

Tuxis Corporation Announces 2017 Financial Results

May 18, 2018 – Tuxis Corporation (Ticker: [TUXS](#)) (the “Company”) today reported its financial results for the year ended December 31, 2017.

The Company recorded a net loss of \$560,848 or \$0.46 per share for the year ended December 31, 2017 compared to net income of \$2,534,697 or \$2.07 per share for the year ended December 31, 2016, which included a gain of \$2,945,030 on the sale of its self storage and other properties.

The Company’s book value per share at December 31, 2017 was \$6.32 (shareholders’ equity of \$7,667,465 divided by 1,213,487 shares issued and outstanding).

The Company’s unaudited balance sheets, statements of comprehensive income (loss), and statements of cash flows as of and for the year ended December 31, 2017, including a reconciliation of net loss to adjusted EBITDA, 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. 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.

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, 2017 and 2016
(Unaudited)

	2017	2016
Assets		
Current assets		
Cash and cash equivalents	\$ 505,686	\$ 5,035,531
Investment in securities	4,616,239	1,067,364
Due from affiliates	15,578	—
Dividends and interest receivable	13,352	—
Refundable income taxes	8,990	25,246
Prepaid expenses	3,842	4,619
Total current assets	5,163,687	6,132,760
Property and equipment, net	2,681,384	2,646,959
Other assets	1,380	1,555
	2,682,764	2,648,514
Total assets	\$ 7,846,451	\$ 8,781,274
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ —	\$ 64,010
Due to affiliates	—	36,684
Total current liabilities	—	100,694
Death benefit obligation	178,986	110,126
Total liabilities	178,986	210,820
Shareholders' equity		
Common stock, \$0.01 par value; shares authorized, issued and outstanding at December 31, 2017 and 2016 were: 1,000,100,000 and 1,213,487 and 1,000,000,000 and 1,213,487, respectively	12,135	12,135
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	—	—
Additional paid in capital	10,422,960	10,572,559
Notes receivable for common stock issued	(37,484)	(37,534)
Accumulated comprehensive income (loss)	(66,096)	11,147
Accumulated deficit	(2,664,050)	(1,987,853)
Total shareholders' equity	7,667,465	8,570,454
Total liabilities and shareholders' equity	\$ 7,846,451	\$ 8,781,274

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Years Ended December 31, 2017 and 2016
(Unaudited)

	2017	2016
Revenues		
Rental income and other fees	\$ —	\$ 577,676
Expenses		
Compensation and benefits	317,765	262,374
Professional services	193,235	230,123
General and administrative	83,368	189,855
Share-based compensation	43,701	48,165
Depreciation	934	125,838
	639,003	856,355
Other income		
Dividends, interest, and other	92,322	6,158
Gain on sale of subsidiaries	—	2,945,030
	92,322	2,951,188
Income (loss) before income taxes	(546,681)	2,672,509
Income tax expense	14,167	137,812
Net income (loss)	\$ (560,848)	\$ 2,534,697
Net income (loss) per share		
Basic net income (loss)	\$ (0.46)	\$ 2.09
Diluted net income (loss)	\$ (0.46)	\$ 2.07
Weighted average shares outstanding		
Basic	1,213,487	1,213,487
Diluted	1,213,487	1,226,193
Other comprehensive income (loss)		
Unrealized gain (loss) on investment securities	\$ (77,243)	\$ 13,799
Comprehensive income (loss)	\$ (638,091)	\$ 2,548,496

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2017 and 2016
(Unaudited)

	2017	2016
Cash flows from operating activities		
Net (loss) income	\$ (560,848)	\$ 2,534,697
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Share-based compensation	43,701	48,165
Depreciation	934	125,838
Gain on sale of subsidiaries	—	(2,945,030)
(Increase) decrease in refundable income taxes	16,256	(8,791)
Increase in dividends and interest receivable	(13,352)	—
Decrease in prepaid expenses	777	29,541
Decrease in other assets	175	1,875
(Decrease) increase in accounts payable and accrued expenses	(64,010)	49,811
Decrease in due to affiliates	(36,684)	(969,030)
Increase in death benefit obligation	68,860	26,646
Net cash used in operating activities	(544,191)	(1,106,278)
Cash flows from investing activities		
Purchases of investment securities	(3,635,696)	—
Real estate development	(35,359)	(35,170)
Net proceeds on sale of subsidiaries	—	5,847,505
Net cash (used in) provided by investing activities	(3,671,055)	5,812,335
Cash flows from financing activities		
Net settlement of cashless stock option exercises	(193,300)	—
Dividend paid	(121,349)	—
Prepayment of promissory note	50	1,300
Net cash (used in) provided by financing activities	(314,599)	1,300
Net (decrease) increase in cash and cash equivalents	(4,529,845)	4,707,357
Cash and cash equivalents, beginning of year	5,035,531	328,174
Cash and cash equivalents, end of year	\$ 505,686	\$ 5,035,531
Supplemental disclosure:		
Income taxes paid	\$ 14,167	\$ 82,809
Supplemental disclosure of noncash investing activities:		
Investment securities received on sale of subsidiaries	\$ —	\$ 975,002