

## **Bexil Corporation Announces Third Quarter 2018 Financial Results**

October 30, 2018 – Bexil Corporation (ticker: BXLC) (“Bexil” or the “Company”) today reported its financial results for the third quarter ended September 30, 2018.

For the three months ended September 30, 2018, Bexil recorded a net loss attributable to Bexil shareholders of approximately \$0.18 million or \$0.20 per share, compared to net income attributable to Bexil shareholders of approximately \$0.64 million or \$0.69 of diluted earnings per share for the three months ended September 30, 2017.

For the nine months ended September 30, 2018, Bexil recorded a net loss attributable to Bexil shareholders of approximately \$0.79 million or \$0.89 per share compared to a net income attributable to Bexil shareholders of approximately \$1.36 million or \$1.45 of diluted earnings per share for the nine months ended September 30, 2017.

The Company’s book value per share attributable to Bexil shareholders at September 30, 2018 was \$21.28, based on shareholders’ equity attributable to Bexil shareholders of approximately \$18.5 million and 867,728 shares issued and outstanding.

The Company’s consolidated unaudited balance sheet, statements of comprehensive income (loss), and statements of cash flows as of and for the nine months ended September 30, 2018 are appended to the copy of this press release posted on [www.Bexil.com](http://www.Bexil.com).

### **About Bexil Corporation**

Bexil is primarily engaged through a subsidiary in investment management. 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**  
**September 30, 2018**  
**(Unaudited)**

**Assets**

Cash and cash equivalents	\$ 2,324,987
Investments in securities	16,129,040
Accounts receivable	212,273
Intangible asset, net	1,892,187
Total assets	<u>\$ 20,558,487</u>

**Liabilities and equity**

Accounts payable and accrued expenses	\$ 1,241,167
Payable for securities purchased	1,002,094
Securities sold, not yet purchased	18,750
Total liabilities	<u>2,262,011</u>

Commitments and Contingencies

**Equity**

Bexil Corporation shareholders' equity

Common stock, \$0.01 par value, 9,900,000 shares authorized; 867,728 issued and outstanding	8,677
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized; zero shares issued and outstanding	—
Additional paid in capital	14,992,435
Notes receivable for common stock issued	(1,193,795)
Accumulated other comprehensive loss	(2,510)
Retained earnings	4,658,268
Total Bexil Corporation shareholders' equity	<u>18,463,075</u>
Noncontrolling interests in subsidiary	<u>(166,599)</u>
Total equity	<u>18,296,476</u>
Total liabilities and equity	<u>\$ 20,558,487</u>

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

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Revenues</b>				
Management and other fees	\$ 520,884	\$ 483,076	\$ 1,581,015	\$ 1,374,501
Dividends and interest	238,491	149,107	609,283	444,695
Realized gain (loss) on investments in	(1,508)	(1,941)	7,044	902,817
Unrealized gain (loss) on investments in	(487,321)	470,145	(1,591,293)	27,317
	<u>270,546</u>	<u>1,100,387</u>	<u>606,049</u>	<u>2,749,330</u>
<b>Expenses</b>				
Compensation and benefits	292,910	330,726	901,298	916,149
General and administrative	128,668	104,077	422,369	367,942
Professional services	20,292	47,842	58,942	123,909
	<u>441,870</u>	<u>482,645</u>	<u>1,382,609</u>	<u>1,408,000</u>
Income (loss) before taxes	(171,324)	617,742	(776,560)	1,341,330
Income tax expense	6,711	(24,242)	14,333	(24,176)
Net income (loss)	(178,035)	641,984	(790,893)	1,365,506
Net loss attributable to noncontrolling interests	264	5,111	996	4,876
Net income (loss) attributable to Bexil Corporation shareholders	<u>\$ (177,771)</u>	<u>\$ 636,873</u>	<u>\$ (789,897)</u>	<u>\$ 1,360,630</u>
Net income (loss) per share				
Basic, attributable to Bexil Corporation shareholders	\$ (0.20)	\$ 0.71	\$ (0.89)	\$ 1.48
Diluted attributable to Bexil Corporation shareholders	\$ (0.20)	\$ 0.69	\$ (0.89)	\$ 1.45
Weighted average shares outstanding				
Basic	883,526	895,903	891,670	917,247
Diluted	883,526	929,394	891,670	937,259
Other comprehensive gain (loss), net of tax				
Unrealized gain (loss) on investment	(224)	(512)	280	(3,327)
Other comprehensive gain (loss)	(224)	(512)	280	(3,327)
Comprehensive income (loss)	(178,259)	641,472	(790,613)	1,362,179
Comprehensive loss attributable to noncontrolling interests	264	5,111	996	4,876
Comprehensive income (loss) attributable to Bexil Corporation shareholders	<u>\$ (177,995)</u>	<u>\$ 636,361</u>	<u>\$ (789,617)</u>	<u>\$ 1,357,303</u>

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Nine Months Ended September 30, 2018 and 2017**  
**(Unaudited)**

	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>		
Net (loss) income	\$ (790,893)	\$ 1,365,506
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities		
Purchase of investment securities	(5,333,446)	(4,295,859)
Proceeds on sales of investment securities	3,153,333	4,207,626
Stock-based compensation expense	33,317	48,255
Realized gain on investments in securities	(7,044)	(27,317)
Unrealized loss (gain) on investments in securities	1,591,293	(876,764)
Amortization	270,312	270,312
Accretion of discount	(23)	-
Increase in accounts receivable	(16,837)	(135,549)
Decrease in accounts payable and accrued expenses	(132,980)	(177,839)
Increase in payable for securities purchases	1,002,094	132,522
Increase in securities sold, not yet purchased	18,810	3,351
Decrease in repurchase reserve	—	(15,000)
Net cash (used in) provided by operating activities	<u>(212,064)</u>	<u>499,244</u>
<b>Cash flows from investing activities</b>		
Proceeds on sale of investment securities, available-for-sale	735,000	979,486
Purchase of investment securities, available-for-sale	<u>(998,935)</u>	<u>(735,000)</u>
Net cash (used in) provided by investing activities	<u>(263,935)</u>	<u>244,486</u>
<b>Cash flows from financing activities</b>		
Common stock issued upon exercise of stock options	107	90,288
Proceeds from promissory notes accepted for common stock issued	64,821	56,400
Common stock repurchases	<u>(477,493)</u>	<u>(706,734)</u>
Net cash used in financing activities	<u>(412,565)</u>	<u>(560,046)</u>
Net (decrease) increase in cash and cash equivalents	(888,564)	183,684
Cash and cash equivalents, beginning of period	3,213,551	1,671,550
Cash and cash equivalents, end of period	<u>\$ 2,324,987</u>	<u>\$ 1,855,234</u>
<b>Supplemental disclosures</b>		
Interest paid	\$ 8,699	\$ 1,996
Income taxes paid	\$ 14,333	\$ 16,764