

Bexil Corporation Announces Second Quarter 2017 Financial Results

August 3, 2017 – Bexil Corporation (BXL) today reported its financial results for the second quarter ended June 30, 2017.

For the three months ended June 30, 2017, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.4 million or \$0.43 per share, compared to a net loss attributable to Bexil shareholders of approximately \$0.2 million or \$0.18 per share for the three months ended June 30, 2016.

For the six months ended June 30, 2017, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.7 million or \$0.78 per share compared to a net income attributable to Bexil shareholders of approximately \$0.1 million or \$0.09 per share for the six months ended June 30, 2016.

The Company's book value per share attributable to Bexil shareholders at June 30, 2017 was \$20.52, based on shareholders' equity attributable to Bexil shareholders of \$18,387,790 and 895,903 shares issued and outstanding.

The Company's unaudited balance sheet, statements of comprehensive loss, and statements of cash flows as of and for the six months ended June 30, 2017 are appended to the copy of this press release on www.Bexil.com.

About Bexil Corporation

Bexil is a holding company engaged through subsidiaries in investment management and securities trading as a market intermediary. To learn more about Bexil, including Rule 15c2-11 information, please visit www.Bexil.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 Bexil, which may cause the Company's actual results to be materially different from those expressed or implied by such statements. Investors should carefully consider the risks, uncertainties and other factors, together with all of the other information included in the Company's Annual Report, at <http://www.bexil.com/cautionary-language.html>, and similar information. 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 attributable to Bexil shareholders divided by currently issued and outstanding shares.

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BEXIL CORPORATION
CONSOLIDATED BALANCE SHEET
June 30, 2017
(Unaudited)

Assets	
Cash and cash equivalents	\$ 1,876,677
Investments in securities	15,305,834
Accounts receivable	291,169
Intangible asset, net	2,342,708
Total assets	<u>\$ 19,816,388</u>
Liabilities and equity	
Accounts payable and accrued expenses	\$ 1,350,283
Payable for securities purchased	151,838
Securities sold, not yet purchased	82,073
Repurchase reserve	15,000
Total liabilities	<u>1,599,194</u>
Equity	
Bexil Corporation shareholders' equity	
Common stock, \$0.01 par value, 9,900,000 shares authorized; 895,903 issued and outstanding at June 30, 2017	8,959
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized: zero shares issued and outstanding	-
Additional paid in capital	15,355,602
Notes receivable for common stock issued	(1,250,698)
Accumulated comprehensive loss	(728)
Retained earnings	4,274,655
Total Bexil Corporation shareholders' equity	<u>18,387,790</u>
Noncontrolling interests in subsidiary	<u>(170,596)</u>
Total equity	<u>18,217,194</u>
Total liabilities and equity	<u>\$ 19,816,388</u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues				
Management and other fees	\$ 435,120	\$ 398,999	\$ 891,425	\$ 800,808
Dividends and interest	173,327	211,313	318,356	411,080
Unrealized gain (loss) on investments	231,265	(222,236)	409,903	(101,602)
Realized gain (loss) on investments	(16,095)	15,187	29,259	15,187
	<u>823,617</u>	<u>403,263</u>	<u>1,648,943</u>	<u>1,125,473</u>
Expenses				
Compensation and benefits	290,436	402,911	585,424	676,441
General and administrative	123,943	129,671	263,866	259,216
Professional services	25,660	41,872	76,066	78,769
	<u>440,039</u>	<u>574,454</u>	<u>925,356</u>	<u>1,014,426</u>
Income (loss) before taxes	383,578	(171,191)	723,587	111,047
Income tax expense	39	4,325	66	22,456
Net income (loss)	383,539	(175,516)	723,521	88,591
Net loss attributable to noncontrolling interests	114	274	235	570
Net income (loss) attributable to Bexil Corporation shareholders	<u>\$ 383,653</u>	<u>\$ (175,242)</u>	<u>\$ 723,756</u>	<u>\$ 89,161</u>
Net income per share				
Basic, attributable to Bexil Corporation shareholders	\$ 0.43	\$ (0.18)	\$ 0.78	\$ 0.09
Diluted attributable to Bexil Corporation shareholders	\$ 0.43	\$ (0.18)	\$ 0.77	\$ 0.09
Weighted average shares outstanding				
Basic	889,706	980,168	928,097	980,168
Diluted	902,532	980,168	941,117	980,168
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on investment securities available-for-sale, net of tax	\$ (2,497)	\$ 186	\$ (2,815)	\$ 587
Other compressive income (loss), net of tax	(2,497)	186	(2,815)	587
Comprehensive income (loss)	381,042	(175,330)	720,706	89,178
Comprehensive loss attributable to noncontrolling interests	114	274	235	570
Comprehensive income (loss) attributable to Bexil Corporation shareholders	<u>\$ 381,156</u>	<u>\$ (175,056)</u>	<u>\$ 720,941</u>	<u>\$ 89,748</u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Six Months Ended June 30, 2017 and 2016
(Unaudited)

	2017	2016
Cash flows from operating activities		
Net income	\$ 723,521	\$ 88,591
Adjustments to reconcile net income from continuing operations to net cash provided by (used in) operating activities		
Purchase of investment securities, trading	(3,268,015)	(1,284,953)
Proceeds from sales of investment securities, trading	3,306,721	825,000
Realized gain on investment securities	(29,259)	(15,187)
Stock-based compensation expense	32,170	151,499
Unrealized (gain) loss on investments in securities	(409,903)	101,602
Depreciation and amortization	180,208	180,208
(Increase) decrease in accounts receivable	(125,948)	120,729
Decrease in accounts payable and accrued expenses	(105,005)	(341,760)
Increase in payable for securities purchased	151,838	-
Increase in securities sold, not yet purchased	83,159	-
Net cash provided by (used in) operating activities	<u>539,487</u>	<u>(174,271)</u>
Cash flows from investing activities		
Proceeds on sale of investment securities, available-for-sale	979,486	-
Purchase of investment securities, available-for-sale	<u>(735,000)</u>	<u>-</u>
Net cash provided by investing activities	<u>244,486</u>	<u>-</u>
Cash flows from financing activities		
Common stock repurchased	(706,734)	-
Common stock issued upon exercise of stock options	90,288	-
Proceeds from promissory notes accepted for common stock issued	<u>37,600</u>	<u>31,000</u>
Net cash (used in) provided by financing activities	<u>(578,846)</u>	<u>31,000</u>
Net increase (decrease) in cash and cash equivalents	205,127	(143,271)
Cash and cash equivalents, beginning of period	<u>1,671,550</u>	<u>6,904,417</u>
Cash and cash equivalents, end of period	<u>\$ 1,876,677</u>	<u>\$ 6,761,146</u>
Supplemental disclosures		
Income taxes paid	\$ 66	\$ 22,456
Cashless exercise of stock options	\$ 7,448	\$ -