

Bexil Corporation Announces Third Quarter 2017 Financial Results

November 9, 2017 – Bexil Corporation (BXL) today reported its financial results for the third quarter ended September 30, 2017.

For the three months ended September 30, 2017, Bexil recorded net income attributable to Bexil shareholders of approximately \$0.6 million or \$0.69 of diluted earnings per share, compared to net income attributable to Bexil shareholders of approximately \$0.4 million or \$0.43 of diluted earnings per share for the three months ended September 30, 2016.

For the nine months ended September 30, 2017, Bexil recorded net income attributable to Bexil shareholders of approximately \$1.4 million or \$1.45 of diluted earnings per share compared to net income attributable to Bexil shareholders of approximately \$0.5 million or \$0.52 of diluted earnings per share for the nine months ended September 30, 2016.

The Company's book value per share attributable to Bexil shareholders at September 30, 2017 was \$21.27, based on shareholders' equity attributable to Bexil shareholders of \$19,059,037 and 895,903 shares issued and outstanding.

The Company's unaudited balance sheet, statements of comprehensive income, and statements of cash flows as of and for the nine months ended September 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
September 30, 2017
(Unaudited)

Assets	
Cash and cash equivalents	\$ 1,855,234
Investments in securities	15,898,085
Accounts receivable	300,770
Intangible assets, net	2,252,604
Total assets	<u>\$ 20,306,693</u>
Liabilities and equity	
Accounts payable and accrued expenses	\$ 1,277,449
Payable for securities purchased	132,522
Securities sold, not yet purchased	3,170
Total liabilities	<u>1,413,141</u>
Equity	
Bexil Corporation shareholders' equity	
Common stock, \$0.01 par value, 9,900,000 shares authorized; 895,903 issued and outstanding	8,959
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized: zero shares issued and outstanding	-
Additional paid in capital	15,371,687
Notes receivable for common stock issued	(1,231,897)
Accumulated comprehensive loss	(1,240)
Retained earnings	4,911,528
Total Bexil Corporation shareholders' equity	<u>19,059,037</u>
Noncontrolling interests in subsidiary	<u>(165,485)</u>
Total equity	<u>18,893,552</u>
Total liabilities and equity	<u>\$ 20,306,693</u>

BEXIL CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenues				
Management and other fees	\$ 483,076	\$ 390,986	\$ 1,374,501	\$ 1,191,794
Dividends and interest	149,107	214,525	444,695	625,605
Unrealized gain on investments	470,145	273,144	902,817	171,542
Realized gain (loss) on investments	(1,941)	10,688	27,317	25,875
	<u>1,100,387</u>	<u>889,343</u>	<u>2,749,330</u>	<u>2,014,816</u>
Expenses				
Compensation and benefits	330,726	285,259	916,149	961,700
General and administrative	104,077	106,855	367,942	366,099
Professional services	47,842	64,517	123,909	143,286
	<u>482,645</u>	<u>456,631</u>	<u>1,408,000</u>	<u>1,471,085</u>
Income before taxes	617,742	432,712	1,341,330	543,731
Income tax expense (benefit)	(24,242)	2,929	(24,176)	25,365
Net income	641,984	429,783	1,365,506	518,366
Less: Net income attributable to noncontrolling interests	5,111	7,452	4,876	6,882
Net income attributable to Bexil Corporation shareholders	<u>\$ 636,873</u>	<u>\$ 422,331</u>	<u>\$ 1,360,630</u>	<u>\$ 511,484</u>
Net income per share				
Basic, attributable to Bexil Corporation shareholders	\$ 0.71	\$ 0.43	\$ 1.48	\$ 0.52
Diluted attributable to Bexil Corporation shareholders	\$ 0.69	\$ 0.43	\$ 1.45	\$ 0.52
Weighted average shares outstanding				
Basic	895,903	980,168	917,247	980,168
Diluted	929,394	980,168	937,259	980,168
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on investment securities available-for-sale, net of tax	\$ (512)	\$ (47)	\$ (3,327)	\$ 541
Other compressive income (loss), net of tax	(512)	(47)	(3,327)	541
Comprehensive income	641,472	429,736	1,362,179	518,907
Less: Comprehensive income attributable to noncontrolling interests	5,111	7,452	4,876	6,882
Comprehensive income attributable to Bexil Corporation shareholders	<u>\$ 636,361</u>	<u>\$ 422,284</u>	<u>\$ 1,357,303</u>	<u>\$ 512,025</u>

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

	2017	2016
Cash flows from operating activities		
Net income	\$ 1,365,506	\$ 518,366
Adjustments to reconcile net income from continuing operations to net cash provided by (used in) operating activities		
Purchase of investment securities, trading	(4,295,859)	(2,339,695)
Proceeds from sales of investment securities, trading	4,207,626	1,125,464
Unrealized gain on investments in securities	(876,764)	(171,542)
Realized gain on investment securities	(27,317)	(25,875)
Depreciation and amortization	270,312	270,312
Stock-based compensation expense	48,255	186,399
(Increase) decrease in accounts receivable	(135,549)	118,021
Increase in payable for securities purchased	132,522	-
Increase in securities sold, not yet purchased	3,351	134,709
Decrease in accounts payable and accrued expenses	(177,839)	(465,077)
Decrease in repurchase reserve	(15,000)	(15,000)
Net cash provided by (used in) operating activities	499,244	(663,918)
Cash flows from investing activities		
Proceeds on sale of investment securities, available-for-sale	979,486	-
Purchase of investment securities, available-for-sale	(735,000)	-
Net cash provided by investing activities	244,486	-
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	56,400	46,500
Net cash (used in) provided by financing activities	(560,046)	46,500
Net increase (decrease) in cash and cash equivalents	183,684	(617,418)
Cash and cash equivalents, beginning of period	1,671,550	6,904,417
Cash and cash equivalents of continuing operations at end of period	\$ 1,855,234	\$ 6,286,999
Supplemental disclosures		
Income taxes paid	\$ 16,764	\$ 25,365
Interest paid	\$ 1,996	\$ 25