

## **Bexil Corporation Announces Second Quarter 2016 Financial Results**

August 16, 2016 – Bexil Corporation (BXL) today reported its financial results for the second quarter ended June 30, 2016.

For the three months ended June 30, 2016, Bexil recorded a net loss attributable to Bexil shareholders of approximately \$0.2 million or \$0.18 per share, compared to a net loss attributable to Bexil shareholders of approximately \$0.5 million or \$0.50 per share for the three months ended June 30, 2015.

For the six months ended June 30, 2016, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.1 million or \$0.09 per share compared to a net loss attributable to Bexil shareholders of approximately \$0.9 million or \$0.92 per share for the six months ended June 30, 2015.

The Company's book value per share attributable to Bexil shareholders at June 30, 2016 was \$17.57, based on shareholders' equity attributable to Bexil shareholders of \$17,223,929 and 980,168 shares issued and outstanding.

The Company's unaudited balance sheet, statements of comprehensive loss, and statements of cash flows as of and for the six months ended June 30, 2016 are appended to the copy of this press release on [www.Bexil.com](http://www.Bexil.com).

### **About Bexil Corporation**

Bexil is a holding company engaged through subsidiaries in investment management and securities trading. To learn more about Bexil, including Rule 15c2-11 information, please visit [www.Bexil.com](http://www.Bexil.com).

### **Safe Harbor Note**

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 Bexil, which may cause the Company's actual results to be materially different from those expressed or implied by such statements. Investors should carefully consider the risks, uncertainties and other factors, together with all of the other information included in the Company's Annual Report, at <http://www.bexil.com/cautionary-language.html>, and similar information. 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.

The Company views book value per share, a non-GAAP financial measure, as an important indicator of financial performance. Presented in conjunction with other financial information, the combined presentation can enhance an investor's understanding of the Company's underlying financial condition and results from operations. The definition of book value as presented in this press release is shareholders' equity attributable to Bexil shareholders divided by currently issued and outstanding shares.

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**BEXIL CORPORATION**  
**CONSOLIDATED BALANCE SHEET**  
**June 30, 2016**  
**(Unaudited)**

<b>Assets</b>	
Cash and cash equivalents	\$ 6,761,146
Investments in securities	9,046,414
Accounts receivable	332,082
Intangible assets, net	2,703,125
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Total assets	<u>\$ 18,842,767</u>
<b>Liabilities and equity</b>	
Accounts payable and accrued expenses	\$ 1,498,621
Repurchase reserve	30,000
Subordinated debt convertible to stock of subsidiary	276,136
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Total liabilities	<u>1,804,757</u>
<b>Equity</b>	
Bexil Corporation shareholders' equity	
Common stock, \$0.01 par value, 9,900,000 shares authorized; 980,168 issued and outstanding	9,802
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized: zero shares issued and outstanding	-
Additional paid in capital	15,911,152
Notes receivable for common stock issued	(1,396,466)
Accumulated comprehensive income	414
Retained earnings	2,699,027
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Total Bexil Corporation shareholders' equity	<u>17,223,929</u>
Noncontrolling interests in subsidiary	<u>(185,919)</u>
Total equity	<u>17,038,010</u>
Total liabilities and equity	<u>\$ 18,842,767</u>

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
<b>Revenues</b>				
Management and other fees	\$ 398,999	\$ 461,955	\$ 800,808	\$ 885,739
Dividends and interest	211,313	209,471	411,080	413,539
Unrealized loss on investments	(222,236)	(455,818)	(101,602)	(489,782)
Realized gain on investments	15,187	-	15,187	-
	<u>403,263</u>	<u>215,608</u>	<u>1,125,473</u>	<u>809,496</u>
<b>Expenses</b>				
Compensation and benefits	402,911	282,106	676,441	562,014
General and administrative	129,671	128,041	259,216	259,069
Professional services	41,872	100,389	78,769	158,355
	<u>574,454</u>	<u>510,536</u>	<u>1,014,426</u>	<u>979,438</u>
Income (loss) from continuing operations	(171,191)	(294,928)	111,047	(169,942)
Income tax expense	4,325	384	22,456	16,233
Net income (loss) from continuing operations	(175,516)	(295,312)	88,591	(186,175)
Loss on discontinued operations, net of tax	-	(223,160)	-	(797,923)
Net income (loss)	(175,516)	(518,472)	88,591	(984,098)
Less: Net loss attributable to noncontrolling interests	274	24,907	570	79,062
Net income (loss) attributable to Bexil Corporation shareholders	<u>\$ (175,242)</u>	<u>\$ (493,565)</u>	<u>\$ 89,161</u>	<u>\$ (905,036)</u>
<b>Earnings per share - basic and diluted</b>				
Net income (loss) from continuing operations	\$ (0.18)	\$ (0.30)	\$ 0.09	\$ (0.19)
Net loss from on discontinued operations	\$ -	\$ (0.20)	\$ -	\$ (0.73)
Net income (loss) attributable to Bexil Corporation shareholders	\$ (0.18)	\$ (0.50)	\$ 0.09	\$ (0.92)
Weighted average shares outstanding	980,168	982,245	980,168	982,245
<b>Other comprehensive gain (loss), net of tax</b>				
Unrealized gain (loss) on investment securities available-for-sale, net of tax	\$ 186	\$ 14	\$ 587	\$ (39)
Other comprehensive gain (loss), net of tax	186	14	587	(39)
Comprehensive income (loss)	(175,330)	(518,458)	89,178	(984,137)
Less: Net loss attributable to noncontrolling interests	274	24,907	570	79,062
Comprehensive income (loss) attributable to Bexil Corporation shareholders	<u>\$ (175,056)</u>	<u>\$ (493,551)</u>	<u>\$ 89,748</u>	<u>\$ (905,075)</u>

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Six Months Ended June 30, 2016 and 2015**  
**(Unaudited)**

	2016	2015
Cash flows from operating activities		
Net income (loss)	\$ 88,591	\$ (984,098)
Less: Loss from discontinued operations	-	(797,923)
Income (loss) from continuing operations	88,591	(186,175)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by (used in) operating activities		
Purchase of investment securities, trading	(1,284,953)	(399,741)
Proceeds from sales of investment securities, trading	825,000	-
Realized gain on investment securities	(15,187)	-
Stock-based compensation expense	151,499	56,737
Unrealized loss on investments in securities	101,602	489,782
Depreciation and amortization	180,208	180,208
Decrease in accounts receivable	120,729	5,015
Increase in prepaid expenses and other assets	-	(1,724)
Decrease in accounts payable and accrued expenses	(341,760)	(34,564)
Total adjustments for continuing operations	(262,862)	295,713
Net cash (used in) provided by operating activities from continuing operations	(174,271)	109,538
Net cash provided by operating activities from discontinued operations	-	2,842,601
Net cash (used in) provided by operating activities	(174,271)	2,952,139
Cash flows from financing activities		
Proceeds from promissory notes accepted for common stock issued	31,000	24,800
Net cash provided by financing activities from continuing operations	31,000	24,800
Net cash used in financing activities from discontinued operations	-	(439,883)
Net cash provided by (used in) financing activities	31,000	(415,083)
Net (decrease) increase in cash and cash equivalents	(143,271)	2,537,056
Cash and cash equivalents, beginning of period	6,904,417	9,002,496
Cash and cash equivalents, end of period	6,761,146	11,539,552
Less: Cash and cash equivalents of discontinued operations at end of period	-	5,356,601
Cash and cash equivalents of continuing operations at end of period	\$ 6,761,146	\$ 6,182,951
Supplemental disclosures		
Income taxes paid	\$ 22,456	\$ 26,224
Interest paid		\$ 140,331