

Bexil Corporation Announces Third Quarter 2011 Financial Results

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

Bexil recorded a net loss of \$356,172 or \$0.35 per share for the three months ended September 30, 2011 compared to a net loss of \$455,058 or \$0.45 per share for the three months ended September 30, 2010. For the nine months ended September 30, 2011, Bexil recorded a net loss of \$789,840 or \$0.78 per share compared to a net loss of \$946,753 or \$0.93 per share for the nine months ended September 30, 2010.

The Company's book value per share at September 30, 2011 (1,017,592 shares issued and outstanding) was \$35.45. At September 30, 2011, Bexil had positive working capital of \$28,982,782, total assets of \$36,476,713, no long term debt, and shareholders' equity of \$36,073,130.

The Company's unaudited balance sheet, statements of income, and statements of cash flows as of and for the third quarter and nine months ended September 30, 2011 are appended to the copy of this press release on www.bexil.com.

Business Development

On October 7, 2011 Bexil announced that it has agreed with the John Robbins Group to develop Bexil American Mortgage Inc., a new mortgage origination company focusing on the wholesale and retail market. The John Robbins Group is an experienced mortgage banking executive team, led by John M. Robbins, the former CEO of American Mortgage Network and past Chairman of the Mortgage Bankers Association. This executive team, which comprises the senior management of Bexil American Mortgage, has previously formed startups, and has operated and successfully sold two mortgage banks to major financial institutions, including JP Morgan Chase and Wachovia Bank.

About Bexil Corporation

Bexil is engaged through subsidiaries in investment management and mortgage banking. Bexil subsidiary, Bexil Advisers LLC is the 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. 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.

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BEXIL CORPORATION
CONSOLIDATED BALANCE SHEET
September 30, 2011
(Unaudited)

Assets	
Current assets	
Cash and cash equivalents	\$ 29,112,247
Investment securities, available-for-sale	1,414
Receivables	
Refundable income taxes	165,922
Management fees	68,576
Other	38,206
Total current assets	<u>29,386,365</u>
Investment securities, trading	1,405,700
Property and equipment, net	4,396
Intangible asset	4,200,000
Deferred taxes	<u>1,480,252</u>
	<u>7,090,348</u>
Total assets	<u><u>\$ 36,476,713</u></u>
Liabilities and shareholders' equity	
Current liabilities	
Accounts payable and accrued expenses	<u>\$ 403,583</u>
Total current liabilities	<u>403,583</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	16,377,706
Notes receivable for common stock	(2,827,223)
Accumulated other comprehensive loss	(128)
Retained earnings	<u>22,512,599</u>
Total shareholders' equity	<u>36,073,130</u>
Total liabilities and shareholders' equity	<u><u>\$ 36,476,713</u></u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenues				
Management fees	\$ 205,236	\$ -	\$ 571,577	\$ -
Expenses				
Compensation and benefits	685,401	276,697	1,209,977	946,360
Professional	41,562	463,943	577,303	612,192
General and administrative	41,206	48,824	138,005	123,417
	<u>768,169</u>	<u>789,464</u>	<u>1,925,285</u>	<u>1,681,969</u>
Other income				
Dividends and interest	63,167	38,111	118,916	97,734
Unrealized loss on investments in securities, trading	(90,586)	-	(90,586)	-
	<u>(27,419)</u>	<u>38,111</u>	<u>28,330</u>	<u>97,734</u>
Loss before income taxes	(590,352)	(751,353)	(1,325,378)	(1,584,235)
Income tax benefit	(234,180)	(296,295)	(535,538)	(637,482)
Net loss	<u>\$ (356,172)</u>	<u>\$ (455,058)</u>	<u>\$ (789,840)</u>	<u>\$ (946,753)</u>
Basic and diluted per share net loss	\$ (0.35)	\$ (0.45)	\$ (0.78)	\$ (0.93)
Basic and diluted average shares outstanding	1,017,592	1,014,907	1,017,592	1,012,709

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended September 30, 2011 and 2010
(Unaudited)

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Net loss	\$ (789,840)	\$ (946,753)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Increase in deferred taxes	(536,058)	(639,482)
Depreciation	1,691	-
Share-based compensation	442,535	23,800
Unrealized loss on investment securities, trading	90,586	-
Decrease in refundable taxes	403,911	-
Increase in management fees receivable	(68,576)	-
(Increase) decrease in other receivables	(30,066)	227
Purchase of investment securities, trading	(1,496,286)	-
(Decrease) increase in accounts payable and accrued expenses	(215,505)	281,696
Net cash used in operating activities	<u>(2,197,608)</u>	<u>(1,280,512)</u>
Cash flows from investing activities		
Payment related to acquisition of management contract	(4,200,000)	-
Net cash used in investing activities	<u>(4,200,000)</u>	<u>-</u>
Cash flows from financing activities		
Dividend paid	(203,518)	-
Issuance of stock upon exercise of stock options	-	97,500
Notes receivable for common stock issued	-	(97,450)
Net cash (used in) provided by financing activities	<u>(203,518)</u>	<u>50</u>
Net decrease in cash and cash equivalents	(6,601,126)	(1,280,462)
Cash and cash equivalents		
Beginning of period	<u>35,713,373</u>	<u>37,741,633</u>
End of period	<u>\$ 29,112,247</u>	<u>\$ 36,461,171</u>
Supplemental disclosure		
Income taxes paid	\$ 520	\$ -