

HERCULES TECHNOLOGY GROWTH CAPITAL INC  
Form 10-Q  
May 01, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For The Quarterly Period Ended March 31, 2014**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**Commission File Number: 814-00702**

**HERCULES TECHNOLOGY GROWTH  
CAPITAL, INC.**

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(Exact Name of Registrant as Specified in its Charter)

|   |  |
|---|--|
| <b>Maryland</b><br>(State or Jurisdiction of<br>Incorporation or Organization)                                  | <b>743113410</b><br>(IRS Employer<br>Identification No.) |
| <b>400 Hamilton Ave., Suite 310</b><br><b>Palo Alto, California</b><br>(Address of Principal Executive Offices) | <b>94301</b><br>(Zip Code)                               |
| <b>(650) 289-3060</b><br>(Registrant's Telephone Number, Including Area Code)                                   |  |

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  Accelerated Filer

Non-Accelerated Filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

On April 28, 2014, there were 62,610,806 shares outstanding of the Registrant's common stock, \$0.001 par value.

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**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.**

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In this Quarterly Report, the Company, Hercules, we, us and our refer to Hercules Technology Growth Capital, Inc. and its wholly owned subsidiaries and its affiliated securitization trusts unless the context otherwise requires.

**ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS**  
**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.**

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES****(unaudited)****(dollars in thousands, except per share data)**

|   | <b>March 31,<br/>2014</b> | <b>December 31,<br/>2013</b> |
|---|---------------------------|------------------------------|
| <b>Assets</b>   |                           |                              |
| Investments:  |                           |                              |
| Non-control/Non-affiliate investments (cost of \$872,226 and \$891,059, respectively) | \$ 879,469                | \$ 899,314                   |
| Affiliate investments (cost of \$15,402 and \$15,238, respectively)                   | 11,193                    | 10,981                       |
| Total investments, at value (cost of \$887,628 and \$906,297, respectively)           | 890,662                   | 910,295                      |
| Cash and cash equivalents   | 224,538                   | 268,368                      |
| Restricted cash   | 4,784                     | 6,271                        |
| Interest receivable   | 8,176                     | 8,962                        |
| Other assets  | 31,239                    | 27,819                       |
| Total assets  | \$ 1,159,399              | \$ 1,221,715                 |
| <b>Liabilities</b>  |                           |                              |
| Accounts payable and accrued liabilities  | \$ 8,962                  | \$ 14,268                    |
| Long-term Liabilities (Convertible Senior Notes)                                      | 72,789                    | 72,519                       |
| Asset-Backed Notes  | 63,782                    | 89,557                       |
| 2019 Notes  | 170,364                   | 170,364                      |
| Long-term SBA Debentures  | 190,200                   | 225,000                      |
| Total liabilities   | \$ 506,097                | \$ 571,708                   |
| Commitments and Contingencies (Note 10)   |                           |                              |
| <b>Net assets consist of:</b>   |                           |                              |
| Common stock, par value   | 62                        | 62                           |
| Capital in excess of par value  | 656,869                   | 656,594                      |
| Unrealized appreciation on investments  | 2,607                     | 3,598                        |
| Accumulated realized losses on investments  | (10,368)                  | (15,240)                     |
| Undistributed net investment income   | 4,132                     | 4,993                        |
| <b>Total net assets</b>   | <b>\$ 653,302</b>         | <b>\$ 650,007</b>            |
| <b>Total liabilities and net assets</b>   | <b>\$ 1,159,399</b>       | <b>\$ 1,221,715</b>          |
| <b>Shares of common stock outstanding (\$0.001 par value, 100,000,000 authorized)</b> | <b>61,760</b>             | <b>61,837</b>                |

**Net asset value per share**

See notes to consolidated financial statements.

\$ 10.58      \$ 10.51

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The following table presents the assets and liabilities of our consolidated securitization trust for asset-backed notes (see Note 4), which is a variable interest entity ( VIE ). The assets of our securitization VIE can only be used to settle obligations of our consolidated securitization VIE, these liabilities are only the obligations of our consolidated securitization VIE, and the creditors (or beneficial interest holders) do not have recourse to our general credit. These assets and liabilities are included in the Consolidated Statements of Assets and Liabilities above.

| (Dollars in thousands)  | March 31,<br>2014 | December 31,<br>2013 |
|---|-------------------|----------------------|
| <b>ASSETS</b>   |                   |                      |
| Restricted Cash   | \$ 4,784          | \$ 6,271             |
| Total investments, at value (cost of \$137,301 and \$166,513, respectively) | 135,138           | 165,445              |
| Total assets  | \$ 139,922        | \$ 171,716           |
| <b>LIABILITIES</b>  |                   |                      |
| Asset-Backed Notes  | \$ 63,782         | \$ 89,557            |
| Total liabilities   | \$ 63,782         | \$ 89,557            |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED STATEMENTS OF OPERATIONS****(unaudited)****(in thousands, except per share data)**

|  | <b>Three Months Ended March 31,</b> |                  |
|--|-------------------------------------|------------------|
|  | <b>2014</b>                         | <b>2013</b>      |
| Investment income:   |                                     |                  |
| Interest Income  |                                     |                  |
| Non-Control/Non-Affiliate investments  | \$ 29,382                           | \$ 28,319        |
| Affiliate investments  | 1,464                               | 610              |
| <b>Total interest income</b>   | <b>30,846</b>                       | <b>28,929</b>    |
| Fees   |                                     |                  |
| Non-Control/Non-Affiliate investments  | 4,913                               | 2,028            |
| Affiliate investments  | 11                                  |                  |
| <b>Total fees</b>  | <b>4,924</b>                        | <b>2,028</b>     |
| <b>Total investment income</b>   | <b>35,770</b>                       | <b>30,957</b>    |
| Operating expenses:  |                                     |                  |
| Interest   | 7,148                               | 7,631            |
| Loan fees  | 2,076                               | 1,079            |
| General and administrative   | 2,461                               | 2,252            |
| Employee Compensation:   |                                     |                  |
| Compensation and benefits  | 4,221                               | 3,798            |
| Stock-based compensation   | 1,560                               | 1,165            |
| <b>Total employee compensation</b>   | <b>5,781</b>                        | <b>4,963</b>     |
| <b>Total operating expenses</b>  | <b>17,466</b>                       | <b>15,925</b>    |
| <b>Net investment income</b>   | <b>18,304</b>                       | <b>15,032</b>    |
| Net realized gain on investments   |                                     |                  |
| Non-Control/Non-Affiliate investments  | 4,872                               | 1,991            |
| <b>Total net realized gain on investments</b>                                    | <b>4,872</b>                        | <b>1,991</b>     |
| Net change in unrealized appreciation (depreciation) on investments              |                                     |                  |
| Non-Control/Non-Affiliate investments  | (1,038)                             | (768)            |
| Affiliate investments  | 47                                  | 434              |
| <b>Total net change in unrealized appreciation (depreciation) on investments</b> | <b>(991)</b>                        | <b>(334)</b>     |
| <b>Total net realized and unrealized gain</b>                                    | <b>3,881</b>                        | <b>1,657</b>     |
| <b>Net increase in net assets resulting from operations</b>                      | <b>\$ 22,185</b>                    | <b>\$ 16,689</b> |

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Net investment income before investment gains and losses per common share:

|       |         |         |
|-------|---------|---------|
| Basic | \$ 0.30 | \$ 0.27 |
|-------|---------|---------|

Change in net assets per common share:

|       |         |         |
|-------|---------|---------|
| Basic | \$ 0.36 | \$ 0.30 |
|-------|---------|---------|

|         |         |         |
|---------|---------|---------|
| Diluted | \$ 0.35 | \$ 0.30 |
|---------|---------|---------|

Weighted average shares outstanding

|       |        |        |
|-------|--------|--------|
| Basic | 60,870 | 53,682 |
|-------|--------|--------|

|         |        |        |
|---------|--------|--------|
| Diluted | 62,695 | 53,823 |
|---------|--------|--------|

Dividends declared per common share:

|       |         |         |
|-------|---------|---------|
| Basic | \$ 0.31 | \$ 0.27 |
|-------|---------|---------|

See notes to consolidated financial statements.



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## HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(unaudited)

(dollars and shares in thousands)

|   | Common Stock |           |                                      | Unrealized<br>Appreciation<br>(Depreciation)<br>on Investments | Accumulated<br>Realized<br>Gains(Losses)<br>on Investments | Undistributed<br>Net<br>Investment<br>Income/<br>(Distributions<br>in Excess of<br>Investment<br>Income) | Provision for<br>Income Taxes<br>on Investment<br>Gains | Net<br>Assets |
|---|--------------|-----------|--------------------------------------|--|--|--|---|---------------|
|   | Shares       | Par Value | Capital in<br>excess<br>of par value |  |  |  |   |               |
| <b>Balance at December 31, 2012</b>                     | 52,925       | \$ 53     | \$ 564,508                           | \$ (7,947)   | \$ (36,916)  | \$ (3,388)   | \$ (342)  | \$ 515,968    |
| Net increase in net assets resulting<br>from operations |              |           |                                      | (334)  | 1,991  | 15,032   |   | 16,689        |
| Issuance of common stock                                | 80           |           | 910                                  |  |  |  |   | 910           |
| Issuance of common stock under<br>restricted stock plan | 531          | 1         | (1)                                  |  |  |  |   |               |
| Issuance of common stock as stock<br>dividend           | 40           |           | 488                                  |  |  |  |   | 488           |
| Retired shares from net issuance                        | (72)         |           | (1,808)                              |  |  |  |   | (1,808)       |
| Public Offering   | 8,050        | 8         | 95,550                               |  |  |  |   | 95,558        |
| Dividends declared                                      |              |           |                                      |  |  | (13,382)   |   | (13,382)      |
| Stock-based compensation                                |              |           | 1,185                                |  |  |  |   | 1,185         |
| <b>Balance at March 31, 2013</b>                        | 61,554       | \$ 62     | \$ 660,833                           | \$ (8,281)   | \$ (34,925)  | \$ (1,739)   | \$ (342)  | \$ 615,608    |
| <b>Balance at December 31, 2013</b>                     | 61,837       | \$ 62     | \$ 656,594                           | \$ 3,598   | \$ (15,240)  | \$ 5,335   | \$ (342)  | \$ 650,007    |
| Net increase in net assets resulting<br>from operations |              |           |                                      | (991)  | 4,872  | 18,304   |   | 22,185        |
| Issuance of common stock                                | 62           |           | 727                                  |  |  |  |   | 727           |
| Retired shares from restricted stock<br>vesting         | (120)        |           |                                      |  |  |  |   |               |
| Issuance of common stock as stock<br>dividend           | 29           |           | 440                                  |  |  |  |   | 440           |
| Retired shares from net issuance                        | (48)         |           | (2,472)                              |  |  |  |   | (2,472)       |
| Dividends declared                                      |              |           |                                      |  |  | (19,165)   |   | (19,165)      |
| Stock-based compensation                                |              |           | 1,580                                |  |  |  |   | 1,580         |
| <b>Balance at March 31, 2014</b>                        | 61,760       | \$ 62     | \$ 656,869                           | \$ 2,607   | \$ (10,368)  | \$ 4,474   | \$ (342)  | \$ 653,302    |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED STATEMENTS OF CASH FLOWS****(unaudited)****(dollars in thousands)**

|   | <b>For the Three Months Ended<br/>March 31,</b> |             |
|---|---|-------------|
|   | <b>2014</b>                                     | <b>2013</b> |
| <b>Cash flows from operating activities:</b>  |   |             |
| Net increase in net assets resulting from operations  | \$ 22,185                                       | \$ 16,689   |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities: |   |             |
| Purchase of investments   | (113,887)                                       | (139,095)   |
| Principal payments received on investments  | 132,646   | 75,987      |
| Proceeds from sale of investments   | 7,598   | 5,212       |
| Net unrealized depreciation on investments  | 991   | 334         |
| Net realized gain on investments  | (4,872)   | (1,991)     |
| Accretion of paid-in-kind principal   | (659)   | (555)       |
| Accretion of loan discounts   | (3,378)   | (1,455)     |
| Accretion of loan discount on Convertible Senior Notes  | 271   | 271         |
| Accretion of loan exit fees   | 1,705   | (1,819)     |
| Change in deferred loan origination revenue   | (457)   | 313         |
| Unearned fees related to unfunded commitments   | (2,723)   | (856)       |
| Amortization of debt fees and issuance costs  | 1,913   | 938         |
| Depreciation  | 54  | 68          |
| Stock-based compensation and amortization of restricted stock grants  | 1,579   | 1,185       |
| Change in operating assets and liabilities:   |   |             |
| Interest and fees receivable (payable)  | 786   | (41)        |
| Prepaid expenses and other assets   | (2,557)   | 33          |
| Accounts payable  | (41)  | (250)       |
| Accrued liabilities   | (5,307)   | (2,682)     |
| Net cash provided by (used in) operating activities   | 35,847  | (47,714)    |
| <b>Cash flows from investing activities:</b>  |   |             |
| Purchases of capital equipment  | (4)   | (24)        |
| Reduction of (investment in) restricted cash  | 1,487   | (810)       |
| Other long-term assets  |   | (30)        |
| Net cash provided by (used in) investing activities   | 1,483   | (864)       |
| <b>Cash flows from financing activities:</b>  |   |             |
| Proceeds from issuance (repurchase of employee shares due to restricted stock vesting) of common stock, net                           | (1,873)   | 94,660      |
| Dividends paid  | (18,725)  | (12,894)    |
| Repayments of Asset-Backed Notes  | (25,775)  |             |
| Repayments of credit facilities   | (34,800)  | (9,254)     |
| Fees paid for credit facilities and debentures  | 13  |             |
| Net cash provided by (used in) financing activities   | (81,160)  | 72,512      |
| Net increase (decrease) in cash and cash equivalents  | (43,830)  | 23,934      |

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|  |            |            |
|--|------------|------------|
| Cash and cash equivalents at beginning of period                 | 268,368    | 182,994    |
| Cash and cash equivalents at end of period                       | \$ 224,538 | \$ 206,928 |
| <b>Supplemental non-cash investing and financing activities:</b> |            |            |
| Dividends Reinvested   | \$ 440     | \$ 488     |
| Paid-in-Kind Principal   | \$ 659     | \$ 555     |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| Portfolio Company  | Sub-Industry        | Type of Investment <sup>(1)</sup> | Maturity Date | Interest Rate and Floor                                | Principal Amount | Cost <sup>(2)</sup> | Value <sup>(3)</sup> |        |
|--|---------------------|-----------------------------------|---------------|--|------------------|---------------------|----------------------|--------|
| <b>Debt</b>  |                     |                                   |               |  |                  |                     |                      |        |
| <b>Biotechnology Tools</b>                                     |                     |                                   |               |  |                  |                     |                      |        |
| <b>Under 1-5 Years Maturity</b>                                |                     |                                   |               |  |                  |                     |                      |        |
| Labcyte, Inc. <sup>(11)(14)(15)</sup>                          | Biotechnology Tools | Senior Secured                    | June 2016     | Interest rate PRIME + 6.70%<br>or Floor rate of 9.95%  | \$ 3,890         | \$ 3,976            | \$ 3,936             |        |
| <b>Subtotal: 1-5 Years Maturity</b>                            |                     |                                   |               |  |                  | 3,976               | 3,936                |        |
| <b>Subtotal: Biotechnology Tools (0.60%)*</b>                  |                     |                                   |               |  |                  | 3,976               | 3,936                |        |
| <b>Energy Technology</b>                                       |                     |                                   |               |  |                  |                     |                      |        |
| <b>Under 1 Year Maturity</b>                                   |                     |                                   |               |  |                  |                     |                      |        |
| American Superconductor Corporation <sup>(3)(11)(14)</sup>     | Energy Technology   | Senior Secured                    | December 2014 | Interest rate PRIME + 7.25%<br>or Floor rate of 11.00% | \$ 3,462         | 3,892               | 3,892                |        |
| Enphase Energy, Inc. <sup>(11)(14)</sup>                       | Energy Technology   | Senior Secured                    | June 2014     | Interest rate PRIME + 5.75%<br>or Floor rate of 9.00%  | \$ 669           | 717                 | 717                  |        |
| Scifiniti (pka Integrated Photovoltaics, Inc.) <sup>(15)</sup> | Energy Technology   | Senior Secured                    | February 2015 | Interest rate PRIME + 7.38%<br>or Floor rate of 10.63% | \$ 1,166         | 1,154               | 1,154                |        |
| Stion Corporation <sup>(4)(6)(14)</sup>                        | Energy Technology   | Senior Secured                    | February 2015 | Interest rate PRIME + 8.75%<br>or Floor rate of 12.00% | \$ 4,182         | 4,169               | 4,169                |        |
| TAS Energy, Inc. <sup>(14)</sup>                               | Energy Technology   | Senior Secured                    | February 2015 | Interest rate PRIME + 7.75%<br>or Floor rate of 11.00% | \$ 12,803        | 12,811              | 12,811               |        |
|  | Energy Technology   | Senior Secured                    | February 2015 | Interest rate PRIME + 6.25%<br>or Floor rate of 9.50%  | \$ 3,000         | 2,900               | 2,900                |        |
| Total TAS Energy, Inc.   |                     |                                   |               |  |                  | \$ 15,803           | 15,711               | 15,711 |
| <b>Subtotal: Under 1 Year Maturity</b>                         |                     |                                   |               |  |                  | 25,644              | 25,644               |        |
| <b>Under 1-5 Years Maturity</b>                                |                     |                                   |               |  |                  |                     |                      |        |
| Agrivida, Inc. <sup>(15)</sup>                                 | Energy Technology   | Senior Secured                    | December 2016 | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00% | \$ 6,000         | 5,940               | 5,902                |        |
| American Superconductor <sup>(3)(11)(14)</sup>                 | Energy Technology   | Senior Secured                    | November 2016 | Interest rate PRIME + 7.25%<br>or Floor rate of 11.00% | \$ 10,000        | 9,894               | 9,894                |        |
| Amyris, Inc. <sup>(10)(14)</sup>                               | Energy Technology   | Senior Secured                    | February 2017 | Interest rate PRIME + 6.25%<br>or Floor rate of 9.50%  | \$ 25,000        | 24,703              | 24,703               |        |
| BioAmber, Inc. <sup>(5)(10)(14)</sup>                          | Energy Technology   | Senior Secured                    | June 2016     | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00% | \$ 25,000        | 25,704              | 26,201               |        |
| Enphase Energy, Inc. <sup>(11)</sup>                           | Energy Technology   | Senior Secured                    | August 2016   | Interest rate PRIME + 8.25%<br>or Floor rate of 11.50% | \$ 7,181         | 7,229               | 7,373                |        |
| Fluidic, Inc. <sup>(14)</sup>                                  | Energy Technology   | Senior Secured                    | March 2016    | Interest rate PRIME + 8.00%<br>or Floor rate of 11.25% | \$ 5,000         | 4,961               | 5,009                |        |
| Fulcrum Bioenergy, Inc. <sup>(11)</sup>                        | Energy Technology   | Senior Secured                    | November 2016 | Interest rate PRIME + 7.75%<br>or Floor rate of 11.00% | \$ 9,733         | 9,713               | 9,545                |        |
| Glori Energy, Inc. <sup>(11)(14)</sup>                         | Energy Technology   | Senior Secured                    | June 2015     | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00% | \$ 4,444         | 4,616               | 4,601                |        |

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| Portfolio Company  | Sub-Industry                 | Type of Investment <sup>(1)</sup> | Maturity      |  | Interest Rate and Floor                             | Principal Amount | Cost <sup>(2)</sup> | Value <sup>(3)</sup> |         |
|--|------------------------------|-----------------------------------|---------------|--|---|------------------|---------------------|----------------------|---------|
|  |                              |                                   | Date          |  |   |                  |                     |                      |         |
| Altera Corporation <sup>(14)(15)</sup>                     | Energy Technology            | Senior Secured                    | June 2016     |  | Interest rate PRIME + 6.75% or Floor rate of 10.00% | \$ 5,289         | \$ 5,346            | \$ 5,277             |         |
| ATI Composites, Inc. <sup>(14)</sup>                       | Energy Technology            | Senior Secured                    | June 2016     |  | Interest rate PRIME + 8.00% or Floor rate of 11.25% | \$ 5,000         | 4,905               | 4,900                |         |
|  | Energy Technology            | Senior Secured                    | June 2016     |  | Interest rate PRIME + 8.00% or Floor rate of 11.25% | \$ 15,000        | 15,008              | 15,140               |         |
| Aviation TPI Composites, Inc.                              |                              |                                   |               |  |   | \$ 20,000        | 19,913              | 20,050               |         |
| AVTURA Inc. <sup>(13)(14)</sup>                            | Energy Technology            | Senior Secured                    | April 2017    |  | Interest rate PRIME + 6.75% or Floor rate of 10.00% | \$ 18,210        | 18,032              | 17,550               |         |
| <b>Subtotal: 1-5 Years Maturity</b>                        |                              |                                   |               |  |   |                  |                     | 136,051              | 136,110 |
| <b>Subtotal: Energy Technology (24.76%)*</b>               |                              |                                   |               |  |   |                  |                     | 161,695              | 161,750 |
| <b>Communications &amp; Networking</b>                     |                              |                                   |               |  |   |                  |                     |                      |         |
| <b>Under 1 Year Maturity</b>                               |                              |                                   |               |  |   |                  |                     |                      |         |
| GenPeak, Inc. <sup>(11)(14)</sup>                          | Communications & Networking  | Senior Secured                    | April 2017    |  | Interest rate PRIME + 8.75% or Floor rate of 12.00% | \$ 10,500        | 10,367              | 10,360               |         |
| Spring Mobile Solutions, Inc. <sup>(14)</sup>              | Communications & Networking  | Senior Secured                    | November 2016 |  | Interest rate PRIME + 8.00% or Floor rate of 11.25% | \$ 20,000        | 19,837              | 20,230               |         |
| <b>Subtotal: 1-5 Years Maturity</b>                        |                              |                                   |               |  |   |                  |                     | 30,204               | 30,600  |
| <b>Subtotal: Communications &amp; Networking (4.68%)*</b>  |                              |                                   |               |  |   |                  |                     | 30,204               | 30,600  |
| <b>Consumer &amp; Business Products</b>                    |                              |                                   |               |  |   |                  |                     |                      |         |
| <b>Under 1 Year Maturity</b>                               |                              |                                   |               |  |   |                  |                     |                      |         |
| GenPeak, Inc. <sup>(9)</sup>                               | Consumer & Business Products | Convertible Senior Debt           | March 2017    |  | Interest rate FIXED 4.00%                           | \$ 100           | 100                 | 100                  |         |
| <b>Subtotal: 1-5 Years Maturity</b>                        |                              |                                   |               |  |   |                  |                     | 100                  | 100     |
| <b>Subtotal: Consumer &amp; Business Products (0.02%)*</b> |                              |                                   |               |  |   |                  |                     | 100                  | 100     |
| <b>Drug Delivery</b>                                       |                              |                                   |               |  |   |                  |                     |                      |         |
| <b>Under 1 Year Maturity</b>                               |                              |                                   |               |  |   |                  |                     |                      |         |
| Avance Therapeutics, Inc. <sup>(3)(14)</sup>               | Drug Delivery                | Senior Secured                    | March 2015    |  | Interest rate PRIME + 6.60% or Floor rate of 9.85%  | \$ 794           | 827                 | 820                  |         |
|  | Drug Delivery                | Senior Secured                    | March 2015    |  | Interest rate PRIME + 6.60% or Floor rate of 9.85%  | \$ 7,942         | 8,222               | 8,220                |         |

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|   |               |                |                |  |           |        |        |
|---|---------------|----------------|----------------|--|-----------|--------|--------|
| atal Revance Therapeutics, Inc.                       |               |                |                |  | \$ 8,736  | 9,049  | 9,049  |
| <b>Subtotal: Under 1 Year Maturity</b>                |               |                |                |  |           | 9,049  | 9,049  |
| <b>1-5 Years Maturity</b>                             |               |                |                |  |           |        |        |
| elRx Pharmaceuticals, Inc. <sup>(3)(10)(14)(15)</sup> | Drug Delivery | Senior Secured | October 2017   | Interest rate PRIME + 3.85%<br>or Floor rate of 9.10%  | \$ 15,000 | 14,613 | 14,613 |
| ND Therapeutics, Inc. <sup>(3)(14)(15)</sup>          | Drug Delivery | Senior Secured | September 2016 | Interest rate PRIME + 7.00%<br>or Floor rate of 10.25% | \$ 4,500  | 4,425  | 4,560  |
| ision Corporation <sup>(3)(14)</sup>                  | Drug Delivery | Senior Secured | June 2017      | Interest rate PRIME + 8.00%<br>or Floor rate of 11.25% | \$ 5,000  | 4,923  | 4,923  |
| nce Biopharm, Inc. <sup>(14)(15)</sup>                | Drug Delivery | Senior Secured | August 2017    | Interest rate PRIME + 7.40%<br>or Floor rate of 10.65% | \$ 1,000  | 981    | 981    |
| eo, Inc. <sup>(11)(14)</sup>                          | Drug Delivery | Senior Secured | June 2016      | Interest rate PRIME + 5.75%<br>or Floor rate of 11.00% | \$ 13,678 | 13,958 | 13,958 |
| os Therapeutics, Inc. <sup>(14)(15)</sup>             | Drug Delivery | Senior Secured | October 2017   | Interest rate FIXED + 9.00%                            | \$ 10,000 | 9,828  | 9,828  |
| <b>Subtotal: 1-5 Years Maturity</b>                   |               |                |                |  |           | 48,728 | 48,866 |
| <b>Subtotal: Drug Delivery (8.86%)*</b>               |               |                |                |  |           | 57,777 | 57,911 |

See notes to consolidated financial statements.

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| <b>Portfolio Company</b>                                     | <b>Sub-Industry</b>             | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>  | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|---------------------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
| <b>Drug Discovery &amp; Development</b>                      |                                 |   |                      |   |                         |                           |                            |
| <b>Under 1 Year Maturity</b>                                 |                                 |   |                      |   |                         |                           |                            |
| Dicerna Pharmaceuticals, Inc. <sup>(3)(15)</sup>             | Drug Discovery & Development    | Senior Secured                          | January 2015         | Interest rate PRIME + 4.40%<br>or Floor rate of 10.15%                        | \$ 3,922                | \$ 3,901                  | \$ 3,901                   |
| <b>Subtotal: Under 1 Year Maturity</b>                       |                                 |   |                      |   |                         | 3,901                     | 3,901                      |
| <b>1-5 Years Maturity</b>                                    |                                 |   |                      |   |                         |                           |                            |
| ADMA Biologics, Inc. <sup>(3)(13)(14)</sup>                  | Drug Discovery & Development    | Senior Secured                          | June 2017            | Interest rate PRIME + 3.00%<br>or Floor rate of 8.75%, PIK<br>Interest 1.95%  | \$ 10,003               | 9,824                     | 9,824                      |
| Anacor Pharmaceuticals, Inc. <sup>(15)</sup>                 | Drug Discovery & Development    | Senior Secured                          | July 2017            | Interest rate PRIME + 6.40%<br>or Floor rate of 11.65%                        | \$ 30,000               | 29,171                    | 30,071                     |
| Aveo Pharmaceuticals, Inc. <sup>(3)(10)(11)(14)(15)</sup>    | Drug Discovery & Development    | Senior Secured                          | September 2015       | Interest rate PRIME + 7.15%<br>or Floor rate of 11.90%                        | \$ 16,872               | 16,872                    | 17,040                     |
| Cell Therapeutics, Inc. <sup>(11)(14)</sup>                  | Drug Discovery & Development    | Senior Secured                          | October 2016         | Interest rate PRIME + 9.00%<br>or Floor rate 12.25%                           | \$ 15,000               | 14,946                    | 14,946                     |
| Cempra, Inc. <sup>(3)(11)(14)</sup>                          | Drug Discovery & Development    | Senior Secured                          | June 2017            | Interest rate PRIME + 6.30%<br>or Floor rate of 9.55%                         | \$ 15,000               | 14,975                    | 14,975                     |
| Cleveland BioLabs, Inc. <sup>(3)(14)(15)</sup>               | Drug Discovery & Development    | Senior Secured                          | January 2017         | Interest rate PRIME + 6.20%<br>or Floor rate of 10.45%                        | \$ 6,000                | 5,954                     | 6,055                      |
| Concert Pharmaceuticals, Inc. <sup>(3)(4)</sup>              | Drug Discovery & Development    | Senior Secured                          | October 2015         | Interest rate PRIME + 3.25%<br>or Floor rate of 8.50%                         | \$ 13,172               | 13,052                    | 12,933                     |
| Insmed, Incorporated <sup>(11)(14)</sup>                     | Drug Discovery & Development    | Senior Secured                          | January 2016         | Interest rate PRIME + 4.75%<br>or Floor rate of 9.25%                         | \$ 20,000               | 19,815                    | 19,904                     |
| Merrimack Pharmaceuticals, Inc. <sup>(3)(14)</sup>           | Drug Discovery & Development    | Senior Secured                          | November 2016        | Interest rate PRIME + 5.30%<br>or Floor rate of 10.55%                        | \$ 40,000               | 40,446                    | 40,204                     |
| Neuralstem, Inc. <sup>(14)(15)</sup>                         | Drug Discovery & Development    | Senior Secured                          | June 2016            | Interest rate PRIME + 7.75%<br>or Floor rate of 11.00%                        | \$ 7,295                | 7,239                     | 7,385                      |
| uniQure B.V. <sup>(3)(5)(10)(11)(14)</sup>                   | Drug Discovery & Development    | Senior Secured                          | October 2016         | Interest rate PRIME + 8.60%<br>or Floor rate of 11.85%                        | \$ 10,000               | 9,731                     | 9,806                      |
| <b>Subtotal: 1-5 Years Maturity</b>                          |                                 |   |                      |   |                         | 182,025                   | 183,143                    |
| <b>Subtotal: Drug Discovery &amp; Development (28.63%)*</b>  |                                 |   |                      |   |                         | 185,926                   | 187,044                    |
| <b>Electronics &amp; Computer Hardware</b>                   |                                 |   |                      |   |                         |                           |                            |
| <b>1-5 Years Maturity</b>                                    |                                 |   |                      |   |                         |                           |                            |
| Plures Technologies, Inc. <sup>(8)(13)</sup>                 | Electronics & Computer Hardware | Senior Secured                          | October 2016         | Interest rate PRIME + 8.75%<br>or Floor rate of 12.00%, PIK<br>Interest 4.00% | \$ 571                  | 483                       | 307                        |
| <b>Subtotal: 1-5 Years Maturity</b>                          |                                 |   |                      |   |                         | 483                       | 307                        |
| <b>Subtotal: Electronics &amp; Computer Hardware (0.05%)</b> |                                 |   |                      |   |                         | 483                       | 307                        |



**Healthcare Services, Other**

**1-5 Years Maturity**

|  |                 |                |               |  |          |       |       |
|--|-----------------|----------------|---------------|--|----------|-------|-------|
| InstaMed Communications, LLC <sup>(14)(15)</sup> | Healthcare      | Senior Secured | December 2016 | Interest rate PRIME + 7.25%<br>or Floor rate of 10.50% |          |       |       |
|  | Services, Other |                |               |  | \$ 3,000 | 3,008 | 3,068 |

See notes to consolidated financial statements.

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| <b>Portfolio Company</b>                             | <b>Sub-Industry</b>  | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>   | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|----------------------|---|----------------------|--|-------------------------|---------------------------|----------------------------|
| MDEverywhere, Inc.                                   | Healthcare           | Senior Secured                          | June 2016            | Interest rate LIBOR + 9.50%<br>or Floor rate of 10.75%                         |                         |                           |                            |
|  | Services, Other      |   |                      |  | \$ 1,875                | \$ 1,754                  | \$ 1,792                   |
| Orion Healthcorp, Inc. <sup>(13)</sup>               | Healthcare           | Senior Secured                          | June 2016            | Interest rate LIBOR + 8.25%<br>or Floor rate of 9.50%                          |                         |                           |                            |
|  | Services, Other      |   |                      |  | \$ 500                  | 469                       | 469                        |
|  | Healthcare           | Senior Secured                          | June 2017            | Interest rate LIBOR + 9.50%<br>or Floor rate of 11.00%                         |                         |                           |                            |
|  | Services, Other      |   |                      |  | \$ 8,775                | 8,627                     | 8,684                      |
|  | Healthcare           | Senior Secured                          | June 2017            | Interest rate LIBOR + 10.50%<br>or Floor rate of 12.00%, PIK<br>Interest 3.00% |                         |                           |                            |
|  | Services, Other      |   |                      |  | \$ 6,641                | 6,524                     | 6,580                      |
| <b>Total Orion Healthcorp, Inc.</b>                  |                      |   |                      |  | <b>\$ 15,916</b>        | <b>15,620</b>             | <b>15,733</b>              |
| <b>Subtotal: 1-5 Years Maturity</b>                  |                      |   |                      |  |                         | <b>20,382</b>             | <b>20,593</b>              |
| <b>Subtotal: Healthcare Services, Other (3.15%)*</b> |                      |   |                      |  |                         | <b>20,382</b>             | <b>20,593</b>              |
| <b>Information Services</b>                          |                      |   |                      |  |                         |                           |                            |
| <b>1-5 Years Maturity</b>                            |                      |   |                      |  |                         |                           |                            |
| Eccentex Corporation <sup>(11)(14)</sup>             | Information Services | Senior Secured                          | May 2015             | Interest rate PRIME + 7.00%<br>or Floor rate of 10.25%                         | \$ 548                  | 553                       | 244                        |
| InXpo, Inc. <sup>(14)(15)</sup>                      | Information Services | Senior Secured                          | April 2016           | Interest rate PRIME + 7.50%<br>or Floor rate of 10.75%                         | \$ 2,307                | 2,264                     | 2,207                      |
| Womensforum.com <sup>(11)(13)</sup>                  | Information Services | Senior Secured                          | October 2016         | Interest rate LIBOR + 7.50%<br>or Floor rate of 10.25%, PIK<br>Interest 2.00%  | \$ 4,630                | 4,565                     | 4,565                      |
|  | Information Services | Senior Secured                          | April 2015           | Interest rate LIBOR + 6.50%<br>or Floor rate of 9.00%                          | \$ 1,250                | 1,231                     | 1,231                      |
|  | Information Services | Senior Secured                          | October 2016         | Interest rate LIBOR + 6.50%<br>or Floor rate of 9.25%                          | \$ 6,600                | 6,506                     | 6,506                      |
| <b>Total Womensforum.com</b>                         |                      |   |                      |  | <b>\$ 12,480</b>        | <b>12,302</b>             | <b>12,302</b>              |
| <b>Subtotal: 1-5 Years Maturity</b>                  |                      |   |                      |  |                         | <b>15,119</b>             | <b>14,753</b>              |
| <b>Subtotal: Information Services (2.26%)*</b>       |                      |   |                      |  |                         | <b>15,119</b>             | <b>14,753</b>              |

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| <b>Portfolio Company</b>                         | <b>Sub-Industry</b>                   | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>  | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|---------------------------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
| <b>Internet Consumer &amp; Business Services</b> |                                       |   |                      |   |                         |                           |                            |
| <b>Under 1 Year Maturity</b>                     |                                       |   |                      |   |                         |                           |                            |
| Gazelle, Inc. <sup>(13)</sup>                    | Internet Consumer & Business Services | Senior Secured                          | October 2014         | Interest rate PRIME + 6.50% or Floor rate of 9.75%                      | \$ 1,021                | \$ 1,006                  | \$ 1,006                   |
| Tectura Corporation <sup>(8)(13)</sup>           | Internet Consumer & Business Services | Senior Secured                          | May 2014             | Interest rate LIBOR + 10.00% or Floor rate of 13.00%                    | \$ 563                  | 563                       | 180                        |
|  | Internet Consumer & Business Services | Senior Secured                          | May 2014             | Interest rate LIBOR + 10.00% or Floor rate of 13.00%                    | \$ 277                  | 277                       | 89                         |
|  | Internet Consumer & Business Services | Senior Secured                          | May 2014             | Interest rate LIBOR + 10.00% or Floor rate of 13.00%                    | \$ 6,468                | 6,467                     | 2,067                      |
|  | Internet Consumer & Business Services | Senior Secured                          | May 2014             | Interest rate LIBOR + 8.00% or Floor rate of 11.00%, PIK Interest 1.00% | \$ 10,777               | 10,777                    | 3,445                      |
|  | Internet Consumer & Business Services | Senior Secured                          | May 2014             | Interest rate LIBOR + 10.00% or Floor rate of 13.00%                    | \$ 5,000                | 5,000                     | 1,599                      |
| <b>Total Tectura Corporation</b>                 |                                       |   |                      |   | <b>\$ 23,085</b>        | <b>23,084</b>             | <b>7,380</b>               |
| <b>Subtotal: Under 1 Year Maturity</b>           |                                       |   |                      |   |                         | <b>24,090</b>             | <b>8,386</b>               |
| <b>1-5 Years Maturity</b>                        |                                       |   |                      |   |                         |                           |                            |
| Blurb, Inc. <sup>(15)</sup>                      | Internet Consumer & Business Services | Senior Secured                          | December 2015        | Interest rate PRIME + 5.25% or Floor rate of 8.50%                      | \$ 5,616                | 5,511                     | 5,456                      |
| CashStar, Inc. <sup>(13)(15)</sup>               | Internet Consumer & Business Services | Senior Secured                          | June 2016            | Interest rate PRIME + 6.25% or Floor rate 10.50%, PIK Interest 1.00%    | \$ 8,028                | 7,846                     | 7,993                      |
| Education Dynamics <sup>(13)(15)</sup>           | Internet Consumer & Business Services | Senior Secured                          | March 2016           | Interest rate LIBOR + 12.5% or Floor rate 12.50%, PIK Interest 1.50%    | \$ 23,779               | 23,386                    | 23,909                     |
| Gazelle, Inc. <sup>(13)(15)</sup>                | Internet Consumer & Business Services | Senior Secured                          | April 2016           | Interest rate PRIME + 7.00% or Floor rate of 10.25%, PIK Interest 2.50% | \$ 12,443               | 12,375                    | 12,375                     |
| Just Fabulous, Inc. <sup>(14)</sup>              | Internet Consumer & Business Services | Senior Secured                          | February 2017        | Interest rate PRIME + 8.25% or Floor rate of 11.50%                     | \$ 5,000                | 4,879                     | 5,029                      |
| NetPlenish <sup>(8)(9)(15)</sup>                 | Internet Consumer & Business Services | Senior Secured                          | April 2015           | Interest rate FIXED 10.00%  | \$ 96                   | 96                        |                            |
|  | Internet Consumer & Business Services | Senior Secured                          | September 2015       | Interest rate FIXED 10.00%  | \$ 382                  | 374                       |                            |
| <b>Total NetPlenish</b>                          |                                       |   |                      |   | <b>\$ 478</b>           | <b>470</b>                |                            |
| Reply! Inc. <sup>(11)(13)(14)</sup>              | Internet Consumer & Business Services | Senior Secured                          | September 2015       | Interest rate PRIME + 7.25% or Floor rate of 11.00%, PIK Interest 2.00% | \$ 1,944                | 1,987                     | 1,989                      |
|  | Internet Consumer & Business Services | Senior Secured                          | September 2015       | Interest rate PRIME + 6.88% or Floor rate of 10.13%, PIK Interest 2.00% | \$ 8,821                | 8,840                     | 8,884                      |

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| <b>Portfolio Company</b>   | <b>Sub-Industry</b>                   | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>  | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|---------------------------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
|  | Internet Consumer & Business Services | Senior Secured                          | February 2016        | Interest rate PRIME + 7.25% or Floor rate of 10.50%, PIK Interest 2.00% | \$ 3,046                | \$ 2,828                  | \$ 2,887                   |
| Total Reply! Inc. Vaultlogix <sup>(13)(14)(15)</sup>                 |                                       |   |                      |   | \$ 13,811               | 13,655                    | 13,760                     |
|  | Internet Consumer & Business Services | Senior Secured                          | September 2016       | Interest rate LIBOR + 8.50% or Floor rate of 10.00%, PIK Interest 2.50% | \$ 7,999                | 7,961                     | 7,961                      |
|  | Internet Consumer & Business Services | Senior Secured                          | September 2015       | Interest rate LIBOR + 7.00% or Floor rate of 8.50%                      | \$ 7,318                | 7,386                     | 7,386                      |
| Total Vaultlogix   |                                       |   |                      |   | \$ 15,317               | 15,347                    | 15,347                     |
| WaveMarket, Inc. <sup>(11)(14)</sup>                                 | Internet Consumer & Business Services | Senior Secured                          | March 2017           | Interest rate PRIME + 6.50% or Floor rate of 9.75%                      | \$ 402                  | 402                       | 402                        |
|  | Internet Consumer & Business Services | Senior Secured                          | September 2016       | Interest rate PRIME + 5.75% or Floor rate of 9.50%                      | \$ 10,000               | 9,961                     | 9,747                      |
| Total WaveMarket, Inc.   |                                       |   |                      |   | \$ 10,402               | 10,363                    | 10,149                     |
| <b>Subtotal: 1-5 Years Maturity</b>                                  |                                       |   |                      |   |                         | <b>93,832</b>             | <b>94,018</b>              |
| <b>Subtotal: Internet Consumer &amp; Business Services (15.67%)*</b> |                                       |   |                      |   |                         | <b>117,922</b>            | <b>102,404</b>             |
| <b>Media/Content/Info Under 1 Year Maturity</b>                      |                                       |   |                      |   |                         |                           |                            |
| Zoom Media and Marketing <sup>(13)</sup>                             | Media/Content/Info                    | Senior Secured                          | December 2014        | Interest rate PRIME + 5.25% or Floor rate of 8.50%                      | \$ 4,000                | 3,896                     | 3,807                      |
| <b>Subtotal: Under 1 Year Maturity</b>                               |                                       |   |                      |   |                         | <b>3,896</b>              | <b>3,807</b>               |
| <b>1-5 Years Maturity</b>  |                                       |   |                      |   |                         |                           |                            |
| Rhapsody International Inc. <sup>(15)</sup>                          | Media/Content/Info                    | Senior Secured                          | April 2018           | Interest rate PRIME + 5.25% or Floor rate of 9.00%, PIK Interest 1.50%  | \$ 20,000               | 19,383                    | 19,383                     |
| Zoom Media and Marketing <sup>(13)</sup>                             | Media/Content/Info                    | Senior Secured                          | December 2015        | Interest rate PRIME + 7.25% or Floor rate of 10.50%, PIK Interest 3.75% | \$ 3,866                | 3,736                     | 3,729                      |
| <b>Subtotal: 1-5 Years Maturity</b>                                  |                                       |   |                      |   |                         | <b>23,119</b>             | <b>23,112</b>              |
| <b>Subtotal: Media/Content/Info (4.12%)*</b>                         |                                       |   |                      |   |                         | <b>27,015</b>             | <b>26,919</b>              |
| <b>Medical Devices &amp; Equipment Under 1 Year Maturity</b>         |                                       |   |                      |   |                         |                           |                            |

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|   |                             |                |               |   |           |       |       |
|---|-----------------------------|----------------|---------------|---|-----------|-------|-------|
| Oraya Therapeutics, Inc. <sup>(9)(11)(14)</sup> | Medical Devices & Equipment | Senior Secured | December 2014 | Interest rate FIXED 7.00%                           | \$ 500    | 500   | 164   |
| <b>Subtotal: Under 1 Year Maturity</b>          |                             |                |               |   |           | 500   | 164   |
| <b>1-5 Years Maturity</b>                       |                             |                |               |   |           |       |       |
| Baxano Surgical, Inc. <sup>(3)(14)</sup>        | Medical Devices & Equipment | Senior Secured | March 2017    | Interest rate PRIME + 7.75% or Floor rate of 12.5%  | \$ 7,500  | 7,284 | 7,225 |
| Home Dialysis Plus <sup>(14)</sup>              | Medical Devices & Equipment | Senior Secured | April 2017    | Interest rate PRIME + 6.35% or Floor rate of 9.60%  | \$ 10,000 | 9,804 | 9,640 |
| InspireMD, Inc. <sup>(3)(5)(10)(14)</sup>       | Medical Devices & Equipment | Senior Secured | February 2017 | Interest rate PRIME + 5.00% or Floor rate of 10.50% | \$ 10,000 | 9,791 | 9,791 |

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| <b>Portfolio Company</b>                                     | <b>Sub-Industry</b>         | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>  | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|-----------------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
| Medrobotics Corporation <sup>(14)(15)</sup>                  | Medical Devices & Equipment | Senior Secured                          | March 2016           | Interest rate PRIME + 7.85% or Floor rate of 11.10%                     | \$ 4,109                | \$ 4,082                  | \$ 4,049                   |
| NetBio, Inc.   | Medical Devices & Equipment | Senior Secured                          | August 2017          | Interest rate PRIME + 5.00% or Floor rate of 11.00%                     | \$ 5,000                | 4,790                     | 4,743                      |
| NinePoint Medical, Inc. <sup>(14)(15)</sup>                  | Medical Devices & Equipment | Senior Secured                          | January 2016         | Interest rate PRIME + 5.85% or Floor rate of 9.10%                      | \$ 5,291                | 5,301                     | 5,236                      |
| Oraya Therapeutics, Inc. <sup>(9)(11)(14)</sup>              | Medical Devices & Equipment | Senior Secured                          | September 2015       | Interest rate PRIME + 5.50% or Floor rate of 10.25%, PIK Interest 1.00% | \$ 6,132                | 6,069                     | 4,380                      |
| SonaCare Medical, LLC (pka US HIFUM LLC) <sup>(11)(14)</sup> | Medical Devices & Equipment | Senior Secured                          | April 2016           | Interest rate PRIME + 7.75% or Floor rate of 11.00%                     | \$ 5,167                | 5,307                     | 5,390                      |
| United Orthopedic Group, Inc. <sup>(14)</sup>                | Medical Devices & Equipment | Senior Secured                          | July 2016            | Interest rate PRIME + 8.60% or Floor rate of 11.85%                     | \$ 25,000               | 24,898                    | 24,898                     |
| ViewRay, Inc. <sup>(13)(15)</sup>                            | Medical Devices & Equipment | Senior Secured                          | June 2017            | Interest rate PRIME + 7.00% or Floor rate of 10.25%, PIK Interest 1.50% | \$ 15,047               | 14,585                    | 14,585                     |
| <b>Subtotal: 1-5 Years Maturity</b>                          |                             |   |                      |   |                         | 91,911                    | 89,937                     |
| <b>Subtotal: Medical Devices &amp; Equipment (13.79%)*</b>   |                             |   |                      |   |                         | 92,411                    | 90,101                     |
| <b>Semiconductors</b>  |                             |   |                      |   |                         |                           |                            |
| <b>Under 1 Year Maturity</b>                                 |                             |   |                      |   |                         |                           |                            |
| Achronix Semiconductor                                       | Semiconductors              | Senior Secured                          | January 2015         | Interest rate PRIME + 10.60% or Floor rate of 13.85%                    | \$ 809                  | \$ 804                    | \$ 804                     |
| <b>Subtotal: Under 1 Year Maturity</b>                       |                             |   |                      |   |                         | 804                       | 804                        |
| <b>1-5 Years Maturity</b>                                    |                             |   |                      |   |                         |                           |                            |
| Avnera Corporation <sup>(14)</sup>                           | Semiconductors              | Senior Secured                          | April 2017           | Interest rate PRIME + 5.75% or Floor rate of 9.00%                      | \$ 5,000                | 4,924                     | 4,924                      |
| SiTime Corporation <sup>(14)(15)</sup>                       | Semiconductors              | Senior Secured                          | September 2016       | Interest rate PRIME + 6.50% or Floor rate of 9.75%                      | \$ 3,500                | 3,504                     | 3,526                      |
| <b>Subtotal: 1-5 Years Maturity</b>                          |                             |   |                      |   |                         | 8,428                     | 8,450                      |
| <b>Subtotal: Semiconductors (1.42%)</b>                      |                             |   |                      |   |                         | 9,232                     | 9,254                      |
| <b>Software</b>  |                             |   |                      |   |                         |                           |                            |
| <b>Under 1 Year Maturity</b>                                 |                             |   |                      |   |                         |                           |                            |
| Clickfox, Inc. <sup>(15)</sup>                               | Software                    | Senior Secured                          | September 2014       | Interest rate PRIME + 6.75% or Floor rate of 10.00%                     | \$ 2,000                | 1,987                     | 1,973                      |
| StartApp, Inc. <sup>(14)</sup>                               | Software                    | Senior Secured                          | December 2014        |   | \$ 200                  | 193                       | 193                        |



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|  |          |                |               |   |          |       |       |
|--|----------|----------------|---------------|---|----------|-------|-------|
| Touchcommerce, Inc. <sup>(15)</sup>    | Software | Senior Secured | December 2014 | Interest rate PRIME + 2.75%<br>or Floor rate of 6.00% |          |       |       |
|  |          |                |               | Interest rate PRIME + 2.25%<br>or Floor rate of 6.50% | \$ 3,511 | 3,481 | 3,356 |
| <b>Subtotal: Under 1 Year Maturity</b> |          |                |               |   |          | 5,661 | 5,522 |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| Portfolio Company                                     | Sub-Industry              | Type of Investment <sup>(1)</sup> | Maturity      |  | Interest Rate and Floor   | Principal Amount | Cost <sup>(2)</sup> | Value <sup>(3)</sup> |        |
|---|---------------------------|-----------------------------------|---------------|--|---|------------------|---------------------|----------------------|--------|
|   |                           |                                   | Date          |  |   |                  |                     |                      |        |
| <b>1-5 Years Maturity</b>                             |                           |                                   |               |  |   |                  |                     |                      |        |
| Clickfox, Inc. <sup>(15)</sup>                        | Software                  | Senior Secured                    | November 2015 |  | Interest rate PRIME + 8.25% or Floor rate of 11.50%                     | \$ 5,152         | \$ 4,911            | \$ 4,911             |        |
| Hillcrest Laboratories, Inc. <sup>(15)</sup>          | Software                  | Senior Secured                    | July 2015     |  | Interest rate PRIME + 7.50% or Floor rate of 10.75%                     | \$ 2,270         | 2,249               | 2,252                |        |
| Knowledge Adventure, Inc. <sup>(14)(15)</sup>         | Software                  | Senior Secured                    | March 2018    |  | Interest rate PRIME + 8.25% or Floor rate of 11.50%                     | \$ 11,750        | 11,598              | 11,598               |        |
| Mobile Posse, Inc. <sup>(14)(15)</sup>                | Software                  | Senior Secured                    | December 2016 |  | Interest rate PRIME + 7.50% or Floor rate of 10.75%                     | \$ 3,896         | 3,804               | 3,883                |        |
| Neos Geosolutions, Inc. <sup>(14)(15)</sup>           | Software                  | Senior Secured                    | May 2016      |  | Interest rate PRIME + 5.75% or Floor rate of 10.50%                     | \$ 3,427         | 3,488               | 3,427                |        |
| Sonian, Inc. <sup>(14)(15)</sup>                      | Software                  | Senior Secured                    | July 2017     |  | Interest rate PRIME + 7.00% or Floor rate of 10.25%                     | \$ 5,500         | 5,362               | 5,362                |        |
| StartApp, Inc.  | Software                  | Senior Secured                    | March 2017    |  | Interest rate PRIME + 7.75% or Floor rate of 11.00%                     | \$ 3,500         | 3,521               | 3,554                |        |
| Touchcommerce, Inc. <sup>(15)</sup>                   | Software                  | Senior Secured                    | June 2017     |  | Interest rate PRIME + 6.00% or Floor rate of 10.25%                     | \$ 5,000         | 4,690               | 4,840                |        |
| <b>Subtotal: 1-5 Years Maturity</b>                   |                           |                                   |               |  |   |                  |                     | 39,623               | 39,827 |
| <b>Subtotal: Software (6.94%)*</b>                    |                           |                                   |               |  |   |                  |                     | 45,284               | 45,349 |
| <b>Specialty Pharmaceuticals</b>                      |                           |                                   |               |  |   |                  |                     |                      |        |
| <b>1-5 Years Maturity</b>                             |                           |                                   |               |  |   |                  |                     |                      |        |
| Cranford Pharmaceuticals, LLC <sup>(13)(14)(15)</sup> | Specialty Pharmaceuticals | Senior Secured                    | February 2017 |  | Interest rate LIBOR + 9.55% or Floor rate of 10.80%, PIK Interest 1.35% | \$ 18,017        | 17,711              | 17,711               |        |
|   | Specialty Pharmaceuticals | Senior Secured                    | August 2015   |  | Interest rate LIBOR + 8.25% or Floor rate of 9.50%                      | \$ 2,500         | 2,446               | 2,446                |        |
| Total Cranford Pharmaceuticals, LLC                   |                           |                                   |               |  |   | \$ 20,517        | 20,157              | 20,157               |        |
| Rockwell Medical, Inc. <sup>(14)(15)</sup>            | Specialty Pharmaceuticals | Senior Secured                    | March 2017    |  | Interest rate PRIME + 9.25% or Floor rate of 12.50%                     | \$ 20,000        | 20,183              | 20,060               |        |
| <b>Subtotal: 1-5 Years Maturity</b>                   |                           |                                   |               |  |   |                  |                     | 40,340               | 40,217 |
| <b>Subtotal: Specialty Pharmaceuticals (6.16%)*</b>   |                           |                                   |               |  |   |                  |                     | 40,340               | 40,217 |
| <b>Surgical Devices</b>                               |                           |                                   |               |  |   |                  |                     |                      |        |
| <b>1-5 Years Maturity</b>                             |                           |                                   |               |  |   |                  |                     |                      |        |
| Transmedics, Inc. <sup>(11)(14)</sup>                 | Surgical Devices          | Senior Secured                    | November 2015 |  | Interest rate FIXED 12.95%  | \$ 7,250         | 7,111               | 7,111                |        |
| <b>Subtotal: 1-5 Years Maturity</b>                   |                           |                                   |               |  |   |                  |                     | 7,111                | 7,111  |

|  |         |         |
|--|---------|---------|
| <b>Subtotal: Surgical Devices (1.09%)*</b> | 7,111   | 7,111   |
| <b>Total Debt (122.20%)*</b>               | 814,977 | 798,359 |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| <b>Portfolio Company</b>                                   | <b>Sub-Industry</b>          | <b>Type of Investment<sup>(1)</sup></b> | <b>Series</b>      | <b>Shares</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|------------------------------|---|--------------------|---------------|---------------------------|----------------------------|
| <b>Equity</b>  |                              |   |                    |               |                           |                            |
| <b>Biotechnology Tools</b>                                 |                              |   |                    |               |                           |                            |
| NuGEN Technologies, Inc. <sup>(15)</sup>                   | Biotechnology Tools          | Equity                                  | Preferred Series C | 189,394       | \$ 500                    | \$ 476                     |
| <b>Subtotal: Biotechnology Tools (0.07%)*</b>              |                              |   |                    |               | 500                       | 476                        |
| <b>Energy Technology</b>                                   |                              |   |                    |               |                           |                            |
| SCIEnergy, Inc.  | Energy Technology            | Equity                                  | Preferred Series 1 | 385,000       | 761                       | 29                         |
| <b>Subtotal: Energy Technology (0.00%)*</b>                |                              |   |                    |               | 761                       | 29                         |
| <b>Communications &amp; Networking</b>                     |                              |   |                    |               |                           |                            |
| GlowPoint, Inc. <sup>(3)</sup>                             | Communications & Networking  | Equity                                  | Common Stock       | 114,192       | 102                       | 192                        |
| Peerless Network, Inc.                                     | Communications & Networking  | Equity                                  | Preferred Series A | 1,000,000     | 1,000                     | 3,201                      |
| Stoke, Inc. <sup>(15)</sup>                                | Communications & Networking  | Equity                                  | Preferred Series E | 152,905       | 500                       | 215                        |
| <b>Subtotal: Communications &amp; Networking (0.55%)*</b>  |                              |   |                    |               | 1,602                     | 3,608                      |
| <b>Consumer &amp; Business Products</b>                    |                              |   |                    |               |                           |                            |
| Caivis Acquisition Corporation <sup>(15)</sup>             | Consumer & Business Products | Equity                                  | Common Stock       | 295,861       | 819                       | 597                        |
| IPA Holdings, LLC  | Consumer & Business Products | Equity                                  | LLC Interest       | 500,000       | 500                       | 830                        |
| Market Force Information, Inc.                             | Consumer & Business Products | Equity                                  | Preferred Series B | 187,970       | 500                       | 500                        |
| <b>Subtotal: Consumer &amp; Business Products (0.30%)*</b> |                              |   |                    |               | 1,819                     | 1,927                      |
| <b>Diagnostic</b>  |                              |   |                    |               |                           |                            |
| Singulex, Inc.   | Diagnostic                   | Equity                                  | Common Stock       | 937,998       | 750                       | 750                        |
| <b>Subtotal: Diagnostic (0.11%)*</b>                       |                              |   |                    |               | 750                       | 750                        |
| <b>Drug Delivery</b>                                       |                              |   |                    |               |                           |                            |
| AcelRx Pharmaceuticals, Inc. <sup>(3)(10)(15)</sup>        | Drug Delivery                | Equity                                  | Common Stock       | 54,240        | 108                       | 642                        |
| Merrion Pharmaceuticals, Plc <sup>(3)(5)(10)</sup>         | Drug Delivery                | Equity                                  | Common Stock       | 20,000        | 9                         |                            |
| Neos Therapeutics, Inc. <sup>(15)</sup>                    | Drug Delivery                | Equity                                  | Preferred Series C | 300,000       | 1,500                     | 1,505                      |
| Transcept Pharmaceuticals, Inc. <sup>(3)</sup>             | Drug Delivery                | Equity                                  | Common Stock       | 41,570        | 500                       | 129                        |
| <b>Subtotal: Drug Delivery (0.35%)*</b>                    |                              |   |                    |               | 2,117                     | 2,276                      |
| <b>Drug Discovery &amp; Development</b>                    |                              |   |                    |               |                           |                            |
| Acceleron Pharma, Inc. <sup>(3)(15)</sup>                  | Drug Discovery & Development | Equity                                  | Common Stock       | 262,786       | 1,505                     | 9,030                      |
| Aveo Pharmaceuticals, Inc. <sup>(3)(10)(15)</sup>          | Drug Discovery & Development | Equity                                  | Common Stock       | 167,864       | 841                       | 251                        |
|  | Drug Discovery & Development | Equity                                  | Common Stock       | 142,858       | 1,000                     | 4,036                      |

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|   |                                       |        |                      |            |       |        |
|---|---------------------------------------|--------|----------------------|------------|-------|--------|
| Dicerna Pharmaceuticals, Inc. <sup>(3)(15)</sup>                    |                                       |        |                      |            |       |        |
| Inotek Pharmaceuticals Corporation                                  | Drug Discovery & Development          | Equity | Common Stock         | 15,334     | 1,500 |        |
| Merrimack Pharmaceuticals, Inc. <sup>(3)</sup>                      | Drug Discovery & Development          | Equity | Common Stock         | 848,591    | 3,213 | 4,122  |
| Paratek Pharmaceuticals, Inc.                                       | Drug Discovery & Development          | Equity | Common Stock         | 2,882      | 5     |        |
|   | Drug Discovery & Development          | Equity | Preferred Series A   | 167,468    | 1,126 |        |
| Total Paratek Pharmaceuticals, Inc.                                 |                                       |        |                      | 170,350    | 1,131 |        |
| <b>Subtotal: Drug Discovery &amp; Development (2.67%)*</b>          |                                       |        |                      |            | 9,190 | 17,439 |
| <b>Information Services</b>   |                                       |        |                      |            |       |        |
| Good Technologies, Inc. (pka Visto Corporation) <sup>(15)</sup>     |                                       |        |                      |            |       |        |
|   | Information Services                  | Equity | Common Stock         | 500,000    | 604   |        |
| <b>Subtotal: Information Services (0.00%)*</b>                      |                                       |        |                      |            | 604   |        |
| <b>Internet Consumer &amp; Business Services</b>                    |                                       |        |                      |            |       |        |
| Blurb, Inc. <sup>(15)</sup>   |                                       |        |                      |            |       |        |
|   | Internet Consumer & Business Services | Equity | Preferred Series B   | 220,653    | 174   | 365    |
| Philotic, Inc.  | Internet Consumer & Business Services | Equity | Common Stock         | 8,121      | 93    |        |
| Progress Financial  | Internet Consumer & Business Services | Equity | Preferred Series G   | 218,351    | 250   | 267    |
| Trulia, Inc. <sup>(3)</sup>   | Internet Consumer & Business Services | Equity | Common Stock         | 29,340     | 141   | 951    |
| <b>Subtotal: Internet Consumer &amp; Business Services (0.25%)*</b> |                                       |        |                      |            | 658   | 1,583  |
| <b>Media/Content/Info</b>   |                                       |        |                      |            |       |        |
| Everyday Health, Inc. (pka Waterfront Media, Inc.) <sup>(3)</sup>   |                                       |        |                      |            |       |        |
|   | Media/Content/Info                    | Equity | Common Stock         | 97,060     | 1,000 | 1,358  |
| <b>Subtotal: Media/Content/Info (0.21%)*</b>                        |                                       |        |                      |            | 1,000 | 1,358  |
| <b>Medical Devices &amp; Equipment</b>                              |                                       |        |                      |            |       |        |
| Gelesis, Inc. <sup>(6)(15)</sup>                                    |                                       |        |                      |            |       |        |
|   | Medical Devices & Equipment           | Equity | LLC Interest         | 2,024,092  | 925   | 492    |
| Medrobotics Corporation <sup>(15)</sup>                             | Medical Devices & Equipment           | Equity | Preferred Series E   | 136,798    | 250   | 288    |
| Novasys Medical, Inc.   | Medical Devices & Equipment           | Equity | Preferred Series D-1 | 4,118,444  | 1,000 |        |
| Optiscan Biomedical, Corp. <sup>(6)(15)</sup>                       | Medical Devices & Equipment           | Equity | Preferred Series B   | 6,185,567  | 3,000 | 440    |
|   | Medical Devices & Equipment           | Equity | Preferred Series C   | 1,927,309  | 655   | 145    |
|   | Medical Devices & Equipment           | Equity | Preferred Series D   | 41,352,489 | 3,945 | 4,211  |
| Total Optiscan Biomedical, Corp.                                    |                                       |        |                      | 49,465,365 | 7,600 | 4,796  |
| <b>Subtotal: Medical Devices &amp; Equipment (0.85%)*</b>           |                                       |        |                      |            | 9,775 | 5,576  |

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**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| <b>Portfolio Company</b>                            | <b>Sub-Industry</b>       | <b>Type of Investment<sup>(1)</sup></b> | <b>Series</b>        | <b>Shares</b>    | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|---|---------------------------|---|----------------------|------------------|---------------------------|----------------------------|
| <b>Software</b>                                     |                           |   |                      |                  |                           |                            |
| Atrenta, Inc.                                       | Software                  | Equity                                  | Preferred Series C   | 1,196,845        | \$ 986                    | \$ 1,953                   |
|   | Software                  | Equity                                  | Preferred Series D   | 635,513          | 508                       | 1,151                      |
| Total Atrenta, Inc.                                 |                           |   |                      | 1,832,358        | 1,494                     | 3,104                      |
| Box, Inc. <sup>(15)</sup>                           | Software                  | Equity                                  | Preferred Series B   | 271,070          | 251                       | 4,955                      |
|   | Software                  | Equity                                  | Preferred Series C   | 589,844          | 872                       | 10,782                     |
|   | Software                  | Equity                                  | Preferred Series D   | 158,133          | 500                       | 2,891                      |
|   | Software                  | Equity                                  | Preferred Series D-1 | 186,766          | 1,694                     | 3,414                      |
|   | Software                  | Equity                                  | Preferred Series D-2 | 220,751          | 2,001                     | 4,035                      |
|   | Software                  | Equity                                  | Preferred Series E   | 38,183           | 500                       | 698                        |
| Total Box, Inc.                                     |                           |   |                      | 1,464,747        | 5,818                     | 26,775                     |
| CapLinked, Inc.                                     | Software                  | Equity                                  | Preferred Series A-3 | 53,614           | 51                        | 88                         |
| ForeScout Technologies, Inc.                        | Software                  | Equity                                  | Preferred Series D   | 319,099          | 398                       | 940                        |
| HighRoads, Inc.                                     | Software                  | Equity                                  | Preferred Series B   | 190,170          | 307                       | 300                        |
| <b>Subtotal: Software (4.78%)*</b>                  |                           |   |                      |                  | <b>8,068</b>              | <b>31,207</b>              |
| <b>Specialty Pharmaceuticals</b>                    |                           |   |                      |                  |                           |                            |
| QuatRx Pharmaceuticals Company                      | Specialty Pharmaceuticals | Equity                                  | Preferred Series E   | 241,829          | 750                       |                            |
|   | Specialty Pharmaceuticals | Equity                                  | Preferred Series E-1 | 26,955           |                           |                            |
|   | Specialty Pharmaceuticals | Equity                                  | Preferred Series G   | 4,667,636        |                           |                            |
| <b>Total QuatRx Pharmaceuticals Company</b>         |                           |   |                      | <b>4,936,420</b> | <b>750</b>                |                            |
| <b>Subtotal: Specialty Pharmaceuticals (0.00%)*</b> |                           |   |                      |                  | <b>750</b>                |                            |
| <b>Surgical Devices</b>                             |                           |   |                      |                  |                           |                            |
| Gynesonics, Inc. <sup>(15)</sup>                    | Surgical Devices          | Equity                                  | Preferred Series B   | 219,298          | 250                       | 78                         |
|   | Surgical Devices          | Equity                                  | Preferred Series C   | 656,538          | 282                       | 129                        |
|   | Surgical Devices          | Equity                                  | Preferred Series D   | 1,621,553        | 580                       | 804                        |
| Total Gynesonics, Inc.                              |                           |   |                      | 2,497,389        | 1,112                     | 1,011                      |
| Transmedics, Inc.                                   | Surgical Devices          | Equity                                  | Preferred Series B   | 88,961           | 1,100                     | 315                        |
|   | Surgical Devices          | Equity                                  | Preferred Series C   | 119,999          | 300                       | 211                        |
|   | Surgical Devices          | Equity                                  | Preferred Series D   | 260,000          | 650                       | 923                        |
| Total Transmedics, Inc.                             |                           |   |                      | 468,960          | 2,050                     | 1,449                      |
| <b>Subtotal: Surgical Devices (0.38%)*</b>          |                           |   |                      |                  | <b>3,162</b>              | <b>2,460</b>               |
| <b>Total Equity (10.52%)*</b>                       |                           |   |                      |                  | <b>40,756</b>             | <b>68,689</b>              |

**Warrant**

**Biotechnology Tools**

|   |                     |         |                    |           |     |     |
|---|---------------------|---------|--------------------|-----------|-----|-----|
| Labcyte, Inc. <sup>(15)</sup>                 | Biotechnology Tools | Warrant | Preferred Series C | 1,127,624 | 323 | 129 |
| <b>Subtotal: Biotechnology Tools (0.02%)*</b> |                     |         |                    |           | 323 | 129 |

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|--|-----------------------------|---|-----------------------|---------------|---------------------------|----------------------------|
| <b>Energy Technology</b>                                       |                             |   |                       |               |                           |                            |
| Agrivida, Inc. <sup>(15)</sup>                                 | Energy Technology           | Warrant                                 | Preferred Series C    | 77,447        | \$ 120                    | \$ 285                     |
| Alphabet Energy, Inc. <sup>(15)</sup>                          | Energy Technology           | Warrant                                 | Preferred Series A    | 86,329        | 82                        | 139                        |
| American Superconductor Corporation <sup>(3)</sup>             | Energy Technology           | Warrant                                 | Common Stock          | 512,820       | 391                       | 152                        |
| Brightsource Energy, Inc. <sup>(15)</sup>                      | Energy Technology           | Warrant                                 | Preferred Series 1    | 175,000       | 779                       | 135                        |
| Calera, Inc. <sup>(15)</sup>                                   | Energy Technology           | Warrant                                 | Preferred Series C    | 44,529        | 513                       |                            |
| EcoMotors, Inc. <sup>(15)</sup>                                | Energy Technology           | Warrant                                 | Preferred Series B    | 437,500       | 308                       | 498                        |
| Fluidic, Inc.  | Energy Technology           | Warrant                                 | Preferred Series C    | 59,665        | 102                       | 79                         |
| Fulcrum Bioenergy, Inc.  | Energy Technology           | Warrant                                 | Preferred Series C-1  | 280,897       | 274                       | 185                        |
| Glori Energy, Inc. <sup>(12)</sup>                             | Energy Technology           | Warrant                                 | Preferred Series C    | 145,932       | 165                       | 54                         |
| GreatPoint Energy, Inc. <sup>(15)</sup>                        | Energy Technology           | Warrant                                 | Preferred Series D-1  | 393,212       | 548                       |                            |
| Polyera Corporation <sup>(15)</sup>                            | Energy Technology           | Warrant                                 | Preferred Series C    | 161,575       | 69                        | 48                         |
| Propel Fuels <sup>(15)</sup>                                   | Energy Technology           | Warrant                                 | Preferred Series C    | 3,200,000     | 211                       | 141                        |
| SCIEnergy, Inc.  | Energy Technology           | Warrant                                 | Common Stock          | 530,811       | 181                       |                            |
|  | Energy Technology           | Warrant                                 | Preferred Series 1    | 145,811       | 50                        |                            |
| Total SCI Energy, Inc.   |                             |   |                       | 676,622       | 231                       |                            |
| Scifiniti (pka Integrated Photovoltaics, Inc.) <sup>(15)</sup> | Energy Technology           | Warrant                                 | Preferred Series B    | 390,000       | 82                        | 83                         |
| Solexel, Inc. <sup>(15)</sup>                                  | Energy Technology           | Warrant                                 | Preferred Series C    | 1,171,625     | 1,162                     | 553                        |
| Stion Corporation <sup>(6)</sup>                               | Energy Technology           | Warrant                                 | Preferred Series Seed | 2,154         | 1,378                     | 1,495                      |
| TAS Energy, Inc.   | Energy Technology           | Warrant                                 | Preferred Series F    | 428,571       | 299                       | 419                        |
| TPI Composites, Inc.   | Energy Technology           | Warrant                                 | Preferred Series B    | 160           | 273                       | 425                        |
| Trilliant, Inc. <sup>(15)</sup>                                | Energy Technology           | Warrant                                 | Preferred Series A    | 320,000       | 162                       | 7                          |
| <b>Subtotal: Energy Technology (0.71%)*</b>                    |                             |   |                       |               | <b>7,149</b>              | <b>4,698</b>               |
| <b>Communications &amp; Networking</b>                         |                             |   |                       |               |                           |                            |
| Intelepeer, Inc. <sup>(15)</sup>                               | Communications & Networking | Warrant                                 | Preferred Series C    | 117,958       | 101                       | 94                         |
| OpenPeak, Inc.   | Communications & Networking | Warrant                                 | Common Stock          | 108,982       | 149                       | 174                        |
| PeerApp, Inc.  | Communications & Networking | Warrant                                 | Preferred Series B    | 298,779       | 61                        | 46                         |
| Peerless Network, Inc.   | Communications & Networking | Warrant                                 | Preferred Series A    | 135,000       | 95                        | 330                        |
| Ping Identity Corporation                                      | Communications & Networking | Warrant                                 | Preferred Series B    | 1,136,277     | 52                        | 109                        |
| Spring Mobile Solutions, Inc.                                  | Communications & Networking | Warrant                                 | Preferred Series D    | 2,834,375     | 418                       | 559                        |
| Stoke, Inc. <sup>(15)</sup>                                    | Communications & Networking | Warrant                                 | Preferred Series C    | 158,536       | 53                        | 1                          |
|  | Communications & Networking | Warrant                                 | Preferred Series D    | 118,181       | 65                        | 1                          |
| Total Stoke, Inc.  |                             |   |                       | 276,717       | 118                       | 2                          |



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**Subtotal: Communications & Networking (0.20%)\*** 994 1,314

**Consumer & Business Products**

|  |                              |         |                    |         |     |     |
|--|------------------------------|---------|--------------------|---------|-----|-----|
| Intelligent Beauty, Inc. <sup>(15)</sup> | Consumer & Business Products | Warrant | Preferred Series B | 190,234 | 230 | 708 |
| IPA Holdings, LLC                        | Consumer & Business Products | Warrant | Common Stock       | 650,000 | 275 | 517 |
| Market Force Information, Inc.           | Consumer & Business Products | Warrant | Preferred Series A | 99,286  | 24  | 30  |

**Subtotal: Consumer & Business Products (0.08%)\*** 529 1,255

**Diagnostic**

|  |            |         |              |         |     |     |
|--|------------|---------|--------------|---------|-----|-----|
| Navidea Biopharmaceuticals, Inc. (pka Neoprobe) <sup>(3)(15)</sup> | Diagnostic | Warrant | Common Stock | 333,333 | 244 | 108 |
|--|------------|---------|--------------|---------|-----|-----|

**Subtotal: Diagnostic (0.02%)\*** 244 108

**Drug Delivery**

|   |               |         |                    |         |     |       |
|---|---------------|---------|--------------------|---------|-----|-------|
| AcelRx Pharmaceuticals, Inc. <sup>(3)(10)(15)</sup> | Drug Delivery | Warrant | Common Stock       | 176,730 | 786 | 983   |
| Alexza Pharmaceuticals, Inc. <sup>(3)</sup>         | Drug Delivery | Warrant | Common Stock       | 37,639  | 645 |       |
| BIND Therapeutics, Inc. <sup>(3)(15)</sup>          | Drug Delivery | Warrant | Common Stock       | 71,359  | 366 | 141   |
| Celsion Corporation <sup>(3)</sup>                  | Drug Delivery | Warrant | Common Stock       | 97,493  | 227 | 210   |
| Dance Biopharm, Inc. <sup>(15)</sup>                | Drug Delivery | Warrant | Preferred Series A | 97,701  | 74  | 159   |
| kaleo, Inc.   | Drug Delivery | Warrant | Preferred Series B | 82,500  | 594 | 1,062 |
| Neos Therapeutics, Inc. <sup>(15)</sup>             | Drug Delivery | Warrant | Preferred Series C | 60,000  | 113 | 113   |
| Revance Therapeutics, Inc. <sup>(3)</sup>           | Drug Delivery | Warrant | Common Stock       | 53,511  | 557 | 477   |
| Transcept Pharmaceuticals, Inc. <sup>(3)</sup>      | Drug Delivery | Warrant | Common Stock       | 61,452  | 87  | 2     |

**Subtotal: Drug Delivery (0.48%)\*** 3,449 3,147

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| <b>Portfolio Company</b>                                      | <b>Sub-Industry</b>                   | <b>Type of Investment<sup>(1)</sup></b> | <b>Series</b>        | <b>Shares</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|---|---------------------------------------|---|----------------------|---------------|---------------------------|----------------------------|
| <b>Drug Discovery &amp; Development</b>                       |                                       |   |                      |               |                           |                            |
| Accelaron Pharma, Inc. <sup>(3)(15)</sup>                     | Drug Discovery & Development          | Warrant                                 | Common Stock         | 11,611        | \$ 39                     | \$ 249                     |
| ADMA Biologics, Inc. <sup>(3)</sup>                           | Drug Discovery & Development          | Warrant                                 | Common Stock         | 66,550        | 218                       | 170                        |
| Anthera Pharmaceuticals, Inc. <sup>(3)(15)</sup>              | Drug Discovery & Development          | Warrant                                 | Common Stock         | 40,178        | 984                       | 4                          |
| Cempra, Inc. <sup>(3)</sup>                                   | Drug Discovery & Development          | Warrant                                 | Common Stock         | 138,797       | 458                       | 604                        |
| Chroma Therapeutics, Ltd. <sup>(5)(10)</sup>                  | Drug Discovery & Development          | Warrant                                 | Preferred Series D   | 325,261       | 490                       | 500                        |
| Cleveland BioLabs, Inc. <sup>(3)(15)</sup>                    | Drug Discovery & Development          | Warrant                                 | Common Stock         | 156,250       | 105                       | 31                         |
| Concert Pharmaceuticals, Inc. <sup>(3)</sup>                  | Drug Discovery & Development          | Warrant                                 | Common Stock         | 70,796        | 367                       | 202                        |
| Coronado Biosciences, Inc. <sup>(3)</sup>                     | Drug Discovery & Development          | Warrant                                 | Common Stock         | 73,009        | 142                       | 44                         |
| Dicerna Pharmaceuticals, Inc. <sup>(3)(15)</sup>              | Drug Discovery & Development          | Warrant                                 | Common Stock         | 200           | 28                        |                            |
| Horizon Pharma, Inc. <sup>(3)</sup>                           | Drug Discovery & Development          | Warrant                                 | Common Stock         | 22,408        | 231                       | 46                         |
| uniQure B.V. <sup>(3)(5)(10)</sup>                            | Drug Discovery & Development          | Warrant                                 | Common Stock         | 37,174        | 218                       | 202                        |
| <b>Subtotal: Drug Discovery &amp; Development (0.31%)*</b>    |                                       |   |                      |               | <b>3,280</b>              | <b>2,052</b>               |
| <b>Electronics &amp; Computer Hardware</b>                    |                                       |   |                      |               |                           |                            |
| Clustrix, Inc.  | Electronics & Computer Hardware       | Warrant                                 | Common Stock         | 50,000        | 12                        | 18                         |
| Identive Group, Inc. <sup>(3)</sup>                           | Electronics & Computer Hardware       | Warrant                                 | Common Stock         | 992,084       | 247                       | 467                        |
| <b>Subtotal: Electronics &amp; Computer Hardware (0.07%)*</b> |                                       |   |                      |               | <b>259</b>                | <b>485</b>                 |
| <b>Healthcare Services, Other</b>                             |                                       |   |                      |               |                           |                            |
| MDEverywhere, Inc.  | Healthcare Services, Other            | Warrant                                 | Common Stock         | 129           | 94                        | 33                         |
| <b>Subtotal: Healthcare Services, Other (0.01%)*</b>          |                                       |   |                      |               | <b>94</b>                 | <b>33</b>                  |
| <b>Information Services</b>                                   |                                       |   |                      |               |                           |                            |
| Cha Cha Search, Inc. <sup>(15)</sup>                          | Information Services                  | Warrant                                 | Preferred Series G   | 48,232        | 59                        | 10                         |
| InXpo, Inc. <sup>(15)</sup>                                   | Information Services                  | Warrant                                 | Preferred Series C   | 648,400       | 98                        | 30                         |
|   | Information Services                  | Warrant                                 | Preferred Series C-1 | 582,015       | 49                        | 27                         |
| Total InXpo, Inc.   |                                       |   |                      | 1,230,415     | 147                       | 57                         |
| Jab Wireless, Inc. <sup>(15)</sup>                            | Information Services                  | Warrant                                 | Preferred Series A   | 266,567       | 265                       | 282                        |
| RichRelevance, Inc. <sup>(15)</sup>                           | Information Services                  | Warrant                                 | Preferred Series E   | 112,612       | 98                        |                            |
| <b>Subtotal: Information Services (0.16%)*</b>                |                                       |   |                      |               | <b>569</b>                | <b>349</b>                 |
| <b>Internet Consumer &amp; Business Services</b>              |                                       |   |                      |               |                           |                            |
| Blurb, Inc. <sup>(15)</sup>                                   | Internet Consumer & Business Services | Warrant                                 | Preferred Series B   | 218,684       | 299                       | 108                        |
|   | Internet Consumer & Business Services | Warrant                                 | Preferred Series C   | 234,280       | 636                       | 183                        |

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|   |                                       |         |                      |           |     |       |
|---|---------------------------------------|---------|----------------------|-----------|-----|-------|
| Total Blurb, Inc.                           |                                       |         |                      | 452,964   | 935 | 291   |
| CashStar, Inc. <sup>(15)</sup>              | Internet Consumer & Business Services | Warrant | Preferred Series C-2 | 727,272   | 130 | 70    |
| Gazelle, Inc. <sup>(15)</sup>               | Internet Consumer & Business Services | Warrant | Preferred Series D   | 151,827   | 165 |       |
| Just Fabulous, Inc.                         | Internet Consumer & Business Services | Warrant | Preferred Series B   | 137,456   | 589 | 1,095 |
| Prism Education Group, Inc. <sup>(15)</sup> | Internet Consumer & Business Services | Warrant | Preferred Series B   | 200,000   | 43  |       |
| Progress Financial                          | Internet Consumer & Business Services | Warrant | Preferred Series G   | 174,562   | 77  | 53    |
| Reply! Inc.                                 | Internet Consumer & Business Services | Warrant | Preferred Series B   | 137,225   | 320 | 144   |
| ShareThis, Inc. <sup>(15)</sup>             | Internet Consumer & Business Services | Warrant | Preferred Series C   | 493,502   | 547 | 250   |
| Tectura Corporation                         | Internet Consumer & Business Services | Warrant | Preferred Series B-1 | 253,378   | 51  |       |
| WaveMarket, Inc.                            | Internet Consumer & Business Services | Warrant | Preferred Series B-1 | 1,083,779 | 106 | 74    |

**Subtotal: Internet Consumer & Business Services (0.30%)** 2,963 1,977

**Media/Content/Info**

|   |                    |         |                    |         |     |     |
|---|--------------------|---------|--------------------|---------|-----|-----|
| Everyday Health, Inc. (pka                  |                    |         |                    |         |     |     |
| Waterfront Media, Inc.) <sup>(3)</sup>      | Media/Content/Info | Warrant | Common Stock       | 73,345  | 60  | 500 |
| Glam Media, Inc. <sup>(15)</sup>            | Media/Content/Info | Warrant | Preferred Series D | 407,457 | 482 |     |
| Rhapsody International Inc. <sup>(15)</sup> | Media/Content/Info | Warrant | Common Stock       | 715,755 | 384 | 385 |
| Zoom Media and Marketing                    | Media/Content/Info | Warrant | Preferred Series A | 1,204   | 348 | 285 |

**Subtotal: Media/Content/Info (0.18%)\*** 1,274 1,170

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| <b>Portfolio Company</b>                                  | <b>Sub-Industry</b>         | <b>Type of Investment<sup>(1)</sup></b> | <b>Series</b>        | <b>Shares</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|---|-----------------------------|---|----------------------|---------------|---------------------------|----------------------------|
| <b>Medical Devices &amp; Equipment</b>                    |                             |   |                      |               |                           |                            |
| Baxano Surgical, Inc. <sup>(3)</sup>                      | Medical Devices & Equipment | Warrant                                 | Common Stock         | 882,353       | \$ 440                    | \$ 319                     |
| Gelesis, Inc. <sup>(6)(15)</sup>                          | Medical Devices & Equipment | Warrant                                 | LLC Interest         | 263,688       | 78                        | 5                          |
| Home Dialysis Plus  | Medical Devices & Equipment | Warrant                                 | Preferred Series A   | 300,000       | 245                       | 313                        |
| InspireMD, Inc. <sup>(3)(5)(10)</sup>                     | Medical Devices & Equipment | Warrant                                 | Common Stock         | 168,351       | 242                       | 221                        |
| Medrobotics Corporation <sup>(15)</sup>                   | Medical Devices & Equipment | Warrant                                 | Preferred Series E   | 455,539       | 370                       | 339                        |
| MELA Sciences, Inc. <sup>(3)</sup>                        | Medical Devices & Equipment | Warrant                                 | Common Stock         | 693,202       | 401                       | 82                         |
| NetBio, Inc.  | Medical Devices & Equipment | Warrant                                 | Common Stock         | 2,568         | 408                       | 243                        |
| NinePoint Medical, Inc. <sup>(15)</sup>                   | Medical Devices & Equipment | Warrant                                 | Preferred Series A-1 | 587,840       | 170                       | 253                        |
| Novasys Medical, Inc.                                     | Medical Devices & Equipment | Warrant                                 | Common Stock         | 109,449       | 2                         |                            |
|   | Medical Devices & Equipment | Warrant                                 | Preferred Series D   | 526,840       | 125                       |                            |
|   | Medical Devices & Equipment | Warrant                                 | Preferred Series D-1 | 53,607        | 6                         |                            |
| Total Novasys Medical, Inc.                               |                             |   |                      | 689,896       | 133                       |                            |
| Optiscan Biomedical, Corp. <sup>(6)(15)</sup>             | Medical Devices & Equipment | Warrant                                 | Preferred Series D   | 10,535,275    | 1,252                     | 235                        |
| Oraya Therapeutics, Inc.                                  | Medical Devices & Equipment | Warrant                                 | Common Stock         | 95,498        | 66                        |                            |
|   | Medical Devices & Equipment | Warrant                                 | Preferred Series C-1 | 716,948       | 676                       |                            |
| Total Oraya Therapeutics, Inc.                            |                             |   |                      | 812,446       | 742                       |                            |
| SonaCare Medical, LLC (pka US HIFUM LLC)                  | Medical Devices & Equipment | Warrant                                 | Preferred Series A   | 409,704       | 188                       | 214                        |
| United Orthopedic Group, Inc.                             | Medical Devices & Equipment | Warrant                                 | Preferred Series A   | 423,076       | 608                       | 820                        |
| ViewRay, Inc. <sup>(15)</sup>                             | Medical Devices & Equipment | Warrant                                 | Preferred Series C   | 312,500       | 333                       | 340                        |
| <b>Subtotal: Medical Devices &amp; Equipment (0.52%)*</b> |                             |   |                      |               | <b>5,610</b>              | <b>3,384</b>               |
| <b>Semiconductors</b>                                     |                             |   |                      |               |                           |                            |
| Achronix Semiconductor Corporation                        | Semiconductors              | Warrant                                 | Preferred Series C   | 360,000       | 160                       | 189                        |
| Avnera Corporation  | Semiconductors              | Warrant                                 | Preferred Series E   | 102,958       | 14                        | 14                         |
| SiTime Corporation <sup>(15)</sup>                        | Semiconductors              | Warrant                                 | Preferred Series G   | 195,683       | 23                        | 7                          |

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Subtotal: Semiconductors (0.03%)\* 197 210

| <b>Software</b>  |          |         |                      |           |              |              |
|--|----------|---------|----------------------|-----------|--------------|--------------|
| Atrenta, Inc.  | Software | Warrant | Preferred Series D   | 392,670   | 121          | 361          |
| Braxton Technologies, LLC                              | Software | Warrant | Preferred Series A   | 168,750   | 188          |              |
| Central Desktop, Inc. <sup>(15)</sup>                  | Software | Warrant | Preferred Series B   | 522,769   | 108          | 289          |
| Clickfox, Inc. <sup>(15)</sup>                         | Software | Warrant | Preferred Series B   | 1,038,563 | 329          | 523          |
|  | Software | Warrant | Preferred Series C   | 592,019   | 730          | 380          |
| Total Clickfox, Inc.                                   |          |         |                      | 1,630,582 | 1,059        | 903          |
| Daegis Inc. (pka Unify Corporation) <sup>(3)(15)</sup> | Software | Warrant | Common Stock         | 718,860   | 1,434        | 99           |
| ForeScout Technologies, Inc.                           | Software | Warrant | Preferred Series E   | 80,587    | 41           | 116          |
| Hillcrest Laboratories, Inc. <sup>(15)</sup>           | Software | Warrant | Preferred Series E   | 1,865,650 | 55           | 153          |
| Knowledge Adventure, Inc. <sup>(15)</sup>              | Software | Warrant | Preferred Series E   | 550,781   | 15           | 15           |
| Mobile Posse, Inc. <sup>(15)</sup>                     | Software | Warrant | Preferred Series C   | 396,430   | 129          | 118          |
| Neos Geosolutions, Inc. <sup>(15)</sup>                | Software | Warrant | Preferred Series 3   | 221,150   | 22           |              |
| Sonian, Inc. <sup>(15)</sup>                           | Software | Warrant | Preferred Series C   | 185,949   | 106          | 83           |
| SugarSync, Inc. <sup>(15)</sup>                        | Software | Warrant | Preferred Series CC  | 332,726   | 78           | 101          |
|  | Software | Warrant | Preferred Series DD  | 107,526   | 34           | 34           |
| Total SugarSync, Inc.                                  |          |         |                      | 440,252   | 112          | 135          |
| Touchcommerce, Inc. <sup>(15)</sup>                    | Software | Warrant | Preferred Series E   | 992,595   | 252          | 187          |
| White Sky, Inc. <sup>(15)</sup>                        | Software | Warrant | Preferred Series B-2 | 124,295   | 54           | 1            |
| WildTangent, Inc. <sup>(15)</sup>                      | Software | Warrant | Preferred Series 3   | 100,000   | 238          | 61           |
| <b>Subtotal: Software (0.39%)*</b>                     |          |         |                      |           | <b>3,934</b> | <b>2,521</b> |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****March 31, 2014****(unaudited)****(dollars in thousands)**

| <b>Portfolio Company</b>                            | <b>Sub-Industry</b>       | <b>Type of Investment<sup>(1)</sup></b> | <b>Series</b>      | <b>Shares</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |            |
|---|---------------------------|---|--------------------|---------------|---------------------------|----------------------------|------------|
| <b>Specialty Pharmaceuticals</b>                    |                           |   |                    |               |                           |                            |            |
| QuatRx Pharmaceuticals Company                      | Specialty Pharmaceuticals | Warrant                                 | Preferred Series   | 155,324       | \$ 307                    | \$                         |            |
| <b>Subtotal: Specialty Pharmaceuticals (0.00%)*</b> |                           |   |                    |               |                           | 307                        |            |
| <b>Surgical Devices</b>                             |                           |   |                    |               |                           |                            |            |
| Gynesonics, Inc. <sup>(15)</sup>                    | Surgical Devices          | Warrant                                 | Preferred Series C | 180,480       | 75                        | 29                         |            |
|   | Surgical Devices          | Warrant                                 | Preferred Series D | 1,575,965     | 320                       | 406                        |            |
| Total Gynesonics, Inc.                              |                           |   |                    | 1,756,445     | 395                       | 435                        |            |
| Transmedics, Inc.                                   | Surgical Devices          | Warrant                                 | Preferred Series B | 40,436        | 225                       | 7                          |            |
|   | Surgical Devices          | Warrant                                 | Preferred Series D | 175,000       | 100                       | 340                        |            |
| Total Transmedics, Inc.                             |                           |   |                    | 215,436       | 325                       | 347                        |            |
| <b>Subtotal: Surgical Devices (0.12%)*</b>          |                           |   |                    |               |                           | 720                        | 782        |
| <b>Total Warrant (3.60%)*</b>                       |                           |   |                    |               |                           | 31,895                     | 23,614     |
| <b>Total Investments (136.32%)*</b>                 |                           |   |                    |               |                           | \$ 887,628                 | \$ 890,662 |

\* Value as a percent of net assets

(1) Preferred and common stock, warrants, and equity interests are generally non-income producing.

(2) Gross unrealized appreciation, gross unrealized depreciation, and net depreciation for federal income tax purposes totaled \$47.2 million, \$45.8 million and \$1.4 million respectively. The tax cost of investments is \$885.7 million.

(3) Except for warrants in twenty-four publicly traded companies and common stock in ten publicly traded companies, all investments are restricted at March 31, 2014 and were valued at fair value as determined in good faith by the Valuation Committee of the Board of Directors. No unrestricted securities of the same issuer are outstanding. The Company uses the Standard Industrial Code for classifying the industry grouping of its portfolio companies.

(4) Debt investments of this portfolio company have been pledged as collateral under the Wells Facility.

(5) Non-U.S. company or the company's principal place of business is outside the United States.

(6) Affiliate investment that is defined under the Investment Company Act of 1940 as companies in which HTGC owns at least 5% but not more than 25% of the voting securities of the company.

(7) Control investment that is defined under the Investment Company Act of 1940 as companies in which HTGC owns at least 25% of the voting securities of the company or has greater than 50% representation on its board.

(8) Debt is on non-accrual status at March 31, 2014, and is therefore considered non-income producing.

(9) Denotes that all or a portion of the debt investment is convertible senior debt.

(10) Indicates assets that the Company deems not qualifying assets under section 55(a) of the Investment Company Act of 1940, as amended. Qualifying assets must represent at least 70% of the Company's total assets at the time of acquisition of any additional non-qualifying assets.

(11) Denotes that all or a portion of the debt investment secures the notes offered in the Debt Securitization (as defined in Note 4).

(12) Subsequent to March 31, 2014, this company completed a reverse merger. Note that the March 31, 2014 fair value does not reflect any potential impact of the conversion of our preferred shares to the new entity.

(13) Denotes that all or a portion of the debt investment principal includes accumulated PIK, or paid-in-kind, interest and is net of repayments.

(14) Denotes that all or a portion of the debt investment includes an exit fee receivable.

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(15) Denotes that all or a portion of the investment in this portfolio company is held by HT II or HT III, the Company's wholly-owned SBIC subsidiaries.

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****December 31, 2013****(dollars in thousands)**

| <b>Portfolio Company</b>                               | <b>Sub-Industry</b> | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>  | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|--|---------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
| <b>Debt</b>  |                     |   |                      |   |                         |                           |                            |
| <b>Biotechnology Tools</b>                             |                     |   |                      |   |                         |                           |                            |
| <b>1-5 Years Maturity</b>                              |                     |   |                      |   |                         |                           |                            |
| Labcyte, Inc. <sup>(11)</sup>                          | Biotechnology Tools | Senior Secured                          | June 2016            | Interest rate PRIME + 6.70%<br>or Floor rate of 9.95%                         | \$ 4,270                | \$ 4,323                  | \$ 4,289                   |
| <b>Subtotal: 1-5 Years Maturity</b>                    |                     |   |                      |   |                         | 4,323                     | 4,289                      |
| <b>Subtotal: Biotechnology Tools (0.66%)*</b>          |                     |   |                      |   |                         | 4,323                     | 4,289                      |
| <b>Energy Technology</b>                               |                     |   |                      |   |                         |                           |                            |
| <b>Under 1 Year Maturity</b>                           |                     |   |                      |   |                         |                           |                            |
| American Superconductor Corporation <sup>(3)(11)</sup> | Energy Technology   | Senior Secured                          | December 2014        | Interest rate PRIME + 7.25%<br>or Floor rate of 11.00%                        | \$ 4,615                | 4,991                     | 4,991                      |
| Brightsource Energy, Inc.                              | Energy Technology   | Senior Secured                          | January 2014         | Interest rate Prime + 8.25% or<br>Floor rate of 11.50%                        | \$ 15,000               | 15,886                    | 15,886                     |
| Enphase Energy, Inc. <sup>(11)</sup>                   | Energy Technology   | Senior Secured                          | June 2014            | Interest rate PRIME + 5.75%<br>or Floor rate of 9.00%                         | \$ 1,315                | 1,358                     | 1,358                      |
| <b>Subtotal: Under 1 Year Maturity</b>                 |                     |   |                      |   |                         | 22,236                    | 22,236                     |
| <b>1-5 Years Maturity</b>                              |                     |   |                      |   |                         |                           |                            |
| Agrivida, Inc.   | Energy Technology   | Senior Secured                          | December 2016        | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%                        | \$ 6,000                | 5,887                     | 5,770                      |
| American Superconductor Corporation <sup>(3)(11)</sup> | Energy Technology   | Senior Secured                          | November 2016        | Interest rate PRIME + 7.25%<br>or Floor rate of 11.00%                        | \$ 10,000               | 9,801                     | 9,801                      |
| APTwater, Inc  | Energy Technology   | Senior Secured                          | April 2017           | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%,<br>PIK Interest 2.75% | \$ 18,085               | 17,874                    | 17,874                     |
| BioAmber, Inc. <sup>(5)(10)</sup>                      | Energy Technology   | Senior Secured                          | June 2016            | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%                        | \$ 25,000               | 25,298                    | 25,798                     |
| Enphase Energy, Inc. <sup>(11)</sup>                   | Energy Technology   | Senior Secured                          | August 2016          | Interest rate PRIME + 8.25%<br>or Floor rate of 11.50%                        | \$ 7,400                | 7,422                     | 7,314                      |
| Fluidic, Inc.  | Energy Technology   | Senior Secured                          | March 2016           | Interest rate PRIME + 8.00%<br>or Floor rate of 11.25%                        | \$ 5,000                | 4,922                     | 4,922                      |
| Fulcrum Bioenergy, Inc. <sup>(11)</sup>                | Energy Technology   | Senior Secured                          | November 2016        | Interest rate PRIME + 7.75%<br>or Floor rate of 11.00%                        | \$ 10,000               | 9,944                     | 9,694                      |
| Glori Energy, Inc. <sup>(11)</sup>                     | Energy Technology   | Senior Secured                          | June 2015            | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%                        | \$ 5,333                | 5,457                     | 5,414                      |
| Polyera Corporation                                    | Energy Technology   | Senior Secured                          | June 2016            | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%                        | \$ 5,809                | 5,797                     | 5,686                      |
| SCIEnergy, Inc. <sup>(4)</sup>                         | Energy Technology   | Senior Secured                          | September 2015       | Interest rate PRIME + 8.75%<br>or Floor rate of 12.00%                        | \$ 4,448                | 4,596                     | 4,685                      |
| Scifiniti (pka Integrated Photovoltaics, Inc.)         | Energy Technology   | Senior Secured                          | February 2015        | Interest rate PRIME + 7.38%<br>or Floor rate of 10.63%                        | \$ 1,463                | 1,443                     | 1,429                      |
| Stion Corporation. <sup>(4)(6)</sup>                   | Energy Technology   | Senior Secured                          | February 2015        | Interest rate PRIME + 6.75%<br>or Floor rate of 10.00%                        | \$ 4,571                | 4,005                     | 4,096                      |
| TAS Energy, Inc.                                       | Energy Technology   | Senior Secured                          | February 2015        | Interest rate PRIME + 7.75%<br>or Floor rate of 11.00%                        | \$ 15,000               | 15,277                    | 15,421                     |



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|  |                   |                |               |   |           |         |         |
|--|-------------------|----------------|---------------|---|-----------|---------|---------|
|  | Energy Technology | Senior Secured | February 2015 | Interest rate PRIME + 6.25% or Floor rate of 9.50%  | \$ 4,503  | 4,374   | 4,338   |
| Total TAS Energy, Inc.                           |                   |                |               |   |           | 19,651  | 19,760  |
|  | Energy Technology | Senior Secured | June 2016     | Interest rate PRIME + 8.00% or Floor rate of 11.25% | \$ 15,000 | 14,888  | 14,889  |
| <b>Subtotal: 1-5 Years Maturity</b>              |                   |                |               |   |           | 136,985 | 137,131 |
| <b>Subtotal: Energy Technology (24.52%)*(13)</b> |                   |                |               |   |           | 159,221 | 159,367 |

See notes to consolidated financial statements.

**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****December 31, 2013****(dollars in thousands)**

| <b>Portfolio Company</b>                                  | <b>Sub-Industry</b>          | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>                      | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|---|------------------------------|---|----------------------|---|-------------------------|---------------------------|----------------------------|
| <b>Communications &amp; Networking</b>                    |                              |   |                      |   |                         |                           |                            |
| <b>1-5 Years Maturity</b>                                 |                              |   |                      |   |                         |                           |                            |
| OpenPeak, Inc. <sup>(11)</sup>                            | Communications & Networking  | Senior Secured                          | July 2015            | Interest rate PRIME + 8.75% or Floor rate of 12.00% | \$ 10,029               | \$ 10,714                 | \$ 10,814                  |
| Spring Mobile Solutions, Inc.                             | Communications & Networking  | Senior Secured                          | November 2016        | Interest rate PRIME + 8.00% or Floor rate of 11.25% | \$ 20,000               | 19,682                    | 19,875                     |
| <b>Subtotal: 1-5 Years Maturity</b>                       |                              |   |                      |   |                         | 30,396                    | 30,690                     |
| <b>Subtotal: Communications &amp; Networking (4.72%)*</b> |                              |   |                      |   |                         | 30,396                    | 30,690                     |
| <b>Drug Delivery</b>                                      |                              |   |                      |   |                         |                           |                            |
| <b>1-5 Years Maturity</b>                                 |                              |   |                      |   |                         |                           |                            |
| AcelRx Pharmaceuticals, Inc. <sup>(3)(10)</sup>           | Drug Delivery                | Senior Secured                          | October 2017         | Interest rate PRIME + 3.85% or Floor rate of 9.10%  | \$ 15,000               | 14,556                    | 15,006                     |
| BIND Therapeutics, Inc. <sup>(3)</sup>                    | Drug Delivery                | Senior Secured                          | September 2016       | Interest rate Prime + 7.00% or Floor rate of 10.25% | \$ 4,500                | 4,407                     | 4,458                      |
| Celsion Corporation <sup>(3)</sup>                        | Drug Delivery                | Senior Secured                          | June 2017            | Interest rate Prime + 8.00% or Floor rate of 11.25% | \$ 5,000                | 4,897                     | 4,897                      |
| Dance Biopharm, Inc.                                      | Drug Delivery                | Senior Secured                          | August 2017          | Interest rate PRIME + 7.4% or Floor rate of 10.65%  | \$ 1,000                | 974                       | 974                        |
| Intelliject, Inc. <sup>(11)</sup>                         | Drug Delivery                | Senior Secured                          | June 2016            | Interest rate PRIME + 5.75% or Floor rate of 11.00% | \$ 15,000               | 15,150                    | 15,450                     |
| NuPathe, Inc. <sup>(3)</sup>                              | Drug Delivery                | Senior Secured                          | May 2016             | Interest rate Prime - 3.25% or Floor rate of 9.85%  | \$ 5,749                | 5,629                     | 5,744                      |
| Revanche Therapeutics, Inc.                               | Drug Delivery                | Senior Secured                          | March 2015           | Interest rate PRIME + 6.60% or Floor rate of 9.85%  | \$ 9,798                | 10,032                    | 9,943                      |
|   | Drug Delivery                | Senior Secured                          | March 2015           | Interest rate PRIME + 6.60% or Floor rate of 9.85%  | \$ 980                  | 1,011                     | 994                        |
| <b>Total Revanche Therapeutics, Inc.</b>                  |                              |   |                      |   |                         | 11,043                    | 10,937                     |
| <b>Subtotal: 1-5 Years Maturity</b>                       |                              |   |                      |   |                         | 56,655                    | 57,466                     |
| <b>Subtotal: Drug Delivery (8.84%)*</b>                   |                              |   |                      |   |                         | 56,655                    | 57,466                     |
| <b>Drug Discovery &amp; Development</b>                   |                              |   |                      |   |                         |                           |                            |
| <b>1-5 Years Maturity</b>                                 |                              |   |                      |   |                         |                           |                            |
| ADMA Biologics, Inc. <sup>(3)</sup>                       | Drug Discovery & Development | Senior Secured                          | April 2016           | Interest rate Prime + 2.75% or Floor rate of        | \$ 5,000                | 4,956                     | 4,892                      |

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|   |                              |                |                |  |           |        |        |
|---|------------------------------|----------------|----------------|--|-----------|--------|--------|
| Anacor Pharmaceuticals, Inc.                      | Drug Discovery & Development | Senior Secured | July 2017      | 8.50%<br>Interest rate PRIME + 6.40% or Floor rate of 11.65% | \$ 30,000 | 29,083 | 29,810 |
| Aveo Pharmaceuticals, Inc. <sup>(3)(10)(11)</sup> | Drug Discovery & Development | Senior Secured | September 2015 | Interest rate PRIME + 7.15% or Floor rate of 11.90%          | \$ 19,396 | 19,396 | 19,590 |
| Cell Therapeutics, Inc. <sup>(3)(11)</sup>        | Drug Discovery & Development | Senior Secured | October 2016   | Interest rate Prime + 9.00% or Floor rate of 12.25%          | \$ 15,000 | 14,750 | 15,200 |
| Cempra, Inc. <sup>(3)(11)</sup>                   | Drug Discovery & Development | Senior Secured | June 2017      | Interest rate PRIME + 6.30% or Floor rate of 9.55%           | \$ 15,000 | 14,795 | 14,550 |
| Cleveland BioLabs, Inc. <sup>(3)</sup>            | Drug Discovery & Development | Senior Secured | January 2017   | Interest rate PRIME + 6.20% or Floor rate of 10.45%          | \$ 6,000  | 5,909  | 5,909  |
| Concert Pharmaceuticals, Inc. <sup>(4)</sup>      | Drug Discovery & Development | Senior Secured | October 2015   | Interest rate PRIME + 3.25% or Floor rate of 8.50%           | \$ 15,091 | 14,933 | 14,649 |
| Coronado Biosciences, Inc. <sup>(3)(11)</sup>     | Drug Discovery & Development | Senior Secured | March 2016     | Interest rate PRIME + 6.00% or Floor rate of 9.25%           | \$ 13,654 | 13,720 | 13,449 |
| Dicerna Pharmaceuticals, Inc.                     | Drug Discovery & Development | Senior Secured | January 2015   | Interest rate PRIME + 4.40% or Floor rate of 10.15%          | \$ 5,026  | 4,991  | 4,981  |
| Insmmed, Incorporated <sup>(11)</sup>             | Drug Discovery & Development | Senior Secured | January 2016   | Interest rate PRIME + 4.75% or Floor rate of 9.25%           | \$ 20,000 | 19,708 | 19,535 |
| Merrimack Pharmaceuticals, Inc. <sup>(3)</sup>    | Drug Discovery & Development | Senior Secured | November 2016  | Interest rate PRIME + 5.30% or Floor rate of 10.55%          | \$ 40,000 | 40,314 | 39,455 |
| Neuralstem, Inc. <sup>(3)</sup>                   | Drug Discovery & Development | Senior Secured | June 2016      | Interest rate PRIME + 7.75% or Floor rate of 11.00%          | \$ 8,000  | 7,874  | 8,035  |

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**Table of Contents****HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****December 31, 2013****(dollars in thousands)**

| <b>Portfolio Company</b>                                    | <b>Sub-Industry</b>             | <b>Type of Investment<sup>(1)</sup></b> | <b>Maturity Date</b> | <b>Interest Rate and Floor</b>   | <b>Principal Amount</b> | <b>Cost<sup>(2)</sup></b> | <b>Value<sup>(3)</sup></b> |
|---|---------------------------------|---|----------------------|--|-------------------------|---------------------------|----------------------------|
| Paratek Pharmaceuticals, Inc.                               | Drug Discovery & Development    | Senior Secured                          | N/A                  | Interest rate Fixed 10.00%   | \$ 36                   | \$ 36                     | \$                         |
|   | Drug Discovery & Development    | Senior Secured                          | N/A                  | Interest rate Fixed 10.00%   | \$ 45                   | 45                        |                            |
|   | Drug Discovery & Development    | Senior Secured                          | N/A                  | N/A  | \$ 28                   | 28                        |                            |
| Total Paratek Pharmaceuticals, Inc.                         |                                 |   |                      |  | \$ 109                  | 109                       |                            |
| uniQure B.V. <sup>(5)(10)(11)</sup>                         | Drug Discovery & Development    | Senior Secured                          | October 2016         | Interest rate PRIME + 8.60% or Floor rate of 11.85%                      | \$ 10,000               | 9,695                     | 9,818                      |
| <b>Subtotal: 1-5 Years Maturity</b>                         |                                 |   |                      |  |                         | 200,232                   | 199,872                    |
| <b>Subtotal: Drug Discovery &amp; Development (30.75%)*</b> |                                 |   |                      |  |                         | 200,232                   | 199,872                    |
| <b>Electronics &amp; Computer Hardware</b>                  |                                 |   |                      |  |                         |                           |                            |
| <b>1-5 Years Maturity</b>                                   |                                 |   |                      |  |                         |                           |                            |
| Clustrix, Inc.  | Electronics & Computer Hardware | Senior Secured                          | December 2015        | Interest rate PRIME + 6.50% or Floor rate of 9.75%                       | \$ 524                  | 526                       | 526                        |
| Identive Group, Inc. <sup>(3)(11)</sup>                     | Electronics & Computer Hardware | Senior Secured                          | November 2015        | Interest rate PRIME + 7.75% or Floor rate of 11.00%                      | \$ 5,938                | 5,696                     | 5,755                      |
| OCZ Technology Group, Inc.                                  | Electronics & Computer Hardware | Senior Secured                          | April 2016           | Interest rate Prime + 8.75% or Floor rate of 12.50%, PIK Interest 3.00%  | \$ 1,221                | 1,221                     | 1,221                      |
| Plures Technologies, Inc. <sup>(3)</sup>                    | Electronics & Computer Hardware | Senior Secured                          | October 2016         | Interest rate Prime + 12.75% or Floor rate of 16.00%, PIK Interest 4.00% | \$ 2,046                | 1,958                     | 1,458                      |
| <b>Subtotal: 1-5 Years Maturity</b>                         |                                 |   |                      |  |                         | 9,400                     | 8,959                      |