

WINMILL & CO.

INCORPORATED

INVESTMENTS SINCE 1974

2004

ANNUAL

REPORT

WINMILL & CO.

INCORPORATED
INVESTMENTS SINCE 1974

11 HANOVER SQUARE
NEW YORK, NEW YORK 10005
TEL. 1-212-785-0900 FAX 1-212-363-1101

April 28, 2005

Fellow Shareholders:

The Company reported net income of \$56,210 in 2004 versus \$730,616 for 2003, or \$.04 per share fully diluted versus \$.45 in the prior period. In 2004, gains in management, distribution and other fees and only modest expense increases led to the Company's positive overall results, unlike 2003 when net increases in unrealized appreciation of the shares owned by the Company of its publicly held affiliates, namely Bexil Corporation and Tuxis Corporation, contributed the bulk of annual earnings. It is also a pleasure to report that the Company's financial condition continues to be very strong, with shareholders' equity of approximately \$8.3 million and no long term debt. Importantly, the credit for these solid results goes to every Company employee, whose hard work, positive attitude, and teamwork contributed so much.

Bexil Corporation

Bexil Corporation (Amex: BXL), approximately 25% owned by the Company, reported that operations continue to grow at York Insurance Services Group, Inc., which is 50% owned by Bexil. York's revenue and net income for the past three years were as follows:

Year ended December 31	York Insurance Services Group, Inc.	
	Revenue	Net Income
2003	\$52,700,000	\$5,600,000
2002	40,300,000	4,200,000
2001	25,300,000	700,000

Although audited results for the year ended December 31, 2004 are not yet available, for the nine months ended September 30, 2004, Bexil reported that York's revenue was \$44,761,334 and net income was \$3,127,922 versus \$37,837,718 and \$3,915,526, respectively, for the same period in 2005. Bexil's report also reflects York's increasingly robust financial condition. At September 30, 2004, York's working capital and shareholders' equity stood at \$11,265,627 and \$15,933,793, respectively, while long term debt was \$1,283,293.

Tuxis Corporation

Tuxis Corporation (Amex: TUX), approximately 21% owned by the Company, reported a number of real estate acquisitions during 2004 in following through on shareholder approval to change the nature of the Company's business so as to cease to be an investment company and to concentrate on the acquisition and development of real estate and related services. Tuxis announced that through subsidiaries it acquired an 18,000 square foot commercial property on 1.71 acres in Mabbettsville, New York, and a 1,875 square foot commercial property, also in Mabbettsville. These two properties are adjoining and are part of an overall re-development and enhancement of the site. In March 2005, Tuxis announced that through a subsidiary it has acquired a 215 acre parcel of undeveloped land located in Clinton Corners and Millbrook, New York. Tuxis stated plans to develop the property over time. This acquisition is in the same general area of northern Dutchess County in New York as its commercial properties.

As previously reported, Tuxis filed an application with the Securities and Exchange Commission to deregister as an investment company. If approved, Tuxis would continue as a publicly-held operating company listed on the American Stock Exchange, subject to the reporting and other requirements of the Securities Exchange Act of 1934.

Closed-end Funds

In June 2004, Global Income Fund (Amex: GIF) completed a successful rights offering to holders of the Fund's common stock. Reflecting the attractiveness of the offering, in the primary subscription and pursuant to the over-subscription privilege approximately 5,117,000 shares were requested compared to the 1,396,252 shares offered. Pursuant to the terms of the offer, the Fund exercised its discretion to authorize the issuance of up to an additional 349,063 shares in order to satisfy, at least partially, over-subscription requests. Proceeds to the Fund after deduction of expenses were approximately \$7 million, increasing the Fund's net assets by about 25% to approximately \$34 million.

Foxy Corp. (Amex: FXX) is a non-diversified, closed-end fund seeking total return with a flexible total return investment approach which we think should be attractive to investors. The Fund uses a flexible strategy in the selection of securities, and is not limited by the issuer's location, size, or market capitalization. Unfortunately, certain parties have sued the Fund and its directors, and seek declaratory and injunctive relief. This suit generally arises out of the Fund's 2004 annual meeting of stockholders and the Fund's bylaws. The Fund and its directors have answered the complaint and are defending the suit vigorously.

Midas Mutual Funds

Assets under management were down slightly in 2004, to approximately \$133 million at year end 2004, as compared to approximately \$140 million at the end of 2003. Midas Fund ranked third of the mutual funds in Morningstar's precious metal objective category for 2004. Midas Special Equities Fund enjoyed a gratifying 2004 total return of 10.64%. While our investment focus continues to be on quality companies, operationally we continue to look for ways to enhance shareholder services while reducing expense ratios to enhance the attractiveness of the Funds to individual and institutional investors. If you have any questions, or would like further information on any of the Midas Funds, simply visit www.midasfunds.com, or call 1-800-400-MIDAS (6432) and an Investor Service Representative will be glad to assist you, as always, without any obligation on your part.

Outlook for 2005

We believe the Company's overall financial position is strong and that its operations have attractive potential. Further, as a result of the decision to terminate the registration of the Company's Class A common stock under the Securities Exchange Act of 1934 and with it the obligation to file with the SEC various reports and forms, including Forms 10-K, 10-Q, and 8-K, the Company expects to realize significant costs savings. We are particularly pleased by the number of dealers quoting the Company's shares on the Pink Sheets. Current market makers in the Company's Class A common stock include Viewtrade Securities, Inc., Knight Equities Markets L.P., Carr Securities Corp., Biltmore International Corp., Citigroup, Inc., Robotti & Company, LLC, Hutchin Securities, Jefferies & Company, Inc., UBS Capital Markets, Hill Thompson Magid & Co. Inc., BrokerageAmerica, LLC, Pershing LLC, Seaboard Securities, Inc. and T.D. Waterhouse.

Management shares your enthusiasm for the Company's outlook and at year end owned about 33% of its outstanding shares. We appreciate your confidence and support, as well as that of our employees.

Sincerely,



Bassett S. Winmill
Chairman



Thomas B. Winmill
President

MUTUAL FUNDS

- **Midas Special Equities Fund** Invests aggressively for maximum capital appreciation.
- **Midas Fund** Invests primarily in companies involved with processing, fabricating, distributing or otherwise dealing in gold silver, platinum or other natural resources.
- **Midas Dollar Reserves** A high quality money market fund investing in U.S. Government Securities. Free, unlimited check writing with only a \$250 minimum per check.

The Midas Funds listed above are further described in a combined prospectus that contains more complete information about each Fund, including management fees and other charges, risks and expenses. Please call us at 1-800-400-MIDAS (6432) to obtain a free prospectus. Read it carefully before you invest or send money.

CLOSED-END FUNDS LISTED ON THE AMERICAN STOCK EXCHANGE

- **Global Income Fund** The primary investment objective of the Fund is to provide for its shareholders a high level of income, with capital appreciation as a secondary objective. The Fund pursues its investment objectives by investing primarily in a global portfolio of investment grade fixed income securities. The Fund's shares trade on the American Stock Exchange under the symbol GIF.
- **Foxby Corp.** The Fund's non-fundamental investment objective is total return which it may seek from growth of capital and from income in any security type and in any industry sector. The Fund's shares trade on the American Stock Exchange under the symbol FXX.

This Report contains forward-looking statements and similar expressions that reflect Winmill & Co. Incorporated's current expectations about its future performance, and are subject to risks, uncertainties and other factors that could cause the Company's actual performance to differ materially from what is expressed in, or implied by, these forward-looking statements.

CONSOLIDATED BALANCE SHEETS

	December 31,	
ASSETS	2004	2003
Current Assets:		
Cash and cash equivalents	\$1,683,748	\$1,108,426
Securities – restricted (Note 2)	1,289,381	1,131,931
Marketable securities (Note 2)	423,949	1,105,471
Dividends, interest and other receivables	130,269	96,000
Prepaid expenses and other current assets	123,431	136,827
Management, distribution and other fees receivable	116,126	121,813
Refundable income taxes	20,815	7,370
Total Current Assets	3,787,719	3,707,838
Securities – restricted (Note 2)	4,303,481	4,249,295
Equipment, furniture and fixtures, net	71,348	65,015
Intangible assets, net	527,796	581,796
Other assets (Note 9)	367,230	335,291
	5,269,855	5,231,397
Total Assets	\$9,057,574	\$8,939,235
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current Liabilities:		
Accrued other expenses	\$ 253,761	\$ 76,351
Accrued professional fees	95,861	97,075
Accrued payroll and other related costs	66,920	25,000
Deferred income taxes (Note 8)	50,700	131,500
Other current liabilities	15,751	1,568
Total Current Liabilities	482,993	331,494
Deferred income taxes (Note 8)	308,300	327,700
Shareholders' Equity (Notes 4,5 and 6)		
Common Stock, \$.01 par value		
Class A, 10,000,000 shares authorized;		
1,509,867 and 1,493,367 shares issued	15,098	14,933
Class B, 20,000 shares authorized;		
20,000 shares issued and outstanding	200	200
Additional paid-in capital	5,813,864	5,884,414
Other comprehensive income	415	–
Retained earnings	2,436,704	2,380,494
Total Shareholders' Equity	8,266,281	8,280,041
Total Liabilities and Shareholders' Equity	\$9,057,574	\$8,939,235

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,	
	2004	2003
Revenues:		
Management, distribution and other fees	\$1,524,067	\$1,459,747
Realized and unrealized gains from investments	8,209	1,211,157
Dividends, interest and other	<u>49,029</u>	<u>29,649</u>
	<u>1,581,305</u>	<u>2,700,553</u>
Expenses:		
General and administrative	768,435	725,016
Marketing	410,288	441,876
Expense reimbursements to the Funds (Note 9)	139,764	153,001
Professional	94,592	76,500
Depreciation and amortization	<u>77,991</u>	<u>67,962</u>
	<u>1,491,070</u>	<u>1,464,355</u>
Income before income taxes	90,235	1,236,198
Income taxes (Note 8)	<u>34,025</u>	<u>505,582</u>
Net Income	<u>\$ 56,210</u>	<u>\$ 730,616</u>
Per Share Data:		
Basic		
Net income	<u>\$.04</u>	<u>\$.46</u>
Diluted		
Net income	<u>\$.04</u>	<u>\$.45</u>
Average Shares Outstanding:		
Basic	<u>1,499,025</u>	<u>1,596,946</u>
Diluted	<u>1,507,667</u>	<u>1,631,344</u>

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Years Ended December 31, 2004 and 2003

	Number of Shares				Dollar Amounts						
	Class A Common	Class B Common	Class A Common	Class B Common	Additional Paid-in Capital	Notes Receivable For Common Stock Issued	Retained Earnings (Deficit)	Treasury Stock Class A	Accumulated Other Comprehensive Income	Total Shareholders' Equity	
Balance, December 31, 2002	1,588,520	20,000	\$ 16,283	\$ 200	\$ 6,807,985	\$ (527,041)	\$ 1,649,878	\$ (58,108)	\$ (177)	\$ 7,889,020	
Net income	-	-	-	-	-	-	730,616	-	-	730,616	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	
Unrealized gains on marketable securities	-	-	-	-	-	-	-	-	177	177	
Comprehensive income	-	-	-	-	-	-	-	-	-	730,793	
Issuance of stock in connection with exercise of stock options	207,500	-	2,075	-	333,800	-	-	-	-	335,875	
Redemption of stock	(302,653)	-	(3,027)	-	(1,257,371)	-	-	-	-	(1,260,398)	
Cancellation of treasury stock	-	-	(398)	-	-	-	-	58,108	-	57,710	
Repayment of notes receivable	-	-	-	-	-	527,041	-	-	-	527,041	
Balance, December 31, 2003	<u>1,493,367</u>	<u>20,000</u>	<u>14,933</u>	<u>200</u>	<u>5,884,414</u>	<u>-</u>	<u>2,380,494</u>	<u>-</u>	<u>-</u>	<u>8,280,041</u>	
Net Income	-	-	-	-	-	-	56,210	-	-	56,210	
Other comprehensive income	-	-	-	-	-	-	-	-	415	415	
Unrealized gains on marketable securities	-	-	-	-	-	-	-	-	-	-	
Comprehensive income	-	-	-	-	-	-	-	-	-	-	
Issuance of stock in connection with exercise of stock options	46,750	-	468	-	69,795	-	-	-	-	70,263	
Cancellation of treasury stock	(30,250)	-	(303)	-	(140,345)	-	-	-	-	(140,648)	
Balance, December 31, 2004	<u>1,509,867</u>	<u>20,000</u>	<u>\$ 15,098</u>	<u>\$ 200</u>	<u>\$ 5,813,864</u>	<u>\$ -</u>	<u>\$ 2,436,704</u>	<u>-</u>	<u>\$ 415</u>	<u>\$ 8,266,281</u>	

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2004	2003
Cash Flows from Operating Activities:		
Net income	<u>\$ 56,210</u>	<u>\$730,616</u>
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	77,991	67,962
Increase (decrease) in deferred income taxes	(100,200)	481,200
Increase in cash value of life insurance	(31,939)	(32,193)
Net unrealized appreciation of publicly held affiliates and on proprietary securities trading	(8,209)	(1,211,157)
(Increase) decrease in:		
Management, distribution and other fees receivable	5,687	(7,597)
Dividends, interest and other receivables	(34,269)	(39,525)
Prepaid expenses and other current assets	13,396	(36,712)
Refundable income taxes	(13,445)	165,924
Other assets	-	8,058
Increase (decrease) in:		
Accounts payable	-	(12,585)
Accrued professional fees	(1,214)	-
Accrued expenses	52,410	(1,949)
Accrued payroll and other related costs	41,920	-
Accrued income taxes	125,000	51,847
Other current liabilities	<u>14,183</u>	<u>(54,735)</u>
Total adjustments	<u>141,311</u>	<u>(621,462)</u>
Net cash provided by operating activities	<u>197,521</u>	<u>109,154</u>
Cash Flows from Investing Activities:		
Capital expenditures	(30,324)	(20,476)
Proprietary securities trading sales	818,544	68,908
Proprietary securities trading purchases	<u>(340,034)</u>	<u>(57,191)</u>
Net cash provided by (used in) investing activities	<u>448,186</u>	<u>(8,759)</u>
Cash Flows from Financing Activities:		
Repayments of notes receivable	-	620,316
Issuance of stock	70,263	335,875
Purchase of treasury stock	<u>(140,648)</u>	<u>(1,202,688)</u>
Net cash used in financing activities	<u>(70,385)</u>	<u>(246,497)</u>
Net increase (decrease) in cash and cash equivalents	575,322	(146,102)
Cash and Cash Equivalents:		
Beginning of year	<u>1,108,426</u>	<u>1,254,528</u>
End of year	<u><u>\$1,683,748</u></u>	<u><u>\$1,108,426</u></u>

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF BUSINESS

Winmill & Co. Incorporated (“Company”) is a holding company. Its subsidiaries’ business consists of providing investment management and distribution services for the Midas Funds (three open-end funds), two closed-end funds, and proprietary securities trading. Its publicly held affiliates are Bexil Corporation (Amex: BXL), Tuxis Corporation (Amex: TUX), Foxby Corp. (Amex: FXX), and Global Income Fund, Inc. (Amex: GIF). The businesses of Bexil and Tuxis are, respectively, insurance services and real estate. Global Income Fund and Foxby are closed end funds.

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of the Company and all of its subsidiaries. Substantially all intercompany accounts and transactions have been eliminated.

ACCOUNTING ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses and other liabilities approximate fair value because of the short maturity of these items. Marketable securities are recorded at market value which represents the fair value of the securities.

CASH AND CASH EQUIVALENTS

Investments in money market funds are considered to be cash equivalents. At December 31, 2004 and 2003, the Company and subsidiaries had invested approximately \$1,273,200 and \$870,400, respectively, in an affiliated money market fund.

MARKETABLE SECURITIES

The Company and its non-broker/dealer subsidiaries’ marketable securities are considered to be “available-for-sale” and recorded at market value, with the unrealized gain or loss included in shareholders’ equity as “accumulated other comprehensive income.” Marketable securities of the broker/dealer subsidiary are valued at market with unrealized gains and losses included in earnings. At December 31, 2004, all marketable securities were held by the broker/dealer subsidiary.

INCOME TAXES

The Company’s method of accounting for income taxes conforms to Statement of Financial Accounting Standards No. 109 “*Accounting for Income Taxes*.” This method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial reporting basis and the tax basis of assets and liabilities. The Company and its wholly-owned subsidiaries file consolidated income tax returns.

EQUIPMENT

Equipment, furniture and fixtures are recorded at cost and are depreciated on the straight-line basis over their estimated useful lives, 3 to 10 years. At December 31, 2004 and 2003, accumulated depreciation on equipment, furniture and fixtures amounted to approximately \$855,100 and \$837,700 respectively.

INTANGIBLE ASSETS

As of December 31, 2004 and 2003, the Company's carrying value of intangible assets was approximately \$810,700 with accumulated amortization of approximately \$282,900 and \$228,900, respectively. These intangible assets are being amortized over their useful lives, which is fifteen years and the estimated annual amortization is approximately \$54,000 per year over the next five years. In addition, intangible assets are reviewed for impairment and the remaining useful life evaluated at least annually to determine whether events and circumstances warrant a revision to the remaining period of amortization.

COMPREHENSIVE INCOME

The Company discloses comprehensive income in the financial statements. Comprehensive income includes net income and unrealized gains and losses on marketable securities held by the Company and its non-broker/dealer subsidiaries, which is reported as other comprehensive income in shareholder's equity.

EARNINGS PER SHARE

Basic earnings per share is computed using the weighted average number of shares outstanding. Diluted earnings per share is computed using the weighted average number of shares outstanding adjusted for the incremental shares attributed to outstanding options to purchase common stock.

The following table sets forth the computation of basic and diluted earnings per share:

	<u>2004</u>	<u>2003</u>
Numerator for basic and diluted earnings per share:		
Net income	<u>\$ 56,210</u>	<u>\$730,616</u>
Denominator:		
Denominator for basic earnings per share:		
Weighted-average shares	1,499,025	1,596,946
Effect of dilutive securities:		
Employee stock options	<u>8,642</u>	<u>34,398</u>
Denominator for diluted earnings per share: adjusted weighted-average shares and assumed conversions	<u>1,507,667</u>	<u>1,631,344</u>

2. MARKETABLE SECURITIES

At December 31, 2004 and 2003 marketable securities and marketable securities subject to restrictions, at market, consisted of:

	<u>2004</u>	<u>2003</u>
Broker/dealer subsidiary		
Marketable securities		
Proprietary trading – equities and mutual funds (cost \$338,271 in 2004 and \$833,755 in 2003)	<u>\$ 423,949</u>	<u>\$ 1,105,471</u>
Securities – restricted		
Publicly-held affiliates (cost \$4,706,159 in 2004 and \$4,437,568 in 2003)	\$ 5,592,862	\$5,381,226
Less: currently marketable	<u>1,289,381</u>	<u>1,131,931</u>
Securities – non current	<u>\$ 4,303,481</u>	<u>\$4,249,295</u>

As of December 31, 2004, included in the broker/dealer's holdings of publicly held affiliates are \$3,597,933 of shares (representing approximately 25% of the outstanding shares) of Bexil Corporation and \$1,469,011 of shares (representing approximately 20% of the outstanding shares) of Tuxis Corporation, both of which have received shareholder approval to change from registered investment companies to operating companies. Effective January 6, 2004, the Securities and Exchange Commission issued an order declaring that Bexil Corporation had ceased to be a registered investment company under Section 8(f) of the Investment Company Act of 1940.

Restricted securities are shares of publicly held affiliates whose public sale is subject to a trading volume formula pursuant to Rule 144 of the Securities Act of 1933. The trading volume formula limits the sale of such shares in any three month period to the greater of (a) 1% of the outstanding shares of the same class being sold by the affiliates or (b) the average weekly reported trading volume during the four calendar weeks preceding the sale. Shares which would be salable under this formula in the next 12 month period are classified as current assets in the consolidated balance sheet and shares in excess of this formula are classified as non-current restricted securities.

3. LEASE COMMITMENTS

The Company leases office space under a lease which expires September 30, 2008. The future minimum lease payments for years ended December 31, including electricity are as follows:

2005	\$ 97,100
2006	97,700
2007	100,200
2008	<u>76,600</u>
	<u>\$371,600</u>

4. SHAREHOLDERS' EQUITY

The Class A and Class B Common Stock are identical in all respects except for voting rights, which are vested solely in the Class B Common Stock. The Company also has 1,000,000 shares of Preferred Stock, \$.01 par value, authorized. As of December 31, 2004 and 2003, none of the Preferred Stock was issued.

5. NET CAPITAL REQUIREMENTS

The Company's broker/dealer subsidiary is a member firm of the National Association of Securities Dealers, Inc. ("NASD") and is registered with the Securities and Exchange Commission as a broker/dealer. Under its membership agreement with the NASD, the broker/dealer must maintain minimum net capital, as defined, of not less than \$100,000, or 6-2/3% of aggregate indebtedness, whichever is greater; and a ratio of aggregate indebtedness to net capital, as defined, of not more than 15 to 1. At December 31, 2004, the subsidiary had net capital of approximately \$1,729,000; net capital requirements of \$100,000; excess net capital of approximately \$1,629,000; and the ratio of aggregate indebtedness to net capital was approximately .12 to 1.

6. STOCK OPTIONS

On December 6, 1995, the Company adopted a Long-Term Incentive Plan which, as amended, provides for the granting of a maximum of 600,000 options to purchase Class A Common Stock to directors, officers and key employees of the Company or its subsidiaries. As of December 31, 2004, there were 33,500 remaining options available for future issuance under the Plan. With respect to non-employee directors, only grants of non-qualified stock options and awards of restricted shares are available. The option price per share may not be less than the fair value of such shares on the date the option is granted, and the maximum term of an option may not exceed ten years except as to non-employee directors for which the maximum term is five years.

The Company applies APB Opinion 25 and related interpretations in accounting for its stock option plans. Accordingly, no compensation cost has been recognized for its stock option plans. Pro forma compensation cost for the Company's plans is required by Financial Accounting Standards No. 123 "Accounting for Stock-Based Compensation (SFAS 123)" and has been determined based on the fair value at the grant dates for awards under these plans consistent with the method of SFAS 123. For purposes of pro forma disclosure, the estimated fair value of the options is amortized to expense over the options' vesting period. The Company's pro forma information follows:

		<u>Years Ended December 31,</u>	
		<u>2004</u>	<u>2003</u>
Net income	As reported	\$56,210	\$730,616
	Pro forma	\$56,210	\$730,616
Earnings per share			
	Basic		
Basic	As reported	\$.04	\$.46
	Pro forma	\$.04	\$.46
Diluted	As reported	\$.04	\$.45
	Pro forma	\$.04	\$.45

A fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model. A summary of the status of the Company's stock option plans as of December 31, 2004 and 2003, and changes during the years ending on those dates is presented below:

<u>Stock Options</u>	<u>Number of Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at December 31, 2002	281,500	\$1.59
Exercised	(207,500)	\$1.62
Outstanding at December 31, 2003	74,000	\$1.50
Exercised	(46,750)	\$1.50
Outstanding at December 31, 2004	<u>27,250</u>	<u>\$1.50</u>

There were 27,250 and 74,000 options exercisable at December 31, 2004 and 2003 with a weighted-average exercise price of \$1.50 and \$1.50, respectively.

The following table summarizes information about stock options outstanding at December 31, 2004:

<u>Range of Exercise Prices</u>	<u>Number Outstanding</u>	<u>Weighted-Average Remaining Contractual Life</u>	<u>Weighted-Average Exercise Price</u>
\$1.50 - \$1.51	27,250	1.4 years	\$1.50

In connection with the exercise of stock options in 2004 and 2003, the Company redeemed 29,250 and 85,214 shares of Class A Common Stock, respectively. In connection with the exercise of the options in prior years, the Company had received from certain officers notes with interest rates ranging from 2.45% to 2.48% per annum payable December 31, 2004. These notes were paid in full during 2003 by the redemption of 151,197 shares of Class A Common Stock. In addition, there were 66,242 shares of Class A Common Stock redeemed by the Company in 2003 from certain officers and directors.

7. PENSION PLAN

The Company has a 401(k) retirement plan for substantially all of its qualified employees. Contributions are based upon a percentage of earnings of eligible employees and are accrued and funded on a current basis. Total pension expense for the years ended December 31, 2004 and 2003 was approximately \$50,300 and \$47,200, respectively.

8. INCOME TAXES

The provision for income tax expense was as follows:

	<u>2004</u>	<u>2003</u>
Current		
Federal	\$113,000	\$16,000
State and local	21,225	8,382
	<u>134,225</u>	<u>24,382</u>
Deferred	(100,200)	481,200
	<u>\$ 34,025</u>	<u>\$505,582</u>

Deferred tax assets (liabilities) are comprised of the following at December 31, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Unrealized (appreciation) depreciation on investments	\$(386,000)	\$(486,200)
Accrued expenses	2,000	2,000
Net operating loss carryforwards	<u>25,000</u>	<u>25,000</u>
Net deferred tax assets (liabilities)	<u>\$ (359,000)</u>	<u>\$(459,200)</u>

A reconciliation of the federal statutory income tax rate to the Company's effective tax rate is as follows:

	<u>2004</u>	<u>2003</u>
Statutory rate	34.0%	34.0%
Increase in effective tax rate resulting from:		
State income taxes, net of federal benefit	-	-
Non-deductible income and expenses – net	<u>3.7</u>	<u>6.9</u>
	<u>37.7%</u>	<u>40.9%</u>

9. RELATED PARTIES

All investment management and distribution fees are a result of services provided to the Funds. All such services are provided pursuant to agreements that set forth the fees to be charged for these services. These agreements are subject to annual review and approval by each Fund's Board of Directors and a majority of the Fund's non-interested directors. In addition, during the years ended December 31, 2004 and 2003, the Funds paid approximately \$51,000 and \$42,000, respectively, for recordkeeping services to ISC, which paid such amounts to certain brokers for performing such services. These reimbursements for recordkeeping services were recorded in management, distribution and other fees.

The Company's investment manager and distributor subsidiaries waived management and distribution fees from the Funds in the amount of approximately \$127,000 and \$153,000 for the years ended December 31, 2004 and 2003, respectively.

Certain officers of the Company also serve as officers and/or directors of the Funds.

Commencing August 1992, the Company has a key man life insurance policy on the life of the Company's chairman which provides for the payment of \$1,000,000 to the Company upon his death. As of December 31, 2004 and 2003, the policy had a cash surrender value of approximately \$338,300 and \$306,400, respectively, and is included in other assets in the balance sheet.

10. CONTINGENCIES

From time to time, the Company and/or its subsidiaries are threatened or named as defendants in litigation arising in the normal course of business. As of December 31, 2004, neither the Company nor any of its subsidiaries was involved in any other litigation that, in the opinion of management, would have a material adverse impact on the consolidated financial statements.

In April 2002, the Company entered into a Death Benefit Agreement (“Agreement”) with the Company’s Chairman. Following his death, the Agreement provides for annual payments, equal to 80% of his average annual salary received from the Company, its affiliates, subsidiaries and other related entities for the three year period prior to his death subject to certain adjustments to his wife until her death. The Company’s obligations under the Agreement are not secured and will terminate if he leaves the Company’s employ under certain conditions.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of
Winmill & Co. Incorporated

We have audited the accompanying consolidated balance sheet of Winmill & Co. Incorporated and subsidiaries as of December 31, 2004, and 2003 and the related consolidated statements of income, changes in shareholders’ equity, and cash flows for each of the two years in the period ended December 31, 2004. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 consolidated financial position of Winmill & Co. Incorporated and subsidiaries at December 31, 2004 and 2003, and the consolidated results of their operations and their consolidated cash flows for each of the two years in the period ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER
Philadelphia, Pennsylvania
January 28, 2005

The Company's Class A Common Stock (non-voting) is publicly traded under the symbol WNMLA. Prior to August 6, 2004, the Class A Common Stock traded on the Nasdaq SmallCap Market tier of the Nasdaq Stock and thereafter on the Pink Sheets. The Company's Class B Common Stock (voting) has no public trading market.

The high and low sales prices of the Class A Common Stock during each quarterly period over the last two years were as follows:

	<u>2004</u>		<u>2003</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
First Quarter	\$6.25	\$3.74	\$1.74	\$1.48
Second Quarter	\$5.46	\$4.01	\$2.27	\$1.48
Third Quarter	\$4.38	\$2.15	\$3.70	\$2.05
Fourth Quarter	\$2.40	\$2.10	\$4.15	\$3.32

PRIVACY POLICY

Winmill & Co. Incorporated recognizes the importance of protecting the personal and financial information of its shareholders. We consider each shareholder's personal information to be private and confidential. This describes the practices followed by us to protect our shareholders' privacy. We may obtain information about you from the following sources: Information we receive from you on forms and other information you provide to us whether in writing, by telephone, electronically or by any other means; information regarding your transactions with us, our corporate affiliates, or others. We do not sell shareholder personal information to third parties. We will collect and use shareholder personal information only to service shareholder accounts. This information may be used by us in connection with providing services or financial products requested by our shareholders. We will not disclose shareholder personal information to any nonaffiliated third party except as permitted by law. We take steps to safeguard shareholder information. We restrict access to nonpublic personal information about you to those employees and service providers who need to know that information to provide products or services to you. With our service providers we maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. Even if you are no longer a shareholder, Winmill & Co. Incorporated's Privacy Policy will continue to apply to you. We reserve the right to modify, remove or add portions of this Privacy Policy at any time.

DIRECTORS

BASSETT S. WINMILL
Chairman of the Company
THOMAS B. WINMILL, Esq.
President of the Company and
Bexil Corporation
MARK C. WINMILL
President, Tuxis Corporation

OFFICERS AND STAFF

THOMAS B. WINMILL, Esq.
President, General Counsel
MARION E. MORRIS
Senior Vice President
WILLIAM G. VOHRER
Treasurer, Chief Financial Officer
MONICA PELAEZ, Esq.
Vice President, Secretary
Chief Compliance Officer
HEIDI KEATING
Vice President
VLADIMIR BORD
Assistant Treasurer
ANNE M. CHI
Accounting Coordinator
EMINE POSMA
Marketing Director
JOHN F. RAMIREZ
Compliance Assistant
DOUGLAS R. BURLESON
Compliance Assistant

CORPORATE INFORMATION

EXECUTIVE OFFICES

11 Hanover Square
New York, NY 10005
Tel: 1-212-785-0900
Fax: 1-212-363-1101
1-888-4WINMILL
1-888-494-6645
www.winmillco.com

MUTUAL FUNDS

Midas Management Corporation
1-212-480-MIDAS (6432)
Fund Information
1-800-400-MIDAS (6432)
www.midasfunds.com

CLOSED-END FUNDS

CEF Advisers, Inc.
1-212-344-6310
www.globalincomefund.net
www.foxbycorp.com

INDEPENDENT AUDITORS

Tait, Weller & Baker
1818 Market Street
Philadelphia, PA 19103

TRANSFER AGENT

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016

PINK SHEETS SYMBOL
WNMLA