

Source: BAB, Inc.

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BAB, Inc. Reports Profit for 3rd Quarter FY 2018

DEERFIELD, Ill., Oct. 03, 2018 (GLOBE NEWSWIRE) -- BAB, Inc. (**OTCQB: BABB**), announced its financial results for the third quarter ended August 31, 2018.

For the quarter ended August 31, 2018, BAB had revenues of \$556,000 and net income of \$173,000, or \$0.02 per share, versus revenues of \$564,000 and net income of \$132,000, or \$0.02 per share, for the same quarter last year.

For the nine months ended August 31, 2018, BAB had revenues of \$1,617,000 and net income of \$451,000, or \$0.06 per share, versus revenues of \$1,664,000 and net income of \$321,000, or \$0.04 per share for the same period in 2017.

Total operating expenses for the quarter ended August 31, 2018, were \$384,000, versus \$432,000, in 2017. Total operating expenses for the nine months ended August 31, 2018 were \$1,151,000 versus \$1,344,000 for the nine months ended August 31, 2017.

BAB, Inc. franchises and licenses Big Apple Bagels®, My Favorite Muffin®, SweetDuet® frozen yogurt and Brewster's® Coffee. The Company's stock is traded on the OTCQB under the symbol BABB and its website can be visited at www.babcorp.com.

Certain statements in this press release constitute forward-looking statements or statements which may be deemed or construed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "forecast," "estimate," "project," "intend," "expect," "should," "would," "believe" and similar expressions and all statements which are not historical facts are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which could cause the company's actual results, performance (financial or operating), or achievements to differ from the future results, performance (financial or operating), or achievements expressed or implied by such forward-looking statements. The above factors are more fully discussed in the company's SEC filings.

(TABLE FOLLOWS)

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BAB, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Quarter Ended	Nine Months Ended
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	08/31/18	08/31/17	% Change	08/31/18	08/31/17	% Change
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REVENUES

Royalty fees from franchised stores	\$ 431,786	\$ 446,778	-3.4%	\$1,242,272	\$1,295,021	-4.1%
Franchise and area development fee revenue	18,000	10,000	80.0%	19,500	50,000	-61.0%
Licensing fees and other income	106,402	107,049	-0.6%	355,354	319,404	11.3%
Total Revenue	556,188	563,827	-1.4%	1,617,126	1,664,425	-2.8%

OPERATING COSTS AND EXPENSES

Selling, general and administrative	383,362	431,161	-11.1%	1,150,527	1,332,716	-13.7%
Depreciation and amortization	288	617	-53.3%	728	10,995	-93.4%
Total Expense	383,650	431,778	-11.1%	1,151,255	1,343,711	-14.3%

Income from operations	<u>172,538</u>	<u>132,049</u>	30.7%	<u>465,871</u>	<u>320,714</u>	45.3%
Interest expense	-	-		-	-	
Interest/other income	17	24	-29.2%	64	87	-26.4%
Income taxes	-	-	N/M	15,000	-	N/M

NET INCOME	<u>\$ 172,555</u>	<u>\$ 132,073</u>	30.7%	<u>\$ 450,935</u>	<u>\$ 320,801</u>	40.6%
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Earnings per share - basic and diluted	\$ 0.02	\$ 0.02	N/M	\$ 0.06	\$ 0.04	N/M
Average number of shares outstanding	7,263,508	7,263,508		7,263,508	7,263,508	