

May 3, 2016



# **Hercules Closes Public Offering of \$65.4 Million and \$7.5 Million Over-allotment of 6.25% Notes Due 2024**

***Proceeds from offering provide new liquidity to support continued execution of its portfolio and earnings growth strategy***

***6.25% Notes due 2024 assigned BBB- rating by Standard & Poor's Ratings Services and BBB+ by Kroll Bond Rating Agency***

PALO ALTO, Calif.--(BUSINESS WIRE)-- [Hercules Capital, Inc.](#) (NYSE:HTGC) ("Hercules" or the "Company") today announced that on May 2, 2016, it closed its underwritten offering of an additional \$65.4 million in aggregate principal amount of its 6.25% unsecured notes due 2024 (the "Notes"). The Notes constitute a further issuance of, rank equally in right of payment with, and form a single series with the \$103 million in aggregate principal amount of the 6.25% unsecured notes due 2024 that the Company initially issued on July 14, 2014 (the "Existing Notes"). The underwriters exercised their option to purchase \$7.5 million in aggregate principal amount of Notes to cover over-allotments, bringing the total size of the offering to \$72.9 million.

The Notes will trade with the Existing Notes on the New York Stock Exchange under the symbol "HTGX." The Company intends to invest the net proceeds of this public offering to fund the Company's investments in debt and equity securities in accordance with its investment objective and for other general corporate purposes.

"We are very pleased to have completed this bond offering and once again successfully accessed the debt capital markets," stated Manuel A. Henriquez, chairman and chief executive officer of Hercules. "We believe this offering will enable us to enhance our balance sheet liquidity and grow our investment portfolio. In addition, we are also pleased to receive BBB- and BBB+ credit ratings from Standard & Poor's and Kroll Bond Rating Agency, respectively. These ratings further validate our excellent credit quality, our conservative underwriting strategy and unique investment approach."

The Existing Notes and the Notes will mature on July 30, 2024, and may be redeemed in whole or in part at any time or from time to time at the Company's option on or after July 30, 2017. The Notes will bear interest at a rate of 6.25% per year payable quarterly on January 30, April 30, July 30 and October 30, of each year, beginning July 30, 2016. The Existing Notes and the Notes have been assigned a BBB+ rating by the Kroll Bond Rating Agency. The Notes were also assigned a BBB- rating by Standard & Poor's in conjunction with the additional offering.

Keefe, Bruyette & Woods, A Stifel Company, Jefferies, and RBC Capital Markets, LLC are acting as joint book-running managers of this offering. Sandler O'Neill & Partners, L.P. is

acting as a lead manager of this offering. BB&T Capital Markets and Janney Montgomery Scott are acting as co-managers of this offering.

### **About Hercules Capital, Inc.**

Hercules Capital, Inc. (NYSE: HTGC) ("Hercules") is the leading and largest specialty finance company focused on providing senior secured venture growth loans to high-growth, innovative venture capital-backed companies in a broadly diversified variety of technology, life sciences and sustainable and renewable technology industries. Since inception (December 2003), Hercules has committed \$5.9 billion to 349 companies and is the lender of choice for entrepreneurs and venture capital firms seeking growth capital financing. Companies interested in learning more about financing opportunities should contact [info@htgc.com](mailto:info@htgc.com), or call 650.289.3060.

Hercules' common stock trades on the New York Stock Exchange under the ticker symbol "HTGC."

In addition, Hercules has three outstanding bond issuances of 7.00% Notes due April 2019, 7.00% Notes due September 2019, and 6.25% Notes due July 2024, which trade on the NYSE under the symbols "HTGZ," "HTGY," and "HTGX," respectively.

### **Forward-Looking Statements**

The information disclosed in this press release is made as of the date hereof and reflects Hercules most current assessment of its historical financial performance. Actual financial results filed with the SEC may differ from those contained herein due to timing delays between the date of this release and confirmation of final audit results. 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 volatility, and other factors the Company identifies from time to time in its filings with the SEC. Although Hercules believes that the assumptions on which these forward-looking statements are based 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.

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Hercules Capital, Inc.  
Michael Hara, 650-433-5578 HT-HN  
Investor Relations and Corporate Communications  
[mhara@htgc.com](mailto:mhara@htgc.com)

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