

Tuxis Corporation Announces First Quarter 2011 Financial Results

May 26, 2011 – Tuxis Corporation (Ticker: [TUXS](#)) today reported its financial results for the first quarter ended March 31, 2011.

Tuxis recorded a net loss of \$54,963 or \$0.05 per share for the three months ended March 31, 2011 compared to a net loss of \$84,036 or \$0.09 per share for the three months ended March 31, 2010. Revenue from rental income was \$109,927 for the three months ended March 31, 2011 compared to \$76,337 for the three months ended March 31, 2010. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had an adjusted EBITDA loss of \$23,879 for the three months ended March 31, 2011 compared to an adjusted EBITDA loss of \$49,848 for the three months ended March 31, 2010.

The Company's book value per share at March 31, 2011 was \$6.34 (shareholders' equity of \$6,555,748 divided by 1,033,776 shares issued and outstanding).

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the three months ended March 31, 2011 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 185 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 118 climate control self storage units complemented by office/retail 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
1-212-785-9300, ext. 267
tomalley@tuxis.com
www.tuxis.com

TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
March 31, 2011
(Unaudited)

Assets			
	Cash and cash equivalents		\$ 320,343
	Refundable income taxes		9,441
	Prepaid expenses		31,109
	Properties and equipment, net		6,918,418
	Other assets		3,983
	Total assets		\$ 7,283,294
Liabilities and shareholders' equity			
	Accounts payable and accrued expenses		\$ 727,546
	Total liabilities		727,546
Shareholders' equity			
	Common stock, \$0.01 par value, 1,000,000,000 shares authorized, 1,033,776 issued and outstanding		10,338
	Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding		-
	Additional paid in capital		10,305,300
	Accumulated deficit		(3,759,890)
	Total shareholders' equity		6,555,748
	Total liabilities and shareholders' equity		\$ 7,283,294

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Three Months Ended March 31, 2011 and 2010
(Unaudited)

	2011	2010
Revenues		
Rental income	\$ 109,927	\$ 76,337
Expenses		
General and administrative	66,917	56,423
Compensation and benefits	60,139	59,220
Depreciation	31,485	31,296
Professional	6,750	10,542
	165,291	157,481
Other income		
Dividends, interest, and other	401	178
Loss before income taxes	(54,963)	(80,966)
Income tax expense	-	3,070
Net loss	\$ (54,963)	\$ (84,036)
Basic and diluted per share net loss	\$ (0.05)	\$ (0.09)
Basic and diluted average shares outstanding	1,033,776	983,776

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three Months Ended March 31, 2011 and 2010
(Unaudited)

	2011	2010
Cash flows from operating activities		
Net loss	\$ (54,963)	\$ (84,036)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	31,485	31,296
Decrease in accounts receivable	-	3,769
Increase in refundable income taxes	(1,405)	-
Increase in prepaid expenses	(5,533)	(10,946)
Increase in accounts payable and accrued expenses	64,594	51,703
Increase in other assets	(141)	(29)
Net cash provided by operating activities	<u>34,037</u>	<u>(8,243)</u>
Cash flows from investing activities		
Real estate development	(16,098)	(26,846)
Fixed asset acquisitions	(1,521)	-
Net cash used in investing activities	<u>(17,619)</u>	<u>(26,846)</u>
Net decrease in cash and cash equivalents	16,418	(35,089)
Cash and cash equivalents		
Beginning of period	303,925	314,061
End of period	<u>\$ 320,343</u>	<u>\$ 278,972</u>
Supplemental disclosure:		
Income taxes paid	\$ -	\$ 3,070

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 three months ended March 31, 2011 and 2010, respectively, is set forth in the following table:

	2011	2010
Net loss	\$ (54,963)	\$ (84,036)
Adjustments:		
Dividends, interest, and other income	(401)	(178)
Depreciation	31,485	31,296
Share-based compensation	-	-
Income tax expense	-	3,070
Adjusted EBITDA	<u>\$ (23,879)</u>	<u>\$ (49,848)</u>