



Kohlberg Capital Corporation Declares 2008 Third Quarter Dividend of \$0.35 Per Share

NEW YORK, Sep 22, 2008 (GlobeNewswire via COMTEX News Network) -- Kohlberg Capital Corporation (Nasdaq:KCAP) ("Kohlberg Capital") today announced that its Board of Directors has declared a cash dividend of \$0.35 per share on shares of its common stock for the quarter ended September 30, 2008. The dividend is payable on October 28, 2008 to shareholders of record as of October 9, 2008.

"This quarter's dividend declaration is consistent with our stated strategy of supporting the dividend with the estimated current income and not relying on capital gains, and in this quarter we again expect to cover the dividend with net investment income. In addition, the third quarter's net investment income is expected to reflect resets and movements in the LIBOR benchmark rate," said Michael Wirth, Chief Financial Officer. "Overall, with no additional issuer defaults since the beginning of the third quarter, our portfolio quality remains strong."

We have adopted a dividend reinvestment plan ("DRIP") that provides for reinvestment of our dividends on behalf of our stockholders, unless a stockholder elects to receive cash. As a result, if we declare a cash dividend, our stockholders who have not "opted out" of our dividend reinvestment plan will have their cash dividends automatically reinvested in additional shares of our common stock, rather than receiving the cash dividends. Please contact your broker or other financial intermediary for more information regarding the DRIP.

About Kohlberg Capital Corporation (KCAP):

Kohlberg Capital Corporation is a publicly traded, internally managed business development company. Our middle market investment business originates, structures, finances and manages a portfolio of term loans, mezzanine investments and selected equity securities in middle market companies. Our wholly-owned portfolio company, Katonah Debt Advisors, manages CLO Funds that invest in broadly syndicated corporate term loans, high-yield bonds and other credit instruments.

The Kohlberg Capital logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3121>

Kohlberg Capital Corporation's filings with the Securities and Exchange Commission, earnings releases, press releases and other financial, operational and governance information are available on the Company's website at www.kohlbergcapital.com.

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