

Tuxis Corporation Announces First Quarter 2019 Financial Results

June 13, 2019 – Tuxis Corporation (Ticker: [TUXS](#)) (the “Company”) today reported its financial results for the first quarter ended March 31, 2019.

The Company recorded a net loss of \$57,181 or \$0.05 per share for the three months ended March 31, 2019 compared to a net loss of \$83,855 or \$0.07 per share for the three months ended March 31, 2018.

The Company’s book value per share at March 31, 2019 was \$6.00 (shareholders’ equity of \$7,262,203 divided by 1,209,988 shares issued and outstanding).

The Company’s unaudited balance sheet, statements of comprehensive income (loss), and statements of cash flows as of and for the three months ended March 31, 2019 are appended to the copy of this press release on www.tuxis.com.

About Tuxis Corporation

Tuxis Corporation is a holding company that engages through subsidiaries primarily in real estate development and management. To learn more about Tuxis Corporation, including Rule 15c2-11 information, please visit www.tuxis.com.

Cautionary Note Regarding Forward Looking Statements

Certain information presented in this press release may contain “forward-looking statements” within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Forward looking statements include statements concerning the Company’s plans, including its plans as to the use of the proceeds from the sale, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, and other information that is not historical information. In some cases, forward looking statements can be identified by terminology such as “believes,” “expects,” “estimates,” “may,” “will,” “should,” “anticipates” or “intends,” or the negative of such terms or other comparable terminology, or by discussions of strategy. All forward-looking statements by the Company involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the Company’s actual results to be materially different from those expressed or implied by such statements. The Company may also make additional forward looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by the Company or on its behalf, are also expressly qualified by these cautionary statements. All forward-looking statements, including without limitation, the Company’s examination of historical operating trends and estimates of future earnings, are based upon the Company’s current expectations and various assumptions. The Company’s expectations, beliefs and projections are expressed in good faith, but there can be no assurance that the Company’s expectations, beliefs and projections will result or be achieved. All forward looking statements apply only as of the date made. The Company undertakes no obligation to publicly update or revise forward looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

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 divided by currently issued and outstanding shares.

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TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
March 31, 2019
(Unaudited)

Assets

Current assets

| | | |
|-----------------------------------|----|-----------|
| Cash and cash equivalents | \$ | 85,043 |
| Investment in securities | | 4,510,937 |
| Dividends and interest receivable | | 30,051 |
| Due from affiliates | | 6,875 |
| Refundable income taxes | | 12,520 |
| Prepaid expenses | | 23,115 |
| Total current assets | | 4,668,541 |
| Property and equipment, net | | 2,730,001 |
| Other assets | | 1,380 |
| | | 2,731,381 |
| Total assets | \$ | 7,399,922 |

Liabilities and shareholders' equity

Current liabilities

| | | |
|--------------------------|----|---------|
| Due to affiliates | \$ | — |
| Death benefit obligation | | 137,719 |
| Total liabilities | | 137,719 |

Shareholders' equity

| | | |
|--|----|-------------|
| Common stock, \$0.01 par value, 1,000,000,000 shares authorized; 1,209,988 issued and outstanding | | 12,100 |
| Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding | | — |
| Additional paid in capital | | 10,425,384 |
| Notes receivable for common stock issued | | (37,484) |
| Accumulated comprehensive loss | | (23,402) |
| Accumulated deficit | | (3,114,395) |
| Total shareholders' equity | | 7,262,203 |
| Total liabilities and shareholders' equity | \$ | 7,399,922 |

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Three Months Ended March 31, 2019 and 2018
(Unaudited)

| | <u>2019</u> | <u>2018</u> |
|---|--------------------|---------------------|
| Revenues | \$ — | \$ — |
| Expenses | | |
| Compensation and benefits | 52,727 | 46,751 |
| General and administrative | 16,405 | 23,984 |
| Professional services | 8,425 | 7,960 |
| Share-based compensation | — | 4,803 |
| Depreciation | 30 | 55 |
| | <u>77,587</u> | <u>83,553</u> |
| Other income | | |
| Dividends, interest, and other | 36,352 | 46,681 |
| Unrealized loss on investment securities | <u>(15,946)</u> | <u>(46,983)</u> |
| | <u>20,406</u> | <u>(302)</u> |
| Loss before income taxes | (57,181) | (83,855) |
| Income tax expense | — | — |
| Net loss | <u>\$ (57,181)</u> | <u>\$ (83,855)</u> |
| | | |
| Basic and diluted per share net loss | \$ (0.05) | \$ (0.07) |
| Basic and diluted average share outstanding | 1,209,988 | 1,211,550 |
| | | |
| Other comprehensive income (loss) | | |
| Unrealized gain (loss) on investment securities | \$ 58,861 | \$ (75,520) |
| Comprehensive gain (loss) | <u>\$ 1,680</u> | <u>\$ (159,375)</u> |

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2019 and 2018
(Unaudited)

| | 2019 | 2018 |
|---|-------------|-------------|
| Cash flows from operating activities | | |
| Net loss | \$ (57,181) | \$ (83,855) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities | | |
| Unrealized loss on investment securities | 15,946 | 46,983 |
| Share-based compensation | — | 4,803 |
| Amortization of premium U.S. Treasury securities | 410 | 399 |
| Depreciation | 30 | 55 |
| Increase in dividends and interest receivable | (6,114) | (29,908) |
| (Increase) decrease in due from affiliates | (6,875) | 3,894 |
| Increase in refundable income taxes | — | (2,153) |
| Increase in prepaid expenses | (17,199) | (16,911) |
| Decrease in other assets | — | 3 |
| Decrease in due to affiliates | (1,176) | — |
| Decrease in death benefit obligation | (1,956) | (33,751) |
| Net cash used in operating activities | (74,115) | (110,441) |
| Cash flows from investing activities | | |
| Real estate development | (11,180) | (10,550) |
| Net cash used in investing activities | (11,180) | (10,550) |
| Cash flows from financing activities | | |
| Common stock repurchases | — | (11,152) |
| Net cash used in financing activities | — | (11,152) |
| Net decrease in cash and cash equivalents | (85,295) | (132,143) |
| Cash and cash equivalents, beginning of period | 170,338 | 505,686 |
| Cash and cash equivalents, end of period | \$ 85,043 | \$ 373,543 |
| Supplemental disclosure: | | |
| Income taxes paid | \$ — | \$ — |