

Tuxis Corporation Announces 2013 Financial Results

May 16, 2014 – Tuxis Corporation ([TUXS](#)) today reported its financial results for the year ended December 31, 2013.

Tuxis recorded a net loss of \$89,379 or \$0.08 per share for the year ended December 31, 2013 compared to a net loss of \$340,974 or \$0.31 per share for the year ended December 31, 2012. Revenue from rental income and fees was \$477,920 for the year ended December 31, 2013 compared to \$467,999 for the year ended December 31, 2012. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had adjusted EBITDA of \$48,591 for the year ended December 31, 2013 compared to an adjusted EBITDA loss of \$139,593 for the year ended December 31, 2012.

The Company's book value per share at December 31, 2013 was \$5.37 (shareholders' equity of \$6,082,182 divided by 1,133,477 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, 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.

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

TUXIS CORPORATION
CONSOLIDATED BALANCE SHEETS
December 31, 2013 and 2012
(Unaudited)

	2013	2012
Assets		
Current assets		
Cash and cash equivalents	\$ 346,576	\$ 352,560
Investment in securities	101,297	200,000
Accounts receivable	4,649	7,526
Refundable income taxes	12,131	13,857
Prepaid expenses	33,746	24,803
Total current assets	498,399	598,746
Property and equipment, net	6,760,863	6,776,052
Other assets	3,026	2,130
	6,763,889	6,778,182
Total assets	\$ 7,262,288	\$ 7,376,928
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 17,348	\$ 58,722
Total current liabilities	17,348	58,722
Due to affiliates	1,025,377	1,015,470
Death benefit obligation	137,381	164,481
	1,162,758	1,179,951
Total liabilities	1,180,106	1,238,673
Shareholders' equity		
Common stock, \$0.01 par value; shares authorized, issued and outstanding at December 31, 2013 and 2012 were: 1,000,100,000 and 1,133,477 and 1,000,000,000 and 1,118,577, respectively	11,335	11,186
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	-	-
Additional paid in capital	10,432,625	10,412,329
Notes receivable for common stock issued	(21,232)	(40,114)
Accumulated comprehensive loss	(6,021)	-
Accumulated deficit	(4,334,525)	(4,245,146)
Total shareholders' equity	6,082,182	6,138,255
Total liabilities and shareholders' equity	\$ 7,262,288	\$ 7,376,928

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Years Ended December 31, 2013 and 2012
(Unaudited)

	2013	2012
Revenues		
Rental income and other fees	\$ 477,920	\$ 467,999
Expenses		
General and administrative	200,965	195,103
Compensation and benefits	197,306	378,148
Depreciation	125,191	127,657
Professional	31,058	34,341
Share-based compensation	5,993	63,193
	560,513	798,442
Other income		
Dividends, interest, and other	7,732	2,376
Loss before income taxes	(74,861)	(328,067)
Income tax expense	14,518	12,907
Net loss	\$ (89,379)	\$ (340,974)
Basic and diluted per share net loss	\$ (0.08)	\$ (0.30)

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2013 and 2012
(Unaudited)

	2013	2012
Cash flows from operating activities		
Net loss	\$ (89,379)	\$ (340,974)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Share-based compensation	5,993	63,193
Depreciation	125,191	127,657
Decrease (increase) in accounts receivable	2,877	(6,409)
Decrease (increase) in refundable income taxes	1,726	(1,996)
(Increase) decrease in prepaid expenses	(8,943)	2,406
(Increase) decrease in other assets	(896)	1,534
Decrease in accounts payable and accrued expenses	(41,374)	(3,445)
Increase in due to affiliates	9,907	121,959
(Decrease) increase in death benefit obligation	(27,100)	166,731
Net cash (used in) provided by operating activities	(21,998)	130,656
Cash flows from investing activities		
Purchase of investment securities	(7,319)	(200,000)
Real estate development	(37,213)	(26,161)
Fixed asset acquisitions	(72,789)	(16,052)
Proceeds from sales of investment securities	100,000	
Net cash used in investing activities	(17,321)	(242,213)
Cash flows from financing activities		
Forgiveness of indebtedness	35,164	
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 settlement of cashless stock option exercise	(3,278)	
Prepayment of promissory note	1,300	950
Net cash provided by financing activities	33,335	1,149
Net decrease increase in cash and cash equivalents	(5,984)	(110,408)
Cash and cash equivalents, beginning of year	352,560	462,968
Cash and cash equivalents, end of year	\$ 346,576	\$ 352,560
Supplemental disclosure		
Income taxes paid	\$ 14,818	\$ 12,907

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, 2013 and 2012, respectively, is set forth in the following table:

	<u>2013</u>	<u>2012</u>
Net loss	\$ (89,379)	\$ (340,974)
Adjustments:		
Dividends, interest, and other income	(7,732)	(2,376)
Depreciation	125,191	127,657
Share-based compensation	5,993	63,193
Income tax expense	<u>14,518</u>	<u>12,907</u>
Adjusted EBITDA	<u>\$ 48,591</u>	<u>\$ (139,593)</u>