii) the Fund's shareholders and, in either case, the vote of a majority of the trustees who are not parties to the agreement or "interested persons" of any such party, within the meaning of the Investment Company Act. Each Westwood Fund may terminate its investment management agreement at any time upon 60 days' written notice by (i) a vote of the majority of the Board of Trustees cast in person at a meeting called for the purpose of voting on such termination or (ii) a vote at a meeting of shareholders of the lesser of either 67% of the voting shares represented in person or by proxy or 50% of the outstanding voting shares of such Westwood Fund. Each investment management agreement automatically terminates in the event of its assignment, as defined in the Investment Company Act. Teton may terminate an investment management agreement without penalty on 60 days' written notice.

Pursuant to the terms of these investment management agreements, neither Teton nor its officers, directors, employees, agents or controlling persons ("Teton Persons") are liable to the Funds for any act or omission or for any loss sustained by the Funds in connection with the matters to which the advisory agreement relates. However, Teton Persons are liable to the Funds under these agreements with respect to a loss resulting from willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of its reckless disregard of its obligation and duties under the agreement. The investment management agreements also set forth certain indemnification rights for Teton, its employees, officers, directors and agents.

Sub-advisory Agreements

Teton pays Westwood Management Corporation a sub-advisory fee of 35% of net revenues for the Balanced, Equity and Intermediate Bond Funds. "Net revenues" are defined as management fees less twenty basis points for mutual fund administration expenses (which are paid to GAMCO) and less expense reimbursements to the funds for which it serves as a sub-advisor. For 2011, 2010 and 2009, the sub-advisory fee paid to Westwood Management Corporation by Teton amounted to $501,950, $567,117 and $627,272, respectively. This agreement may be terminated by Westwood Management Corporation on 60 days' prior written notice and may be terminated by the Funds or Teton on 60 days' prior written notice, provided that termination by the Funds must be approved by a majority of the Trustees of the Funds or the holders of a "majority of the voting securities" of the Funds.

Competition

We compete with other investment management firms and mutual fund companies, insurance companies, banks, brokerage firms and other financial institutions that offer products that have similar features and investment objectives to those offered by us. Many of the investment management firms with which we compete are subsidiaries of large diversified financial companies and many others are much larger in terms of AUM and revenues and, accordingly, have much larger sales organizations and marketing budgets. Historically, we have competed primarily on the basis of the long-term investment performance of many of our investment products.

Regulation

Virtually all aspects of our business are subject to various federal and state laws and regulations. These laws and regulations are primarily intended to protect investment advisory clients and shareholders of registered investment companies. Under such laws and regulations, agencies that regulate investment advisors and broker-dealers have broad administrative powers, including the power to limit, restrict or prohibit such an advisor or broker-dealer from carrying on its business in the event that it fails to comply with such laws and regulations. In such an event, the possible sanctions that may be imposed include the suspension of individual employees, limitations on engaging in certain lines of business for specified periods of time, revocation of the investment advisor and other registrations, censures, and fines. We believe that we are in substantial compliance with all material laws and regulations.

Our business is subject to regulation at both the federal and state level by the SEC and other regulatory bodies. Teton is registered with the SEC under the Investment Advisers Act of 1940 ("Investment Advisers Act"), and the Funds are registered with the SEC under the Investment Company Act of 1940. The Investment Advisers Act imposes numerous obligations on registered investment advisors including fiduciary duties, disclosure obligations and record keeping, operational and marketing requirements. The Commission is authorized to institute proceedings and impose sanctions for violations of the Investment Advisers Act, ranging from censure to termination of an investment advisor's registration. The failure of the Company to comply with the requirements of the SEC could have a material adverse effect on us. We believe that we are in substantial compliance with the requirements of the regulations under the Investment Advisers Act.

We derive a substantial majority of our revenues from investment advisory services through our various investment management agreements. Under the Investment Advisers Act, our investment management agreements terminate automatically if assigned without the client's consent. Under the Investment Company Act, advisory agreements with registered investment companies such as our Funds terminate automatically upon assignment. The term "assignment" is broadly defined and includes direct as well as assignments that may be deemed to occur, under certain circumstances, upon the transfer, directly or indirectly, of a controlling interest in Teton.

Investments by Teton on behalf of our Funds often represent a significant equity ownership position in an issuer's class of stock. This activity raises frequent regulatory, legal, and disclosure issues regarding our aggregate beneficial ownership level with respect to portfolio securities, including issues relating to issuers' shareholder rights plans or "poison pills," state gaming laws and regulations, federal communications laws and regulations, public utility holding company laws and regulations, federal proxy rules governing shareholder communications and federal laws and regulations regarding the reporting of beneficial ownership positions. Our failure to comply with these requirements could have a material adverse effect on us.

The USA Patriot Act of 2001 contains anti-money laundering and financial transparency laws and mandates the implementation of various new regulations applicable to broker-dealers, mutual funds and other financial services companies, including standards for verifying client identification at account opening, and obligations to monitor client transactions and report suspicious activities. Anti-money laundering laws outside of the U.S. contain some similar provisions. Our failure to comply with these requirements could have a material adverse effect on us.

We are subject to the laws of non-U.S. jurisdictions and non-U.S. regulatory agencies or bodies. In particular, we are subject to requirements in numerous jurisdictions regarding reporting of beneficial ownership positions in securities issued by companies whose securities are publicly-traded in those countries.

Regulatory matters

The investment management industry is likely to continue facing a high level of regulatory scrutiny and become subject to additional rules designed to increase disclosure, tighten controls and reduce potential conflicts of interest. In addition, the Commission has substantially increased its use of focused inquiries in which it requests information from a number of fund complexes regarding particular practices or provisions of the securities laws. We participate in some of these inquiries in the normal course of our business. Changes in laws, regulations and administrative practices by regulatory authorities, and the associated compliance costs, have increased our cost structure and could in the future have a material impact.

Personnel

On February 28, 2012, we had a full-time staff of 5 individuals, a portfolio manager and CEO, another portfolio manager, a marketing and shareholder servicing professional, a research analyst and a research associate. We also have four individuals that are employees of both Teton and GAMCO who perform portfolio management services. Additionally, through our Administrative Agreement with GAMCO, we are provided additional services including but not limited to trading, research, senior executive functions and strategic planning and general corporate management services, including strategic planning, investment banking and financial advisory services, supervision of certain tax and other regulatory matters; Mutual fund administration services; Treasury services, including insurance and risk management services and administration of benefits; Operational and general administrative assistance including office space, office equipment, administrative personnel, payroll, and procurement services as needed; Accounting and related financial services, including Mr. Robert S. Zuccaro's service as Chief Financial Officer; Legal, regulatory and compliance advice; and Human resources functions, including the retention of a Chief Compliance Officer, sourcing of permanent and temporary employees as needed, recordkeeping, performance reviews and terminations.

RISK FACTORS

Business Risks

You should carefully consider the risks described below and all of the other information in this report in evaluating Teton. Teton's business, financial condition, cash flows and/or results of operations could be materially adversely affected by any of these risks.

This report also contains forward-looking statements that involve risks and uncertainties. Teton's actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including the risks faced by Teton described below, elsewhere in this report as well as other potential risks which we cannot currently identify or describe.

Risks Related to the Business of Teton following the Spin-Off

We may not achieve the benefits expected from our spin-off from GAMCO.

Teton was spun-off from GAMCO on March 20, 2009. We expect that, as a company independent from GAMCO, we will be able to grow internally and through acquisitions. Nonetheless, we may not be able to achieve any of these benefits. Furthermore, by separating from GAMCO there is a risk that we may be more susceptible to adverse events than we would have otherwise experienced as a subsidiary of GAMCO. As a subsidiary of GAMCO, we enjoyed certain benefits, including economies of scope and scale in costs, employees and business relationships. These benefits may not be as readily achievable as a smaller, stand-alone company.

Our management team is dependent upon GAMCO.

Nicholas F. Galluccio, our President and Chief Executive Officer, is currently our sole executive officer. Individuals fulfilling other executive officer roles are provided to us pursuant to the Administrative Agreement between GAMCO and us. In addition, the individuals serving as portfolio managers for the Funds which are not subadvised by Westwood Management Corporation provide investment management services as portfolio managers of Teton. Several of these individuals are dual employees of both GAMCO and Teton. Accordingly, they do not devote all of their time to Teton and may have a conflict regarding their employment with GAMCO. GAMCO will have the exclusive right to name the individuals providing services under this agreement or to terminate those individuals providing services under this agreement. We are largely dependent on the individuals providing services pursuant to this agreement until we can identify and retain qualified individuals to serve as executive officers. While the agreement is effective, the individuals providing services under this agreement have other responsibilities at GAMCO. These responsibilities can result in the inability of these individuals to provide the attention to us that we think appropriate, or at all. In addition, GAMCO has the right to terminate this agreement on 30 days prior notice, and in any event this agreement terminates after two years. There can be no assurance that by such termination date we will have identified or retained a sufficient number of individuals to serve as management on terms acceptable to us, or at all.

Certain of our directors and officers may have actual or potential conflicts of interest because of their positions in GAMCO.

Bruce N. Alpert and Robert S. Zuccaro serve as members of our board. Mr. Alpert and Mr. Zuccaro also serve as executive officers of GAMCO. In addition, most of our executive officers and employees will be provided pursuant to the Administrative Agreement with GAMCO and will be officers or employees of GAMCO. These common directors could create, or appear to create, potential conflicts of interest when our and GAMCO's management and directors face decisions that could have different implications for the two companies.

Also, some of our directors, executive officers, portfolio managers and employees own shares of GAMCO common stock, options to purchase shares of GAMCO Class A common stock or other equity awards. This ownership may create, or, may create the appearance of, conflicts of interest. Mario J. Gabelli is deemed to control Teton by his ownership and control of GGCP, a private company that Mr. Gabelli controls and his control as a general partner of MJG IV Partnership, a partnership of certain of his family members. Mr. Gabelli is the controlling shareholder of both Teton and GAMCO.

For example, potential conflicts of interest could arise in connection with the resolution of any dispute that may arise between GAMCO and Teton regarding the terms of the agreements governing the separation and the relationship thereafter between the companies. The officers of GAMCO who serve as directors or executive management of Teton may interpret these agreements to the benefit of GAMCO that would adversely affect the business of Teton.

In addition, GAMCO and Teton are both in the investment management business. The officers and executive officers of GAMCO who also serve as directors or executive management of Teton may make decisions in their GAMCO capacity that would adversely affect the business of Teton.

Concerns about our prospects as a stand-alone company could affect our ability to attract and retain employees or individuals whom we are attempting to recruit as employees.

Our employees or individuals whom we are attempting to recruit as employees may have concerns about our prospects as a stand-alone company, including our ability to maintain our independence and our inability to rely on GAMCO's resources after the spin-off. If we are not successful in assuring our employees or individuals whom we are attempting to recruit as employees of our prospects as an independent company, our employees or recruits may seek other employment, which could materially adversely affect our business and our results of operations.

We may experience increased costs resulting from decreased purchasing power, which could decrease our overall profitability.

Prior to the spin-off, we were able to take advantage of GAMCO's size and purchasing power in procuring goods, services and technology, such as management information services, health insurance, pension and other employee benefits, payroll administration, risk management, tax and other services. As a separate, stand-alone entity, we may be unable to obtain similar goods, services and technology at prices or on terms as favorable as those obtained prior to the spin-off.

We may have been able to receive better terms from unaffiliated third parties than the terms provided in our agreements with GAMCO and G.distributors.

The agreements related to our separation from GAMCO, including the Separation Agreement, the Administrative Agreement, the sub-lease and the Service Mark and Name License Agreement, were negotiated in the context of our separation from GAMCO while we were still majority-owned by GAMCO. Likewise, our agreement with G.distributors, a subsidiary of GAMCO, to distribute shares of the Funds was entered into when we were still affiliated with G.distributors. Accordingly, such agreements may not reflect terms that would have been reached between unaffiliated parties. The terms of the agreements we negotiated in the context of our separation related to, among other things, indemnities and other obligations between GAMCO and us. Had these agreements been negotiated with unaffiliated third parties, they might have been more favorable to us.

In connection with the spin-off, GAMCO will indemnify us for certain liabilities. There can be no assurance that the indemnity will be sufficient to insure us against the full amount of such liabilities, or that GAMCO's ability to satisfy its indemnification obligations will not be impaired in the future.

Pursuant to the Separation Agreement between GAMCO and Teton, GAMCO has agreed to indemnify us from certain liabilities. Third parties could seek to hold us responsible for any of the liabilities that GAMCO has agreed to retain, and there can be no assurance that the indemnity from GAMCO will be sufficient to protect us against the full amount of such liabilities, or that GAMCO will be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from GAMCO any amounts for which we are held liable, we will be temporarily required to bear those losses until such recovery. Each of these risks could adversely affect our business, results of operations and financial condition.

Risks Related to Our Common Stock

Our Class A common stock shares are subject to more volatility and more limited liquidity than shares traded on national exchanges.

Our Class A common stock trades on the pink sheets. When fewer shares of a security are being traded in the pink sheets, volatility of prices may increase and price movement may outpace the ability to deliver accurate quote information. Due to low trading volumes in shares of our Class A common stock, there is a lower likelihood of one's orders for shares of our Class A common stock being executed, and current prices may differ significantly from the price one was quoted at the time of one's order entry.

Electronic processing of orders is not available for securities traded in the pink sheets and high order volume and communication risks may prevent or delay the execution of one's trading orders. This lack of automated order processing may affect the timeliness of order execution reporting and the availability of firm quotes for shares of our Class A common stock. Heavy market volume may lead to a delay in the processing of security orders for shares of our Class A common stock, due to the manual nature of these markets. Consequently, you may not able to sell shares of our Class A common stock at the optimum trading prices.

In addition, if the trading price of our Class A common stock is less than $5.00 per share, our Class A common stock will become subject to the SEC's penny stock rules. Before a broker-dealer can sell a penny stock, the penny stock rules require the firm to first approve the customer for the transaction and receive from the customer a written agreement to the transaction. The firm must furnish the customer a document describing the risks of investing in penny stocks. The broker-dealer must tell the customer the current market quotation, if any, for the penny stock and the compensation the firm and its broker will receive for the trade. Finally, the firm must send monthly account statements showing the market value of each penny stock held in the customer's account. These disclosure requirements tend to make it more difficult for a broker-dealer to make a market in penny stocks, and could, therefore, reduce the level of trading activity in a stock that is subject to the penny stock rules. Consequently, if our Class A common stock becomes subject to the penny stock rules, our shareholders may find it difficult to sell their shares.

Due to the limited liquidity of our common stock, the price may fluctuate significantly.

The market price of our Class A common stock may fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- our quarterly or annual earnings, or those of other companies in our industry;
- actual or anticipated reductions in our revenue, net earnings and cash flow resulting from actual or anticipated declines in AUM;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the failure of securities analysts to cover our company after the spin-off or changes in financial estimates by analysts;

- changes in earnings estimates by securities analysts or our ability to meet those estimates;
- the operating and stock price performance of other comparable companies;
- overall market fluctuations; and
- general economic conditions.

In particular, the realization of any of the risks described in these "Risk Factors" could have a significant and adverse impact on the market price of our Class A common stock. In addition, the stock market in general has experienced extreme price and volume volatility that has often been unrelated to the operating performance of particular companies. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The changes can occur without regard to the operating performance of these companies. The price of our Class A common stock could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce our stock price.

Risks Related to Our Regulatory Environment

Changes in laws or regulations or in governmental policies could limit the sources and amounts of our revenues, increase our costs of doing business, decrease our profitability and materially and adversely affect our business.

Our business is subject to extensive regulation in the United States, primarily at the federal level, including regulation by the SEC under the Investment Company Act and the Investment Advisers Act. We are registered with the SEC as an investment adviser. The Funds are registered with the SEC as investment companies under the Investment Company Act. The Investment Advisers Act imposes numerous obligations on investment advisers, including record-keeping, advertising and operating requirements, disclosure obligations and prohibitions on fraudulent activities. The Investment Company Act imposes similar obligations, as well as additional detailed operational requirements, on registered investment companies and investment advisers. Our failure to comply with applicable laws or regulations could result in fines, censure, suspensions of personnel or other sanctions, including revocation of our registration as an investment adviser. Industry regulations are designed to protect investors in the Funds and other third parties who deal with us and to ensure the integrity of the financial markets. They are not designed to protect our shareholders. Our industry is frequently altered by new laws or regulations and by revisions to, and evolving interpretations of, existing laws and regulations. Changes in laws or regulations or in governmental policies could limit the sources and amounts of our revenues, increase our costs of doing business, decrease our profitability and materially and adversely affect our business.

In response to scandals in the financial services industry regarding late trading, market timing and selective disclosure of portfolio information, various legislative and regulatory proposals are pending in or before, or have been adopted by, the U.S. Congress and the various regulatory agencies that supervise our operations, including the SEC. These proposals, to the extent enacted or adopted, could have a substantial impact on the regulation and operation of registered funds and investment advisers and could adversely affect our AUM, revenues and net income. Additionally, the SEC, FINRA and other regulators, as well as Congress, are investigating certain practices within the mutual fund industry. These investigations could lead to further legislative and regulatory proposals that, if enacted or adopted, could adversely affect our business.

The Funds' business involves compliance with numerous investment, asset valuation, distribution and tax requirements. A failure to adhere to or satisfy these requirements could result in losses that could be recovered by the Funds from us in certain circumstances. Although we have installed procedures and utilize the services of experienced administrators, accountants and lawyers to assist us in adhering to these guidelines and satisfying these requirements, and maintain insurance to protect us in the case of client losses, there can be no assurance that such precautions or insurance will protect us from potential liabilities.

Risks Related to the Business

To the extent we are forced to compete on the basis of price, we may not be able to maintain our current fee structure.

The investment management business is highly competitive and has relatively low barriers to entry. To the extent we are forced to compete on the basis of price, we may not be able to maintain our current fee structure. Although our investment management fees vary from product to product, historically we have competed primarily on the performance of our products and not on the level of our investment management fees relative to those of our competitors. In recent years, however, there has been a trend toward lower fees in the investment management industry. In order to maintain our fee structure in a competitive environment, we must be able to continue to provide clients with investment returns and service that make investors willing to pay our fees. In addition, the Board of Trustees of the Funds must make certain findings as to the reasonableness of our fees. We cannot be assured that we will succeed in providing investment returns and service that will allow us to maintain our current fee structure. Fee reductions on existing or future new business could have an adverse effect on our profit margins and results of operations.

Substantially all of our revenues are from contracts that may be terminated on short notice.

Substantially all of our revenues are derived from investment management agreements. Investment management agreements with the Funds are terminable without penalty on 60 days' notice (subject to certain additional procedural requirements in the case of termination by a Westwood Fund) and must be specifically approved at least annually, as required by law. Such annual renewal requires, among other things, approval by the disinterested members of the Funds' Board of Trustees. Investment advisory agreements with our separate account clients are terminable by the client without penalty on 30 days' notice. Any failure to renew or termination of these agreements or arrangements would have a material adverse effect on us.

Investors in the Funds can redeem their investments in these Funds at any time without prior notice, which could adversely affect our earnings.

Funds' investors may redeem their investments in those Funds at any time without prior notice. Investors may reduce the aggregate amount of AUM for any number of reasons, including investment performance, changes in prevailing interest rates and financial market performance. In a declining stock market, the pace of mutual fund redemptions could accelerate. Poor performance relative to other asset management firms tends to result in decreased purchases of mutual fund shares and increased redemptions of mutual fund shares. The redemption of investments in Funds managed by us would adversely affect our revenues, which are substantially dependent upon the AUM in the Funds. If redemptions of investments in the Funds caused our revenues to decline, it could have a material adverse effect on our earnings.

Certain changes in control of us would automatically terminate our investment management agreements with the Funds, unless the Funds' Board of Trustees and shareholders vote to continue the agreements, and could prevent us for a two-year period from increasing the investment advisory fees we are able to charge the Funds.

Under the Investment Company Act, an investment management agreement with a fund must provide for its automatic termination in the event of its assignment. The fund's board and shareholders must vote to continue the agreement following its assignment, the cost of which ordinarily would be borne by us or the Funds.

Under the Investment Advisers Act, a client's investment management agreement may not be "assigned" by the investment adviser without the client's consent. An investment management agreement is considered under both acts to be assigned to another party when a controlling block of the adviser's securities is transferred. In our case, an assignment of our investment management agreements may occur if, among other things, we sell or issue a certain number of additional common shares in the future. We cannot be certain that the Funds will consent to assignments of its investment management agreements or approve new agreements with us if an assignment occurs. Under the Investment Company Act, if a fund's investment adviser engages in a transaction that results in the assignment of its investment management agreement with the fund, the adviser may not impose an "unfair burden" on that fund as a result of the transaction for a two-year period after the transaction is completed. The term "unfair burden" has been interpreted to include certain increases in investment advisory fees. This restriction may discourage potential purchasers from acquiring a controlling interest in us.

A decline in the prices of securities would lead to a decline in our AUM, revenues and earnings.

Substantially all of our revenues are determined by the amount of our AUM. Under our investment advisory contracts with the Funds, the investment advisory fees we receive are typically based on the market value of AUM. Accordingly, a decline in the prices of securities generally may cause our revenues and net income to decline by causing the value of our AUM to decrease, which would result in lower investment advisory fees, or causing the Funds' investors to withdraw funds in favor of investments they perceive to offer greater opportunity or lower risk, which would also result in lower fees. The securities markets are highly volatile, and securities prices may increase or decrease for many reasons, including economic and political events and acts of terrorism beyond our control. If a decline in securities prices caused our revenues to decline, this could have a material adverse effect on our earnings.

Catastrophic and unpredictable events could have a material adverse effect on our business.

A terrorist attack, war, power failure, cyber-attack, natural disaster or other catastrophic or unpredictable event could adversely affect our future revenues, expenses and earnings by: interrupting our normal business operations; sustaining employee casualties, including loss of our key executives; requiring substantial expenditures and expenses to repair, replace and restore normal business operations; and reducing investor confidence.

We have a disaster recovery plan to address certain contingencies, but we cannot be assured that this plan will be sufficient in responding to or ameliorating the effects of all disaster scenarios. If our employees or vendors we rely upon for support in a catastrophic event are unable to respond adequately or in a timely manner, we may lose clients resulting in a decrease in AUM which may have a material adverse effect on revenues and net income.

Control by Mr. Gabelli of a majority of the combined voting power of our common stock may give rise to conflicts of interests.

Mr. Gabelli indirectly beneficially owns and controls a majority of our outstanding common stock. As long as Mr. Gabelli indirectly beneficially owns a majority of the combined voting power of our common stock, he will have the ability to elect all of the members of our board of directors and thereby control our management and affairs, including determinations with respect to acquisitions, dispositions, borrowings, issuances of common stock or other securities, and the declaration and payment of dividends on the common stock. In addition, Mr. Gabelli will be able to determine the outcome of matters submitted to a vote of shareholders for approval and will be able to cause or prevent a change in control of us. As a result of Mr. Gabelli's control, none of our agreements with Mr. Gabelli and other companies controlled by him have been arrived at through "arm's-length" negotiations, although we believe that the parties endeavor to implement market-based terms. There can be no assurance that we would not have received more favorable terms from an unaffiliated party.

We depend on key personnel.

Our future success depends to a substantial degree on our ability to retain and attract qualified personnel to conduct our investment management business. The market for qualified portfolio managers is extremely competitive and has grown more so in recent periods as the investment management industry has experienced growth. We anticipate that it will be necessary for us to add portfolio managers and investment analysts as we further diversify our investment products and strategies and operate on an independent basis. There can be no assurance, however, that we will be successful in our efforts to recruit and retain the required personnel. The loss of key management professionals or the inability to recruit and retain sufficient portfolio managers and marketing personnel could have a material adverse effect on our business.

The termination of our subadvisory agreement with Westwood Management Corporation could adversely affect our business, results of operations and financial condition.

Westwood Management Corporation acts as subadvisor to three of the Funds pursuant to a subadvisory agreement with us. We believe that many investors have invested money in these three funds because of solicitations by certain individuals at Westwood Management Corporation. If the subadvisory agreement was terminated, there can be no assurance we will be able to attract investors to invest in these funds at the same rate as those individuals at Westwood Management Corporation would have, or at all or retain current investors originally solicited by the individuals at Westwood Management Corporation. In addition, if the subadvisory agreement was terminated, we can make no assurance that investors will not redeem their investment from these funds as a result of such termination. The occurrence of either of these events could adversely affect our business, results of operations and financial condition.

Potential adverse effects on our performance prospects may arise from a decline in the performance of the securities markets.

Our results of operations are affected by many economic factors, including the performance of the securities markets. During the 1990s, unusually favorable and sustained performance of the U.S. securities markets, and the U.S. equity market in particular, attracted substantial inflows of new investments in these markets and has contributed to significant market appreciation which has, in turn, led to an increase in our AUM and revenues. At December 31, 2011, approximately 97% of our AUM were invested in portfolios consisting primarily of equity securities. More recently, the securities markets in general have experienced significant volatility. Any decline in the securities markets, in general, and the equity markets, in particular, could reduce our AUM and consequently reduce our revenues. In addition, any such decline in the equity markets, failure of these markets to sustain their prior levels of growth, or continued short-term volatility in these markets could result in investors withdrawing from the equity markets or decreasing their rate of investment, either of which would be likely to adversely affect us. From time to time, a relatively high proportion of the assets we manage may be concentrated in particular industry sectors. A general decline in the performance of securities in those industry sectors could have an adverse effect on our AUM and revenues.

Future investment performance could reduce revenues and other income.

Success in the investment management and mutual fund businesses is dependent on investment performance as well as distribution and client servicing. Good performance generally stimulates sales of our investment products and tends to keep withdrawals and redemptions low, which generates higher management fees (which are based on the amount of AUM). Conversely, relatively poor performance tends to result in decreased sales, increased withdrawals and redemptions in the case of the open-end Funds, and in the loss of sub-advised clients, with corresponding decreases in revenues to us. Many analysts of the mutual fund industry believe that investment performance is the most important factor for the growth of open-end funds, such as those we offer. Failure of our investment products to perform well or failure of the Funds to maintain ratings or rankings could, therefore, have a material adverse effect on us.

We rely on third-party distribution programs.

Since 1996, we have experienced significant growth in sales of the Funds through third-party distribution programs, which are programs sponsored by third-party intermediaries that offer their mutual fund customers a variety of competing products and administrative services. Most of the sales growth from our third-party distribution programs is from programs with no transaction fees payable by the customer, which we refer to as NTF programs. Approximately $219 million, or 27%, of our AUM in the Funds as of December 31, 2011 were obtained through NTF Programs. The cost of participating in third-party distribution programs is higher than our direct distribution costs, and it is anticipated that the cost of third-party distribution programs will increase in the future. Any increase would be likely to have an adverse effect on our profit margins and results of operations. In addition, there can be no assurance that the third-party distribution programs will continue to distribute the Funds. At December 31, 2011, approximately 91% of the NTF Program net assets in the Funds are attributable to two NTF Programs. The decision by these third-party distribution programs to discontinue distribution of the Funds, or a decision by us to withdraw one or more of the Funds from the programs, could have an adverse effect on our growth of AUM.

Operational risks may disrupt our business, result in regulatory action against us or limit our growth.

We face operational risk arising from errors made in the execution, confirmation or settlement of transactions or from transactions not being properly recorded, evaluated or accounted for. Our business is highly dependent on its ability to process, on a daily basis, transactions across markets in an efficient and accurate manner. Consequently, we rely heavily on our financial, accounting and other data processing systems. If any of these systems do not operate properly or are disabled, we could suffer financial loss, a disruption of our businesses, liability to clients, regulatory intervention or reputational damage.

Dependence on information systems.

We operate in an industry that is highly dependent on its information systems and technology. Teton outsources a significant portion of our information systems operations to third parties who are responsible for providing the management, maintenance and updating of such systems. There can be no assurance, however, that our information systems and technology will continue to be able to accommodate our growth or that the cost of maintaining such outsourcing arrangements will not increase from its current level. Such a failure to accommodate growth, or an increase in costs related to these information systems, could have a material adverse effect on us.

We face exposure to litigation and arbitrage claims within our business.

The volume of litigation and arbitrage claims against financial services firms and the amount of damages claimed has increased over the past several years. The types of claims that we may face are varied. For example, we may face claims against us for purchasing securities that are inconsistent with a client's investment objectives or guidelines, in connection with the operation of the Funds or arising from an employment dispute. The risk of litigation is difficult to assess or quantify, and may occur years after the activities or events at issue. Even if we prevail in a legal action brought against us, the costs alone of defending against the action could have a material adverse effect on us.

Our reputation is critical to our success.

Our reputation is critical to maintaining and developing relationships with our clients, the Fund shareholders and third-party intermediaries. In recent years, there have been a number of well-publicized cases involving fraud, conflicts of interest or other misconduct by individuals in the financial services industry. Misconduct by our staff, or even unsubstantiated allegations, could result not only in direct financial harm but also harm to our reputation, causing injury to the value of our brand and our ability to retain or attract AUM. In addition, in certain circumstances, misconduct on the part of our clients or other parties could damage our reputation. Harm to our reputation could have a material adverse effect on us.

We face strong competition from numerous and sometimes larger companies.

We compete with numerous investment management companies, stock brokerage and investment banking firms, insurance companies, banks, savings and loan associations and other financial institutions. Continuing consolidation in the financial services industry has created stronger competitors with greater financial resources and broader distribution channels than our own. Additionally, competing securities dealers whom we rely upon to distribute our mutual funds also sell their own proprietary funds and investment products, which could limit the distribution of our investment products. To the extent that existing or potential customers, including securities dealers, decide to invest in or distribute the products of our competitors, the sales of our products as well as our market share, revenues and net income could decline. Both GAMCO and Teton have as their principal businesses asset management and derive most of their revenues through that business and, as such, may compete with each other.

Fee pressures could reduce our profit margins.

There has been a trend toward lower fees in some segments of the investment management industry. In order for us to maintain our fee structure in a competitive environment, we must be able to provide clients with investment returns and service that will encourage them to be willing to pay such fees. Accordingly, there can be no assurance that we will be able to maintain our current fee structure. Fee reductions on existing or future new business could have an adverse impact on our profit margins and results of operations.

We advance commissions on sales of class C Fund shares.

Class C shares have a distribution plan under which the distributor, G.distributor, will advance the first year broker commission in exchange for collecting the first year's service and distribution fee totaling 1%. This fee, paid monthly, is based on the average daily AUM which may either increase or decrease during the month causing the distributor to either receive more or less than the amount advanced. The Company has agreed to reimburse the distributor for the amounts advanced and collect the first year's service and distribution fee which, if lower, will be less than the amount advanced. There is no assurance that we will collect the amounts advanced.

PROPERTIES

Teton owns no properties. Teton currently leases 1,642 square feet of office space at 401 Theodore Fremd Avenue in Rye, New York in accordance with a sub-lease with GAMCO. We believe our office provides adequate capacity for our current needs.

LEGAL PROCEEDINGS

None.

MINE SAFETY DISCLOSURES

Not applicable.

MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our shares of Class A common stock are traded on the Pink Sheets under the symbol TETAA.

As of March 1, 2012, there were 24 Class A common stockholders of record and 154 Class B common stockholders of record.

On January 3, 2012, Teton paid a dividend of $0.70 per share to all of its shareholders of record as of December 20, 2011.

On December 28, 2010, Teton paid a dividend of $0.65 per share to all of its shareholders of record as of December 14, 2010.

On June 12, 2009, Teton paid a dividend of $0.70 per share to all of its shareholders of record as of June 5, 2009.

In anticipation of the spin-off on March 20, 2009, and under the terms of Mr. Nicholas F. Galluccio's ("Mr. Galluccio") employment and restricted stock grant agreements, Teton has issued 260,849 Class A shares of Teton restricted stock to Mr. Galluccio as of July 18, 2008. These shares will cliff vest 30% at the end of three years from the date of employment and the remaining 70% will cliff vest at the end of five years from the date of employment. During July 2011, 78,255 shares, or 30%, vested and are no longer subject to any restrictions.

There are currently no securities remaining available for future issuance under equity compensation plans other than those disclosed for Mr. Galluccio.

SELECTED FINANCIAL DATA

General

The selected historical financial data presented below has been derived in part from, and should be read in conjunction with Management's Discussion and Analysis and the audited Financial Statements of Teton Advisors, Inc. and related notes included in this report.

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
Income Statement Data (unaudited)					
Revenues:					
Investment advisory fees	$ 8,641,242	$ 5,795,607	$ 4,293,635	$ 3,792,716	$ 3,841,410
Distribution fees	497,496	21,883	-	-	-
Other income	1,652	817	1,953	35,318	114,315
Total revenues	9,140,390	5,818,307	4,295,588	3,828,034	3,955,725
Expenses:					
Compensation	2,597,557	1,914,771	1,096,359	567,358	278,772
Marketing and administrative fees	1,365,053	1,219,737	896,670	830,802	854,003
Distribution costs and expense reimbursements	970,359	875,554	407,351	425,799	366,882
Advanced commissions	549,078	29,431	-	-	-
Sub-advisory fees	501,950	567,117	627,272	767,116	840,065
Other operating expenses	525,217	480,019	805,483	402,618	108,487
Total expenses	6,509,214	5,086,629	3,833,135	2,993,693	2,448,209
Income before income taxes	2,631,176	731,678	462,453	834,341	1,507,516
Income taxes	938,282	259,438	159,308	258,651	520,802
Net income	$ 1,692,894	$ 472,240	$ 303,145	$ 575,690	$ 986,714
Net income per share:					
Basic	$ 1.57	$ 0.45	$ 0.29	$ 0.55	$ 0.94
Diluted	$ 1.38	$ 0.39	$ 0.28	$ 0.55	$ 0.94
Weighted average shares outstanding:					
Basic	1,079,198	1,043,394	1,043,394	1,043,394	1,050,715
Diluted	1,224,913	1,199,104	1,093,749	1,043,394	1,050,715
Actual shares outstanding at December 31st	1,304,242 (a)	1,304,242 (b)	1,304,242 (b)	1,043,394	1,043,394
Dividends declared	$ 0.70	$ 0.65	$ 0.70	$ 1.00	$ 0.45

(a) Includes 182,594 unvested RSAs
(b) Includes 260,849 unvested RSAs

	December 31,				
	2011	2010	2009	2008	2007
Balance Sheet Data (unaudited)					
Total assets	$ 3,672,676	$ 1,213,160	$ 976,717	$ 1,328,960	$ 2,066,336
Total liabilities	2,447,927	901,863	493,949	549,114	818,786
Total stockholders' equity	$ 1,224,749	$ 311,297	$ 482,768	$ 779,846	$ 1,247,550

	December 31,				
	2011	2010	2009	2008	2007
Assets Under Management (unaudited)					
(at year end, in millions):					
Mutual Funds:					
Equities	$ 798	$ 776	$ 521	$ 436	$ 429
Fixed income	21	17	17	14	11
Separate accounts	27	27	23	-	-
Total	$ 846	$ 820	$ 561	$ 450	$ 440

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is unaudited and should be read in conjunction with the Financial Statements and the notes thereto included in this report.

Introduction

Our revenues are highly correlated to the level of assets under management ("AUM") and fees associated with our various investment products, rather than our own corporate assets. AUM, which are directly influenced by the level and changes of the overall equity markets, can also fluctuate through acquisitions, the creation of new products, the addition of new accounts or the loss of existing accounts. Since various equity products have different fees, changes in our business mix may also affect revenues. At times, the performance of our equity products may differ markedly from popular market indices, and this can also impact our revenues. It is our belief that general stock market trends will have the greatest impact on our level of AUM and hence, revenues.

Overview

Statements of Income

Investment advisory fees, which are based on the amount and composition of AUM in our Funds and separate accounts, represent our largest source of revenues. In addition to the general level and trends of the stock market, growth in revenues depends on good investment performance, which influences the value of existing AUM as well as contributes to higher investment and lower redemption rates and facilitates the ability to attract additional investors while maintaining current fee levels. Growth in AUM is also dependent on being able to access various distribution channels, which is usually based on several factors, including performance and service. Historically, we have depended primarily on direct distribution of our products and services but since 1995 have participated in third-party distribution programs, including NTF Programs. A majority of our cash inflows to mutual fund products have come through these channels since 1998. The effects of this on our future financial results cannot be determined at this time but could be material.

Advisory fees from the open-end mutual funds are computed daily based on average net assets. Advisory fees from separate account clients are generally computed quarterly based on account values as of the end of the preceding quarter. These revenues are highly correlated to the stock market and can vary in direct proportion to movements in the stock market and the level of sales compared with redemptions, financial market conditions and the fee structure for AUM. Revenues derived from the equity-oriented portfolios generally have higher management fee rates than fixed income portfolios.

Distribution fees include distribution fees paid to the Company by G.distributors on the Class C shares sold. Class C shares have a 12b-1 distribution plan with a service and distribution fee totaling 1%. The distributor will advance the first year's commission at the time of the sale and collect the distribution fee monthly based on the daily average AUM during the first year. The Company has agreed to reimburse the distributor for the commissions advanced and receives the monthly service and distribution fee in return. Amounts paid to the distributor are recorded as contingent deferred sales commissions in the statement of financial condition and amortized over twelve months as advanced commissions in the statement of income. Fees collected may be higher or lower than the amounts advanced as AUM increases or decreases during the period based on the Fund's performance.

Other income primarily includes interest income earned from cash equivalents.

Statements of Financial Condition

We ended the year with $2,715,895 in cash and cash equivalents, the majority of which were invested in The Gabelli U.S. Treasury Money Market Fund, managed by a subsidiary of GAMCO. Of this amount, $785,154 was distributed as a dividend to shareholders on January 3, 2012.

Stockholders' equity was $1,224,749 on December 31, 2011 compared to $311,297 on December 31, 2010. The increase in stockholder's equity from the end of 2010 was the result of $1,692,894 in net income and $133,527 from the amortization of restricted stock award ("RSA") compensation partially offset by the declaration of dividends of $912,969 during 2011.

Assets Highlights (unaudited)

The following table sets forth total AUM by product type as of the dates shown and their CAGR:

Assets Under Management
By Product Type
(Dollars in millions)

	2007	2008	2009	2010	2011	% Inc (Dec) 2011 / 2010
Equities	$ 429	$ 436	$ 544	$ 803	$ 825	2.7%
Fixed Income	11	14	17	17	21	23.5
Total Assets Under Management	$ 440	$ 450	$ 561	$ 820	$ 846	3.2%

For the three years ended December 31, 2011, 2010, and 2009 our net cash inflows or outflows by product line were as follows (in millions):

(unaudited)	2011	2010	2009
Mutual Funds			
Equities	$ 78	$ 141	$ 7
Fixed income	1	(2)	3
Separate accounts	1	-	20
Total net inflows (outflows)	$ 80	$ 139	$ 30

For the three years ended December 31, 2011, 2010, and 2009 our net appreciation and depreciation by product line were as follows (in millions):

(unaudited)	2011	2010	2009
Mutual Funds			
Equities	$ (56)	$ 114	$ 78
Fixed income	3	2	-
Separate accounts	(1)	4	3
Total net appreciation (depreciation)	$ (54)	$ 120	$ 81

Operating Results for the Year Ended December 31, 2011 as Compared to the Year Ended December 31, 2010

Revenues

Total revenues were $9,140,390 in 2011, $3,322,083, or 57.1% higher than the total revenues of $5,818,307 in 2010. The change in total revenues by revenue component was as follows:

			Increase (decrease)	
(unaudited)	2011	2010	$	%
Investment advisory fees	$ 8,641,242	$ 5,795,607	$ 2,845,635	49.1%
Distribution fees	497,496	21,883	475,613	2,173.4
Other income	1,652	817	835	102.2
Total revenues	$ 9,140,390	$ 5,818,307	$ 3,322,083	57.1%

Investment Advisory Fees: Investment advisory fees are directly influenced by the level and mix of AUM. Teton earns advisory fees based on the average daily AUM in the Funds and on the separate accounts based on the AUM at the end of the preceding quarter.

Investment advisory fees were $8,641,242 for the period ended December 31, 2011 compared to $5,795,607 for the period ended December 31, 2010, an increase of $2,845,635, or 49.1%. This increase is directly correlated to the increase in average AUM from $634.8 million in 2010 to $917.6 million in 2011, an increase of $282.8 million, or 44.5%.

Our AUM increased to $845.5 million at December 31, 2011 from $819.8 million at December 31, 2010. This increase was primarily due to gross inflows of $405.5 million, partially offset by gross outflows of $325.4 million and a decrease in the market value of the Fund portfolios of $54.4 million.

Our AUM increased to $819.8 million at December 31, 2010 from $560.5 million at December 31, 2009. This increase was primarily due to gross inflows of $310.6 million and an increase in the market value of the Fund portfolios of $120.6 million, partially offset by gross outflows of $171.9 million.

Distribution fees: Distribution fees include distribution fees paid to the Company by G.distributors on the Class C Fund shares sold (beginning October 1, 2010). Distribution fees for 2011 were $497,496, an increase of $475,613 from the $21,883 in 2010.

Other income: Other income includes interest income earned from cash equivalents that were invested in a money market mutual fund managed by Gabelli Funds, LLC, a subsidiary of GAMCO. Other income increased in 2011 versus 2010 due to higher average balances of cash and cash equivalents held during the year.

Expenses

Sub-advisory Fees: Teton has currently retained a sub-adviser for three of the six Funds. Sub-advisory fees, which are 35% of the net investment advisory revenues of the sub-advised funds and are recognized as expenses as the related services are performed, were $501,950 for 2010, down from $567,117 in the prior year. This decrease was primarily due to a 12.2% decline in investment advisory revenue from the three sub-advised funds. Average AUM in the three sub-advised funds, the key driver to investment advisory revenue, was $229.8 million in 2011, 11.8% lower than the prior year average of $260.6 million.

Administrative Fees: Administrative expenses, which are charges from GAMCO and paid by Teton for administration of the mutual fund activities performed by GAMCO on behalf of Teton, were $1,365,053 for 2011, a 11.9% increase from $1,219,737 in the prior year. Effective January 1, 2011, the Company and GAMCO renegotiated the sub-administration contract to be based on a tiered formula as opposed to a fixed rate. Under the new contract, the Company will pay 20 basis points annually on the first $370 million of average AUM in the Funds, 12 basis points annually on the next $630 million of average AUM in the Funds and 10 basis points annually on the average AUM in the Funds in excess of $1 billion. As a result, the effective rate for 2011 was 15.3 basis points as compared to 20.0 basis points in 2010.

Compensation: Compensation costs, which include salaries and benefits, portfolio manager compensation and stock based compensation was $2,597,557 for 2011, a 35.7% increase from $1,914,771 in the prior year. Fixed compensation costs, which include salary, bonus and benefits, decreased to $677,287 for 2011 from $760,174 in the prior year. Stock based compensation was $133,527 for 2011, a decrease of $32,853 from the $166,380 in 2010. The remainder of the compensation expense represents variable portfolio manager compensation that fluctuates with net investment advisory revenues, which is defined as advisory fees less certain expenses. For 2011, portfolio manager compensation was $1,786,743, an increase of $798,526 from the $988,217 in the prior year. The primary driver of this increase was an increase in average AUM, which generates investment advisory fees, for the Funds in which portfolio manager compensation is based. For 2011, the variable portfolio manager compensation was approximately 21% of investment advisory revenues.

Distribution costs and expense reimbursements: Distribution costs, which are principally related to the sale of shares of open-end mutual funds, and expense reimbursements were $970,359 for 2011, increasing $94,805 from $875,554 in the prior year.

Distribution costs are broken down into two categories, payments made to third party distributors for Funds sold through them, including their NTF programs, and, prior to August 1, 2011, expenses either paid to or reimbursed from Gabelli & Company for distribution of the Funds. Expenses paid to third party distributors, including wholesaling payouts, were $817,400 during 2011, an increase of $105,016 from the prior year amount of $712,384. The distribution arrangement required Teton to reimburse Gabelli & Company for any distribution costs incurred in excess of distribution revenues earned on a fund-by-fund basis. Conversely, if the distribution revenues exceeded the costs, such excess was reimbursed to Teton on a fund-by-fund basis. For 2011, Teton paid to Gabelli & Company $2,018. For 2010, Gabelli & Company reimbursed Teton $75,387. This increase in expense to Teton resulted from one of the Funds ceasing reimbursements during 2010 as the cumulative amount paid back by Gabelli & Company to Teton equaled the cumulative amount previously reimbursed by Teton to Gabelli & Company. The Company does not have a similar agreement with G.distributors, the distributor of the Funds effective August 1, 2011.

Expense reimbursements to the Funds were $150,940 for 2011, a decrease of $87,618 from the prior year amount of $238,558. For 2011 and 2010, expense reimbursements represented approximately 2% and 4%, respectively, of investment advisory revenues.

Advanced Commissions: Advanced commission expense increased $519,647 to $549,078 in 2011 from $29,431 in 2010. The Company began paying third party brokers the advanced commissions on C class share sales of the Funds in October 2010. In accordance with our accounting policies these payments are amortized over a twelve month period. As a result the 2011 results include the impact of a full twelve months of advanced commission amortization while 2010 only includes the impact of three months amortization.

Other: General and administrative expenses, including those charged by GAMCO, were $525,217 for 2011, an increase of $45,198 from the year ago amount of $480,019. This increase was spread across several different categories of expenses.

Income Taxes

The effective tax rate was 35.7% for the year ended December 31, 2011, versus 35.5% for the year ended December 31, 2010.

Net Income

Net income for 2011 was $1,692,894 or $1.38 per fully diluted share versus $472,240 or $0.39 per fully diluted share for 2010.

Operating Results for the Year Ended December 31, 2010 as Compared to the Year Ended December 31, 2009

Revenues

Total revenues were $5,818,307 in 2010, $1,522,719 or 35.4% higher than the total revenues of $4,295,588 in 2009. The change in total revenues by revenue component was as follows:

			Increase (decrease)	
(unaudited)	2010	2009	$	%
Investment advisory fees	$ 5,795,607	$ 4,293,635	$ 1,501,972	35.0%
Distribution fees	21,883	-	21,883	n/m
Other income	817	1,953	(1,136)	(58.2)
Total revenues	$ 5,818,307	$ 4,295,588	$ 1,522,719	35.4%

Investment Advisory Fees: Investment advisory fees are directly influenced by the level and mix of AUM. Teton earns advisory fees based on the average daily AUM in the Funds and on the separate accounts based on the AUM at the end of the preceding quarter.

Investment advisory fees were $5,795,607 for the period ended December 31, 2010 compared to $4,293,635 for the period ended December 31, 2009, an increase of $1,501,972, or 35.0%. This increase is directly correlated to the increase in average AUM from $468.4 million in 2009 to $634.8 million in 2010, an increase of $166.4 million, or 35.5%.

Our AUM increased to $819.8 million at December 31, 2010 from $560.5 million at December 31, 2009. This increase was primarily due to gross inflows of $310.6 million and an increase in the market value of the Fund portfolios of $120.6 million, partially offset by gross outflows of $171.9 million.

Our AUM increased to $560.5 million at December 31, 2009 from $449.8 million at December 31, 2008. This increase was primarily due to gross inflows of $201.5 million and an increase in the market value of the Fund portfolios of $81.0 million, partially offset by gross outflows of $171.8 million.

Other income: Other income includes interest income earned from cash equivalents that were invested in a money market mutual fund managed by Gabelli Funds, LLC, a subsidiary of GAMCO as well as distribution fees paid to the Company by Gabelli & Company on the Class C Fund shares sold. Other income for 2010 was $22,700, an increase of $20,747 from the $1,953 for 2009 due to $21,883 in distribution fees earned in 2010 versus no fees in 2009.

Expenses

Sub-advisory Fees: Teton has currently retained a sub-adviser for three of the six Funds. Sub-advisory fees, which are 35% of the net investment advisory revenues of the sub-advised funds and are recognized as expenses as the related services are performed, were $567,117 for 2010, down from $627,272 in the prior year. This decrease was primarily due to the decrease of investment advisory revenue from the three funds of 8.4%.

Administrative Fees: Administrative expenses, which are charges from GAMCO and paid by Teton for administration of the mutual fund activities performed by GAMCO on behalf of Teton, were $1,219,737 for 2010, a 36.0% increase from $896,670 in the prior year. These expenses are tied directly to the level of AUM and currently are approximately 21% of investment advisory revenues in 2010.

Compensation: Compensation costs, which include salaries and benefits, portfolio manager compensation and stock based compensation was $1,914,771 for 2010, a 74.6% increase from $1,096,359 in the prior year. Fixed compensation costs, which include salary, bonus and benefits, increased to $760,174 for 2010 from $564,199 in the prior year. Stock based compensation was $166,380 for 2010, an increase of $36,228 from the $130,152 in 2009. The remainder of the compensation expense represents variable portfolio manager compensation that fluctuates with net investment advisory revenues, which is defined as advisory fees less certain expenses. For 2010, portfolio manager compensation was $988,217, an increase of $586,209 from the $402,008 in the prior year. The primary driver of this increase was an increase in average AUM, which generates investment advisory fees, for the Funds in which portfolio manager compensation is based. For 2010, the variable portfolio manager compensation was approximately 33% of investment advisory revenues.

Distribution costs and expense reimbursements: Distribution costs, which are principally related to the sale of shares of open-end mutual funds, and expense reimbursements were $875,554 for 2010, increasing $468,203 from $407,351 in the prior year.

Distribution costs are broken down into two categories, payments made to third party distributors for Funds sold through them, including their NTF programs, and expenses either paid to or reimbursed from Gabelli & Company for distribution of the Funds. Expenses paid to third party distributors, including wholesaling payouts, were $712,384 during 2010, an increase of $570,609 from the prior year amount of $141,775. The distribution arrangement requires Teton to reimburse Gabelli & Company for any distribution costs incurred in excess of distribution revenues earned on a fund-by-fund basis. Conversely, if the distribution revenues exceed the costs, such excess is reimbursed to Teton on a fund-by-fund basis. For 2010, Gabelli & Company reimbursed Teton $75,387, an increase of $30,861, from the $44,526 in 2009. This increase was due to higher distribution fee revenue resulting from the increased average AUM in 2010 as compared to 2009.

Expense reimbursements to the Funds were $238,558 for 2010, a decrease of $71,544 from the prior year amount of $310,102. For 2010 and 2009, expense reimbursements represented approximately 4% and 7%, respectively, of investment advisory revenues.

Advanced Commissions: Advanced commission expense was $29,431 in 2010. The Company began paying third party brokers the advanced commissions on C class share sales of the Funds in October 2010. As per our accounting policy these payments are amortized over a twelve month period.

Other: General and administrative expenses, including those charged by GAMCO, were $480,019 for 2010, a decrease of $325,464 from the year ago amount of $805,483. This decrease was primarily due to $372,450 in expenses incurred during 2009 related to the acquisition of the B.B. Micro Cap Growth Fund advisory contract and the spin-off.

Income Taxes
The effective tax rate was 35.5% for the year ended December 31, 2010, versus 34.4% for the year ended December 31, 2009.

Net Income
Net income for 2010 was $472,240 or $0.39 per fully diluted share versus $303,145 or $0.28 per fully diluted share for 2009.

Liquidity and Capital Resources
Teton's current liquidity and capital needs include the costs of compensation to our employees and other operating expenses such as rent and the service agreement with GAMCO. Our principal assets consist of cash equivalents primarily invested in a U.S. Treasury money market mutual fund that is invested 100% in U.S. Treasuries managed by Gabelli Funds, LLC, a subsidiary of GAMCO.

Summary cash flow data is as follows: (unaudited)	2011	2010	2009
Cash flows provided by (used in):			
Operating activities	$ 2,472,341	$ 524,913	$ 406,437
Financing activities	(39,565)	(678,206)	(730,375)
Increase (decrease) in cash and cash equivalents	2,432,776	(153,293)	(323,938)
Cash and cash equivalents at beginning of year	283,119	436,412	760,350
Cash and cash equivalents at end of year	$ 2,715,895	$ 283,119	$ 436,412

Cash and liquidity requirements have historically been met through Teton's operating activities. Additionally, the Company's financing activities represent payments of dividends to shareholders. The dividends were declared after management and the board of directors analyzed the Company's operating cash needs and determined that there were sufficient resources to fund the dividend without impacting the Company's operations. The Company does not currently have any debt. At December 31, 2011, we had cash and cash equivalents of $2,715,895, an increase of $2,432,776 from the prior year-end.

Net cash provided by operating activities was $2,472,341 for the year ended December 31, 2011. Net income of $1,692,894 and an increase in income tax payable of $673,925 were the most significant contributors to cash provided by operating activities in 2011. The largest components of cash usage were the funding of the contingent deferred sales commission of $509,619 and a reduction in payable to affiliates of $37,258. Net income of $472,240 and an increase in payable of affiliates of $175,274 were the most significant contributors to cash provided by operations in 2010 while funding of the contingent deferred sales commission of $201,829 and an increase in investment advisory fees receivable of $192,812 were the largest component of cash usage.

Net cash used in financing activities was $39,565 for 2011, from the payment of the accrued dividends related to the 30% vesting of RSAs. Net cash used in financing activities was $678,206 for 2010, from the payment of the $0.65 per share dividend to the Company's shareholders, net of amount payable at December 31, 2010.

Effective October 1, 2010, Teton began paying the up-front sales commission to broker-dealers in connection with the sale of certain classes of open-end Funds. For 2011 and 2010, Teton paid out $509,619 and $201,829, respectively, in these up-front fees from its operating activities. These fees are typically reimbursed over the first twelve months subject to fluctuation in AUM which may increase or decrease the reimbursement. It is anticipated that the amount of these payments will continue in approximately the same magnitude for the near future and that Teton will be able to continue to fund these payments from its operating activities.

Market Risk

Equity Price Risk

The Company earns substantially all of its revenue as advisory fees from our Mutual Fund assets. Such fees represent a percentage of AUM and the majority of these assets are in equity investments. Accordingly, since revenues are proportionate to the value of those investments, a substantial increase or decrease in equity markets overall will have a corresponding effect on the Company's revenues. Based on December 31, 2011 AUM of $845.5 million, a 5% change, up or down, in the equity markets would increase or decrease our advisory revenues by approximately $400,000 on an annualized basis.

Interest Rate Risk

Our exposure to interest rate risk results, principally, from reinvestment risk associated with our investment of excess cash in the Gabelli U.S. Treasury Money Market Fund, which invests 100% in U.S. treasury bills. This investment is primarily short term in nature, and the fair value of this investment generally approximates market value. The Company does not have any other investments aside from its investment in the Gabelli U.S. Treasury Money Market Fund. Based on December 31, 2011 cash equivalent balance of $2,714,895, a 1% increase in interest rates would increase our interest income by $27,149 annually. Given that our current return on this cash equivalent investment is 0.00% annually, an analysis of a 1% decrease is not meaningful.

Commitments and Contingencies

We are obligated to make future payments under various contracts such as operating lease agreements. The following table sets forth our significant contractual cash obligations as of December 31, 2011:

(unaudited)	Total	2012	2013	2014	2015	Thereafter
Contractual obligations:						
Non-cancelable operating lease obligation	$ 89,215	$ 66,911	$ 22,304	$ -	$ -	$ -
Total	$ 89,215	$ 66,911	$ 22,304	$ -	$ -	$ -

Off-Balance Sheet Arrangements

Gabelli & Company, a subsidiary of GAMCO, distributed the Funds pursuant to distribution agreements with each fund until July 31, 2011. Under the distribution agreements, Teton reimbursed Gabelli & Company for any expenses incurred by Gabelli & Company for acting as a distributor of the Funds that exceeded the 12b-1 fees earned by Gabelli & Company on a fund-by-fund basis. These payments could be recovered from Gabelli & Company to the extent that they were previously paid to Gabelli & Company. At December 31, 2011 and December 31, 2010, the amounts that could be recovered from Gabelli & Company were $142,465 and $140,447, respectively. Effective August 1, 2011, G.distributors became the distributor of the Funds. There is no similar agreement between Teton and G.distributors in regard to the distribution expenses and revenues.

Critical Accounting Policies

The preparation of the financial statements included in this document requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Estimates and assumptions about future events and their effects cannot be perceived with certainty. Estimates may change as new events occur, as more experience is acquired, as additional information becomes available and as Teton's operating environment changes. Actual results could differ from estimates.

Teton believes the following are the most critical accounting policies used in the preparation of Teton's financial statements as well as the significant judgments and uncertainties affecting the application of these policies.

Revenue Recognition – Investment Advisory Fees

Investment advisory fees are directly influenced by the level and mix of AUM as fees are derived from a contractually-determined percentage of AUM for each open-end fund and separate account. Advisory fees from the open-end mutual funds are computed daily based on average net assets and amounts receivable are included in investment advisory fees receivable in the statements of financial condition. Advisory fees from separate account clients are computed quarterly based on account values as of the end of the preceding quarter, and amounts receivable are included in investment advisory fees receivable in the statements of financial condition. These revenues vary depending upon the level of sales compared with redemptions, financial market conditions and the fee structure for AUM. Revenues derived from the equity-oriented portfolios generally have higher management fee rates than fixed income portfolios.

Revenue Recognition – Distribution Fees

Distribution fees include distribution fees paid to the Company by G.distributors on the Class C shares sold. Class C shares have a 12b-1 distribution plan with a service and distribution fee totaling 1%. The distributor will advance the first year's commission at the time of the sale and collect the distribution fee monthly based on the daily average AUM during the first year. The Company has agreed to reimburse the distributor for the commissions advanced and receives the monthly service and distribution fee in return. Fees collected may be higher or lower than the amounts advanced as AUM increases or decreases during the period based on the Fund's performance.

Distribution Costs

The Company incurs certain promotion and distribution costs, which are expensed as incurred, principally related to the sale of shares of open-end mutual funds and are included in distribution costs payable in the statements of financial condition.

Sub-advisory fees

Sub-advisory fees are based on predetermined percentages of net revenues (after certain expenses) of the individual funds and are recognized as expenses as the related services are performed. The sub-advisory fees are paid in the month following when they are earned and are included in payable to affiliates in the statements of financial condition.

Income Taxes

Income tax expense is based on pre-tax financial accounting income, including adjustments made for the recognition or derecognition related to uncertain tax positions. The recognition or derecognition of income tax expense related to uncertain tax positions is determined under the guidance as prescribed by GAAP. Deferred tax assets and liabilities are recognized for the future tax attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or concluded. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date.

Stock Based Compensation

We use a fair value based method of accounting for stock-based compensation provided to our employees. The estimated fair value of our one RSA grant was determined based on the value of the shares on the date of the grant. We determined the value based on a market comparable approach. The total expense is recognized over the vesting period for these awards which is 30% over three years from the date of employment, which is July 18, 2008, and 70% over five years from the date of employment.

Contingent Deferred Sales Commissions

Sales commissions paid to broker-dealers in connection with the sale of certain classes of shares of open-end Funds are generally capitalized and amortized over a period of 1 year, based upon the period of time during which deferred sales commissions are expected to be recovered from distribution plan payments received from those Funds and from contingent deferred sales charges received from shareholders of those Funds upon redemption of their shares. Distribution plan payments received from these Funds are recorded in revenue as earned. Contingent deferred sales charges and early withdrawal charges received from redeeming shareholders of these funds are generally applied to reduce the Company's unamortized deferred sales commission assets. Should the Company lose its ability to recover such sales commissions through distribution plan payments and contingent deferred sales charges, the value of these assets would immediately decline, as would future cash flows. The amortization of these charges are included in advanced commissions and amounted to $549,078 and $29,431 for the years ended December 31, 2011 and 2010, respectively. Prior to October 1, 2010, these payments were made by the distributor of the Funds, Gabelli & Company. Effective October 1, 2010, Teton pays directly the sales commissions to the broker-dealers and collects the 12b-1 payments from the distributor.

Recent Accounting Developments

In January 2010, the Financial Accounting Standards Board ("FASB") issued guidance to improve disclosures about fair value measurements. The guidance affects all entities that are required to make disclosures about recurring and nonrecurring fair value measurements. The guidance requires new disclosures regarding transfers in and out of Level 1 and 2 fair value measurements and activity related to Level 3 fair value measurements. In addition, the guidance clarifies existing fair value disclosure requirements related to the level of disaggregation of assets and liabilities and the valuation techniques and inputs used. This update is effective for annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010. The Company adopted the applicable guidance on January 1, 2010 without a material impact to the financial statement disclosures.

In July 2010, the FASB issued guidance to improve disclosures about an entity's allowance for credit losses and the credit quality of its financing receivables. The guidance affects all entities. The guidance requires the entity to disclose the nature of credit risk inherent in the entity's portfolio of financing receivables, how that risk is analyzed and assessed in arriving at the allowance for credit losses and the changes and reasons for those changes in the allowance for credit losses. This update is effective for annual reporting periods ending on or after December 15, 2010, except for the disclosures about activity that occurs during a reporting period which is effective for annual reporting periods beginning on or after December 15, 2010. The Company adopted the applicable guidance for the year ended December 31, 2010 without a material impact to the financial statement disclosures.

In May 2011, the FASB issued guidance on fair value measurement which expands existing disclosure requirements for fair value measurements and makes other amendments. The guidance requires, for level 3 fair value measurements, (1) a quantitative disclosure of the unobservable inputs and assumptions used in the measurement, (2) a description of the valuation processes in place, and (3) a narrative description of the sensitivity of the fair value to changes in unobservable inputs and interrelationships between those inputs. Additionally, the guidance requires disclosure of the level in the fair value hierarchy of items that are not measured at fair value in the statement of financial condition but whose fair value must be disclosed and clarifies that the valuation premise and highest and best use concepts are not relevant to financial assets or liabilities. The guidance is effective for interim and annual periods beginning after December 15, 2011. The application of this guidance will result in enhanced footnote disclosure upon adoption on January 1, 2012.

In June 2011, the FASB issued guidance which revises the manner in which entities present comprehensive income in their financial statements. The new guidance requires entities to report comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. Under the two-statement approach, the first statement would include components of net income, which is consistent with the income statement format used currently, and the second statement would include components of other comprehensive income (“OCI”). The guidance does not change the items that must be reported in OCI. In December 2011, the FASB issued guidance which defers the effective date of a requirement in this guidance related to reclassifications of items out of accumulated other comprehensive income. The deferral in the effective date was made to allow the FASB time to redeliberate whether to require presentation on the face of the financial statements the effects of reclassifications out of accumulated other comprehensive income on the components of net income and other comprehensive income for all periods presented.

In September 2011, the FASB issued guidance which permits an entity to make a qualitative assessment of whether it is more likely than not that a reporting unit’s fair value is less than its carrying value before applying the quantitative two-step goodwill impairment model that is currently in place. If it is determined through the qualitative assessment that a reporting unit’s fair value is more likely than not greater than its carrying value, the remaining impairment steps would be unnecessary. The qualitative assessment is optional, allowing companies to go directly to the quantitative assessment. This guidance is effective for annual and interim goodwill impairment tests performed in fiscal years beginning after December 15, 2011. The application of this guidance is not expected to be material to the consolidated financial statements.

In December 2011, the FASB issued guidance which creates new disclosure requirements about the nature of an entity’s right of offset and related arrangements associated with its financial instruments and derivative instruments. The disclosure requirements are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods therein, with retrospective application required. The new disclosures are designed to make financial statements that are prepared under U.S. GAAP more comparable to those prepared under International Financial Reporting Standards. The Company is currently evaluating the impact that the application of this guidance will have on its financial statements.

Seasonality and Inflation

We do not believe our operations are subject to significant seasonal fluctuations. We do not believe inflation will significantly affect our compensation costs, as they are substantially variable in nature. However, the rate of inflation may affect our expenses such as information technology and occupancy costs. To the extent inflation results in rising interest rates and has other effects upon the securities markets, it may adversely affect our financial position and results of operations by reducing our AUM, revenues or otherwise.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Reference is made to the information contained under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Market Risk."

FINANCIAL STATEMENTS

The financial statements are included herein, commencing on Page 32 of this report.

TETON ADVISORS, INC.
INDEX TO FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Teton Advisors, Inc.

We have audited the accompanying statements of financial condition of Teton Advisors, Inc. ("Teton") as of December 31, 2011 and 2010, and the related statements of income, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of Teton's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Teton Advisors, Inc. at December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2011 in conformity with U.S. generally accepted accounting principles.

BERRY DUNN McNEIL & PARKER, LLC

Portland, Maine
March 27, 2012

TETON ADVISORS, INC.
STATEMENTS OF INCOME

	Year ended December 31,		
	2011	**2010**	**2009**
Revenues			
Investment advisory fees	$ 8,641,242	$ 5,795,607	$ 4,293,635
Distribution fees	497,496	21,883	-
Other income	1,652	817	1,953
Total revenues	9,140,390	5,818,307	4,295,588
Expenses			
Compensation	2,597,557	1,914,771	1,096,359
Marketing and administrative fees	1,365,053	1,219,737	896,670
Distribution costs and expense reimbursements	970,359	875,554	407,351
Advanced commissions	549,078	29,431	-
Sub-advisory fees	501,950	567,117	627,272
Other operating expenses	525,217	480,019	805,483
Total expenses	6,509,214	5,086,629	3,833,135
Income before income taxes	2,631,176	731,678	462,453
Income taxes	938,282	259,438	159,308
Net income	$ 1,692,894	$ 472,240	$ 303,145
Net income per share:			
Basic	$ 1.57	$ 0.45	$ 0.29
Diluted	$ 1.38	$ 0.39	$ 0.28
Weighted average shares outstanding:			
Basic	1,079,198	1,043,394	1,043,394
Diluted	1,224,913	1,199,104	1,093,749
Dividends declared	$ 0.70	$ 0.65	$ 0.70

See accompanying notes.

TETON ADVISORS, INC.
STATEMENTS OF FINANCIAL CONDITION

	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 2,715,895	$ 283,119
Investment advisory fees receivable	647,293	588,780
Deferred tax asset	9,380	24,592
Income tax receivable	-	56,317
Receivable from affiliates	40,844	21,964
Contingent deferred sales commission	132,939	172,398
Other assets (net of accumulated depreciation of $9,101 and $5,616, respectively)	126,325	65,990
Total assets	3,672,676	1,213,160
LIABILITIES AND STOCKHOLDERS' EQUITY		
Payable to affiliates	373,188	410,446
Deferred tax liability	103,455	161,089
Income tax payable	673,925	-
Compensation payable	435	35,000
Dividends payable	1,005,289	131,885
Distribution costs payable	198,461	53,000
Professional fees payable	31,560	30,435
Accrued expenses and other liabilities	61,614	80,008
Total liabilities	2,447,927	901,863
Stockholders' equity:		
Class A Common stock, $0.001 par value; 1,200,000 shares authorized;		
971,315 and 967,144 shares issued and outstanding, respectively	789	707
Class B Common stock, $0.001 par value; 800,000 shares authorized;		
792,000 shares issued; 332,927 and 337,098 shares outstanding, respectively	341	344
Additional paid-in capital	445,634	312,186
Treasury stock, Class B, at cost (8,000 shares)	(8,120)	(8,120)
Retained earnings	786,105	6,180
Total stockholders' equity	1,224,749	311,297
Total liabilities and stockholders' equity	$ 3,672,676	$ 1,213,160

See accompanying notes.

TETON ADVISORS, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total
Balance at December 31, 2008	$ 259	$ 792	$ 296,911	$ (8,120)	$ 490,004	$ 779,846
Net income	-	-	-	-	303,145	303,145
Stock based compensation	-	-	130,152	-	-	130,152
Conversion of shares	426	(426)	-	-	-	-
Dividends declared and paid	-	-	(281,257)	-	(449,118)	(730,375)
Balance at December 31, 2009	685	366	145,806	(8,120)	344,031	482,768
Net income	-	-	-	-	472,240	472,240
Stock based compensation	-	-	166,380	-	-	166,380
Conversion of shares	22	(22)	-	-	-	-
Dividends declared	-	-	-	-	(810,091)	(810,091)
Balance at December 31, 2010	707	344	312,186	(8,120)	6,180	311,297
Net income	-	-	-	-	1,692,894	1,692,894
Stock based compensation	-	-	133,527	-	-	133,527
Restricted stock awards vested	79	-	(79)	-	-	-
Conversion of shares	3	(3)	-	-	-	-
Dividends declared	-	-	-	-	(912,969)	(912,969)
Balance at December 31, 2011	$ 789	$ 341	$ 445,634	$ (8,120)	$ 786,105	$ 1,224,749

See accompanying notes.

TETON ADVISORS, INC.
STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2011	**2010**	**2009**
Operating activities			
Net income	$ 1,692,894	$ 472,240	$ 303,145
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	3,485	2,447	2,141
Deferred income tax	(42,422)	(18,180)	(44,784)
Amortization of deferred sales commission	549,078	29,431	-
Stock based compensation expense	133,527	166,380	130,152
Amortization of identifiable intangible asset	-	-	146,400
(Increase) decrease in operating assets:			
Investment advisory fees receivable	(58,513)	(192,812)	(78,983)
Income tax receivable	56,317	(9,152)	49,414
Receivable from affiliates	(18,880)	(15,384)	(1,988)
Contingent deferred sales commission	(509,619)	(201,829)	-
Other assets	(63,820)	22,154	(43,895)
Increase (decrease) in operating liabilities:			
Payable to affiliates	(37,258)	175,274	7,317
Income tax payable	673,925	-	154,678
Compensation payable	(34,565)	25,000	10,000
Distribution costs payable	145,461	8,910	8,904
Professional fees payable	1,125	(2,824)	(249,367)
Accrued expenses and other liabilities	(18,394)	63,258	13,303
Total adjustments	779,447	52,673	103,292
Net cash provided by operating activities	2,472,341	524,913	406,437
Financing activities			
Dividends paid	(39,565)	(678,206)	(730,375)
Net cash used in financing activities	(39,565)	(678,206)	(730,375)
Net increase (decrease) in cash and cash equivalents	2,432,776	(153,293)	(323,938)
Cash and cash equivalents at beginning of year	283,119	436,412	760,350
Cash and cash equivalents at end of year	$ 2,715,895	$ 283,119	$ 436,412
Supplemental disclosure of cash flow information:			
Cash paid for income taxes	$ 220,750	$ 333,500	$ -

See accompanying notes.

A. Significant Accounting Policies

Basis of Presentation

Teton Advisors, Inc. ("Teton" or the "Company") was formed in Texas as Teton Advisers LLC in December 1994. On March 2, 1998, Teton Advisers LLC was renamed Gabelli Advisors LLC and, on the same date, merged into Gabelli Advisers, Inc., a Delaware corporation. On January 25, 2008, Gabelli Advisers, Inc. was renamed Teton Advisors, Inc. On March 20, 2009, GAMCO Investors, Inc. ("GAMCO") spun-off their ownership interest in Teton to its stockholders. Prior to the March 20, 2009 spin-off, the Company was a 42%-owned subsidiary of GAMCO. The Company serves as the investment advisor of the GAMCO Westwood Funds ("Funds", individually "Fund"). The Company's capital structure consists of 1,200,000 shares authorized of Class A common stock with one vote per share and 800,000 shares authorized of Class B common stock with ten votes per share. At the date of incorporation, 200,000 shares of the Class A shares were issued to Westwood Management Corporation ("WMC") and 800,000 shares of Class B shares were issued to GAMCO and its affiliates. In addition, certain stockholders exercised warrants to purchase 59,394 shares of the Class A common stock for $5 per share on December 31, 2001.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ materially from those estimates.

Nature of Operations

Teton is a registered investment adviser under the Investment Advisers Act of 1940. Teton serves as the investment manager for the Funds, six funds with assets under management ("AUM") of $819.0 million and $792.5 million at December 31, 2011 and 2010, respectively, and as the investment manager to certain separate accounts with aggregate assets of $26.5 million and $27.3 million at December 31, 2011 and 2010, respectively. The Company's principal market is in the United States.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash due from banks and an affiliated money market mutual fund, which is highly liquid.

Revenue Recognition

The Company's revenues are derived primarily from investment advisory fees.

Investment advisory fees are directly influenced by the level and mix of AUM as fees are derived from a contractually-determined percentage of AUM for each open-end fund and separate account. Advisory fees from the open-end mutual funds are computed daily based on average net assets and amounts receivable are included in investment advisory fees receivable in the statements of financial condition. Advisory fees from separate account clients are computed quarterly based on account values as of the end of the preceding quarter and amounts receivable are included in investment advisory fees receivable in the statements of financial condition. These revenues vary depending upon the level of sales compared with redemptions, financial market conditions and the fee structure for AUM. Revenues derived from the equity-oriented portfolios generally have higher management fee rates than fixed income portfolios. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management believes that all accounts receivable are collectible; accordingly, an allowance for doubtful accounts has not been established.

Distribution fees include distribution fees paid to the Company by G.distributors, LLC ("G.distributors") on the class C Fund shares sold. Class C shares have a 12b-1 distribution plan with a service and distribution fee totaling 1%. The distributor will advance the first year's commission at the time of the sale and collect the distribution fee monthly based on the daily average AUM over the first year. The Company has agreed to reimburse the distributor for the commissions advanced and receives the monthly service and distribution fee in return. Fees collected may be higher or lower than the amounts advanced as AUM increases or decreases during the period based on the Fund's performance.

Distribution Costs

The Company incurs certain promotion and distribution costs, which are expensed as incurred, principally related to the sale of shares of open-end mutual funds and are included in distribution costs payable in the statements of financial condition.

Sub-advisory Fees

Sub-advisory fees are based on predetermined percentages of net revenues (after certain expenses) of the individual funds and are recognized as expenses as the related services are performed. The sub-advisory fees are paid in the month following when they are earned and are included in payable to affiliates on the statements of financial condition.

Depreciation

Fixed assets, with net book value of $19,070 and $10,849 at December 31, 2011 and 2010, respectively, which are included in other assets, are recorded at cost and depreciated using the straight-line method over their estimated useful lives.

Income Taxes

Income tax expense is based on pre-tax financial accounting income, including adjustments made for the recognition or derecognition related to uncertain tax positions. The recognition or derecognition of income tax expense related to uncertain tax positions is determined under the guidance as prescribed by GAAP. Deferred tax assets and liabilities are recognized for the future tax attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or concluded. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date.

Fair Values of Financial Instruments

Effective January 1, 2008, the Company adopted “Fair Value Measurements”, which provides a framework for measuring fair value under GAAP. The Company did not adopt “The Fair Value Option for Financial Assets and Financial Liabilities”.

The Company’s assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the Financial Accounting Standards Board’s (“FASB”) guidance on fair value measurement. The levels of the fair value hierarchy and their applicability to the Company are described below:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly-quoted intervals.
- Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Cash equivalents –Cash equivalents primarily consist of an affiliated money market mutual fund which is invested solely in U.S. Treasuries. Cash equivalents are valued using quoted market prices.

Earnings Per Share

Basic earnings per share is based on the weighted-average number of common shares outstanding during each period less unvested restricted stock. Diluted earnings per share is based on basic shares plus the incremental shares from the unvested restricted stock using the treasury stock method.

Stock Based Compensation

The Company uses a fair value based method of accounting for stock-based compensation provided to employees. The estimated fair value of the restricted stock award (“RSA”) grant was determined based on the value of the shares on the date of the grant. The Company determined the value based on a market comparable approach. The total expense is recognized over the vesting period for this award which is 30% over three years from the date of employment, which is July 18, 2008, and 70% over five years from the date of employment.

Contingent Deferred Sales Commissions

Sales commissions paid to broker-dealers in connection with the sale of certain classes of shares of open-end Funds are generally capitalized and amortized over a period of 1 year, based upon the period of time during which deferred sales commissions are expected to be recovered from distribution plan payments received from those Funds and from contingent deferred sales charges received from shareholders of those Funds upon redemption of their shares. Distribution plan payments received from these Funds are recorded in revenue as earned. Contingent deferred sales charges and early withdrawal charges received from redeeming shareholders of these funds are generally applied to reduce the Company's unamortized deferred sales commission assets. Should the Company lose its ability to recover such sales commissions through distribution plan payments and contingent deferred sales charges, the value of these assets would immediately decline, as would future cash flows. The amortization of these charges are included in advanced commissions and amounted to $549,078 and $29,431 for the years ended December 31, 2011 and 2010, respectively. Prior to October 1, 2010, these payments were made by the distributor of the Funds, Gabelli & Company, Inc. ("Gabelli & Company"). Effective October 1, 2010, Teton pays directly the sales commissions to the broker-dealers and collects the 12b-1 payments from the distributor.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents held. The Company maintains cash equivalents in the Gabelli U.S. Treasury Money Market Fund, which invests fully in instruments issued by the U.S. government. The concentration of credit risk with respect to advisory fees receivable is generally limited due to the short payment terms extended to clients by the Company.

Business Segments

The Company operates predominantly in one business segment, the investment advisory and asset management business.

Recent Accounting Developments

In January 2010, the FASB issued guidance to improve disclosures about fair value measurements. The guidance affects all entities that are required to make disclosures about recurring and nonrecurring fair value measurements. The guidance requires new disclosures regarding transfers in and out of Level 1 and 2 fair value measurements and activity related to Level 3 fair value measurements. In addition, the guidance clarifies existing fair value disclosure requirements related to the level of disaggregation of assets and liabilities and the valuation techniques and inputs used. This update is effective for annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010. The Company adopted the applicable guidance on January 1, 2010 without a material impact to the financial statement disclosures.

In July 2010, the FASB issued guidance to improve disclosures about an entity's allowance for credit losses and the credit quality of its financing receivables. The guidance affects all entities. The guidance requires the entity to disclose the nature of credit risk inherent in the entity's portfolio of financing receivables, how that risk is analyzed and assessed in arriving at the allowance for credit losses and the changes and reasons for those changes in the allowance for credit losses. This update is effective for annual reporting periods ending on or after December 15, 2010, except for the disclosures about activity that occurs during a reporting period which is effective for annual reporting periods beginning on or after December 15, 2010. The Company adopted the applicable guidance for the year ended December 31, 2010 without a material impact to the financial statement disclosures.

In May 2011, the FASB issued guidance on fair value measurement which expands existing disclosure requirements for fair value measurements and makes other amendments. The guidance requires, for level 3 fair value measurements, (1) a quantitative disclosure of the unobservable inputs and assumptions used in the measurement, (2) a description of the valuation processes in place, and (3) a narrative description of the sensitivity of the fair value to changes in unobservable inputs and interrelationships between those inputs. Additionally, the guidance requires disclosure of the level in the fair value hierarchy of items that are not measured at fair value in the statement of financial condition but whose fair value must be disclosed and clarifies that the valuation premise and highest and best use concepts are not relevant to financial assets or liabilities. The guidance is effective for interim and annual periods beginning after December 15, 2011. The application of this guidance will result in enhanced footnote disclosure upon adoption on January 1, 2012.

In June 2011, the FASB issued guidance which revises the manner in which entities present comprehensive income in their financial statements. The new guidance requires entities to report comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. Under the two-statement approach, the first statement would include components of net income, which is consistent with the income statement format used currently, and the second statement would include components of other comprehensive income ("OCI"). The guidance does not change the items that must be reported in OCI.

In December 2011, the FASB issued guidance which defers the effective date of a requirement in this guidance related to reclassifications of items out of accumulated other comprehensive income. The deferral in the effective date was made to allow the FASB time to redeliberate whether to require presentation on the face of the financial statements the effects of reclassifications out of accumulated other comprehensive income on the components of net income and other comprehensive income for all periods presented.

In December 2011, the FASB issued guidance which creates new disclosure requirements about the nature of an entity's right of offset and related arrangements associated with its financial instruments and derivative instruments. The disclosure requirements are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods therein, with retrospective application required. The new disclosures are designed to make financial statements that are prepared under U.S. GAAP more comparable to those prepared under International Financial Reporting Standards. The Company is currently evaluating the impact that the application of this guidance will have on its financial statements.

B. Fair Value of Financial Instruments

The following table presents information about the Company's assets by major categories measured at fair value on a recurring basis as of December 31, 2011 and 2010 and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value:

Assets Measured at Fair Value on a Recurring Basis as of December 31, 2011

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2011
Cash equivalents	$ 2,714,895	$ -	$ -	$ 2,714,895
Total assets at fair value	$ 2,714,895	$ -	$ -	$ 2,714,895

Assets Measured at Fair Value on a Recurring Basis as of December 31, 2010

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2010
Cash equivalents	$ 255,526	$ -	$ -	$ 255,526
Total assets at fair value	$ 255,526	$ -	$ -	$ 255,526

C. Income Taxes

The provision for (benefit from) income taxes for the years ended December 31, 2011, 2010 and 2009 consisted of the following:

	2011	2010	2009
Federal:			
Current	$ 928,610	$ 264,526	$ 201,138
Deferred	(40,370)	(24,265)	(44,135)
State and local:			
Current	52,094	13,092	2,954
Deferred	(2,052)	6,085	(649)
Total	$ 938,282	$ 259,438	$ 159,308

A reconciliation of the Federal statutory income tax rate to the effective tax rate is set forth below:

	2011	2010	2009
Statutory Federal income tax rate	34.0%	34.0%	34.0%
State income tax, net of Federal benefit	1.7	2.1	0.4
Other	-	(0.6)	-
Effective income tax rate	35.7%	35.5%	34.4%

Significant components of our deferred tax assets and liabilities are as follows:

	2011	2010
Deferred tax assets:		
Deferred compensation	$ 9,380	$ 24,592
Total deferred tax assets	9,380	24,592
Deferred tax liabilities:		
Contingent deferred sales commission	(47,280)	(61,074)
Fixed assets	(5,957)	(2,691)
Stock based compensation expense	(50,218)	(97,324)
Total deferred tax liabilities	(103,455)	(161,089)
Net deferred tax liabilities	$ (94,075)	$ (136,497)

The Company's Federal and State income tax returns are subject to future audit for all years after 2007.

The Company has analyzed its uncertain tax positions in accordance with accounting guidance and has accrued the appropriate liability, although immaterial to its financial statements.

D. Earnings per Share

The computations of basic and diluted net income per share are as follows:

	For the Years Ending December 31,		
	2011	2010	2009
Basic:			
Net income	$ 1,692,894	$ 472,240	$ 303,145
Weighted average shares outstanding	1,079,198	1,043,394	1,043,394
Basic net income per share	$ 1.57	$ 0.45	$ 0.29
Diluted:			
Net income	$ 1,692,894	$ 472,240	$ 303,145
Weighted average shares outstanding	1,079,198	1,043,394	1,043,394
Dilutive RSAs	145,715	155,710	50,355
Total	1,224,913	1,199,104	1,093,749
Diluted net income per share	$ 1.38	$ 0.39	$ 0.28

E. Stockholders' Equity

Teton has two classes of common stock: Class A and Class B.

Voting Rights

The holders of Class A common stock and Class B common stock have identical rights except that (i) holders of Class A common stock are entitled to one vote per share, while holders of Class B common stock are entitled to ten votes per share on all matters to be voted on by stockholders in general, and (ii) holders of Class A common stock are not eligible to vote on matters relating exclusively to Class B common stock and vice versa. Class B holders are entitled to convert their shares into Class A shares on a one-for-one basis.

Stock Based Compensation

During 2009, the Company issued 260,849 RSAs at a grant date fair value of $2.20 per share. As of December 31, 2011 and December 31, 2010, there are 182,594 and 260,849, respectively, RSA shares outstanding at an average grant price of $2.20 per share. This expense is recognized over the vesting period for the award which is 30% over three years from the date of employment, of July 18, 2008, and 70% over five years from the date of employment.

The total compensation costs related to non-vested awards not yet recognized is $143,448 as of December 31, 2011. This will be recognized as expense in the following periods:

2012	2013
$ 92,643	$ 50,805

For the years ended December 31, 2011, 2010 and 2009, the Company recorded $133,527, $166,380 and $130,152, respectively, in stock based compensation expense which resulted in tax benefits of $45,853, $57,135 and $44,694, respectively.

Dividends

During 2011, 2010 and 2009, the Company declared dividends of $0.70, $0.65 and $0.70, respectively, per share to Class A and Class B stockholders totaling $912,969, $810,091 and $730,375, respectively. In accordance with the RSA agreement, the RSA shares were not entitled to the first $0.84 per share of dividends paid by the Company.

F. Commitments

The Company rents office space under a sub-lease with GAMCO which expires in April 2013. Future minimum lease commitments under this operating lease as of December 31, 2011 are as follows:

2012	$ 66,911
2013	22,304
Total	$ 89,215

Occupancy expense amounted to $69,330, $66,911 and $66,911 in 2011, 2010 and 2009, respectively.

G. Related Party Transactions

The following is a summary of certain related party transactions.

Effective with the spin-off on March 20, 2009, GAMCO does not have an ownership interest in Teton.

MJG IV Partnership owned approximately 30.9% of Teton's Class A shares as of December 31, 2011. Mr. Gabelli is the general partner of MJG IV Partnership and the limited partners of MJG IV Partnership are family members of Mr. Gabelli.

As of December 31, 2011, Westwood Management Corporation owned approximately 20.6% of Teton's Class A shares. Westwood Holdings Group owns 100% of Westwood Management Corporation.

GAMCO has historically performed many corporate functions for Teton. In connection with the spin-off, which occurred on March 20, 2009, Teton has entered into certain other agreements with GAMCO to define Teton's ongoing relationship with GAMCO after the spin-off. These other agreements define responsibility for obligations arising before and after the spin-off date, including obligations relating to Teton's employees, certain transitional services, and taxes.

Teton invests all of its cash equivalents in a money market mutual fund managed by Gabelli Funds, LLC ("Gabelli Funds"). Gabelli Funds is owned 100% by GAMCO. At December 31, 2011 and 2010, Teton had $2,714,895 and $255,526, respectively, in this money market fund and earned $261, $817 and $1,953 for the years ended December 31, 2011, 2010 and 2009, respectively.

Effective August 1, 2011, G.distributors, serves as the principal distributor for the Funds. As distributor, G.distributors incurs certain promotional and distribution costs, which are expensed as incurred, related to the sale of Fund shares. Prior to August 1, 2011, Gabelli & Company served as the distributor of the Funds. Gabelli & Company received reimbursements from the Company in connection with these distribution activities to the extent such costs exceeded distribution fees received from the Funds managed by the Company on a fund-by-fund basis. Such amounts are repaid to the Company if distribution fees are in excess of distribution expenses of the Funds. During 2011, the Company paid Gabelli & Company $2,018. In connection with its role as principal distributor, the Company received from Gabelli & Company $75,387 and $44,526 of previously paid reimbursed distribution expenses in 2010 and 2009, respectively. As of December 31, 2011 and 2010, there was $142,465 and $140,447, respectively, contingently payable to the Company from Gabelli & Company, representing the net accumulated reimbursements paid by the Company to Gabelli & Company since the inception of each of the Funds calculated on an individual Fund basis. Gabelli & Company is owned 100% by Gabelli Securities, Inc., which in turn is owned 93% by GAMCO as of December 31, 2010.

Teton paid GAMCO administration fees based on the average net assets of the Funds, amounting to $1,365,053, $1,219,737 and $896,670 for the years ended December 31, 2011, 2010 and 2009, respectively. Effective January 1, 2011, Teton and GAMCO renegotiated the sub-administration contract to be based on a tiered formula as opposed to a fixed rate. Under the new contract, Teton will pay 20 basis points annually on the first $370 million of average AUM in the Funds, 12 basis points annually on the next $630 million of average AUM in the Funds and 10 basis points annually on the average AUM in the Funds in excess of $1 billion. As a result, the effective rate for 2011 was 15.3 basis points as compared to 20.0 basis points in 2010. Teton also paid GAMCO reimbursement for compensation, which amounted to $955,668, $543,836 and $381,503 for the years ended December 31, 2011, 2010 and 2009, respectively. In connection with the spin-off, Teton and GAMCO entered into a transitional administrative and management services agreement. Teton paid GAMCO $180,000 for each of the years ended December 31, 2011, 2010 and 2009. Teton pays Westwood Management Corporation a sub-advisory fee of 35% of net revenues for funds which Westwood Management Corporation acts as the sub-advisor. Net revenues is defined as advisory fees less 20 basis points for administrative fees, after certain expenses are paid by Teton to the Funds. The fees amounted to $501,950, $567,117 and $627,272 for the years ended December 31, 2011, 2010 and 2009, respectively. Westwood Management Corporation is owned 100% by Westwood Holdings Group as of December 31, 2011.

The Company serves as the investment adviser for the Funds and earns advisory fees based on predetermined percentages of the net average assets of the Funds. Advisory fees earned from the Funds were $8,450,375, $5,626,121 and $4,244,502 for the years ended December 31, 2011, 2010 and 2009, respectively. Advisory fees receivable from the Funds were $647,293 and $588,780 at December 31, 2011 and 2010, respectively.

The Company has receivables from the Funds of $50,503 and $13,875, which are included in other assets in the statements of financial condition, at December 31, 2011 and 2010, respectively, relating to reimbursement of shareholder servicing costs associated with No Transaction Fee ("NTF") programs.

Teton is charged or incurs certain overhead expenses that are also paid by other affiliates. These overhead expenses are allocated to the Company by GAMCO, if general and administrative related, by Gabelli Securities, Inc., if payroll related and by Gabelli & Company, if expense reimbursement related, as the expenses are incurred, based upon methodologies periodically reviewed by the management of the Company and the affiliates for reasonableness. The methodologies of the allocation are based on usage of shared services, whether personnel, administrative or other. Each service is analyzed by management as to the users of the service and is allocated in proportion to that usage at the cost of the particular service.

Teton's receivables and payables to affiliates at December 31, 2011 and 2010 are non-interest bearing and are receivable and payable on demand. At December 31, 2011 and 2010, the amount payable to GAMCO was $277,546 and $149,216, respectively, the amount payable to Westwood Management Corporation was $37,826 and $45,569, respectively, and the amount payable relating to wholesaler payouts was $53,650 and $211,494, respectively. The amount receivable from Gabelli & Company at December 31, 2011 and 2010 was $3,990 and $21,964, respectively. The amount receivable from G.distributors at December 31, 2011 was $36,854. The amount payable to Gabelli Funds, LLC at December 31, 2011 and 2010 was $4,167.

H. Quarterly Financial Information (Unaudited)

Quarterly financial information for the years ended December 31, 2011 and 2010 is presented below.

	2011				
	1st	2nd	3rd	4th	Full Year
Revenues	$ 2,165,000	$ 2,483,062	$ 2,356,164	$ 2,136,164	$ 9,140,390
Income before income taxes	633,136	716,119	686,833	595,088	2,631,176
Net income	407,576	461,712	443,108	380,498	1,692,894
Net income per share:					
Basic	$ 0.40	$ 0.44	$ 0.40	$ 0.34	$ 1.57
Diluted	$ 0.34	$ 0.38	$ 0.36	$ 0.31	$ 1.38

	2010				
	1st	2nd	3rd	4th	Full Year
Revenues	$ 1,284,982	$ 1,411,661	$ 1,412,039	$ 1,709,625	$ 5,818,307
Income before income taxes	288,503	136,541	162,044	144,590	731,678
Net income	188,603	90,435	106,437	86,765	472,240
Net income per share:					
Basic	$ 0.18	$ 0.09	$ 0.10	$ 0.08	$ 0.45
Diluted	$ 0.16	$ 0.08	$ 0.09	$ 0.07	$ 0.39

I. Identifiable Intangible Asset

The Company assesses the recoverability of identifiable intangible assets at least annually, or more often should events warrant, using a present value cash flow method. At a Board Meeting on November 11, 2008, the Board of Trustees of the B.B. Micro Cap Growth Fund assigned, on an interim basis for 150 days, the advisory contract to Teton as the investment adviser, effective with the close of business on November 28, 2008. Although there was no additional payment for the assignment of the advisory contract, the Company has incurred costs of $183,000 relating to legal and accounting work performed relating to the arrangement and to obtain shareholder approval for the merger with an existing fund managed by Teton. As a result of becoming the adviser to the B.B. Micro Cap Growth Fund, the Company recorded an identifiable intangible asset of $183,000. The Company amortized the acquisition costs over the estimated life of the interim contract. In accordance with this policy, the Company amortized $36,600 of the identifiable intangible asset during 2008 and the remaining amount of $146,400 during 2009 and as a result does not have an identifiable intangible asset on the statement of financial condition at either December 31, 2011 or 2010.

J. Other Matters

The Company has entered into arrangements with various third parties many of which provide for indemnification of the third parties against losses, costs, claims and liabilities arising from the performance of obligations under the agreements. The Company has had no claims or payments pursuant to these or prior agreements, and believes the likelihood of a claim being made is remote. The Company's estimate of the value of such agreements is de minimis, and therefore an accrual has not been made in the financial statements.

K. Subsequent Events

The Company has evaluated events and transactions through the date that the financial statements were issued for potential recognition or disclosure in these financial statements, as required by GAAP. On November 28, 2011, the Company declared a cash dividend of $0.70 per share payable on January 3, 2012 to shareholders of record as of December 31, 2011. This dividend, amounting to $912,969 was accrued at December 31, 2011.

TETON ADVISORS, INC.
DIRECTORS, OFFICERS, AND OTHER INFORMATION

Board of Directors

Howard F. Ward
Chairman of Teton Advisors, Inc.
Director of Growth Equities
Portfolio Manager - GAMCO Growth Fund
Portfolio Manager - GAMCO Global Growth Fund
GAMCO Investors, Inc.

Bruce N. Alpert
President, Secretary, and Acting Chief Compliance Officer
GAMCO Westwood Funds and Gabelli/GAMCO Funds
Senior Vice President
GAMCO Investors, Inc.
Executive Vice President and Chief Operating Officer
Gabelli Funds, LLC

Nicholas F. Galluccio
President and Chief Executive Officer
Portfolio Manager - GAMCO Westwood SmallCap Equity Fund
Teton Advisors, Inc.

Robert S. Zuccaro
Chief Financial Officer - Teton Advisors, Inc.
Executive Vice President
Chief Financial Officer
GAMCO Investors, Inc.

Officers

Nicholas F. Galluccio
President and Chief Executive Officer

David M. Goldman
Chief Compliance Officer

Robert S. Zuccaro
Chief Financial Officer

Tiffany R. Hayden
Secretary

Corporate and Shareholder Information

Investor Relations
For our Annual Report and other shareholder information, visit our website at **www.tetonadv.com** or write to:

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Rye, New York 10580-1422
914-457-1070
email: info@tetonadv.com

Transfer Agent
American Stock Transfer & Trust Company
6201 15th Avenue
Brooklyn, NY 11219
800-937-5449

Trading Information
OTC Markets Group
Class A Common Stock
Symbol: TETAA

Website
www.tetonadv.com

Investment Services Information
Mutual Funds
800-WESTWOOD
email: info@gabelli.com

Institutional Accounts
914-457-1070
email: info@tetonadv.com

Annual Meeting
Our 2012 Annual Meeting of Shareholders will be held at 4:00 p.m., Eastern time, on May 17, 2012 at our offices at 401 Theodore Fremd Avenue, Rye, NY 10580.

Teton Advisors
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