

**Bexil Corporation Announces
Closing of Acquisition by Subsidiary Mortgage Business
Bexil American Mortgage Inc.**

Walpole, NH – January 9, 2013 - Bexil Corporation (BXLC) announced today that its majority owned subsidiary, Bexil American Mortgage Inc., has closed the previously announced agreement to acquire 90% of the equity in Castle Mortgage Corporation, a mortgage lender operating in the southeastern United States. Castle is an approved seller and servicer of mortgage loans with Fannie Mae, Freddie Mac, and Ginnie Mae. Bexil American simultaneously received an option to acquire the remaining 10% of Castle in the future at a predetermined price. Bexil American received financing from its management, Boulderado Group, LLC, and Bexil Corporation to complete the acquisition. Remaining terms of the transaction were not disclosed.

Boulderado Group's Managing Member, Alex B. Rozek, noted, "Bexil Corporation continues to deploy a capital allocation strategy, seeking businesses with potentially above average returns on investment. We are pleased both as shareholders and partners in this acquisition to work with Bexil Corporation to attempt to grow book value at Bexil for the benefit of all shareholders." Boulderado Group is a shareholder of both Bexil Corporation and Bexil American, and Mr. Rozek serves on the three member board of directors of Bexil American.

Bexil Corporation

Bexil is a holding company engaged through subsidiaries in investment management, securities trading, and mortgage banking. To learn more, please visit www.bexil.com.

Boulderado Group, LLC

Boulderado Group is the manager of a Boston based investment partnership founded in 2007 by Alex B. Rozek, its Managing Member. The partnership generally invests in businesses and securities across a variety of asset classes whenever it determines that the price represents a significant discount to intrinsic value. Boulderado Group also has expertise and investments in both specialty insurance and mortgage banking companies.

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.

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