



Patriot Capital Funding Arranges a \$32.5 Million Financing in Support of the Recapitalization of a Leading Provider of Services for the Biomedical Research Industry by DFW Capital Partners

WESTPORT, CT - October 15, 2008 - Patriot Capital Funding, Inc. (NasdaqGS: PCAP), a specialty finance company providing flexible financing solutions to small- to mid-sized companies primarily in transactions initiated by private equity sponsors, today announced that it acted as the lead arranger and administrative agent for a \$32.5 million financing, comprised of senior and subordinated debt, and an equity co-investment. Patriot Capital Funding committed a total of \$22.5 million to the financing, syndicating the remainder to another financial institution. Patriot Capital Funding's total funded capital at close was \$21.3 million, inclusive of a \$1.0 million equity co-investment. Patriot Capital Funding's investment supported the recapitalization of a leading provider of services for the biomedical research industry by DFW Capital Partners.

"We are excited to have closed our first transaction with the team at DFW Capital Partners and look forward to opportunities to work together again," said Richard Buckanavage, President and CEO of Patriot Capital Funding. "We were fortunate to be able to leverage the industry expertise at DFW as well as our own internal knowledge of this segment gained from a prior investment in the healthcare field. Because of the defensive nature of the healthcare industry and widening credit spreads in our end of the market, we believe this is a particularly attractive opportunity for Patriot Capital Funding," concluded Mr. Buckanavage.

Keith Pennell, General Partner with DFW Capital Partners, added "Patriot Capital Funding was an extremely valuable partner for DFW throughout the transaction. We were impressed with their consistency and commitment to the deal amidst a very challenging environment in the financial markets. We look forward to working with them on future transactions."

About Patriot Capital Funding, Inc.

Patriot Capital Funding, Inc. (www.patcapfunding.com) is a specialty finance company providing customized financing solutions primarily to private equity sponsors focused on making investments in small- to mid-sized companies. Patriot Capital Funding typically invests in companies with annual revenues ranging from \$10 million to \$100 million that operate in diverse industry sectors. Investments usually take the form of senior secured loans, junior secured loans, and subordinated debt investments in addition to equity or equity-related instruments. Patriot Capital Funding also offers "one-stop" financing, which typically includes a revolving credit line, one or more senior term loans and a subordinated debt investment. Patriot Capital Funding makes equity co-investments of generally up to \$3.0 million.

About DFW Capital Partners

DFW Capital Partners was founded in 1983 to provide private equity capital to high-growth middle-market service companies. DFW actively manages several pools of committed private capital, with over \$200 million in aggregate commitments. DFW's funding sources include institutional investors as well as high net worth individuals and family offices. DFW focuses on control private equity investments in service companies taking advantage of the accelerating trend toward outsourcing of both non-core functions and entire business processes. Companies of interest include healthcare, business and industrial service providers. Over the past 15 years, DFW has completed 29 platform investments and over 55 add-on acquisitions on behalf of its platform companies. For more information please visit www.dfwcapital.com.

Forward-Looking Statements

This press release may contain certain forward-looking statements, including statements with regard to the future performance of Patriot Capital Funding. Words such as "believes," "expects," "projects," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements, and some of these factors are enumerated in Patriot Capital Funding's annual report on Form 10-K for the year ended December 31, 2007, and other filings with the Securities and Exchange Commission. Patriot Capital Funding undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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