

October 16, 2012

## **Hercules Technology Growth Capital Announces Investment Portfolio Update for Q3 2012 With New Originations Totaling More Than \$136.0 Million**

- *Year-to-date new originations of approximately \$377.0 million*
- *Portfolio company **Trulia** (NYSE: TRLA) completes its IPO*
- *Four portfolio companies in IPO registration as of September 30, 2012*
- *Senior notes and equity offering enhance Hercules' balance sheet and liquidity position for portfolio growth*

PALO ALTO, Calif.--(BUSINESS WIRE)-- [Hercules Technology Growth Capital, Inc.](#) (NYSE: HTGC), the leading specialty finance company focused on providing senior secured loans to venture capital-backed companies in technology-related markets, including technology, biotechnology, life science and cleantech industries, at all stages of development today announced its Q3 2012 portfolio update. This portfolio update follows the interim Q3 quarter-to-date update issued on September 11, 2012.

"Against a backdrop of continued strong demand for venture debt during the third quarter, Hercules originated a number of new debt commitments to innovative portfolio companies, the vast majority of which were late in the quarter (September), despite continued global economic uncertainty and the upcoming U.S. elections," said Manuel A. Henriquez, Hercules co-founder, chairman and chief executive officer. "In addition, we took significant steps to bolster and strengthen our balance sheet, adding well over \$100 million in additional liquidity through a diversified mix of senior note and equity offerings, which will support portfolio growth for the fourth quarter of 2012 and beyond."

### **Additional New Originations for Q3:**

During the third quarter of 2012, Hercules originated approximately \$136.0 million of debt and equity commitments to new and existing portfolio companies. As previously announced, Hercules had originated commitments of more than \$93.0 million to new and existing portfolio companies from July 1, 2012 to September 11, 2012.

New third quarter investment commitments, completed since September 11, 2012 include:

- \$25.0 million commitment to **Lanx**, a privately held medical device company focused on developing and commercializing innovative devices for spinal surgery.
- \$10.0 million commitment to **US HIFU**, a privately held healthcare company and a world leader in minimally invasive, high-intensity focused ultrasound (HIFU) technologies.
- \$3.0 million commitment to **JackBe**, a leading provider of Real-Time Operational Intelligence software, a new emerging segment of Business Intelligence.

In addition, during this period, Hercules provided \$5.4 million in commitments to existing portfolio companies. Together with the previously announced commitments to existing portfolio companies of approximately \$25.0 million from July 1, 2012 to September 11, 2012, Hercules provided a total of approximately \$30.4 million in commitments to existing portfolio companies as of September 30, 2012.

### **Signed Term Sheets - Additional Future Portfolio Growth Potential:**

As of September 30, 2012, Hercules has approximately \$133.5 million of signed non-binding term sheets subject to completion of definitive documentation with prospective portfolio companies, which generally convert to contractual commitments within approximately 45 to 60 days. Non-binding term sheets are subject to completion of Hercules' due diligence, investment committee approval, legal review and negotiation of definitive documentation. It is important to note not all signed, non-binding term sheets are expected to close and do not necessarily represent any future cash requirements or earning assets.

### **One Portfolio Company Completes IPO:**

On September 20, 2012, portfolio company **Trulia** completed its IPO and its shares are trading on the New York Stock Exchange (NYSE) under the symbol "TRLA."

## **Current Companies in IPO Registration and Existing Warrant Portfolio:**

As of September 30, 2012, Hercules had warrant positions in more than 115 different technology, life science and cleantech companies, and four portfolio companies had filed Form S-1 Registration Statements in contemplation of a potential IPO:

1. iWatt, Inc.
2. Glori Energy, Inc.
3. Paratek Pharmaceuticals, Inc.
4. One company filed a Form S-1 Registration Statement confidentially under the JOBS Act.

There can be no assurances that these companies will complete their IPOs in a timely manner or at all.

## **Capital Raising Activities:**

During the quarter, Hercules closed a public offering of approximately \$85.0 million in aggregate principal amount of its 7.00 percent Senior Unsecured Notes due 2019. The September 2019 Notes trade on the New York Stock Exchange under the new trading symbol "HTGY."

On October 3, 2012, Hercules closed a public offering of 3.1 million shares of common stock at a price of \$10.85 per share, resulting in proceeds of approximately \$33.6 million, excluding other offering related expenses.

## **About Hercules Technology Growth Capital, Inc.:**

Hercules Technology Growth Capital, Inc. (NYSE: HTGC) ("Hercules"), is a leading specialty finance firm providing loans to technology-related companies, including technology, life science and cleantech industries at all stages of development. Since inception (December 2003), Hercules has committed more than \$3.0 billion to more than 210 companies and is the lender of choice for entrepreneurs and venture capital firms seeking growth capital financing.

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

In addition, Hercules has two outstanding bond issuances of 7.00 percent Senior Unsecured Notes due 2019, which trade on the NYSE under the symbols "HTGZ" and "HTGY."

Companies interested in learning more about financing opportunities should contact [info@htgc.com](mailto: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 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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