

Tuxis Corporation Announces Third Quarter 2015 Financial Results

October 15, 2015 – Tuxis Corporation (Ticker: [TUXS](#)) today reported its financial results for the third quarter ended September 30, 2015.

Tuxis recorded a net loss of 20,675 or \$0.02 per share for the three months ended September 30, 2015 compared to a net loss \$12,538 or \$0.01 per share for the three months ended September 30, 2014. Tuxis recorded a net loss of \$76,005 or \$0.06 per share for the nine months ended September 30, 2015 compared to a net loss of \$73,001 or \$0.06 per share for the nine months ended September 30, 2014. Revenue from rental income was \$419,934 for the nine months ended September 30, 2015 compared to \$362,978 for the nine months ended September 30, 2014. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had an adjusted EBITDA of \$80,096 for the nine months ended September 30, 2015 compared to an adjusted EBITDA of \$30,028 for the nine months ended September 30, 2014.

The Company's book value per share at September 30, 2015 was \$5.04 (shareholders' equity of \$5,985,056 divided by 1,188,487 shares issued and outstanding).

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the nine months ended September 30, 2015, 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.

Contact: Thomas O'Malley
Chief Financial Officer
1-212-785-0900, ext. 267
tomalley@tuxis.com
www.tuxis.com

TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
September 30, 2015
(Unaudited)

Assets	
Current assets	
Cash and cash equivalents	\$ 314,676
Investment in securities	82,567
Accounts receivable	149
Refundable income taxes	14,151
Prepaid expenses	49,558
Total current assets	<u>461,101</u>
Property and equipment, net	6,623,689
Other assets	3,057
	<u>6,626,746</u>
Total assets	<u>\$ 7,087,847</u>
Liabilities and shareholders' equity	
Current liabilities	
Accounts payable and accrued expenses	<u>\$ 10,398</u>
Total current liabilities	<u>10,398</u>
Due to affiliates	1,002,162
Death benefit obligation	90,231
	<u>1,092,393</u>
Total liabilities	<u>1,102,791</u>
Shareholders' equity	
Common stock, \$0.01 par value, 1,000,100,000 shares authorized; Issued and outstanding: 1,188,777 and 1,188,487, respectively	11,888
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	-
Additional paid in capital	10,529,144
Notes receivable for common stock issued	(39,134)
Accumulated comprehensive income	929
Accumulated deficit	(4,517,364)
Treasury stock, 290 shares stated at cost	(407)
Total shareholders' equity	<u>5,985,056</u>
Total liabilities and shareholders' equity	<u>\$ 7,087,847</u>

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenues				
Rental income and other fees	\$ 148,184	\$ 123,042	\$ 419,934	\$ 362,978
Expenses				
General and administrative	57,135	56,521	169,730	174,122
Compensation and benefits	48,508	41,868	139,534	137,708
Depreciation	31,208	31,638	93,609	94,894
Professional	11,632	6,960	30,574	21,120
Share-based compensation	21,929	-	56,929	716
	<u>170,412</u>	<u>136,987</u>	<u>490,376</u>	<u>428,560</u>
Other income				
Dividends and interest	<u>1,553</u>	<u>1,407</u>	<u>6,052</u>	<u>4,249</u>
Loss before income taxes	(20,675)	(12,538)	(64,390)	(61,333)
Income tax expense	-	-	11,615	11,668
Net loss	<u>\$ (20,675)</u>	<u>\$ (12,538)</u>	<u>\$ (76,005)</u>	<u>\$ (73,001)</u>
Basic and diluted per share net loss	\$ (0.02)	\$ (0.01)	\$ (0.06)	\$ (0.06)
Basic and diluted average shares outstanding	1,188,477	1,135,205	1,187,924	1,134,059
Other comprehensive income				
Unrealized income on investment securities available-for-sale	<u>\$ 7,223</u>	<u>\$ 10,321</u>	<u>\$ 6,108</u>	<u>\$ 1,896</u>
Comprehensive loss	<u>\$ (13,452)</u>	<u>\$ (2,217)</u>	<u>\$ (69,897)</u>	<u>\$ (71,105)</u>

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended September 30, 2015 and 2014
(Unaudited)

	2015	2014
Cash flows from operating activities		
Net loss	\$ (76,005)	\$ (73,001)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	93,609	94,894
Share-based compensation	56,929	716
Increase in accounts receivable	-	(13,553)
Decrease (increase) in refundable income taxes	2,814	(883)
Increase in prepaid expenses	(14,482)	(17,296)
Decrease (increase) in other assets	335	(450)
(Decrease) increase in accounts payable and accrued expenses	(11,163)	8,683
Increase (decrease) in due to affiliates	275	(22,005)
Decrease in death benefit obligation	(20,250)	(20,150)
Net cash provided by (used in) operating activities	32,062	(43,045)
 Cash flows from investing activities		
Real estate development	(25,828)	(23,961)
Fixed asset acquisitions	(5,356)	(20,493)
Net cash used in investing activities	(31,184)	(44,454)
 Cash flows from financing activities		
Issuance of stock upon exercise of stock options	1,650	6,307
Prepayment of promissory note	800	950
Forgiveness of promissory note	-	17,532
Promissory note accepted with exercise of stock options	-	(6,254)
Net cash provided by financing activities	2,450	18,535
Net increase (decrease) in cash and cash equivalents	3,328	(68,964)
 Cash and cash equivalents		
Beginning of period	311,348	372,257
End of period	\$ 314,676	\$ 303,293
 Supplemental disclosure:		
Income taxes paid	\$ 11,615	\$ 11,668

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 nine months ended September 30, 2015 and 2014, respectively, is set forth in the following table:

	<u>2015</u>	<u>2014</u>
Net loss	\$ (76,005)	\$ (73,001)
Adjustments:		
Dividends, interest, and other income	(6,052)	(4,249)
Depreciation	93,609	94,894
Share-based compensation	56,929	716
Income tax expense	<u>11,615</u>	<u>11,668</u>
Adjusted EBITDA	<u>\$ 80,096</u>	<u>\$ 30,028</u>