

Tuxis Corporation Announces 2014 Financial Results

June 18, 2015 – Tuxis Corporation ([TUXS](#)) today reported its financial results for the year ended December 31, 2014.

Tuxis recorded a net loss of \$106,835 or \$0.09 per share for the year ended December 31, 2014 compared to a net loss of \$89,379 or \$0.08 per share for the year ended December 31, 2013. Revenue from rental income and fees was \$500,178 for the year ended December 31, 2014 compared to \$477,920 for the year ended December 31, 2013. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had adjusted EBITDA of \$25,967 for the year ended December 31, 2014 compared to adjusted EBITDA of \$48,591 for the year ended December 31, 2013.

The Company's book value per share at December 31, 2014 was \$5.16 (shareholders' equity of \$5,995,980 divided by 1,162,487 shares issued and outstanding).

The Company's unaudited balance sheets, statements of income, and statements of cash flows as of and for the year ended December 31, 2014, 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 SHEETS
December 31, 2014 and 2013
(Unaudited)

	2014	2013
Assets		
Current assets		
Cash and cash equivalents	\$ 311,348	\$ 372,257
Investment in securities	76,459	75,616
Accounts receivable	149	4,649
Refundable income taxes	16,965	12,131
Prepaid expenses	35,076	33,746
Total current assets	439,997	498,399
Property and equipment, net	6,686,114	6,760,863
Other assets	3,799	3,026
	6,689,913	6,763,889
Total assets	\$ 7,129,910	\$ 7,262,288
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 21,562	\$ 17,348
Total current liabilities	21,562	17,348
Due to affiliates	1,001,887	1,025,377
Death benefit obligation	110,481	137,381
	1,112,368	1,162,758
Total liabilities	1,133,930	1,180,106
Shareholders' equity		
Common stock, \$0.01 par value; shares authorized, issued and outstanding at December 31, 2014 and 2013 were: 1,000,000,000 and 1,162,487 and 1,000,100,000 and 1,133,477, respectively	11,628.00	11,335
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	-	-
Additional paid in capital	10,470,825	10,432,625
Notes receivable for common stock issued	(39,934)	(21,232)
Accumulated comprehensive loss	(5,179)	(6,021)
Accumulated deficit	(4,441,360)	(4,334,525)
Total shareholders' equity	5,995,980	6,082,182
Total liabilities and shareholders' equity	\$ 7,129,910	\$ 7,262,288

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Years Ended December 31, 2014 and 2013
(Unaudited)

	2014	2013
Revenues		
Rental income and other fees	\$ 500,178	\$ 477,920
Expenses		
General and administrative	247,811	200,965
Compensation and benefits	196,820	197,306
Depreciation	126,555	125,191
Professional services	29,580	31,058
Share-based compensation	716	5,993
	601,482	560,513
Other income		
Dividends, interest, and other	6,137	7,732
Loss before income taxes	(95,167)	(74,861)
Income tax expense	11,668	14,518
Net loss	\$ (106,835)	\$ (89,379)
Basic and diluted per share net loss	\$ (0.09)	\$ (0.08)
Basic and diluted weighted average shares outstanding	1,141,272	1,123,557

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2014 and 2013
(Unaudited)

	2014	2013
Cash flows from operating activities		
Net loss	\$ (106,835)	\$ (89,379)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Share-based compensation	716	5,993
Depreciation	126,555	125,191
Decrease in accounts receivable	4,500	2,877
(Increase) decrease in refundable income taxes	(4,834)	1,726
Increase in prepaid expenses	(1,330)	(8,943)
Increase in other assets	(774)	(896)
Increase (decrease) in accounts payable and accrued expenses	4,214	(41,375)
(Decrease) increase in due to affiliates	(23,490)	9,907
Decrease in death benefit obligation	(26,900)	(27,100)
Net cash used in operating activities	(28,178)	(21,999)
 Cash flows from investing activities		
Real estate development	(31,901)	(37,213)
Fixed asset acquisitions	(19,905)	(72,789)
Purchase of investment securities	-	(81,637)
Net cash used in investing activities	(51,806)	(191,639)
 Cash flows from financing activities		
Forgiveness of indebtedness	17,582	35,164
Issuance of stock upon exercise of stock options	37,777	17,731
Promissory note accepted with exercise of stock options	(37,484)	(17,582)
Net settlement of cashless stock option exercise	-	(3,278)
Prepayment of promissory note	1,200	1,300
Net cash provided by financing activities	19,075	33,335
Net decrease in cash and cash equivalents	(60,909)	(180,303)
Cash and cash equivalents, beginning of year	372,257	552,560
Cash and cash equivalents, end of year	\$ 311,348	\$ 372,257
 Supplemental disclosure		
Income taxes paid	\$ 11,668	\$ 14,518

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 years ended December 31, 2014 and 2013, respectively, is set forth in the following table:

	<u>2014</u>	<u>2013</u>
Net loss	\$ (106,835)	\$ (89,379)
Adjustments:		
Dividends, interest, and other income	(6,137)	(7,732)
Depreciation	126,555	125,191
Share-based compensation	716	5,993
Income tax expense	<u>11,668</u>	<u>14,518</u>
Adjusted EBITDA	<u>\$ 25,967</u>	<u>\$ 48,591</u>