

Tuxis Corporation Announces First Quarter 2013 Financial Results

May 29, 2013 – Tuxis Corporation (Ticker: [TUXS](#)) today reported its financial results for the first quarter ended March 31, 2013.

Tuxis recorded a net loss of \$62,263 or \$0.06 per share for the three months ended March 31, 2013 compared to a net loss of \$96,991 or \$0.09 per share for the three months ended March 31, 2012. Revenue from rental income was \$121,051 for the three months ended March 31, 2013 compared to \$119,868 for the three months ended March 31, 2012. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had an adjusted EBITDA loss of \$33,052 for the three months ended March 31, 2013 compared to an adjusted EBITDA loss of \$2,912 for the three months ended March 31, 2012.

The Company's book value per share at March 31, 2013 was \$5.48 (shareholders' equity of \$6,129,567 divided by 1,118,577 shares issued and outstanding).

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the three months ended March 31, 2013 including a reconciliation of net loss to adjusted EBITDA, are appended to the copy of this press release on www.tuxis.com.

About Tuxis

Tuxis Corporation is engaged through subsidiaries in self storage and real estate development. [Tuxis Self Storage at Heritage Park](#), Clinton, Connecticut, is a 184 unit self storage facility which offers a mix of standard and climate control units. [Tuxis Self Storage at Millbrook Commons](#), Millbrook, New York, is a mixed use facility consisting of 141 climate control self storage units including wine storage bins and complemented by rental office space. To learn more about our self storage facilities please visit www.tuxisselfstorage.com. To learn more about Tuxis Corporation, including Rule 15c2-11 information, please visit www.tuxis.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 Tuxis Corporation, which may cause the company's actual results to be materially different from those expressed or implied by such statements. 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 and adjusted EBITDA, non-GAAP financial measures, as an important indicator of financial performance and as a complement to results in accordance with accounting principles generally accepted in the United States of America ("GAAP"). 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 divided by currently issued and outstanding shares. The term "adjusted EBITDA" is a financial measure that the Company defines as net income (loss) before dividend and interest income, income taxes, depreciation, and share-based compensation. Adjusted EBITDA is not a substitute for measures determined in accordance with GAAP and may not be comparable to adjusted

EBITDA as reported by other companies.

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TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
March 31, 2013
(Unaudited)

Assets

Current assets

Cash and cash equivalents	\$ 297,544
Investment in securities	210,307
Accounts receivable	641
Refundable income taxes	18,823
Prepaid expenses	31,839

Total current assets	559,154
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Property and equipment, net	6,779,261
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Other assets	2,130
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	6,781,391
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Total assets	\$ 7,340,545
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Liabilities and shareholders' equity

Current liabilities

Accounts payable and accrued expenses	\$ 19,116
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Total current liabilities	19,116
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Due to affiliates	1,031,881
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Death benefit obligation	159,981
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	1,191,862
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Total liabilities	1,210,978
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Shareholders' equity

Common stock, \$0.01 par value, 1,000,000,000 shares authorized; 1,118,577 issued and outstanding	11,186
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Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	-
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Additional paid in capital	10,412,329
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Notes receivable for common stock issued	(4,650)
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Other comprehensive income	8,933
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Accumulated deficit	(4,298,231)
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Total shareholders' equity	6,129,567
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Total liabilities and shareholders' equity	\$ 7,340,545
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TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Three Months Ended March 31, 2013 and 2012
(Unaudited)

	2013	2012
Revenues		
Rental income and other fees	\$ 121,051	\$ 119,868
Expenses		
Compensation and benefits	81,857	59,886
General and administrative	61,843	56,144
Depreciation	30,793	31,744
Professional	10,403	58,500
Share-based compensation	-	6,750
	184,896	213,024
Other income		
Dividends and interest	1,582	250
Loss before income taxes	(62,263)	(92,906)
Income tax expense	-	4,085
Net loss	\$ (62,263)	\$ (96,991)
Basic and diluted per share net loss	\$ (0.06)	\$ (0.09)

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2013 and 2012
(Unaudited)

	2013	2012
Cash flows from operating activities		
Net loss	\$ (62,263)	\$ (96,991)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	30,793	31,744
Share-based compensation expense	-	58,500
Decrease (increase) in accounts receivable	6,885	(4,506)
Increase in refundable income taxes	(4,966)	-
Increase in prepaid expenses	(7,036)	(11,338)
Decrease in accounts payable and accrued expenses	(12,483)	(7,147)
Increase in due to affiliates	716	68,527
Decrease in death benefit obligation	(6,750)	-
Net cash (used in) provided by operating activities	(55,104)	38,789
Cash flows from investing activities		
Fixed asset acquisitions	(27,678)	(4,905)
Real estate development	(6,324)	(7,018)
Purchase of investment securities	(1,374)	-
Net cash used in investing activities	(35,376)	(11,923)
Cash flows from financing activities		
Forgiveness of promissory note	35,164	-
Prepayment of promissory note	300	50
Issuance of stock upon exercise of stock options	-	23,681
Promissory note accepted with exercise of stock options	-	(23,482)
Net cash provided by financing activities	35,464	249
Net (decrease) increase in cash and cash equivalents	(55,016)	27,115
Cash and cash equivalents		
Beginning of period	352,560	462,968
End of period	\$ 297,544	\$ 490,083
Supplemental disclosure:		
Income taxes paid	\$ -	\$ 4,085

TUXIS CORPORATION
NON-GAAP FINANCIAL MEASURE AND RECONCILIATION
(Unaudited)

The Company views adjusted EBITDA, a non-GAAP financial measure, as a complement to results in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The term “adjusted EBITDA” is a financial measure that the Company defines as net income (loss) before dividends and interest income, income taxes, depreciation, and share-based compensation. Adjusted EBITDA is not a substitute for measures determined in accordance with GAAP and may not be comparable to adjusted EBITDA as reported by other companies. A reconciliation of net loss to adjusted EBITDA for three months ended March 31, 2013 and 2012, respectively, is set forth in the following table:

	<u>2013</u>	<u>2012</u>
Net loss	\$ (62,263)	\$ (96,991)
Adjustments:		
Dividends, interest, and other income	(1,582)	(250)
Depreciation	30,793	31,744
Share-based compensation	-	58,500
Income tax expense	-	4,085
Adjusted EBITDA	<u>\$ (33,052)</u>	<u>\$ (2,912)</u>