

## **FFI EARNINGS SURPRISE - \$0.05 PER SHARE FIRST QUARTER**

INDIANAPOLIS, INDIANA – November 12, 2009 - Fortune Industries, Inc. (NYSE AMEX:FFI) (the “Company”) announced today earnings of \$0.05 per share for the three months ended September 30, 2009.

### **Highlights**

Net income available to common stock shareholders for the three months ended September 30, 2009 was \$0.660 million or \$0.05 per share fully diluted versus pro forma earnings of \$(4.022) million or \$(0.34) per share fully diluted for the same period in 2008, representing an increase in net income available to common stock shareholders of \$4.682 million or \$0.39 per share fully diluted.

The Company reported EBITDA of \$0.742 million for the three months ended September 30, 2009, as compared to pro forma EBITDA of \$(1.692) million for the same period in 2008, representing a \$2.434 million increase EBITDA for the current period.

Revenue for the three months ended September 30, 2009 was \$14.8 million as compared to pro forma revenue of \$16.6 million for the same period in 2008, representing a \$1.8 million decrease in revenue for the current period.

“This is our fifth reporting period in a row as a profitable company,” stated John Fisbeck, CEO. “We achieved earnings of \$0.05 per share for the first quarter, and exceeded our budget of \$0.02 per share, or \$0.08 per share annualized. We now have earnings of \$0.06 per share trailing twelve months, and a current P/E ratio of 18, based on the most recent closing stock price.”

“Our sales force and management team have done an excellent job stabilizing the Company over the last twelve months, and I am very happy with the results in this difficult economic environment. We experienced a net gain in worksite employees during the first quarter. Operationally, our risk-management controls and software implementation have substantially helped increase our margins over the last twelve months. Our next objective is to start driving our revenue top line growth through net worksite employee gains and acquisition opportunities. Our goal is to be driving our PEO business at a 15% annualized growth rate going forward.”

### **About Fortune Industries, Inc.**

Fortune Industries, Inc. is focused as a professional employer organization (PEO) to small and medium-sized businesses in 48 states, including human resource consulting & management, employee assessment, training, and benefits administration.

Fortune Industries, Inc. is based in Indianapolis, Indiana and is publicly traded on the NYSE Amex exchange under the symbol FFI. Additional information about Fortune Industries, Inc. can be found at [www.ffi.net](http://www.ffi.net).

*This press release and other statements by Fortune Industries, Inc. may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "estimate," "potential," or future/conditional verbs such as "will," "should," and "could" or the negative of those terms or other variations of them or by comparable terminology. The absence of such terms, however, does not mean that the statement is not forward-looking. Any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results to differ materially. Factors that might cause or contribute to such differences, include, but are not limited to, the risks and uncertainties that are discussed under the heading "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" within the Company's Form 10-K for the year ended June 30, 2009. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers should*

*carefully review the risk factors disclosed within the Company's Form 10-K and other documents filed by the Company with the Securities and Exchange Commission.*

**Consolidated Financial Information**

	Three-Month Period Ended	
	September 30, 2009	Pro-Forma November 30, 2008
	(Dollars in thousands, except per share data)	
<b>Consolidated</b>		
Total Revenue	\$ 14,829	\$ 16,741
Cost of Revenue	<u>11,428</u>	<u>13,340</u>
Gross Profit	3,401	3,401
Operating Expenses		
Selling, general and administrative expenses	2,676	3,148
Depreciation and amortization	<u>201</u>	<u>169</u>
Total Operating Expenses	<u>2,877</u>	<u>3,317</u>
Operating Income	524	84
Other Income (Expense)	<u>24</u>	<u>31</u>
Income Before Provision for Income Tax	548	115
Provision for Income Taxes	<u>(271)</u>	<u>24</u>
Net Income from Continuing Operations	819	91
Loss from discontinued operations	<u>(11)</u>	<u>-</u>
Net Income	808	91
Preferred Stock Dividends	<u>148</u>	<u>370</u>
Net Income (Loss) Available to Common Shareholders	<u>\$ 660</u>	<u>\$ (279)</u>
Net Income (Loss) per Share:		
Basic	<u>\$ 0.05</u>	<u>\$ (0.02)</u>
Diluted	<u>\$ 0.05</u>	<u>\$ (0.02)</u>