

Bexil Corporation Announces Third Quarter 2016 Financial Results

November 14, 2016 – Bexil Corporation (BXL) today reported its financial results for the third quarter ended September 30, 2016.

For the three months ended September 30, 2016, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.4 million or \$0.43 per share, compared to a net loss attributable to Bexil shareholders of approximately \$0.5 million or \$0.49 per share for the three months ended September 30, 2015.

For the nine months ended September 30, 2016, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.5 million or \$0.52 per share compared to a net loss attributable to Bexil shareholders of approximately \$1.4 million or \$1.41 per share for the nine months ended September 30, 2015.

The Company's book value per share attributable to Bexil shareholders at September 30, 2016 was \$18.05, based on shareholders' equity attributable to Bexil shareholders of \$17,696,604 and 980,168 shares issued and outstanding.

The Company's unaudited balance sheet, statements of comprehensive income, and statements of cash flows as of and for the nine months ended September 30, 2016 are appended to the copy of this press release on 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.

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.

Contact: Thomas O'Malley
Chief Financial Officer
1-212-785-0900, ext. 267
tomalley@bexil.com
www.Bexil.com

BEXIL CORPORATION
CONSOLIDATED BALANCE SHEET
September 30, 2016
(Unaudited)

Assets	
Cash and cash equivalents	\$ 6,286,999
Investments in securities	10,077,892
Accounts receivable	345,045
Intangible assets, net	2,613,021
Total assets	<u>\$ 19,322,957</u>
Liabilities and equity	
Accounts payable and accrued expenses	\$ 1,141,115
Payable for securities purchased	244,445
Securities sold, not yet purchased	128,124
Subordinated debt convertible to stock of subsidiary	276,136
Repurchase reserve	15,000
Total liabilities	<u>1,804,820</u>
Equity	
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	15,993,600
Notes receivable for common stock issued	(1,380,966)
Accumulated comprehensive income	367
Retained earnings	3,073,801
Total Bexil Corporation shareholders' equity	<u>17,696,604</u>
Noncontrolling interests in subsidiary	<u>(178,467)</u>
Total equity	<u>17,518,137</u>
Total liabilities and equity	<u>\$ 19,322,957</u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Revenues				
Management and other fees	\$ 390,986	\$ 395,595	\$ 1,191,794	\$ 1,281,334
Dividends and interest	214,525	215,480	625,605	629,019
Unrealized gain (loss) on investments	273,144	(1,686,467)	171,542	(2,176,249)
Realized gain on investments	10,688	-	25,875	-
Realized gain on sale of Castle Mortgage Corporation	-	1,229,813	-	1,229,813
	<u>889,343</u>	<u>154,421</u>	<u>2,014,816</u>	<u>963,917</u>
Expenses				
Compensation and benefits	285,259	264,326	961,700	826,339
General and administrative	106,855	125,601	366,099	384,670
Professional services	64,517	73,718	143,286	232,073
	<u>456,631</u>	<u>463,645</u>	<u>1,471,085</u>	<u>1,443,082</u>
Income (loss) from continuing operations	432,712	(309,224)	543,731	(479,165)
Income tax expense	2,929	11,250	25,365	27,483
Net income (loss) from continuing operations	429,783	(320,474)	518,366	(506,648)
Loss on discontinued operations, net of tax	-	(77,045)	-	(874,969)
Net income (loss)	429,783	(397,519)	518,366	(1,381,617)
Net income attributable to noncontrolling interests	7,452	86,382	6,882	7,320
Net income (loss) attributable to Bexil Corporation shareholders	<u>\$ 422,331</u>	<u>\$ (483,901)</u>	<u>\$ 511,484</u>	<u>\$ (1,388,937)</u>
Earnings per share - basic and diluted				
Net income (loss) from continuing operations	\$ 0.44	\$ (0.33)	\$ 0.53	\$ (0.52)
Net loss from on discontinued operations	\$ -	\$ 0.01	\$ -	\$ (0.88)
Net income (loss) attributable to Bexil Corporation shareholders	\$ 0.43	\$ (0.49)	\$ 0.52	\$ (1.41)
Weighted average shares outstanding	980,168	982,245	980,168	982,245
Other comprehensive gain (loss), net of tax				
Unrealized gain (loss) on investment securities available-for-sale, net of tax	\$ (47)	\$ 143	\$ 541	\$ 104
Other comprehensive gain (loss), net of tax	(47)	143	541	104
Comprehensive income (loss)	429,736	(397,376)	518,907	(1,381,513)
Net income (loss) attributable to noncontrolling interests	7,452	86,382	6,882	7,320
Comprehensive income (loss) attributable to Bexil Corporation shareholders	<u>\$ 422,284</u>	<u>\$ (483,758)</u>	<u>\$ 512,025</u>	<u>\$ (1,388,833)</u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended September 30, 2016 and 2015
(Unaudited)

	2016	2015
Cash flows from operating activities		
Net income (loss)	\$ 518,366	\$ (1,381,617)
Less: Loss from discontinued operations	-	(874,969)
Income (loss) from continuing operations	<u>518,366</u>	<u>(506,648)</u>
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by (used in) operating activities		
Purchase of investment securities, trading	(2,339,695)	(608,009)
Proceeds from sales of investment securities, trading	1,125,464	-
Realized gain on investment securities	(25,875)	-
Stock-based compensation expense	186,399	67,718
Unrealized (gain) loss on investments in securities	(171,542)	2,176,249
Depreciation and amortization	270,312	270,312
Decrease in accounts receivable	118,021	14,614
Increase in prepaid expenses and other assets	-	(1,042)
Increase in securities sold, not yet purchased	134,709	-
Decrease in repurchase reserve	(15,000)	-
Decrease in accounts payable and accrued expenses	(465,077)	(81,731)
Total adjustments for continuing operations	<u>(1,182,284)</u>	<u>1,838,111</u>
Net cash (used in) provided by operating activities from continuing operations	(663,918)	1,331,463
Net cash provided by operating activities from discontinued operations	-	2,304,995
Net cash (used in) provided by operating activities	<u>(663,918)</u>	<u>3,636,458</u>
Cash flows from financing activities		
Proceeds from promissory notes accepted for common stock issued	46,500	37,200
Net cash provided by financing activities from continuing operations	46,500	37,200
Net cash used in financing activities from discontinued operations	-	(717,884)
Net cash provided by (used in) financing activities	<u>46,500</u>	<u>(680,684)</u>
Net (decrease) increase in cash and cash equivalents	(617,418)	2,955,774
Cash and cash equivalents, beginning of period	6,904,417	9,002,496
Cash and cash equivalents, end of period	6,286,999	11,958,270
Less: Cash and cash equivalents of discontinued operations at end of period	-	5,756,081
Cash and cash equivalents of continuing operations at end of period	<u>\$ 6,286,999</u>	<u>\$ 6,202,189</u>
Supplemental disclosures		
Income taxes paid	\$ 25,365	\$ 40,430
Interest paid	\$ 25	\$ 201,288