

## **Tuxis Corporation Announces Third Quarter 2013 Financial Results**

October 22, 2013 – Tuxis Corporation (Ticker: [TUXS](#)) today reported its financial results for the third quarter ended September 30, 2013.

Tuxis recorded a net loss of \$1,183 or \$0.00 per share for the three months ended September 30, 2013 compared to a net loss of \$21,288 or \$0.02 per share for the three months ended September 30, 2012. Revenue from rental income was \$121,218 for the three months ended September 30, 2013 compared to \$117,256 for the three months ended September 30, 2012. Tuxis recorded a net loss of \$78,067 or \$0.07 per share for the nine months ended September 30, 2013 compared to a net loss of \$312,247 or \$0.28 per share for the nine months ended September 30, 2012. Revenue from rental income was \$357,708 for the nine months ended September 30, 2013 compared to \$351,349 for the nine months ended September 30, 2012. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had an adjusted EBITDA of \$17,132 for the nine months ended September 30, 2013 compared to an adjusted EBITDA loss of \$148,221 for the nine months ended September 30, 2012.

The Company's book value per share at September 30, 2013 was \$5.38 (shareholders' equity of \$6,098,488 divided by 1,133,477 shares issued and outstanding).

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the third quarter and nine months ended September 30, 2013 including a reconciliation of net loss to adjusted EBITDA, are appended to the copy of this press release on [www.tuxis.com](http://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](http://www.tuxisselfstorage.com). To learn more about Tuxis Corporation, including Rule 15c2-11 information, please visit [www.tuxis.com](http://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  
September 30, 2013  
(Unaudited)

Assets

Current assets

Cash and cash equivalents	\$ 343,504
Investment in securities	100,201
Accounts receivable	2,321
Refundable income taxes	23,796
Prepaid expenses	51,897

Total current assets	521,719
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Property and equipment, net	6,775,126
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Other assets	2,129
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	6,777,255
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Total assets	\$ 7,298,974
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Liabilities and shareholders' equity

Current liabilities

Accounts payable and accrued expenses	\$ 53,611
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Total current liabilities	53,611
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Due to affiliates	1,002,644
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Death benefit obligation	144,231
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	1,146,875
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Total liabilities	1,200,486
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Shareholders' equity

Common stock, \$0.01 par value, 1,000,100,000 shares authorized; 1,133,477 issued and outstanding	11,335
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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	10,435,911
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Notes receivable for common stock issued	(21,632)
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Other comprehensive income	(3,913)
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Accumulated deficit	(4,323,213)
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Total shareholders' equity	6,098,488
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Total liabilities and shareholders' equity	\$ 7,298,974
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TUXIS CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues				
Rental income and other fees	\$ 121,218	\$ 117,256	\$ 357,708	\$ 351,349
Expenses				
General and administrative	45,317	51,305	154,580	153,154
Compensation and benefits	41,486	44,344	161,913	319,385
Depreciation	31,659	31,889	93,611	95,451
Professional	6,720	11,684	24,083	27,031
Share-based compensation	-	-	6,000	63,193
	<u>125,182</u>	<u>139,222</u>	<u>440,187</u>	<u>658,214</u>
Other income				
Dividends and interest	2,781	678	4,412	1,848
Loss before income taxes	(1,183)	(21,288)	(78,067)	(305,017)
Income tax expense	-	-	-	7,230
Net loss	<u>\$ (1,183)</u>	<u>\$ (21,288)</u>	<u>\$ (78,067)</u>	<u>\$ (312,247)</u>
Basic and diluted per share net loss	\$ (0.00)	\$ (0.02)	\$ (0.07)	\$ (0.28)
Basic and diluted average shares outstanding	1,123,436	1,118,577	1,120,214	1,114,391

TUXIS CORPORATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Nine Months Ended September 30, 2013 and 2012  
(Unaudited)

	2013	2012
Cash flows from operating activities		
Net loss	\$ (78,067)	\$ (312,247)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	93,611	95,451
Share-based compensation expense	6,000	63,193
Decrease (increase) in accounts receivable	5,205	(6,239)
Increase in refundable income taxes	(9,939)	-
Increase in prepaid expenses	(27,094)	(20,247)
(Decrease) increase in accounts payable and accrued expenses	(5,111)	731
(Decrease) increase in due to affiliates	(12,826)	102,080
(Decrease) increase in death benefit obligation	(20,250)	165,029
Net cash (used in) provided by operating activities	(48,471)	87,751
 Cash flows from investing activities		
Fixed asset acquisitions	(60,318)	(15,546)
Real estate development	(32,367)	(19,241)
Proceeds from sales of investment securities	100,000	-
Purchase of investment securities	(4,113)	-
Net cash provided by (used in) investing activities	3,202	(34,787)
 Cash flows from financing activities		
Forgiveness of indebtedness	35,164	-
Prepayment of promissory note	900	650
Issuance of stock upon exercise of stock options	17,731	23,681
Promissory note accepted with exercise of stock options	(17,582)	(23,482)
Net cash provided by financing activities	36,213	849
 Net (decrease) increase in cash and cash equivalents	(9,056)	53,813
Cash and cash equivalents		
Beginning of period	352,560	462,968
End of period	\$ 343,504	\$ 516,781

Supplemental disclosure:

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

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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 nine months ended September 30, 2013 and 2012, respectively, is set forth in the following table:

	<u>2013</u>	<u>2012</u>
Net loss	\$ (78,067)	\$ (312,247)
Adjustments:		
Dividends, interest, and other income	(4,412)	(1,848)
Depreciation	93,611	95,451
Share-based compensation	6,000	63,193
Income tax expense	-	7,230
Adjusted EBITDA	<u>\$ 17,132</u>	<u>\$ (148,221)</u>