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Hercules Technology Announces Over \$30.0 Million in Expected Principal Repayments as Well as Continued Portfolio Exits via Acquisitions in the Fourth Quarter 2008

Company continues to demonstrate the ability to increase its liquidity position in an ever-challenging credit and capital market

PALO ALTO, Calif.--(BUSINESS WIRE)-- Hercules Technology Growth Capital, Inc. (NASDAQ: HTGC), the leading specialty finance company providing venture debt and equity to venture capital and private equity backed technology and life science companies at all stages of development, today announced positive developments in its Life Science portfolio. Several recent liquidity events within the Company's Life Science portfolio demonstrate the continued improvement of Hercules liquidity position despite the unprecedented deterioration of macro economic conditions.

Panacos (PANC), a development-stage biotechnology company, agreed to pay a total of approximately \$18.0 million representing full payment of its existing loan to Hercules.

"Hercules continues to demonstrate that it maintains a rigorous selection process within its Life Science portfolio. This is the most important factor contributing to our high credit quality, and ultimately leads to significant value for the benefit of our shareholders by way of debt repayments, warrants and portfolio company acquisitions," said Manuel A. Henriquez, co-founder, chairman and chief executive officer of Hercules. "Our business model does not rely solely on IPO's or acquisitions for liquidity, so even in the current market environment, Hercules continues to announce positive returns within our portfolio."

Hercules recently reported approximately \$430,000 of gains from the sale of warrants in Epicept Corporation, a specialty pharmaceutical company focused on the development and commercialization of topically-delivered prescription pain management therapeutics and cancer compounds. Hercules has and expects to continue to recognize select gains from sale of warrants from various portfolio companies.

On the acquisition front, Hercules also notes that portfolio company, Memory Pharmaceuticals announced, in November 2008, that it has signed a definitive merger agreement for Roche to acquire all the outstanding shares of Memory Pharmaceuticals. Under the terms of the agreement, Roche, one of the world's leading research-focused healthcare groups in the fields of pharmaceuticals and diagnostics, has agreed to pay an aggregate price of approximately \$50 million in an all-cash transaction.

In addition, Johnson & Johnson (NYSE: JNJ) announced the acquisition of Omrix Biopharmaceuticals, Inc. (NASDAQ: OMRI) for \$438 million through a cash tender offer of \$25.00 per share. The acquisition is expected to close by the end of December 2008. Hercules previously announced in December 2006, realized gross proceeds of approximately \$743,000 on the sale of common stock warrants in Omrix.

About Hercules Technology Growth Capital, Inc.:

Hercules Technology Growth Capital, Inc. is a NASDAQ traded specialty finance company providing debt and equity growth capital to technology and life science companies at all stages of development. Founded in December 2003, the company primarily finances privately held companies backed by leading venture capital and private equity firms. Hercules invests in a broad range of ventures active in technology and life science industries and offers a full suite of growth capital products at all levels of the capital structure. The company is headquartered in Palo Alto, Calif. and has additional offices in the Boston, Boulder, San Diego, and Chicago areas. Providing capital to publicly-traded or privately-held companies backed by leading venture capital and private equity firms involves a high degree of credit risk and may result in potential losses of capital. For more information, please visit www.HTGC.com.

Companies interested in learning more about financing opportunities should contact info@HTGC.com, or call 650.289.3060.

Forward-Looking Statements:

The statements contained in this release that are not purely historical are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to uncertainties and other factors that could cause actual results to differ materially from those expressed in the forward-looking statements including, without limitation, the risks, uncertainties and other factors we identify from time to time in our filings with the Securities and Exchange Commission. Although we believe that the assumptions on which these forward-looking statements are reasonable, any of those assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions also could be incorrect. You should not place undue reliance on these forward-looking statements. The forward-looking statements contained in this release are made as of the date hereof, and Hercules assumes no obligation to update the forward-looking statements for subsequent events.

Source: Hercules Technology Growth Capital, Inc.