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Hercules Technology Anticipates Approximately \$7.0 Million of Liquidity From Two M&A Exit Events Within its Life Science Portfolio

~ Significant FDA or clinical milestones achieved by four portfolio companies within its Life Science portfolio ~

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 expected full repayments and continued liquidity of approximately \$7.0 million as a result of recent M&A activity by Transcept Pharmaceuticals and Guava Technologies. Additionally, Hercules recognizes the significant achievements of four other Life Science portfolio companies - Labopharm Inc., EpiCept Corporation, Kamada and Aegerion Pharmaceuticals, Inc.

"Hercules continues to achieve liquidity events within our Life Science portfolio, despite an otherwise challenging environment," said Manuel A. Henriquez, co-founder, chairman and chief executive officer of Hercules. "Many of our portfolio companies continue to demonstrate their ability to raise new rounds of equity capital, achieve development milestones and realize successful exits against the backdrop of a difficult economic environment. These exits and positive achievements by our portfolio companies are indicative of our ability to identify the right capital structure to finance growth and further underscore our portfolio credit performance."

M&A Exit Events:

Hercules' portfolio company, Transcept Pharmaceuticals (NASDAQ: TSPT) (www.transcept.com), announced completion of its merger with Novacea, Inc. on February 2, 2009. Hercules received full principal repayment of the loan provided to the specialty pharmaceutical company focused on the development and commercialization of proprietary products addressing important therapeutic needs in psychiatry and sleep medicine fields.

Additionally, Millipore Corp. announced on February 2, 2009, that it has entered into an agreement to buy Guava Technologies (www.guavatechnologies.com), a San Francisco Bay Area biotechnology company, for approximately \$22.6 million. The merger is expected to close within the first quarter of 2009. Hercules anticipates full principal repayment of the loan made to Guava Technologies upon the successful completion of the acquisition.

Positive FDA Development and Clinical Milestones:

Labopharm, Inc. (TSX: DDS; NASDAQ: DDSS)

On December 31, 2008, Labopharm Inc. (www.labopharm.com), focused on optimizing the performance of existing small molecule drugs using its proprietary controlled-release technologies, announced that it received FDA approval for its therapy, RYZOLT™, indicated for the management of moderate to moderately severe chronic pain.

EpiCept Corporation (NASDAQ and OMX Nordic Exchange: EPCT)

On January 27, 2009, EpiCept (www.epicept.com), a company focused on the unmet needs in the treatment of cancer and pain, announced positive Phase IIb trial results for its topical treatment for peripheral neuropathy, EpiCept NP-1 Cream. The company expects the positive results to facilitate efforts to find an attractive partner for the Phase III trials.

Kamada (TASE: KMDA)

On October 26, 2008, Kamada (www.kamada.com), an Israeli-based biopharmaceutical company, announced that it successfully confirmed the safety and efficacy of its Intravenous Alpha-1 Antitrypsin (AAT), used to treat hereditary AAT deficiency which leads to Congenital Emphysema, in the Phase III US clinical trial. Earlier in October, Kamada announced positive Phase II study results of its inhaled AAT product demonstrating an excellent safety profile and a reduction in lung inflammation for the treatment of cystic fibrosis.

Aegerion Pharmaceuticals, Inc.

On November 6, 2008, Aegerion Pharmaceuticals (www.aegerion.com), a biopharmaceutical company focused on the treatment of cardiovascular and metabolic disease, announced Phase II data that AEGR-733 demonstrates significant lowering of LDL Cholesterol with promising hepatic safety profile. Preliminary Phase III Data also shows signs of efficacy, safety and tolerability in the most severe patient population.

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, including the uncertainties surrounding the current market turbulence, 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.