

## **Bexil Corporation Announces Third Quarter 2007 Financial Results**

November 1, 2007 – Bexil Corporation ([BXLC](#)) today reported its financial results for the third quarter ended September 30, 2007.

Bexil recorded net income of \$401,048 or \$0.43 per share on a diluted basis for the nine months ended September 30, 2007 compared to net income of \$21,804,524 or \$23.69 per share on a diluted basis for the nine months ended September 30, 2006.

Our primary source of income since the sale of our fifty percent interest in York Insurance Services Group, Inc. (“York”) in April 2006 has been from interest and dividends earned from U.S. Treasury securities and money market funds. Interest and dividend income decreased \$124,000 for the three months ended September 30, 2007 compared to the same period in 2006 due to lower investment balances. Interest and dividend income increased \$196,000 for the nine months ended September 30, 2007 compared to the same period in 2006 due to higher average investment balances. Total expenses decreased \$86,000 and \$1,957,000 for the three months and nine months ended September 30, 2007, respectively, compared to the same period in 2006. As a result of the York sale revenue earned from York and the recognition of equity in the earnings of York ceased. In 2006, we recognized a loss from the equity in the earnings of York of \$734,000.

At September 30, 2007, we had positive working capital of \$38,508,325, total assets of \$38,706,186, no long term debt, and shareholders equity of \$38,533,693. Our book value per share at September 30, 2007 (883,592 shares issued and outstanding) was \$43.61.

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, 2007 are appended to the copy of this press release on [www.bexil.com](http://www.bexil.com).

**Business Overview.** Since the sale of the York shares, we have been operating to acquire and/or develop one or more businesses. There are no limits on the types of businesses or fields in which we may devote our assets. We have not agreed to acquire any business as of the date of this press release. We have no plans to dissolve and liquidate the Company.

Our acquisition parameters for a public company and private business are:

- A proven track record with demonstrated earning power.
- Sales between \$10 million and \$50 million.
- A seasoned business with solid customer relations.
- Good return (at least 15%) on equity, little or no debt.
- Solid management must remain. Audited financials required.
- Particularly interested in a “spin-off” from a larger company.

We generally are not interested in acquiring (but we may develop) start-ups, turnarounds, or high tech. We will sign a confidentiality agreement and will protect a broker’s sell agreement. If the seller quotes a price, we will respond promptly.

### **About Bexil Corporation**

Bexil is a holding company. To learn more about Bexil Corporation, including Rule 15c2-11 information, please visit [www.bexil.com](http://www.bexil.com). Approximately 25% of Bexil's shares are owned by [Winmill & Co. Incorporated \(WNMLA\)](#), which is engaged through subsidiaries in stock market

and [gold investing](#) through its investment management of equity and [gold mutual funds](#).

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 shareholder’s equity divided by currently issued and outstanding shares.

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**BEXIL CORPORATION**  
**CONSOLIDATED BALANCE SHEET**  
**September 30, 2007**  
**(Unaudited)**

**ASSETS**

Current assets

Cash and cash equivalents	\$1,196,949
Investment securities, available-for-sale	36,737,945
Receivables:	
Interest	160,875
Refundable taxes	<u>585,049</u>

Total current assets 38,680,818

Deferred taxes 25,368

Total assets \$38,706,186

**LIABILITIES AND SHAREHOLDERS' EQUITY**

Current liabilities

Accounts payable and accrued expenses \$172,493

Total current liabilities 172,493

Shareholders' equity

Common stock, \$0.01 par value, 9,900,000 shares authorized,  
883,592 shares issued and outstanding 8,836

Series A participating preferred stock, \$0.01 par value, 100,000  
shares authorized, -0- shares issued and outstanding -

Additional paid-in capital 12,961,278

Accumulated other comprehensive income 124,583

Retained earnings 25,438,996

Total shareholders' equity 38,533,693

Total liabilities and shareholders' equity \$38,706,186

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

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
Revenues				
Consulting and other	\$-	\$-	\$-	\$5,000
	-	-	-	5,000
Expenses				
Compensation and benefits	172,461	190,268	584,930	2,485,059
Professional	42,934	99,788	368,774	429,037
Occupancy	16,857	32,335	66,268	87,351
Communications	14,205	10,103	36,097	11,139
	246,457	332,494	1,056,069	3,012,586
Other income				
Dividends and interest	449,707	573,264	1,340,598	1,144,520
Gain on sale of equity interest in York Insurance Services Group, Inc.	-	-	-	37,471,143
	449,707	573,264	1,340,598	38,615,663
Income before income taxes and equity in loss of York Insurance Services Group, Inc.	203,250	240,770	284,529	35,608,077
Income tax expense (benefit)	(140,994)	110,150	(116,519)	13,069,805
Equity in loss of York Insurance Services Group, Inc.	-	-	-	(733,748)
Net income	<u>\$344,244</u>	<u>\$130,620</u>	<u>\$401,048</u>	<u>\$21,804,524</u>
Per share net income:				
Basic	\$0.39	\$0.15	\$0.45	\$24.71
Diluted	\$0.37	\$0.14	\$0.43	\$23.69
Average shares outstanding:				
Basic	883,592	883,592	884,306	882,537
Diluted	930,123	915,409	932,567	920,289

**BEXIL CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	<b>Nine Months Ended</b>	
	<b>September 30,</b>	
	<b>2007</b>	<b>2006</b>
	<u>          </u>	<u>          </u>
<b>Cash flows from operating activities</b>		
Net income	\$401,048	\$21,804,524
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Stock-based compensation	97,638	93,345
Decrease in deferred taxes	4,264	1,102,448
Gain on sale of equity interest in York Insurance Services Group, Inc.	-	(37,471,143)
Equity in loss of York Insurance Services Group, Inc.	-	733,748
Accretion of discount on investment security	-	(839,400)
Decrease (increase) in interest receivable	438,804	(157,562)
Increase in refundable taxes	(224,085)	(811,239)
Decrease in other assets	46,455	-
Decrease in accounts payable and accrued expenses	(65,259)	(334,601)
Increase in income taxes payable	40,052	2,825,632
	<u>          </u>	<u>          </u>
Net cash provided by (used in) operating activities	738,917	(13,054,248)
	<u>          </u>	<u>          </u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	-	(85,963,913)
Proceeds from sale of investment securities	-	47,718,000
Proceeds from sale of equity interest in York Insurance Services Group, Inc., net of transaction costs	-	38,602,621
Net cash used in investing activities	-	356,708
	<u>          </u>	<u>          </u>
<b>Cash flows from financing activities</b>		
Dividend paid	-	(883,592)
Proceeds from exercise of common stock options	-	86,360
	<u>          </u>	<u>          </u>
Net cash used in financing activities	-	(797,232)
	<u>          </u>	<u>          </u>
Net increase (decrease) in cash and cash equivalents	738,917	(13,494,772)
	<u>          </u>	<u>          </u>
<b>Cash and cash equivalents</b>		
Beginning of period	458,032	14,088,835
	<u>          </u>	<u>          </u>
End of period	\$1,196,949	\$594,063
	<u>          </u>	<u>          </u>
<b>Supplemental disclosure</b>		
Income taxes paid	\$63,250	\$9,952,964

