

## **Bexil Corporation Announces Second Quarter 2011 Financial Results**

August 15, 2011 – Bexil Corporation (Ticker: [BXL](#)) today reported its financial results for the second quarter ended June 30, 2011.

Bexil recorded a net loss of \$98,538 or \$0.10 per share for the three months ended June 30, 2011 compared to a net loss of \$351,136 or \$0.35 per share for the three months ended June 30, 2010. For the six months ended June 30, 2011, Bexil recorded a net loss of \$433,669 or \$0.43 per share compared to a net loss of \$522,003 or \$0.52 per share for the six months ended June 30, 2010.

The Company's book value per share at June 30, 2011 (1,017,592 shares issued and outstanding) was \$35.36. At June 30, 2011, Bexil had positive working capital of \$30,535,884, total assets of \$36,479,545, no long term debt, and shareholders' equity of \$35,986,837.

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the second quarter and six months ended June 30, 2011 are appended to the copy of this press release on [www.bexil.com](http://www.bexil.com).

### **About Bexil Corporation**

Bexil is engaged through a subsidiary as investment manager to [Dividend and Income Fund, Inc.](#), a closed end fund (NYSE: DNI) (NAV: XDNIX). To learn more about Bexil, including Rule 15c2-11 information, please visit [www.bexil.com](http://www.bexil.com). Certain affiliates of Bexil are engaged in stock market and [gold investing](#) through investment management of equity and [gold mutual funds](#), [closed end funds](#), and proprietary trading.

### **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 Bexil 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, 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  
1-212-785-0400, ext. 267  
[tomalley@bexil.com](mailto:tomalley@bexil.com)  
[www.bexil.com](http://www.bexil.com)

**BEXIL CORPORATION**  
**CONSOLIDATED BALANCE SHEET**  
**June 30, 2011**  
**(Unaudited)**

Assets	
Current assets	
Cash and cash equivalents	\$ 30,776,917
Investment securities, available-for-sale	1,507
Receivables	
Refundable income taxes	165,922
Management fees	68,945
Other	15,301
Total current assets	<u>31,028,592</u>
Property and equipment, net	4,903
Intangible asset	4,200,000
Deferred taxes	1,246,050
	<u>5,450,953</u>
Total assets	<u><u>\$ 36,479,545</u></u>
Liabilities and shareholders' equity	
Current liabilities	
Accounts payable and accrued expenses	\$ 492,708
Total current liabilities	<u>492,708</u>
Shareholders' equity	
Common stock, \$0.01 par value, 9,900,000 shares authorized, 1,017,592 shares issued and outstanding	10,176
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	-
Additional paid-in capital	15,935,171
Notes receivable for common stock	(2,827,223)
Accumulated other comprehensive loss	(58)
Retained earnings	22,868,771
Total shareholders' equity	<u>35,986,837</u>
Total liabilities and shareholders' equity	<u><u>\$ 36,479,545</u></u>

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Revenues				
Management fees	\$ 215,549	\$ -	\$ 366,341	\$ -
Expenses				
Compensation and benefits	240,477	440,891	524,576	693,452
Professional	127,151	120,408	535,741	148,250
General and administrative	40,797	43,202	95,900	81,611
	<u>408,425</u>	<u>604,501</u>	<u>1,156,217</u>	<u>923,313</u>
Other income				
Dividends and interest	25,658	30,915	55,749	59,623
Loss before income taxes	(167,218)	(573,586)	(734,127)	(863,690)
Income tax benefit	(68,680)	(222,450)	(300,458)	(341,687)
Net loss	<u>\$ (98,538)</u>	<u>\$ (351,136)</u>	<u>\$ (433,669)</u>	<u>\$ (522,003)</u>
Basic and diluted per share net loss	\$ (0.10)	\$ (0.35)	\$ (0.43)	\$ (0.52)
Basic and diluted average shares outstanding	1,017,592	1,011,592	1,017,592	1,011,592

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Six Months Ended June 30, 2011 and 2010**  
**(Unaudited)**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Net loss	\$ (433,669)	\$ (522,003)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Increase in deferred taxes	(301,878)	(341,687)
Depreciation	1,183	-
Share-based compensation	-	23,790
Decrease in refundable taxes	403,911	-
Increase in management fees receivable	(68,945)	-
Increase in other receivables	(7,160)	-
(Decrease) increase in accounts payable and accrued expenses	<u>(126,380)</u>	<u>36,205</u>
Net cash used in operating activities	<u>(532,938)</u>	<u>(803,695)</u>
 Cash flows from investing activities		
Payment related to acquisition of management contract	<u>(4,200,000)</u>	<u>-</u>
Net cash used in investing activities	<u>(4,200,000)</u>	<u>-</u>
 Cash flows from financing activities		
Dividend paid	<u>(203,518)</u>	<u>-</u>
Net cash used in financing activities	<u>(203,518)</u>	<u>-</u>
Net decrease in cash and cash equivalents	(4,936,456)	(803,695)
 <b>Cash and cash equivalents</b>		
Beginning of period	<u>35,713,373</u>	<u>37,741,633</u>
End of period	<u>\$ 30,776,917</u>	<u>\$ 36,937,938</u>
 <b>Supplemental disclosure</b>		
Income taxes paid	\$ -	\$ -