



## **Hercules' Leading Originations Platform Continues to Finance Some of the Most Promising Innovative and Disruptive Venture-Backed Companies in the Market**

*Eight Hercules Portfolio Companies Have Completed or Announced an IPO or M&A Liquidity Event Year-to-Date*

*Hercules Congratulates Each Portfolio Company on Their Recent Liquidity Event*

**PALO ALTO, Calif., September 15, 2016** – [Hercules Capital, Inc.](#) (NYSE: HTGC) (“Hercules” or the “Company”), the leading specialty finance company to innovative, venture growth, pre-IPO and M&A stage companies backed by leading venture capital firms, is pleased to announce the latest liquidity events for eight (8) of its portfolio companies: TPI Composites (NASDAQ: TPIC), which recently completed an initial public offering (“IPO”); and ReachLocal, Touch Commerce, Celator Pharmaceuticals, Ping Identity, IronPlanet, Sungevity, and Bind Therapeutics, and all of which recently completed or announced a merger or acquisition.

### **IPO Events**

**TPI Composites, Inc.**, (NASDAQ: TPIC) the largest U.S.-based independent manufacturer of composite wind blades for the wind energy market, raised \$69.0 million by offering 6.25 million shares of its common stock at \$11.00 per share in July 2016. Hercules committed a total of \$20.0 million in two (2) venture debt financings to TPI Composites beginning in June 2013. Hercules held warrants for 160 shares of Preferred Series B stock as of June 30, 2016, and represents an unrealized gain of approximately \$1.2 million as of the closing price of \$18.47 for TPI Composites on September 14, 2016.

As of September 12, 2016, Hercules held warrant and equity positions in four (4) portfolio companies that had filed confidential Registration Statements under the JOBS Act with the Securities and Exchange Commission in contemplation of a potential IPO. There can be no assurances that companies that have yet to complete their IPOs will do so.

Hercules holds equity and warrant positions in 52 and 139 portfolio companies, respectively, as of June 30, 2016, representing potential future additional returns to investors. Not all companies will go public or complete an M&A event.

### **M&A Events**

**ReachLocal, Inc.** (NASDAQ: RLOC), a leader in powering online marketing, helping local businesses grow and operate their business better with leading technology and expert service, was acquired by Gannett Co., Inc., (NYSE: GCI), a next-generation media company committed to strengthening communities across the company’s network, for \$4.60 per share in cash, via a tender offer. The transaction closed on August 9, 2016. Hercules initially committed \$25.0 million in venture debt financing to ReachLocal in April 2015. The Company recognized a net realized gain of \$610,000 from the transaction, generating a fully realized internal rate of return (“IRR”) of approximately 24.1% from its loan repayments and equity/warrant gains.

**TouchCommerce**, a technology partner and leader in digital customer service and engagement solutions, was acquired by Nuance Communications, Inc. (NASDAQ: NUAN), a leading provider of voice and language solutions for businesses and consumers around the world, for \$215.0 million in total consideration. The transaction closed on August 16, 2016. Hercules committed a total of \$18.0 million in three (3) venture debt financings to TouchCommerce beginning in June 2013. Hercules held warrants for 2.3 million shares of Preferred Series E stock, as of June 30, 2016, and represents a realized gain of approximately \$698,000 and an unrealized gain of approximately \$770,000 as of the closing price of \$14.46 for Nuance Communications on September 14, 2016.

**Celator Pharmaceuticals, Inc.** (NASDAQ: CPXX), a pharmaceutical company developing new and more effective therapies to treat cancer, was acquired by Jazz Pharmaceuticals, Inc. (NASDAQ: JAZZ), an international biopharmaceutical company focused on improving patients' lives by identifying, developing and commercializing meaningful products that address unmet medical needs, for \$30.25 per share. The transaction closed on July 12, 2016. Hercules initially committed \$15.0 million in venture debt financing to Celator Pharmaceuticals in May 2014. The Company recognized a net realized gain of \$1.5 million from the sale of shares, generating a fully realized IRR of approximately 19.8% from its loan repayments and equity/warrant gains.

**Ping Identity**, the leader in Identity Defined Security which allows employees, customers and partners access to the applications they need, was acquired by Vista Equity Partners, a leading private equity firm focused on software, data and technology-enabled businesses. Financial terms were not disclosed. The transaction closed on June 30, 2016. Hercules initially committed \$3.0 million in venture debt financing to Ping Identity in March 2006. The Company recognized a net realized gain of \$1.3 million from the transaction, generating a fully realized IRR of approximately 19.7% from its loan repayments and equity/warrant gains.

**IronPlanet**, a leading online marketplace for used heavy equipment and other durable assets, announced that it had entered into a definitive agreement on August 29, 2016 under which Ritchie Bros. Auctioneers Incorporated (NYSE & TSX: RBA), the world's largest industrial auctioneer and a leading equipment distributor, will acquire IronPlanet for approximately US \$758.5 million, subject to customary closing adjustments. Hercules initially committed \$37.5 million in venture debt financing to IronPlanet in October 2014. Hercules currently holds warrants for 1.2 million shares of Preferred Series D stock, as of June 30, 2016.

**Sungevity, Inc.**, a technology-driven residential and commercial solar energy solutions provider, announced that it had entered into a definitive merger agreement with Easterly Acquisition Corp. (NASDAQ: EACQ), an asset management firm that develops engaged partnerships with innovative, growth-oriented companies. Upon completion of the transaction, Easterly will change its name to Sungevity Holdings, Inc. and will trade on the NASDAQ stock exchange under the ticker symbol "SGVT." Hercules committed a total of \$61.8 million in three (3) venture debt and equity financings to Sungevity beginning in March 2015. Hercules currently holds 68.8 million shares of common stock, and warrants for 20.0 million shares of common stock and 32.5 million shares of Preferred Series C stock, as of June 30, 2016.

**Bind Therapeutics, Inc.** (NASDAQ: BIND), a clinical stage biopharmaceutical company developing a new class of programmable therapeutics, was acquired by Pfizer, Inc. (NYSE: PFE), one of the world's largest pharmaceutical companies, for \$40.0 million in total consideration. Hercules committed a total of \$24.5 million in three (3) venture debt financings to Bind Therapeutics beginning in June 2011.

### **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 broad variety of technology, life sciences and sustainable and renewable technology industries. Since inception (December 2003), Hercules has committed more than \$6.1 billion to over 350 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 (NYSE) under the ticker symbol "HTGC."

In addition, Hercules has three outstanding bond issuances of:

- 7.00% Unsecured Notes due April 2019, NYSE listed under the symbols "HTGZ,"
- 7.00% Unsecured Notes due September 2019, NYSE listed under the symbols "HTGY," and
- 6.25% Unsecured Notes due July 2024, NYSE listed under the symbols "HTGX."

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