

## **Winmill & Co. Incorporated Announces Second Quarter 2006 Financial Results**

New York – Winmill & Co. Incorporated (WNMLA) announced today its financial results for the second quarter ended June 30, 2006. The Company reported a net loss in the second quarter of 2006 of \$191,693 compared to net income of \$701,606 for the same quarter a year ago. The net loss per share fully diluted was \$0.12 for the second quarter of 2006 compared to net income per share fully diluted of \$0.46 for the second quarter of 2005. For the six months ended June 30, 2006, the Company reported a net loss of \$598,741 compared to net income of \$461,232 in 2005. The diluted loss per share was \$0.36 for the first half of 2006 compared to diluted net income per share of \$0.30 for the first half of 2005. The Company attributes the reported losses in 2006 to a net decrease in unrealized appreciation of the shares owned by the Company of its publicly held affiliates, namely Bexil Corporation (BXL), Tuxis Corporation (TUX), and Foxby Corp. (FXX). Management, distribution and other fees increased due to an increase in mutual fund assets under management. The Company had \$199 million in assets under management at June 30, 2006, an increase of 65% from \$121 million at June 30, 2005. Expenses increased modestly as the Company recognized compensation expense for unvested stock options due to the adoption of Statement of Financial Accounting Standards No. 123(R) “Share-Based Payment” as of January 1, 2006 and increased marketing expenses due to the increase in assets under management. The Company also reported that its financial condition continues to be strong, with shareholders’ equity of \$9.9 million and no long-term debt. A copy of the Company’s unaudited balance sheet, statements of income, and statements of cash flows as of and for the second quarter ending June 30, 2006 is posted at [www.winmillco.com](http://www.winmillco.com).

The Company’s 2005 Annual Report, including audited financial statements, is posted at [www.winmillco.com](http://www.winmillco.com).

Winmill & Co. Incorporated is engaged through subsidiaries in stock market and [gold investing](#) through its investment management of equity and [gold mutual funds](#). The open-end mutual funds managed by a Company subsidiary are Midas Fund, Inc. (MIDSX), Midas Special Fund, Inc. (MISEX), and Midas Dollar Reserves, Inc. (DOLXX), The closed-end funds are Foxby Corp. (FXX) and Global Income Fund, Inc. (GIF). To learn more about Winmill & Co., including Rule 15c2-11 information, please visit [www.winmillco.com](http://www.winmillco.com).

This release contains certain “forward-looking statements” made pursuant to the “safe-harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Winmill & Co., which may cause the Company’s actual results to be materially different from those expressed or implied by such statements. The forward-looking statements made herein are only made as of the date of this release, and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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**WINMILL & CO. INCORPORATED**  
**CONSOLIDATED BALANCE SHEET**  
**June 30, 2006**  
**(Unaudited)**

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**Assets**

Current assets

Cash and cash equivalents	\$ 1,375,392
Investments in securities	140,704
Receivables from affiliates	
Management, distribution, and other fees	197,746
Prepaid expenses	32,612
Refundable income taxes	<u>4,662</u>

Total current assets 1,751,116

Investments in securities, affiliates	9,332,202
Property and equipment, net	34,592
Intangible assets	448,443
Other assets	<u>415,318</u>

10,230,555

Total assets \$ 11,981,671

**Liabilities and Shareholders' Equity**

Current liabilities

Accounts payable and accrued expenses	\$ 315,042
Income taxes payable	<u>360,095</u>

Total current liabilities 675,137

Deferred income taxes 1,388,190

Shareholders' equity

Common stock, \$.01 par value	
Class A, 10,000,000 shares authorized; 1,519,867 shares issued and outstanding	15,198
Class B, 20,000 shares authorized; 20,000 shares issued and outstanding	200
Additional paid-in capital	5,904,892
Other comprehensive income	2,710
Retained earnings	<u>3,995,344</u>

Total shareholder's equity 9,918,344

Total liabilities and shareholder's equity \$ 11,981,671

**WINMILL & CO. INCORPORATED**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
<b>Revenues</b>				
Management, distribution and other fees	\$ 576,804	\$ 349,742	\$ 1,040,925	\$ 715,781
Realized gain on investments in trading securities	15,008	-	15,444	326
Unrealized gain (loss) on investments in trading securities	(611,609)	1,211,306	(1,274,572)	840,684
Dividends, interest, and other	233,232	7,510	239,610	15,455
	<u>213,435</u>	<u>1,568,558</u>	<u>21,407</u>	<u>1,572,246</u>
<b>Expenses</b>				
General and administrative	234,399	220,856	492,262	451,900
Marketing	147,754	84,694	243,656	189,615
Expense reimbursement	25,044	27,706	49,599	55,813
Depreciation and amortization	22,609	31,422	45,219	36,057
Professional	18,662	18,029	38,606	49,511
	<u>448,468</u>	<u>382,707</u>	<u>869,342</u>	<u>782,896</u>
<b>Income (loss) before income taxes</b>	(235,033)	1,185,851	(847,935)	789,350
Income tax expense (benefit)	(43,340)	484,245	(249,194)	328,118
<b>Net income (loss)</b>	<u>\$ (191,693)</u>	<u>\$ 701,606</u>	<u>\$ (598,741)</u>	<u>\$ 461,232</u>
<b>Per share net income (loss)</b>				
Basic	\$ (0.12)	\$ 0.46	\$ (0.39)	\$ 0.30
Diluted	\$ (0.12)	\$ 0.46	\$ (0.36)	\$ 0.30
<b>Average shares outstanding</b>				
Basic	1,539,867	1,519,867	1,539,867	1,519,317
Diluted	1,634,546	1,526,994	1,647,433	1,525,853

**WINMILL & CO. INCORPORATED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Six Months Ended June 30, 2006 and 2005**  
**(Unaudited)**

	<u>2006</u>	<u>2005</u>
<b>Cash flows from operating activities</b>		
Net income (loss)	\$ (598,741)	\$ 461,232
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Unrealized loss (gain) on investments in trading securities	1,274,572	(840,742)
(Decrease) increase in deferred taxes	(522,575)	317,200
Non-cash stock compensation	76,128	-
Depreciation and amortization	45,219	36,059
Increase in cash value of life insurance	(17,023)	(16,500)
Realized gains on investments in trading securities	(15,444)	(326)
Proceeds from sale of investments in trading securities	84,082	3,326
Purchase of investments in trading securities	(90,969)	(235,463)
Decrease in receivables from affiliates	43,566	35,277
Decrease in payable for securities purchased	(897,898)	-
Increase in income taxes payable	125,370	17,063
Decrease in accounts payable and accrued expenses	(42,104)	(39,628)
Decrease in other assets	29,041	28,181
Net cash used in operating activities	<u>(506,776)</u>	<u>(234,321)</u>
<b>Cash flows from financing activities</b>		
Issuance of stock	<u>-</u>	<u>15,000</u>
Net cash provided by financing activities	<u>-</u>	<u>15,000</u>
Net decrease in cash and cash equivalents	(506,776)	(219,321)
<b>Cash and cash equivalents</b>		
Beginning of year	<u>1,882,168</u>	<u>1,683,748</u>
End of year	<u>\$ 1,375,392</u>	<u>\$ 1,464,427</u>
<b>Supplemental disclosure:</b>		
Income taxes paid	\$ 148,061	\$ 32,548

