

March 31, 2016

Saratoga Investment Corp. Increases Quarterly Dividend to \$0.41 per Share

Repurchases Shares Under Share Repurchase Plan

NEW YORK, March 31, 2016 /PRNewswire/ -- Saratoga Investment Corp. (NYSE: SAR) ("Saratoga Investment" or "the Company"), a business development company, today announced that its Board of Directors has declared a quarterly dividend of \$0.41 per share for the fiscal quarter ended February 29, 2016, payable on April 27, 2016 to all stockholders of record at the close of business on April 15, 2016. Shareholders will have the option to receive payment of the dividend in cash, or receive shares of common stock pursuant to the Company's dividend reinvestment plan.

The Company also further exercised its share repurchase plan during this quarter. In fiscal year 2015, the Company announced the approval of an open market share repurchase plan that allows it to repurchase up to 200,000 shares of its common stock at prices below its NAV as reported in its then most recently published financial statements. Last quarter, this share repurchase plan was extended for another year, and increased to 400,000 shares through October 2016. As of March 30, 2016, Saratoga repurchased 37,920 shares at a weighted average price of \$14.10 per share under this plan.

"In light of the volatility and challenges facing the BDC market, we are very pleased to continue paying an increasing and healthy quarterly dividend," said Christian L. Oberbeck, Chairman and Chief Executive Officer of Saratoga Investment. "Our ability to over-earn our dividend results from the stable and growing income yield generated from our prudently increasing and high quality portfolio. During this past quarter, we have repurchased 37,920 shares demonstrating our commitment to building shareholder value while maintaining adequate capital to leverage market opportunities."

Mike Grisius, President and Chief Investment Officer, said, "Our financial performance rests on a new deal pipeline that remains productive despite market tightening. We enjoy strategic flexibility in how we source and deploy capital and feel well positioned to face current market conditions."

During the last four quarters, the Company has paid quarterly dividends of \$0.27 per share for the quarter ended February 28, 2015, \$0.33 per share for the quarter ended May 31, 2015, \$0.36 per share for the quarter ended August 31, 2015, \$0.40 per share for the quarter ended November 30, 2015, and a special dividend of \$1.00 per share in June 2015.

Saratoga Investment shareholders who hold their shares with a broker must affirmatively instruct their brokers prior to the record date if they prefer to receive this dividend and future dividends in common stock. The number of shares of Common Stock to be delivered shall be determined by dividing the total dollar amount by 95% of the average of the market prices per share at the close of trading on the ten (10) trading days immediately preceding (and including) the payment date.

About Saratoga Investment Corp.

Saratoga Investment Corp. is a specialty finance company that provides customized financing solutions to U.S. middle-market businesses. The Company invests primarily in mezzanine debt, senior and unitranche leveraged loans and, to a lesser extent, equity to provide financing for change of ownership transactions, strategic acquisitions, recapitalizations and growth initiatives in partnership with business owners, management teams and financial sponsors. Saratoga Investment Corp.'s objective is to create attractive risk-adjusted returns by generating current income and long-term capital appreciation from its debt and equity investments. Saratoga Investment Corp. has elected to be regulated as a business development company under the Investment Company Act of 1940 and is externally-managed by Saratoga Investment Advisors, LLC, an SEC-registered investment advisor focusing on credit-driven strategies. Saratoga Investment Corp. owns an SBIC-licensed subsidiary and manages a \$300 million collateralized loan obligation ("CLO") fund. It also owns 100% of the subordinated notes of the CLO. These diverse funding sources, combined with a permanent capital base, enable Saratoga Investment Corp. to provide a broad range of financing solutions.

Forward Looking Statements

This press release contains certain forward-looking statements. These forward-looking statements are subject to risks and uncertainties and other factors enumerated in this press release and the filings Saratoga Investment Corp. makes with the SEC. Saratoga Investment Corp. undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

[increases-quarterly-dividend-to-041-per-share-300244379.html](https://www.foxbusiness.com/story/increases-quarterly-dividend-to-041-per-share-300244379.html)

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