

Tuxis Corporation Announces 2010 Financial Results

May 26, 2011 – Tuxis Corporation (Ticker: [TUXS](#)) today reported its financial results for the year ended December 31, 2010.

Tuxis recorded a net loss of \$297,096 or \$0.29 per share for the year ended December 31, 2010 compared to a net loss of \$358,291 or \$0.36 per share for the year ended December 31, 2009. Revenue from rental income was \$367,190 for the year ended December 31, 2010 compared to \$237,128 for the year ended December 31, 2009. The Company's primary source of revenue is rental income from its self storage facilities. Tuxis had an adjusted EBITDA loss of \$117,786 for the year ended December 31, 2010 compared to an adjusted EBITDA loss of \$225,096 for the year ended December 31, 2009.

The Company's book value per share at December 31, 2010 was \$6.39 (shareholders' equity of \$6,610,711 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 year ended December 31, 2010 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.

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TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
December 31, 2010
(Unaudited)

Assets			
	Cash and cash equivalents		\$ 303,925
	Accounts receivable		-
	Refundable income taxes		8,036
	Prepaid expenses		25,576
	Properties and equipment, net		6,932,285
	Other assets		3,842
	Total assets		\$ 7,273,664
Liabilities and shareholders' equity			
	Accounts payable and accrued expenses		\$ 662,953
	Total liabilities		662,953
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		(3,704,927)
	Total shareholders' equity		6,610,711
	Total liabilities and shareholders' equity		\$ 7,273,664

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Years Ended December 31, 2010 and 2009
(Unaudited)

	2010	2009
Revenues		
Rental income	\$ 367,190	\$ 237,128
Expenses		
General and administrative	234,112	228,718
Compensation and benefits	230,729	205,290
Depreciation	127,941	123,590
Share-based compensation	70,166	9,019
Professional	17,135	29,026
	<u>680,083</u>	<u>595,643</u>
Other income		
Dividends, interest, and other	18,867	17,228
Loss before income taxes	(294,026)	(341,287)
Income tax expense	3,070	17,004
Net loss	<u>\$ (297,096)</u>	<u>\$ (358,291)</u>
Basic and diluted per share net loss	<u>\$ (0.29)</u>	<u>\$ (0.36)</u>

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2010 and 2009
(Unaudited)

	2010	2009
Cash flows from operating activities		
Net loss	\$ (297,096)	\$ (358,291)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Share-based compensation expense	70,166	9,019
Depreciation	127,941	123,590
Decrease (increase) in accounts receivable	29,335	(15,806)
Decrease in refundable income taxes	4,165	27,513
(Increase) decrease in prepaid expenses	(6,037)	8,040
Increase in accounts payable and accrued expenses	214,326	291,968
Decrease in other assets	449	33
Net cash provided by operating activities	<u>143,249</u>	<u>86,066</u>
Cash flows from investing activities		
Real estate development	(64,113)	(596,990)
Fixed asset acquisitions	(89,272)	(24,786)
Net cash used in investing activities	<u>(153,385)</u>	<u>(621,776)</u>
Net decrease in cash and cash equivalents	(10,136)	(535,710)
Cash and cash equivalents		
Beginning of year	314,061	849,771
End of year	<u>\$ 303,925</u>	<u>\$ 314,061</u>
Supplemental disclosure:		
Income taxes paid	\$ 3,070	\$ 17,004

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, 2010 and 2009, respectively, is set forth in the following table:

	2010	2009
Net loss	\$ (297,096)	\$ (358,291)
Adjustments:		
Dividends, interest, and other income	(18,867)	(17,228)
Depreciation	124,941	123,590
Share-based compensation	70,166	9,019
Income tax expense	3,070	17,004
Adjusted EBITDA	<u>\$ (117,786)</u>	<u>\$ (225,906)</u>