

HERCULES TECHNOLOGY GROWTH CAPITAL INC

Form 10-Q

May 02, 2013

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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, 2013

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.**

(Exact Name of Registrant as Specified in its Charter)

Maryland (State or Jurisdiction of Incorporation or Organization)	743113410 (IRS Employer Identification No.)
400 Hamilton Ave., Suite 310 Palo Alto, California (Address of Principal Executive Offices)	94301 (Zip Code)
(650) 289-3060 (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 30, 2013, there were 61,554,003 shares outstanding of the Registrant's common stock, \$0.001 par value.

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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)**

	March 31, 2013	December 31, 2012
Assets		
Investments:		
Non-control/Non-affiliate investments (cost of \$957,508 and \$896,031, respectively)	\$ 953,788	\$ 894,428
Affiliate investments (cost of \$20,196 and \$18,307, respectively)	14,196	11,872
Total investments, at fair value (cost of \$977,704 and \$914,338, respectively)	967,984	906,300
Cash and cash equivalents	206,928	182,994
Restricted Cash	810	
Interest receivable	9,674	9,635
Other assets	25,790	24,714
Total assets	\$ 1,211,186	\$ 1,123,643
Liabilities		
Accounts payable and accrued liabilities	\$ 8,456	\$ 11,575
Long-term Liabilities (Convertible Senior Note)	71,707	71,436
Asset-Backed Notes	120,051	129,300
2019 Notes	170,364	170,364
Long-term SBA Debentures	225,000	225,000
Total liabilities	\$ 595,578	\$ 607,675
Commitments and Contingencies (Note 9)		
Net assets consist of:		
Common stock, par value	62	53
Capital in excess of par value	660,833	564,508
Unrealized depreciation on investments	(8,281)	(7,947)
Accumulated realized losses on investments	(34,925)	(36,916)
Distributions in excess of investment income	(2,081)	(3,730)
Total net assets	\$ 615,608	\$ 515,968
Total liabilities and net assets	\$ 1,211,186	\$ 1,123,643
Shares of common stock outstanding (\$0.001 par value, 100,000,000 authorized)	61,554	52,925

Net asset value per share

See notes to consolidated financial statements.

\$ 10.00

\$ 9.75

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The following table presents the assets and liabilities of our consolidated variable interest entity (VIE). The assets of the VIE can only be used to settle obligations of the consolidated 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.

(Unaudited, in thousands)	March 31, 2013	December 31, 2012
ASSETS		
Restricted Cash	\$ 810	\$
Total investments, at fair value (cost of \$219,853 and \$0, respectively)	218,142	226,997
Total assets	\$ 218,952	\$ 226,997
LIABILITIES		
Asset-Backed Notes	\$ 120,051	\$ 129,300
Total liabilities	\$ 120,051	\$ 129,300

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)**

	Three Months Ended March 31,	
	2013	2012
Investment income:		
Interest Income		
Non-control/Non-affiliate investments	\$ 28,319	\$ 20,281
Affiliate investments	610	6
Control investments		13
Total interest income	28,929	20,300
Fees		
Non-control/Non-affiliate investments	2,028	2,067
Total fees	2,028	2,067
Total investment income	30,957	22,367
Operating expenses:		
Interest	7,631	3,896
Loan fees	1,079	1,076
General and administrative	2,252	1,817
Employee Compensation:		
Compensation and benefits	3,798	3,395
Stock-based compensation	1,165	808
Total employee compensation	4,963	4,203
Total operating expenses	15,925	10,992
Net investment income	15,032	11,375
Net realized (losses) gains on investments		
Non-control/Non-affiliate investments	1,991	2,877
Total net realized (loss) gain on investments	1,991	2,877
Net unrealized (depreciation) appreciation on investments		
Non-control/Non-affiliate investments	(768)	1,751
Affiliate investments	434	1,076
Control investments		26
Total net unrealized (depreciation) appreciation on investments	(334)	2,853
Total net realized (unrealized) gain	1,657	5,730
Net increase in net assets resulting from operations	\$ 16,689	\$ 17,105
Net investment income before investment gains and losses per common share:		

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Basic	\$ 0.27	\$ 0.24
Change in net assets per common share:		
Basic	\$ 0.30	\$ 0.36
Diluted	\$ 0.30	\$ 0.36
Weighted average shares outstanding		
Basic	53,682	47,018
Diluted	53,823	47,210

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		Capital in excess of par value	Unrealized Appreciation on Investments	Accumulated Realized Gains (Losses) on Investments	Distributions in Excess of Investment Income	Provision for Income Taxes on Investment Gains	Net Assets
	Shares	Par Value						
Balance at December 31, 2011	43,853	\$ 44	\$ 484,244	\$ (3,431)	\$ (43,042)	\$ (6,432)	\$ (342)	\$ 431,041
Net increase in net assets resulting from operations				2,853	2,877	11,375		17,105
Issuance of common stock	5,425	5	49,773					49,778
Issuance of common stock under restricted stock plan	620	1						1
Issuance of common stock as stock dividend	62		670					670
Retired shares from net issuance	(239)		(2,562)					(2,562)
Dividends declared						(11,412)		(11,412)
Stock-based compensation			826					826
Balance at March 31, 2012	49,721	\$ 50	\$ 532,951	\$ (578)	\$ (40,165)	\$ (6,469)	\$ (342)	\$ 485,447
Balance at December 31, 2012	52,925	\$ 53	\$ 564,509	\$ (7,947)	\$ (36,916)	\$ (3,389)	\$ (342)	\$ 515,968
Net increase in net assets resulting from operations				(334)	1,991	15,032		16,689
Issuance of common stock	80		910					910
Issuance of common stock under restricted stock plan	531	1	(1)					
Issuance of common stock as stock 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
Balance at March 31, 2013	61,554	\$ 62	\$ 660,833	\$ (8,281)	\$ (34,925)	\$ (1,739)	\$ (342)	\$ 615,608

See notes to consolidated financial statements.

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

	For the Three Months Ended March 31,	
	2013	2012
Cash flows from operating activities:		
Net increase in net assets resulting from operations	\$ 16,689	\$ 17,105
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:		
Purchase of investments	(139,095)	(64,961)
Principal payments received on investments	75,987	35,533
Proceeds from sale of investments	5,212	8,726
Net unrealized (appreciation) / depreciation on investments	334	(2,853)
Net realized (gain) / loss on investments	(1,991)	(2,877)
Accretion of paid-in-kind principal	(555)	(280)
Accretion of loan discounts	(1,455)	(916)
Accretion of loan discount on Convertible Senior Notes	271	271
Accretion of loan exit fees	(1,819)	(2,685)
Change in deferred loan origination revenue	313	(198)
Unearned fees related to unfunded commitments	(856)	(2,360)
Amortization of debt fees and issuance costs	938	913
Depreciation	68	71
Stock-based compensation and amortization of restricted stock grants	1,185	826
Change in operating assets and liabilities:		
Interest and fees receivable	(41)	(143)
Prepaid expenses and other assets	33	(75)
Accounts payable	(250)	(51)
Accrued liabilities	(2,682)	(3,733)
Net cash used in operating activities	(47,714)	(17,687)
Cash flows from investing activities:		
Purchases of capital equipment	(24)	(12)
Investment in restricted cash	(810)	
Other long-term assets	(30)	
Net cash used in investing activities	(864)	(12)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net	94,660	47,218
Dividends paid	(12,894)	(10,742)
Repayments of credit facilities	(9,254)	(34,818)
Net cash provided by financing activities	72,512	1,658
Net increase / (decrease) in cash	23,934	(16,041)
Cash and cash equivalents at beginning of year	182,994	64,474

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Cash and cash equivalents at end of year

\$ 206,928

\$ 48,433

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maturity: Upon Liquidation					
Paratek Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt ⁽⁹⁾ Matures upon liquidation			
		Interest rate Fixed 10.00%	\$ 45	\$ 45	\$ 45
		Senior Debt ⁽⁹⁾ Matures upon liquidation			
		Interest rate Fixed 10.00%	\$ 36	31	31
		Senior Debt ⁽⁹⁾ Matures upon liquidation			
		No initial interest rate	\$ 28	28	28
Total Paratek Pharmaceuticals, Inc.				104	104
Maturity: Under 1 Year Maturity					
Chroma Therapeutics, Ltd. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Debt Matures November 2013			
		Interest rate Prime + 7.75% or			
		Floor rate of 12.00%	\$ 3,007	3,714	3,675
Maturity: 1-5 Years Maturity					
ADMA Biologics, Inc.	Drug Discovery & Development	Senior Debt Matures April 2016			
		Interest rate Prime + 2.75% or			
		Floor rate of 8.50%	\$ 5,000	4,844	4,844
Anthera Pharmaceuticals Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures December 2014			
		Interest rate Prime + 7.30% or			
		Floor rate of 10.55%	\$ 18,199	18,574	18,574
Aveo Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures September 2015			
		Interest rate Prime + 7.15% or			
		Floor rate of 11.90%	\$ 26,500	26,500	27,030
Cell Therapeutics, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt Matures October 2016	\$ 10,000	9,670	9,670

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		Interest rate Prime + 9.00% or			
Cempra, Inc. ⁽³⁾	Drug Discovery & Development	Floor rate of 12.25% Senior Debt ⁽¹¹⁾ Matures December 2015			
		Interest rate Prime + 6.30% or			
Concert Pharmaceuticals, Inc.	Drug Discovery & Development	Floor rate of 9.55% Senior Debt ⁽⁴⁾ Matures October 2015	\$ 10,000	9,898	9,815
		Interest rate Prime + 3.25% or			
Coronado BioSciences, Inc. ⁽³⁾	Drug Discovery & Development	Floor rate of 8.50% Senior Debt ⁽¹¹⁾ Matures March 2016	\$ 20,000	19,687	18,946
		Interest rate Prime + 6.00% or			
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Floor rate of 9.25% Senior Debt Matures January 2015	\$ 15,000	14,838	14,430
		Interest rate Prime + 4.40% or			
Insmed, Inc.	Drug Discovery & Development	Floor rate of 10.15% Senior Debt ⁽¹¹⁾ Matures January 2016	\$ 8,168	8,039	7,921
		Interest rate Prime + 4.75% or			
Merrimack Pharmaceuticals, Inc.	Drug Discovery & Development	Floor rate of 9.25% Senior Debt Matures May 2016	\$ 20,000	19,438	19,498
		Interest rate Prime + 5.30% or			
		Floor rate of 10.55%	\$ 40,000	39,840	39,840
		See notes to consolidated financial statements.			

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Neuralstem, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt			
		Matures June 2016			
		Interest rate Prime + 7.75% or			
		Floor rate of 11.00%	\$ 8,000	\$ 7,654	\$ 7,654
NeurogesX, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 7.50% or			
		Floor rate of 10.75%	\$ 4,041	4,429	4,397
Total Debt Drug Discovery & Development (30.28%)*				187,229	186,398
Maturity: Under 1 Year Maturity					
PeerApp, Inc.	Communications & Networking	Senior Debt ⁽⁴⁾			
		Matures April 2013			
		Interest rate Prime + 7.50% or			
		Floor rate of 11.50%	\$ 159	248	248
Maturity: 1-5 Years Maturity					
Bridgewave Communications	Communications & Networking	Senior Debt			
		Matures March 2016			
		Interest rate Fixed 8.00%	\$ 7,500	7,163	4,369
OpenPeak, Inc.	Communications & Networking	Senior Debt ⁽¹¹⁾			
		Matures July 2015			
		Interest rate Prime + 8.75% or			
		Floor rate of 12.00%	\$ 14,129	14,330	14,472
UPH Holdings, Inc. ⁽⁸⁾	Communications & Networking	Senior Debt			
		Matures April 2015	\$ 6,600	6,489	3,478
		Interest rate Libor + 11.00% or			

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		Floor rate of 13.50%			
		Senior Debt			
		Matures September 2015			
		Interest rate Libor + 11.00% or			
		Floor rate of 13.50%	\$ 338	333	178
		Senior Debt			
		Matures January 2017			
		Interest rate Libor + 11.00% or			
		Floor rate of 13.50%	\$ 3,594	3,594	1,894
Total UPH Holdings, Inc.				10,416	5,550
Total Debt Communications & Networking (4.00%)*				32,157	24,639
Maturity: 1-5 Years Maturity					
Clustrix, Inc.	Electronics & Computer Hardware	Senior Debt			
		Matures December 2015			
		Interest rate Prime + 6.50% or			
		Floor rate of 9.75%	\$ 696	669	678
Identive Group, Inc.	Electronics & Computer Hardware	Senior Debt			
		Matures November 2015			
		Interest rate Prime + 7.75% or			
		Floor rate 11.00%	\$ 7,500	7,562	7,562
OCZ Technology Group, Inc. ⁽³⁾	Electronics & Computer Hardware	Senior Debt			
		Matures April 2016			
		Interest rate Prime + 8.75% or			
		Floor rate of 12.50%,			
		PIK Interest 3.00%	\$ 10,000	9,473	9,473
Total Debt Electronics & Computer Hardware (2.88%)				17,704	17,713
Maturity: Upon Liquidation					
Tada Innovations, Inc.	Software	Senior Debt ⁽⁹⁾			
		Matures upon liquidation			
		Interest rate Fixed 8.00%	\$ 100	100	

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maturity: 1-5 Years Maturity					
Box, Inc.	Software	Senior Debt ⁽⁴⁾ Matures March 2016 Interest rate Prime + 3.75% or Floor rate of 7.50%	\$ 10,000	\$ 9,947	\$ 9,513
		Senior Debt ⁽⁴⁾ Matures July 2014 Interest rate Prime + 5.25% or Floor rate of 8.50%	\$ 866	930	919
		Senior Debt ⁽¹¹⁾ Matures July 2016 Interest rate Prime + 5.13% or Floor rate of 8.88%	\$ 20,000	20,211	19,574
Total Box, Inc.				31,088	30,006
Clickfox, Inc.	Software	Senior Debt Matures November 2015 Interest rate Prime + 8.25% or Floor rate of 11.50%	\$ 7,788	7,209	7,443
EndPlay, Inc.	Software	Senior Debt Matures August 2015 Interest rate Prime + 7.35% or Floor rate 10.6%	\$ 2,000	1,945	1,945
Hillcrest Laboratories, Inc	Software	Senior Debt Matures July 2015 Interest rate Prime + 7.50% or Floor rate of 10.75%	\$ 3,764	3,701	3,664
JackBe Corporation	Software	Senior Debt Matures January 2016 Interest rate Prime + 7.25% or	\$ 3,000	2,922	2,929

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Kxen, Inc.	Software	Floor rate of 10.50% Senior Debt ⁽⁴⁾ Matures January 2015			
		Interest rate Prime + 5.08% or			
Neos Geosolutions, Inc.	Software	Floor rate of 8.33% Senior Debt Matures May 2016	\$ 2,078	2,126	1,980
		Interest rate Prime + 5.75% or			
		Floor rate of 9.50%	\$ 4,000	3,955	3,955
Total Debt Software (8.44%)*				53,046	51,922
Maturity: Under 1 Year Maturity					
Althea Technologies, Inc.	Specialty Pharmaceuticals	Senior Debt Matures October 2013			
		Interest rate Prime + 7.70% or			
Quatrx Pharmaceuticals Company	Specialty Pharmaceuticals	Floor rate of 10.95% Senior Debt ⁽⁹⁾ Matures March 2014	\$ 6,933	7,285	7,285
		Interest rate Fixed 8.00%	\$ 1,888	1,888	2,767
Total Debt Specialty Pharmaceuticals (1.63%)*				9,173	10,052
Maturity: 1-5 Years Maturity					
Achronix Semiconductor Corporation	Semiconductors	Senior Debt Matures January 2015			
		Interest rate Prime + 10.60% or			
		Floor rate of 13.85%	\$ 1,653	1,618	1,602
Total Debt Semiconductors (0.26%)*				1,618	1,602

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maturity: Under 1 Year Maturity					
Alexza Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures October 2013 Interest rate Prime + 6.50% or Floor rate of 10.75%	\$ 3,594	\$ 3,994	\$ 3,994
Maturity: 1-5 Years Maturity					
AcelRX Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures December 2014 Interest rate Prime + 3.25% or Floor rate of 8.50%	\$ 14,452	14,402	14,108
BIND Therapeutics, Inc.	Drug Delivery	Senior Debt Matures July 2014 Interest rate Prime + 7.45% or Floor rate of 10.70%	\$ 2,838	2,875	2,926
Intelliject, Inc.	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures June 2016 Interest rate Prime + 5.75% or Floor rate of 11.00%	\$ 15,000	14,705	15,155
Nupathe, Inc. ⁽³⁾	Drug Delivery	Senior Debt Matures May 2016 Interest rate Prime - 3.25% or Floor rate of 9.85%	\$ 8,500	8,220	8,220
Revance Therapeutics, Inc.	Drug Delivery	Senior Debt Matures March 2015 Interest rate Prime + 6.60% or Floor rate of 9.85%	\$ 16,594	16,582	16,379
Total Debt Drug Delivery (9.87%)*				60,778	60,782
Maturity: Under 1 Year Maturity					
Loku, Inc.		Senior Debt ⁽⁹⁾			

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	Internet Consumer & Business Services	Matures June 2013			
Tectura Corporation		Interest rate Fixed 6.00%	\$ 100	100	100
	Internet Consumer & Business Services	Revolving Line of Credit			
		Matures July 2013			
		Interest rate LIBOR + 8.00% or			
		Floor rate of 11.00%	\$ 16,340	18,033	17,663
		Senior Debt			
		Matures April 2013			
		Interest rate LIBOR + 10.00% or			
		Floor rate of 13.00%	\$ 563	553	553
		Senior Debt			
		Matures July 2013			
		Interest rate LIBOR + 10.00% or			
		Floor rate of 13.00%	\$ 1,000	1,000	1,000
Total Tectura Corporation				19,586	19,216
Maturity: 1-5 Years Maturity					
Ahhha, Inc. ⁽⁸⁾	Internet Consumer & Business Services	Senior Debt			
		Matures January 2015			
		Interest rate Fixed 12.00%	\$ 350	347	
Blurb, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures December 2015			
		Interest rate Prime + 5.25% or			
		Floor rate 8.50%	\$ 8,000	7,749	7,547
Education Dynamics, LLC	Internet Consumer & Business Services	Senior Debt			
		Matures March 2016			
		Interest rate Fixed 12.50%,			
		PIK Interest 1.50%	\$ 26,750	26,386	25,563

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Just.Me, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures June 2015			
		Interest rate Prime + 2.50% or			
		Floor rate 5.75%	\$ 750	\$ 737	\$ 689
Total Just.Me, Inc.		Senior Debt			
		Matures June 2015			
		Interest rate Prime + 5.00% or			
		Floor rate 8.25%	\$ 750	732	709
				1,469	1,398
NetPlenish, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures April 2015			
		Interest rate Fixed 10.00%	\$ 500	492	460
		Senior Debt ⁽¹¹⁾			
Reply! Inc.	Internet Consumer & Business Services	Matures September 2015			
		Interest rate Prime + 6.875% or			
		Floor rate of 10.125%	\$ 11,749	11,638	11,525
		Senior Debt ⁽¹¹⁾			
Total Reply! Inc.		Matures September 2015			
		Interest rate Prime + 7.25% or			
		Floor rate of 11.00%	\$ 2,000	1,957	2,005
		Senior Debt			
Second Rotation, Inc.	Internet Consumer & Business Services	Matures February 2016			
		Interest rate Prime + 7.25% or			
		Floor rate of 10.50%	\$ 3,000	2,977	2,977
		Senior Debt			
				16,572	16,507
Total Just.Me, Inc.		Senior Debt			
		Matures April 2016	\$ 12,142	12,013	12,013

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		Interest rate Prime + 7.00% or			
		Floor rate of 10.25%,			
ShareThis, Inc.	Internet Consumer & Business Services	PIK interest 2.50%			
		Senior Debt			
		Matures June 2016			
		Interest rate Prime + 7.50% or			
		Floor rate of 10.75%	\$ 15,000	14,349	14,349
Tectura Corporation	Internet Consumer & Business Services	Senior Debt			
		Matures December 2014			
		Interest rate LIBOR + 10.00% or			
		Floor rate of 13.00%	\$ 6,468	6,412	6,230
Trulia, Inc. ⁽³⁾	Internet Consumer & Business Services	Senior Debt ⁽¹¹⁾			
		Matures September 2015			
		Interest rate Prime + 2.75% or			
		Floor rate of 6.00%	\$ 5,000	4,934	4,794
		Senior Debt ⁽¹¹⁾			
		Matures September 2015			
		Interest rate Prime + 5.50% or			
		Floor rate of 8.75%	\$ 5,000	4,933	4,640
Total Trulia, Inc.				9,867	9,434
Vaultlogix, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures September 2016			
		Interest rate LIBOR + 8.50% or			
		Floor rate of 10.00%,			
		PIK interest 2.50%	\$ 7,500	7,740	7,680
		Senior Debt			
		Matures September 2015			
		Interest rate LIBOR + 7.00% or			
		Floor rate of 8.50%	\$ 9,903	9,864	9,580
Total Vaultlogix, Inc.				17,604	17,260

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Wavemarket, Inc.	Internet Consumer & Business Services	Senior Debt ⁽¹¹⁾ Matures September 2015 Interest rate Prime + 5.75% or Floor rate of 9.50%	\$ 10,000	\$ 9,876	\$ 9,458
Total Debt Internet Consumer & Business Services (22.67%)*				142,822	139,535
Maturity: Under 1 Year Maturity					
InXpo, Inc.	Information Services	Senior Debt Matures March 2014 Interest rate Prime + 7.50% or Floor rate of 10.75%	\$ 2,550	2,432	2,316
Maturity: 1-5 Years Maturity					
Cha Cha Search, Inc.	Information Services	Senior Debt Matures February 2015 Interest rate Prime + 6.25% or Floor rate of 9.50%	\$ 2,364	2,334	2,277
Eccentex Corporation	Information Services	Senior Debt ⁽¹¹⁾ Matures May 2015 Interest rate Prime + 7.00% or Floor rate of 10.25%	\$ 966	949	449
Jab Wireless, Inc.	Information Services	Senior Debt Matures November 2017 Interest rate Prime + 6.75% or Floor rate of 8.00%	\$ 30,000	29,861	29,850
RichRelevance, Inc.	Information Services	Senior Debt Matures January 2015 Interest rate Prime + 3.25% or Floor rate of 7.50%	\$ 3,778	3,762	3,661
Womensforum.com, Inc.	Information Services	Senior Debt ⁽¹¹⁾			

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Matures October 2016

Interest rate LIBOR + 6.50% or

Floor rate of 9.25% \$ 8,000 7,853 7,853

Senior Debt⁽¹¹⁾

Matures October 2016

Interest rate LIBOR + 7.50% or

Floor rate of 10.25% \$ 4,500 4,451 4,451

Total Womensforum.com, Inc. 12,304 12,304

Total Debt Information Services (8.26%)* 51,642 50,857

Maturity: Upon Liquidation

Novasys Medical, Inc.	Medical Device & Equipment	Senior Debt ⁽⁹⁾ Matures upon liquidation			
		Interest rate Fixed 8.00%	\$ 65	65	65

Maturity: Under 1 Year Maturity

Gynesonics, Inc.	Medical Device & Equipment	Senior Debt Matures October 2013			
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$ 3,073	3,178	3,178
Optiscan Biomedical, Corp. ⁽⁶⁾	Medical Device & Equipment	Senior Debt Matures December 2013			
		Interest rate Prime + 8.20% or			
		Floor rate of 11.45%	\$ 8,260	9,101	9,265
Oraya Therapeutics, Inc.	Medical Device & Equipment	Senior Debt ⁽⁹⁾ Matures December 2013			
		Interest rate Fixed 7.00%	\$ 500	500	500

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maturity: 1-5 Years Maturity					
Lanx, Inc.	Medical Device & Equipment	Senior Debt			
		Matures October 2016			
		Interest rate Prime + 8.00% or			
		Floor rate of 11.75%	\$ 15,000	\$ 14,651	\$ 15,101
		Revolving Line of Credit			
		Matures October 2015			
		Interest rate Prime + 6.75% or			
		Floor rate of 10.50%	\$ 5,500	5,313	5,276
Total Lanx, Inc.				19,964	20,377
Medrobotics Corporation	Medical Device & Equipment	Senior Debt			
		Matures March 2016			
		Interest rate Prime + 7.85% or			
		Floor rate of 11.10%	\$ 5,000	4,766	4,766
MELA Sciences, Inc.	Medical Device & Equipment	Senior Debt			
		Matures November 2016			
		Interest rate Prime + 7.20% or			
		Floor rate of 10.45%	\$ 6,000	5,919	5,919
NinePoint Medical, Inc.	Medical Device & Equipment	Senior Debt			
		Matures January 2016			
		Interest rate Prime + 5.85% or			
		Floor rate of 9.10%	\$ 7,000	6,805	6,805
Oraya Therapeutics, Inc.	Medical Device & Equipment	Senior Debt ⁽¹⁾			
		Matures September 2015			
		Interest rate Prime + 5.50% or			
		Floor rate of 10.25%	\$ 9,711	9,542	9,678

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United Orthopedic Group, Inc.	Medical Device & Equipment	Senior Debt			
		Matures July 2016			
		Interest rate Prime + 8.60% or			
		Floor rate of 11.85%	\$ 25,000	24,215	24,215
SonaCare Medical, LLC	Medical Device & Equipment	Senior Debt ⁽¹⁾			
		Matures April 2016			
		Interest rate Prime + 7.75% or			
		Floor rate of 11.00%	\$ 6,000	5,919	5,855
Total Debt Medical Device & Equipment (14.72%)*				89,974	90,623
Maturity: 1-5 Years Maturity					
Navidea Biopharmaceuticals, Inc. (pka Neoprobe) ⁽³⁾	Diagnostic	Senior Debt			
		Matures December 2014			
		Interest rate Prime + 6.75% or			
		Floor rate of 10.00%	\$ 5,086	5,086	5,147
Tethys Bioscience Inc.	Diagnostic	Senior Debt ⁽¹⁾			
		Matures December 2015			
		Interest rate Prime + 8.40% or			
		Floor rate of 11.65%	\$ 10,000	10,057	9,614
Total Debt Diagnostic (2.40%)*				15,143	14,761

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maturity: Under 1 Year Maturity					
Labcyte, Inc.	Biotechnology Tools	Senior Debt Matures May 2013			
		Interest rate Prime + 8.60% or			
		Floor rate of 11.85%	\$ 315	\$ 394	\$ 394
Maturity: 1-5 Years Maturity					
Labcyte, Inc.	Biotechnology Tools	Senior Debt ⁽¹¹⁾ Matures June 2016			
		Interest rate Prime + 6.70% or			
		Floor rate of 9.95%	\$ 5,000	4,932	4,980
Total Debt Biotechnology Tools (0.87%)*				5,326	5,374
Maturity: 1-5 Years Maturity					
MedCall, LLC	Healthcare Services, Other	Senior Debt Matures January 2016			
		Interest rate 7.79% or			
		Floor rate of 9.50%	\$ 4,778	4,727	4,606
		Senior Debt Matures January 2016			
		Interest rate LIBOR +8.00% or			
		Floor rate of 10.00%	\$ 3,931	3,873	3,801
Total MedCall, LLC				8,600	8,407
Pacific Child & Family Associates, LLC	Healthcare Services, Other	Senior Debt Matures January 2015			
		Interest rate LIBOR + 8.00% or			
		Floor rate of 11.50%	\$ 2,737	2,741	2,686
		Senior Debt Matures January 2015	\$ 5,900	6,641	6,382
		Interest rate LIBOR + 11.00% or			

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		Floor rate of 14.00%, PIK interest 3.75%		
Total Pacific Child & Family Associates, LLC			9,382	9,068
ScriptSave (Medical Security Card Company, LLC)	Healthcare Services, Other	Senior Debt Matures February 2016 Interest rate LIBOR + 8.75% or Floor rate of 11.25%	\$ 14,067	13,893
				13,941
Total Debt Health Services, Other (5.10%)*			31,875	31,416
Maturity: 1-5 Years Maturity				
Entrigue Surgical, Inc.	Surgical Devices	Senior Debt Matures December 2014 Interest rate Prime + 5.90% or Floor rate of 9.65%	\$ 2,183	2,168
				2,171
Transmedics, Inc.	Surgical Devices	Senior Debt ⁽¹¹⁾ Matures November 2015 Interest rate Fixed 12.95%	\$ 7,250	7,097
				7,097
Total Debt Surgical Devices (1.51%)*			9,265	9,268
Maturity: 1-5 Years Maturity				
Westwood One Communications	Media/Content/ Info	Senior Debt Matures October 2016 Interest rate LIBOR + 6.50% or Floor rate of 8.00%	\$ 19,614	18,253
				17,890
Women s Marketing, Inc.	Media/Content/ Info	Senior Debt Matures May 2016 Interest rate Libor + 9.50% or Floor rate of 12.00%, PIK interest 3.00%	\$ 9,681	10,092
				10,189
		Interest rate Libor + 7.50% or Floor rate of 10.00%	\$ 15,612	15,389
				15,175
Total Women s Marketing, Inc.			25,481	25,364

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Zoom Media Corporation	Media/Content/ Info	Senior Debt Matures December 2015			
		Interest rate Prime + 7.25% or			
		Floor rate of 10.50%,			
		PIK interest 3.75%	\$ 5,000	\$ 4,738	\$ 4,738
	Media/Content/ Info	Revolving Line of Credit Matures December 2014			
		Interest rate Prime + 5.25% or			
		Floor rate of 8.50%	\$ 3,500	3,238	3,238
Total Zoom Media Corporation				7,976	7,976
Total Debt Media/Content/Info (8.32%)*				51,710	51,230
Maturity: Under 1 Year Maturity					
BrightSource Energy, Inc.	Clean Tech	Senior Debt Matures January 2014			
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$ 35,000	34,645	34,645
Solexel, Inc.	Clean Tech	Senior Debt Matures June 2013			
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$ 1,476	1,474	1,474
		Senior Debt Matures June 2013			
		Interest rate Prime + 7.25% or			
		Floor rate of 10.50%	\$ 169	169	169
Total Solexel, Inc.				1,643	1,643
Maturity: 1-5 Years Maturity					
Alphabet Energy, Inc.	Clean Tech	Senior Debt Matures February 2015	\$ 1,772	1,679	1,679

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		Interest rate Prime + 5.75% or			
American Superconductor Corporation ⁽³⁾	Clean Tech	Floor rate of 9.00% Senior Debt ⁽¹¹⁾ Matures December 2014			
		Interest rate Prime + 7.25% or			
Comverge, Inc.	Clean Tech	Floor rate of 11.00% Senior Debt Matures November 2017	\$ 8,077	8,139	8,344
		Interest rate LIBOR + 8.00% or			
	Clean Tech	Floor rate of 9.50% Senior Debt Matures November 2017	\$ 20,000	19,605	19,605
		Interest rate LIBOR + 9.50% or			
		Floor rate of 11.00%	\$ 14,000	13,754	13,754
Total Comverge, Inc.				33,359	33,359
Enphase Energy, Inc. ⁽³⁾	Clean Tech	Senior Debt ⁽¹¹⁾ Matures June 2014			
		Interest rate Prime + 5.75% or			
	Clean Tech	Floor rate of 9.00% Senior Debt Matures August 2016	\$ 3,167	3,169	3,135
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$ 7,400	7,353	7,353
Total Enphase Energy, Inc.				10,522	10,488
Glori Energy, Inc.	Clean Tech	Senior Debt ⁽¹¹⁾ Matures June 2015			
		Interest rate Prime + 6.75% or			
Integrated Photovoltaics, Inc.	Clean Tech	Floor rate of 10.00% Senior Debt Matures February 2015	\$ 8,000	7,913	7,961
		Interest rate Prime + 7.38% or			
		Floor rate of 10.63%	\$ 2,305	2,239	2,237

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Polyera Corporation	Clean Tech	Senior Debt Matures June 2016 Interest rate Prime + 6.75% or Floor rate of 10.00%	\$ 3,000	\$ 2,971	\$ 2,971
Redwood Systems, Inc.	Clean Tech	Senior Debt Matures February 2016 Interest rate Prime + 6.50% or Floor rate of 9.75%	\$ 5,000	4,993	4,993
SClenergy, Inc.	Clean Tech	Senior Debt ⁽⁴⁾ Matures September 2015 Interest rate Prime + 8.75% or Floor rate 12.00%	\$ 5,296	5,194	5,353
Stion Corporation	Clean Tech	Senior Debt ⁽⁴⁾ Matures February 2015 Interest rate Prime + 6.75% or Floor rate of 10.00%	\$ 6,732	6,765	6,754
TAS Energy, Inc.	Clean Tech	Senior Debt Matures February 2015 Interest rate Prime + 7.75% or Floor rate of 11.00%	\$ 10,000	9,630	9,630
		Senior Debt Matures February 2015 Interest rate Prime + 6.25% or Floor rate of 9.50%	\$ 5,000	4,782	4,782
Total TAS Energy, Inc.				14,412	14,412
Total Debt Clean Tech (21.90%)*				134,474	134,839

Total Debt (143.11%)

\$ 893,936 \$ 881,011

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾
ADMA Biologics, Inc.	Drug Discovery & Development	Common Stock Warrants		25,000	\$ 129	\$ 115
Acceleron Pharmaceuticals, Inc.	Drug Discovery & Development	Common Stock Warrants		46,446	39	55
		Preferred Stock Warrants	Series B	110,270	35	45
Total Warrants Acceleron Pharmaceuticals, Inc.				156,716	74	100
Anthera Pharmaceuticals Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		321,429	984	61
Cell Therapeutics, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		679,040	300	322
Cempra, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		39,038	187	49
Chroma Therapeutics, Ltd. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Preferred Stock Warrants	Series D	325,261	490	500
Concert Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series C	400,000	367	133
Coronado Biosciences, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		73,009	142	292
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Common Stock Warrants		50,000	28	15
		Preferred Stock Warrants	Series A	525,000	236	161
		Preferred Stock Warrants	Series B	660,000	311	202
Total Warrants Dicerna Pharmaceuticals, Inc.				1,235,000	575	378

See notes to consolidated financial statements.

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾	
EpiCept Corporation ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		325,204	\$ 4	\$	
Horizon Pharma, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		22,408	231		
Insmed, Incorporated ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		329,931	570	1,482	
Merrimack Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		302,143	155	644	
Neuralstem, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		608,695	295	291	
NeurogesX, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		3,421,500	503	71	
Portola Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series B	687,023	151	268	
Total Warrants Drug Discovery & Development (0.76%)*					5,157	4,706	
Bridgewater Communications	Communications & Networking	Preferred Stock Warrants	Series 5	2,942,618	753		
Intelepeer, Inc.	Communications & Networking	Preferred Stock Warrants	Series C	117,958	102	184	
Neonova Holding Company	Communications & Networking	Preferred Stock Warrants	Series A	450,000	94	21	
OpenPeak, Inc.	Communications & Networking	Preferred Stock Warrants	Series E	25,646	149	11	
PeerApp, Inc.	Communications & Networking	Preferred Stock Warrants	Series B	298,779	61	64	
Peerless Network, Inc.	Communications & Networking	Preferred Stock Warrants	Series A	135,000	94	384	
Ping Identity Corporation	Communications & Networking	Preferred Stock Warrants	Series B	1,136,277	52	118	
UPH Holdings, Inc. ⁽⁸⁾	Communications & Networking	Common Stock Warrants		145,877	131		
Purcell Systems, Inc.	Communications & Networking	Preferred Stock Warrants	Series B	110,000	123	69	
Stoke, Inc.	Communications & Networking	Preferred Stock Warrants	Series C	158,536	53	184	
		Preferred Stock Warrants	Series D	72,727	65	80	
Total Stoke, Inc.					231,263	118	264
Total Warrants Communications & Networking (0.18%)*					1,677	1,115	
Atrenta, Inc.	Software	Preferred Stock Warrants	Series D	392,670	121	325	
Box, Inc.	Software	Preferred Stock Warrants	Series C	271,070	117	2,380	
		Preferred Stock Warrants	Series B	199,219	73	3,408	
		Preferred Stock Warrants	Series D-1	62,255	193	319	
Total Box, Inc.					532,544	383	6,107
Braxton Technologies, LLC.	Software	Preferred Stock Warrants	Series A	168,750	188		
Central Desktop, Inc.	Software	Preferred Stock Warrants	Series B	522,823	108	186	
Clickfox, Inc.	Software	Preferred Stock Warrants	Series B	1,038,563	329	364	
		Preferred Stock Warrants	Series C	592,019	730	234	
Total Clickfox, Inc.					1,630,582	1,059	598
Daegis Inc. (pka Unify Corporation) ⁽³⁾	Software	Common Stock Warrants		718,860	1,434	77	
Endplay, Inc.	Software	Preferred Stock Warrants	Series B	180,000	67	21	
Foreshout Technologies, Inc.	Software	Preferred Stock Warrants	Series D	399,687	99	348	
Hillcrest Laboratories, Inc.	Software	Preferred Stock Warrants	Series E	1,865,650	55	54	
JackBe Corporation	Software	Preferred Stock Warrants	Series C	180,000	73	56	
Kxen, Inc.	Software	Preferred Stock Warrants	Series D	184,614	47	7	

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Neos Geosolutions, Inc.	Software	Preferred Stock Warrants	Series 3	221,150	22	23
Rockyou, Inc.	Software	Preferred Stock Warrants	Series B	41,266	117	
SugarSync Inc.	Software	Preferred Stock Warrants	Series CC	332,726	78	168
		Preferred Stock Warrants	Series DD	107,526	34	41
Total SugarSync Inc.				440,252	112	209
Tada Innovations, Inc.	Software	Preferred Stock Warrants	Series A	20,833	25	
White Sky, Inc.	Software	Preferred Stock Warrants	Series B-2	124,295	54	3
WildTangent, Inc.	Software	Preferred Stock Warrants	Series 3A	100,000	238	55
Total Warrants Software (1.31%)*					4,202	8,069

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Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾
Clustrix, Inc.	Electronics & Computer Hardware	Preferred Stock Warrants	Series B	49,732	\$ 12	\$ 6
OCZ Technology Group, Inc. ⁽³⁾	Electronics & Computer Hardware	Common Stock Warrants		688,073	619	648
Shocking Technologies, Inc.	Electronics & Computer Hardware	Preferred Stock Warrants	Series A-1	181,818	63	201
Total Warrant Electronics & Computer Hardware (0.14%)*					694	855
Althea Technologies, Inc.	Specialty Pharmaceuticals	Preferred Stock Warrants	Series D	502,273	309	4,237
Quatrux Pharmaceuticals Company	Specialty Pharmaceuticals	Preferred Stock Warrants	Series E	340,534	308	
Total Warrants Specialty Pharmaceuticals (0.69%)*					617	4,237
IPA Holdings, LLC	Consumer & Business Products	Common Stock Warrants		650,000	275	368
Market Force Information, Inc.	Consumer & Business Products	Preferred Stock Warrants	Series A	99,286	24	87
Seven Networks, Inc.	Consumer & Business Products	Preferred Stock Warrants	Series C	1,821,429	174	80
ShareThis, Inc.	Consumer & Business Products	Preferred Stock Warrants	Series B	535,905	547	498
Wavemarket, Inc.	Consumer & Business Products	Preferred Stock Warrants	Series E	1,083,333	106	62
Total Warrant Consumer & Business Products (0.18%)*					1,126	1,095
Achronix Semiconductor Corporation	Semiconductors	Preferred Stock Warrants	Series D	360,000	160	105
Enpirion, Inc.	Semiconductors	Preferred Stock Warrants	Series D	239,872	157	
iWatt, Inc.	Semiconductors	Preferred Stock Warrants	Series C	558,748	46	16
		Preferred Stock Warrants	Series D	1,954,762	582	316
Total iWatt, Inc.				2,513,510	628	332
Kovio Inc.	Semiconductors	Preferred Stock Warrants	Series B	319,352	92	30
Total Warrants Semiconductors (0.07%)*					1,037	437
AcelRX Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Common Stock Warrants		274,508	356	564
Alexza Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Common Stock Warrants		37,639	645	2
BIND Therapeutics, Inc.	Drug Delivery	Preferred Stock Warrants	Series C-1	150,000	291	422
Intelliject, Inc.	Drug Delivery	Preferred Stock Warrants	Series B	82,500	594	965
NuPathe, Inc. ⁽³⁾	Drug Delivery	Common Stock Warrants		106,631	139	166
Revance Therapeutics, Inc.	Drug Delivery	Preferred Stock Warrants	Series D	269,663	557	577
Transcept Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Common Stock Warrants		61,452	87	55
Total Warrant Drug Delivery (0.45%)*					2,669	2,751

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Blurb, Inc.	Internet Consumer & Business Services	Preferred Stock Warrants	Series B	439,336	323	318
		Preferred Stock Warrants	Series C	234,280	636	505
Total Blurb, Inc.				673,616	959	823
Invoke Solutions, Inc.	Internet Consumer & Business Services	Common Stock Warrants		53,084	38	
Just.Me	Internet Consumer & Business Services	Preferred Stock Warrants	Series A	102,299	20	29
Prism Education Group, Inc.	Internet Consumer & Business Services	Preferred Stock Warrants	Series B	200,000	43	
Reply! Inc.	Internet Consumer & Business Services	Preferred Stock Warrants	Series B	137,225	320	769
Second Rotation, Inc.	Internet Consumer & Business Services	Preferred Stock Warrants	Series D	151,827	165	202
Tectura Corporation	Internet Consumer & Business Services	Preferred Stock Warrants	Series B-1	253,378	51	
Total Warrants Internet Consumer & Business Services (0.30%)*					1,596	1,823

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾	
Buzznet, Inc.	Information Services	Preferred Stock Warrants	Series B	19,962	\$ 9	\$	
Cha Cha Search, Inc.	Information Services	Preferred Stock Warrants	Series F	48,232	58	7	
Eccentex Corporation	Information Services	Preferred Stock Warrants	Series A	408,719	31		
Intelligent Beauty, Inc.	Information Services	Preferred Stock Warrants	Series B	190,234	230	611	
InXpo, Inc.	Information Services	Preferred Stock Warrants	Series C	648,400	98	32	
		Preferred Stock Warrants	Series C-1	582,015	48	43	
Total InXpo, Inc.				1,230,415	146	75	
Jab Wireless, Inc.	Information Services	Preferred Stock Warrants	Series A	266,567	265	343	
RichRelevance, Inc.	Information Services	Preferred Stock Warrants	Series D	112,749	98	39	
Solutionary, Inc.	Information Services	Preferred Stock Warrants	Series A-2	111,311	96	62	
Total Warrants Information Services (0.18%)*					933	1,137	
EKOS Corporation	Medical Device & Equipment	Preferred Stock Warrants	Series C	4,448,135	327		
Gelesis, Inc. ⁽⁶⁾	Medical Device & Equipment		LLC Interest	263,688	78	108	
Lanx, Inc.	Medical Device & Equipment	Preferred Stock Warrants	Series C	1,203,369	441	755	
Medrobotics Corporation	Medical Device & Equipment	Preferred Stock Warrants	Series D	424,008	343	404	
NinePoint Medical, Inc.	Medical Device & Equipment	Preferred Stock Warrants	Series A	350,000	170	204	
Novasys Medical, Inc.	Medical Device & Equipment	Preferred Stock Warrants	Series D	580,447	131		
		Common Stock Warrants		109,449	2		
Total Novasys Medical, Inc.				689,896	133		
Optiscan Biomedical, Corp. ⁽⁶⁾	Medical Device & Equipment	Preferred Stock Warrants	Series D	6,206,187	1,252	432	
Oraya Therapeutics, Inc.	Medical Device & Equipment	Preferred Stock Warrants	Series C	716,948	676	266	
		Common Stock Warrants		95,498	66	47	
Total Oraya Therapeutics, Inc.				812,446	742	313	
United Orthopedic Group, Inc.	Medical Device & Equipment	Preferred Stock Warrants	Series A	423,076	608	599	
SonaCare Medical, LLC	Medical Device & Equipment	Preferred Stock Warrants	Series G	141,388	188	110	
Total Warrants Medical Device & Equipment (0.47%)*					4,282	2,925	
Navidea Biopharmaceuticals, Inc. (pka Neoprobe) ⁽³⁾	Diagnostic	Common Stock Warrants		333,333	244	318	
Tethys Bioscience, Inc.	Diagnostic	Preferred Stock Warrants	Series E	617,683	147	117	
Total Warrants Diagnostic (0.07%)*					391	435	
Labcyte, Inc.	Biotechnology Tools	Preferred Stock Warrants	Series C	1,127,624	323	254	
NuGEN Technologies, Inc.	Biotechnology Tools	Preferred Stock Warrants	Series B	204,545	45	202	
		Preferred Stock Warrants	Series C	30,114	33	11	
Total NuGEN Technologies, Inc.				234,659	78	213	

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Total Warrants Biotechnology Tools (0.08%)*					401	467
Entrigue Surgical, Inc.	Surgical Devices	Preferred Stock Warrants	Series B	62,500	87	
Transmedics, Inc.	Surgical Devices	Preferred Stock Warrants	Series B	40,436	225	
		Preferred Stock Warrants	Series D	175,000	100	227
Total Transmedics, Inc.				215,436	325	227
Gynesonics, Inc.	Surgical Devices	Preferred Stock Warrants	Series C	1,756,444	412	343
Total Warrants Surgical Devices (0.09%)*					824	570
Everyday Health, Inc. (pka Waterfront Media, Inc.)	Media/Content/ Info	Preferred Stock Warrants	Series C	110,018	60	76
Glam Media, Inc.	Media/Content/ Info	Preferred Stock Warrants	Series D	407,457	482	
Zoom Media Group, Inc.	Media/Content/ Info	Preferred Stock Warrants	n/a	1,204	348	337
Total Warrants Media/Content/Info (0.07%)*					890	413

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾
Alphabet Energy, Inc.	Clean Tech	Preferred Stock Warrants	Series A	86,328	\$ 83	\$ 141
American Superconductor Corporation ⁽³⁾	Clean Tech	Common Stock Warrants		139,275	244	123
BrightSource Energy, Inc.	Clean Tech	Preferred Stock Warrants	Series D	174,999	779	156
Calera, Inc.	Clean Tech	Preferred Stock Warrants	Series C	44,529	513	
EcoMotors, Inc.	Clean Tech	Preferred Stock Warrants	Series B	437,500	308	490
Enphase Energy, Inc. ⁽³⁾	Clean Tech	Common Stock Warrants		37,500	102	55
Fulcrum Bioenergy, Inc.			Series			
	Clean Tech	Preferred Stock Warrants	C-1	187,265	211	133
Glori Energy, Inc.	Clean Tech	Preferred Stock Warrants	Series C	145,932	165	71
GreatPoint Energy, Inc.			Series			
	Clean Tech	Preferred Stock Warrants	D-1	393,212	548	
Integrated Photovoltaics, Inc.			Series			
	Clean Tech	Preferred Stock Warrants	A-1	390,000	82	108
Polyera Corporation	Clean Tech	Preferred Stock Warrants	Series C	161,575	69	70
Propel Biofuels, Inc.	Clean Tech	Preferred Stock Warrants	Series C	3,200,000	211	227
Redwood Systems, Inc.	Clean Tech	Preferred Stock Warrants	Series C	331,250	3	
SClenergy, Inc.	Clean Tech	Preferred Stock Warrants	Series D	1,061,168	361	163
Solexel, Inc.	Clean Tech	Preferred Stock Warrants	Series B	245,682	1,161	9
Stion Corporation	Clean Tech	Preferred Stock Warrants	Series E	110,226	317	142
TAS Energy, Inc.	Clean Tech	Preferred Stock Warrants	Series A	37,406	299	272
Trilliant, Inc.	Clean Tech	Preferred Stock Warrants	Series A	320,000	162	54
Total Warrants Clean Tech (0.36%)*					5,618	2,214
Total Warrants (5.40%)					\$ 32,114	\$ 33,249
Aveo Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock		167,864	842	1,234
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock	Series B	502,684	502	454
Inotek Pharmaceuticals Corp.	Drug Discovery & Development	Preferred Stock	Series C	15,334	1,500	
Merrimack Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock		546,448	2,000	3,333
Paratek Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock	Series H	244,158	1,000	376
		Common Stock		47,471	5	5
Total Paratek Pharmaceuticals, Inc.				291,629	1,005	381
Total Equity Drug Discovery & Development (0.88%)*					5,849	5,402
Acceleron Pharmaceuticals, Inc.	Drug Delivery	Preferred Stock	Series B	186,674	69	239
		Preferred Stock	Series B	600,601	243	227
		Preferred Stock	Series C	93,456	97	226
		Preferred Stock	Series E	43,488	61	63
		Preferred Stock	Series F	19,268	1,000	1,011

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Total Acceleron Pharmaceuticals, Inc.					756,813	1,470	1,766
Merrion Pharma, Plc. ⁽³⁾⁽⁵⁾⁽¹⁰⁾	Drug Delivery	Common Stock		20,000		9	
Nupathe, Inc.	Drug Delivery	Common Stock		50,000		146	
Transcept Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Common Stock		41,570		500	
Total Equity Drug Delivery (0.35%)*						2,125	2,127
Trulia, Inc.					29,740	141	1,005
Philotic, Inc.	Internet Consumer & Business Services	Common Stock		8,121		93	
Total Equity Internet Consumers & Business Services (0.16%)*						234	1,005
E-band Communications, Corp. ⁽⁶⁾							
	Communications & Networking	Preferred Stock	Series B	564,972		2,000	
		Preferred Stock	Series C	649,998		372	
		Preferred Stock	Series D	847,544		508	
		Preferred Stock	Series E	1,987,605		374	

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾
Total E-band Communications, Corp.				4,050,119	\$ 3,254	\$
Glowpoint, Inc. ⁽³⁾	Communications & Networking	Common Stock		114,192	101	168
Neonova Holding Company	Communications & Networking	Preferred Stock	Series A	500,000	250	190
Peerless Network, Inc.	Communications & Networking	Preferred Stock	Series A	1,000,000	1,000	4,031
Stoke, Inc.	Communications & Networking	Preferred Stock	Series E	152,905	500	538
Total Equity Communications & Networking (0.80%)*					5,105	4,927
Atrenta, Inc.	Software	Preferred Stock	Series C	1,196,845	508	1,058
		Preferred Stock	Series D	635,513	986	1,622
Total Atrenta, Inc.				1,832,358	1,494	2,680
Box, Inc.	Software	Preferred Stock	Series C	390,625	500	5,172
		Preferred Stock	Series D	158,127	500	2,094
		Preferred Stock	Series D-1	124,511	1,000	1,648
		Preferred Stock	Series D-2	220,751	2,001	2,923
		Preferred Stock	Series E	38,183	500	505
Total Box, Inc.				932,197	4,501	12,342
Caplinked, Inc.	Software	Preferred Stock	Series A-3	53,614	52	73
Highroads, Inc.	Software	Preferred Stock	Series A-3	190,170	307	297
Total Equity Software (2.50%)*					6,354	15,392
Virident Systems	Electronics & Computer Hardware	Preferred Stock	Series D	6,546,217	5,000	5,001
Total Equity Electronics & Computer Hardware (0.81%)*					5,000	5,001
Quatrx Pharmaceuticals Company	Specialty Pharmaceuticals	Preferred Stock	Series E	166,419	750	
Total Equity Specialty Pharmaceuticals (0.00%)*					750	
Caivis Acquisition Corporation	Consumer & Business Products	Common Stock	Series A	295,861	819	598
Facebook, Inc. ⁽³⁾	Consumer & Business Products	Common Stock	Series B	307,500	9,558	7,517
IPA Holdings, LLC			LLC			
	Consumer & Business Products	Preferred Stock	interest	500,000	500	539
Market Force Information, Inc.	Consumer & Business Products	Preferred Stock	Series B	187,970	500	682
Total Equity Consumer & Business Products (1.52%)*					11,377	9,336

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iWatt, Inc.	Semiconductors	Preferred Stock	Series E	2,412,864	490	823	
Total Equity Semiconductors (0.13%)*					490	823	
Buzznet, Inc.	Information Services	Preferred Stock	Series C	263,158	250		
Good Technologies, Inc. (pka Visto Corporation)	Information Services	Common Stock		500,000	603		
Solutionary, Inc.	Information Services	Preferred Stock	Series A-1	189,495	17	158	
		Preferred Stock	Series A-2	65,834	326	189	
Total Solutionary, Inc.				255,329	343	347	
Total Equity Information Services (0.06%)*					1,196	347	
Gelesis, Inc. ⁽⁶⁾	Medical Device & Equipment		LLC				
			Interest	674,208		493	
			LLC				
			Interest	674,208	425	691	
			LLC				
			Interest	675,676	500	596	
Total Gelesis, Inc.				2,024,092	925	1,780	

See notes to consolidated financial statements.

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

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Series	Shares	Cost⁽²⁾	Value⁽³⁾
Lanx, Inc.	Medical Device & Equipment	Preferred Stock	Series C	1,203,369	\$ 1,000	\$ 1,958
Novasys Medical, Inc.	Medical Device & Equipment	Preferred Stock	Series D-1	4,118,444	1,000	
Optiscan Biomedical, Corp. ⁽⁶⁾	Medical Device & Equipment	Preferred Stock	Series B	6,185,567	3,000	476
		Preferred Stock	Series C-2	1,927,309	655	156
		Preferred Stock	Series D	20,251,220	1,932	1,978
Total Optiscan Biomedical, Corp.				28,364,096	5,587	2,610
Total Equity Medical Device & Equipment (1.03%)*					8,512	6,348
NuGEN Technologies, Inc.	Biotechnology Tools	Preferred Stock	Series C	189,394	500	756
Total Equity Biotechnology Tools (0.12%)*					500	756
Transmedics, Inc.	Surgical Devices	Preferred Stock	Series B	88,961	1,100	53
		Preferred Stock	Series C	119,999	300	131
		Preferred Stock	Series D	260,000	650	720
Total Transmedics, Inc.				468,960	2,050	904
Gynesonics, Inc.	Surgical Devices	Preferred Stock	Series B	219,298	250	62
		Preferred Stock	Series C	656,512	282	117
		Preferred Stock	Series C	1,621,553	580	605
Total Gynesonics, Inc.				875,810	1,112	784
Total Equity Surgical Devices (0.28%)*					3,162	1,688
Everyday Health, Inc. (pka Waterfront Media, Inc.)	Media/Content/ Info	Preferred Stock	Series D	145,590	1,000	572
Total Equity Media/Content/Info (0.09%)*					1,000	572
Total Equity (8.73%)					\$ 51,654	\$ 53,724
Total Investments (157.24%)					\$ 977,704	\$ 967,984

* Value as a percent of net assets

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- (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 \$39,533 million, \$48,528 million and \$8,995 million respectively. The tax cost of investments is \$978,533 million
- (3) Except for warrants in nineteen publicly traded companies and common stock in eight publicly traded companies, all investments are restricted at March 31, 2013 and were valued at fair value as determined in good faith by 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 a company in which HTGC owns as 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 a company in which HTGC owns as least 25% but not more than 50% of the voting securities of the Company.
- (8) Debt is on non-accrual status at March 31, 2013, and is therefore considered non-income producing.
- (9) 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 loan secures the notes offered in the Debt Securitization (as defined in Note 4).

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS****December 31, 2012****(dollars in thousands)**

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Anthera Pharmaceuticals Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures December 2014 Interest rate Prime + 7.30% or Floor rate of 10.55%	\$ 20,532	\$ 20,745	\$ 21,007
Aveo Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures September 2015 Interest rate Prime + 7.15% or Floor rate of 11.90%	\$ 26,500	26,500	27,030
Cempra, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures December 2015 Interest rate Prime + 6.30% or Floor rate of 9.55%	\$ 10,000	9,862	9,902
Chroma Therapeutics, Ltd. ⁽⁵⁾⁽¹⁰⁾	Drug Discovery & Development	Senior Debt Matures November 2013 Interest rate Prime + 7.75% or Floor rate of 12.00%	\$ 4,111	4,718	4,759
Concert Pharmaceuticals, Inc. ⁽⁴⁾	Drug Discovery & Development	Senior Debt Matures October 2015 Interest rate Prime + 3.25% or Floor rate of 8.50%	\$ 20,000	19,633	18,983
Coronado BioSciences, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt ⁽¹¹⁾ Matures March 2016 Interest rate Prime + 6.00% or Floor rate of 9.25%	\$ 15,000	14,761	14,761
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt Matures January 2015	\$ 9,166	8,996	8,929

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		Interest rate Prime + 4.40% or			
		Floor rate of 10.15%			
Insmed, Inc.	Drug Discovery & Development	Senior Debt ⁽¹¹⁾			
		Matures January 2016			
		Interest rate Prime + 4.75% or			
		Floor rate of 9.25%	\$ 20,000	19,305	19,674
Merrimack Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt			
		Matures May 2016			
		Interest rate Prime + 5.30% or			
		Floor rate of 10.55%	\$ 40,000	39,670	39,670
NeurogesX, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 7.50% or			
		Floor rate of 10.75%	\$ 13,662	13,645	13,884
Paratek Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt ⁽⁹⁾			
		Matures upon liquidation			
		Interest rate Fixed 10.00%	\$ 45	45	45
		Senior Debt ⁽⁹⁾			
		Matures upon liquidation			
		Interest rate Fixed 10.00%	\$ 36	31	31
Total Paratek Pharmaceuticals, Inc.				76	76
Total Debt Drug Discovery & Development (34.63%)*				177,911	178,675

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)****December 31, 2012****(dollars in thousands)**

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Bridgewave Communications	Communications & Networking	Senior Debt Matures March 2016 Interest rate Prime + 8.75% or Floor rate of 12.00%	\$ 7,500	\$ 7,003	\$ 4,896
OpenPeak, Inc.	Communications & Networking	Senior Debt ⁽¹¹⁾ Matures July 2015 Interest rate Prime + 8.75% or Floor rate of 12.00%	\$ 15,000	15,008	15,158
PeerApp, Inc. ⁽⁴⁾	Communications & Networking	Senior Debt Matures April 2013 Interest rate Prime + 7.50% or Floor rate of 11.50%	\$ 501	588	588
UPH Holdings, Inc.	Communications & Networking	Senior Debt Matures April 2015 Interest rate Libor + 11.00% or Floor rate of 13.50%	\$ 7,000	6,880	6,772
		Senior Debt Matures September 2015 Interest rate Libor + 11.00% or Floor rate of 13.50%	\$ 347	343	333
		Senior Debt Matures December 2016 Interest rate Libor + 11.00% or Floor rate of 13.50%	\$ 3,594	3,594	3,400
Total UPH Holdings, Inc.				10,817	10,505
Total Debt Communications & Networking (6.04%)*				33,416	31,147

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Clustrix, Inc.	Electronics & Computer Hardware	Senior Debt				
		Matures December 2015				
		Interest rate Prime + 6.50% or				
		Floor rate of 9.75%	\$	235	227	227
Identive Group, Inc.	Electronics & Computer Hardware	Senior Debt				
		Matures November 2015				
		Interest rate Prime + 7.75% or				
		Floor rate 11.00%	\$	7,500	7,447	7,447
Total Debt Electronics & Computer Hardware (1.49%)				7,674	7,674	
Box, Inc. ⁽⁴⁾	Software	Senior Debt				
		Matures March 2016				
		Interest rate Prime + 3.75% or				
		Floor rate of 7.50%	\$	10,000	9,910	9,353
		Senior Debt				
		Matures July 2014				
		Interest rate Prime + 5.25% or				
		Floor rate of 8.50%	\$	1,018	1,075	1,060
		Senior Debt ⁽¹¹⁾				
		Matures July 2016				
		Interest rate Prime + 5.13% or				
		Floor rate of 8.88%	\$	20,000	20,138	19,274
Total Box, Inc.				31,123	29,687	

See notes to consolidated financial statements.

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HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2012

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value ⁽³⁾
Clickfox, Inc.	Software	Senior Debt Matures November 2015 Interest rate Prime + 8.25% or Floor rate of 11.50%	\$ 8,000	\$ 7,318	\$ 7,558
EndPlay, Inc.	Software	Senior Debt Matures August 2015 Interest rate Prime + 7.35% or Floor rate 10.6%	\$ 2,000	1,930	1,930
Hillcrest Laboratories, Inc	Software	Senior Debt Matures July 2015 Interest rate Prime + 7.50% or Floor rate of 10.75%	\$ 4,000	3,923	3,860
JackBe Corporation	Software	Senior Debt Matures January 2016 Interest rate Prime + 7.25% or Floor rate of 10.50%	\$ 3,000	2,900	2,900
Kxen, Inc. ⁽⁴⁾	Software	Senior Debt Matures January 2015 Interest rate Prime + 5.08% or Floor rate of 8.33%	\$ 2,337	2,371	2,192
Tada Innovations, Inc.	Software	Senior Debt ⁽⁹⁾ Matures November 2012 Interest rate Fixed 8.00%	\$ 100	100	
Total Debt Software (9.33%)*				49,665	48,127
Althea Technologies, Inc.	Specialty Pharmaceuticals	Senior Debt Matures October 2013 Interest rate Prime + 7.70% or Floor rate of 10.95%	\$ 7,659	7,927	7,927
Quatrx Pharmaceuticals Company	Specialty Pharmaceuticals	Senior Debt ⁽⁹⁾ Matures March 2014	\$ 1,888	1,888	2,394

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Interest rate Fixed 8.00%

Total Debt Specialty Pharmaceuticals (2.00%)* 9,815 10,321

Achronix Semiconductor Corporation	Semiconductors	Senior Debt Matures January 2015			
		Interest rate Prime + 10.60% or			
		Floor rate of 13.85%	\$ 1,847	1,803	1,783

Total Debt Semiconductors (0.34%)* 1,803 1,783

AcelRX Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures December 2014			
		Interest rate Prime + 3.25% or			
		Floor rate of 8.50%	\$ 16,345	16,222	15,983

ADMA Biologics, Inc.	Drug Delivery	Senior Debt Matures February 2016			
		Interest rate Prime + 2.75% or			
		Floor rate of 8.50%	\$ 4,000	3,857	3,857

Alexza Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures October 2013			
		Interest rate Prime + 6.50% or			
		Floor rate of 10.75%	\$ 5,052	5,410	5,410

BIND Therapeutics, Inc.	Drug Delivery	Senior Debt Matures July 2014			
		Interest rate Prime + 7.45% or			
		Floor rate of 10.70%	\$ 3,326	3,320	3,387

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)****December 31, 2012****(dollars in thousands)**

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Intelliject, Inc.	Drug Delivery	Senior Debt ⁽¹¹⁾ Matures June 2016 Interest rate Prime + 5.75% or Floor rate of 11.00%	\$ 15,000	\$ 14,615	\$ 15,065
Nupathe, Inc. ⁽³⁾	Drug Delivery	Senior Debt Matures May 2016 Interest rate Prime - 3.25% or Floor rate of 9.85%	\$ 8,500	8,166	8,166
Revance Therapeutics, Inc.	Drug Delivery	Senior Debt Matures March 2015 Interest rate Prime + 6.60% or Floor rate of 9.85%	\$ 18,446	\$ 18,330	\$ 18,263
Total Debt Drug Delivery (13.59%)*				69,920	70,131
Ahhha, Inc. ⁽⁸⁾	Internet Consumer & Business Services	Senior Debt Matures January 2015 Interest rate Fixed 12.00%	\$ 350	347	
Blurb, Inc.	Internet Consumer & Business Services	Senior Debt Matures December 2015 Interest rate Prime + 5.25% or Floor rate 8.50%	\$ 8,000	7,708	7,429
Education Dynamics, LLC	Internet Consumer & Business Services	Senior Debt Matures March 2016 Interest rate Fixed 12.50%, PIK Interest 1.50%	\$ 27,500	26,976	26,976
Just.Me, Inc.	Internet Consumer & Business Services	Senior Debt Matures June 2015 Interest rate Prime + 2.50% or Floor rate 5.75%	\$ 750	732	680

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		Senior Debt Matures June 2015			
		Interest rate Prime + 5.00% or			
		Floor rate 8.25%	\$ 750	727	704
Total Just.Me, Inc.				1,459	1,384
Loku, Inc.	Internet Consumer & Business Services	Senior Debt ⁽⁹⁾ Matures June 2013			
		Interest rate Fixed 6.00%	\$ 100	100	100
NetPlenish, Inc.	Internet Consumer & Business Services	Senior Debt Matures April 2015			
		Interest rate Fixed 10.00%	\$ 500	490	452
Reply! Inc.	Internet Consumer & Business Services	Senior Debt ⁽¹¹⁾ Matures September 2015			
		Interest rate Prime + 6.875% or			
		Floor rate of 10.125%	\$ 11,749	11,624	11,337
		Senior Debt ⁽¹¹⁾ Matures September 2015			
		Interest rate Prime + 7.25% or			
		Floor rate of 11.00%	\$ 2,000	1,946	1,971
Total Reply! Inc.				13,570	13,308
Second Rotation, Inc.	Internet Consumer & Business Services	Senior Debt Matures August 2015			
		Interest rate Prime + 6.50% or			
		Floor rate of 10.25% , PIK Interest 2.50%	\$ 5,843	5,860	5,880

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)****December 31, 2012****(dollars in thousands)**

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
		Senior Debt Matures August 2015 Interest rate Prime + 6.50% or Floor rate of 10.25% , PIK Interest 1.50%	\$ 1,947	\$ 1,888	\$ 1,909
		Revolving Line of Credit Matures January 2013 Interest rate Fixed 10.50%, PIK Interest 0.25%	\$ 327	313	313
Total Second Rotation, Inc. ShareThis, Inc.	Internet Consumer & Business Services	Senior Debt Matures June 2016 Interest rate Prime + 7.50% or Floor rate of 10.75%		8,061	8,102
Tectura Corporation	Internet Consumer & Business Services	Revolving Line of Credit Matures July 2013 Interest rate Libor + 8.00% or Floor rate of 11.00%	\$ 15,000 \$ 16,340	14,268 17,850	14,268 17,797
		Senior Debt Matures December 2014 Interest rate Libor + 10.00% or Floor rate of 13.00%	\$ 6,978	6,908	6,827
		Senior Debt Matures April 2013 Interest rate Libor + 10.00% or Floor rate of 13.00%	\$ 1,390	1,325	1,325
Total Tectura Corporation Trulia, Inc. ⁽³⁾	Internet Consumer & Business Services	Senior Debt ⁽¹¹⁾ Matures September 2015 Interest rate Prime + 2.75% or		26,083	25,949
			\$ 5,000	4,921	4,729

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		Floor rate of 6.00%			
		Senior Debt ⁽¹¹⁾			
		Matures September 2015			
		Interest rate Prime + 5.50% or			
		Floor rate of 8.75%	\$ 5,000	4,920	4,547
Total Trulia, Inc.				9,841	9,276
Vaultlogix, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures September 2016			
		Interest rate LIBOR + 8.50% or			
		Floor rate of 10.00%, PIK interest 2.50%	\$ 7,500	7,681	7,721
		Senior Debt			
		Matures September 2015			
		Interest rate LIBOR + 7.00% or			
		Floor rate of 8.50%	\$ 10,253	10,190	9,854
Total Vaultlogix, Inc.				17,871	17,575
Votizen, Inc.	Internet Consumer & Business Services	Senior Debt ⁽⁹⁾			
		Matures February 2013			
		Interest rate Fixed 5.00%	\$ 100	100	6
Wavemarket, Inc.	Internet Consumer & Business Services	Senior Debt ⁽¹¹⁾			
		Matures September 2015			
		Interest rate Prime + 5.75% or			
		Floor rate of 9.50%	\$ 10,000	9,840	9,444
Total Debt Internet Consumer & Business Services (26.02%)*				136,714	134,269

See notes to consolidated financial statements.

Table of Contents**HERCULES TECHNOLOGY GROWTH CAPITAL, INC.****CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)****December 31, 2012****(dollars in thousands)**

Portfolio Company	Sub-Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Cha Cha Search, Inc.	Information Services	Senior Debt Matures February 2015 Interest rate Prime + 6.25% or Floor rate of 9.50%	\$ 2,641	\$ 2,604	\$ 2,522
Eccentex Corporation	Information Services	Senior Debt ⁽¹¹⁾ Matures May 2015 Interest rate Prime + 7.00% or Floor rate of 10.25%	\$ 1,000	977	965
InXpo, Inc.	Information Services	Senior Debt Matures March 2014 Interest rate Prime + 7.50% or Floor rate of 10.75%	\$ 2,550	2,466	2,434
Jab Wireless, Inc.	Information Services	Senior Debt Matures November 2017 Interest rate Prime + 6.75% or Floor rate of 8.00%	\$ 30,000	29,852	29,850
RichRelevance, Inc.	Information Services	Senior Debt Matures January 2015 Interest rate Prime + 3.25% or Floor rate of 7.50%	\$ 4,245	4,210	4,068
Womensforum.com, Inc.	Information Services	Senior Debt ⁽¹¹⁾ Matures October 2016 Interest rate LIBOR + 6.50% or Floor rate of 9.25%	\$ 8,000	7,838	7,838
		Senior Debt ⁽¹¹⁾ Matures October 2016 Interest rate LIBOR + 7.50% or Floor rate of 10.25%	\$ 4,500	4,422	4,422
Total Womensforum.com, Inc.				12,260	12,260

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Total Debt Information Services (10.10%)*			52,369	52,099
Gynesonics, Inc.	Medical Device & Equipment	Senior Debt Matures October 2013		
		Interest rate Prime + 8.25% or		
		Floor rate of 11.50%	\$ 3,912	3,975 4,014
		Senior Debt Matures February 2013		
		Interest rate Fixed 8.00%	\$ 253	247 247
		Senior Debt Matures September 2013		
		Interest rate Fixed 8.00%	\$ 36	30 30
Total Gynesonics, Inc.				4,252 4,291
Lanx, Inc.	Medical Device & Equipment	Senior Debt Matures October 2016		
		Interest rate Prime + 6.50% or		
		Floor rate of 10.25%	\$ 15,000	14,428 14,428
		Revolving Line of Credit Matures October 2015		
		Interest rate Prime + 5.25% or		
		Floor rate of 9.00%	\$ 5,500	5,300 5,300
Total Lanx, Inc.				19,728 19,728
Novasys Medical, Inc.	Medical Device & Equipment	Senior Debt ⁽⁹⁾ Matures January 2013		
		Interest rate Fixed 8.00%	\$ 65	65 65
		Senior Debt ⁽⁹⁾ Matures August 2013		
		Interest rate Fixed 8.00%	\$ 22	20 20
Total Novasys Medical, Inc.				85 85

See notes to consolidated financial statements.

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HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2012

(dollars in thousands)

Portfolio Company	Sub-Industry	Type of Investment ⁽¹⁾	Principal Amount	Cost ⁽²⁾	Value ⁽³⁾
Optiscan Biomedical, Corp. ⁽⁶⁾	Medical Device & Equipment	Senior Debt Matures December 2013			
		Interest rate Prime + 8.20% or			
		Floor rate of 11.45%	\$ 8,260	\$ 8,915	\$ 9,080
		Senior Debt ⁽⁹⁾ Matures April 2013			
		Interest rate Fixed 8.00%	\$ 288	288	288
		Senior Debt ⁽⁹⁾ Matures September 2013			
		Interest rate Fixed 8.00%	\$ 123	123	123
Total Optiscan Biomedical, Corp.				9,326	9,491
Oraya Therapeutics, Inc.	Medical Device & Equipment	Senior Debt ⁽⁹⁾ Matures December 2013			
		Interest rate Fixed 7.00%	\$ 500	500	500
		Senior Debt ⁽¹¹⁾ Matures September 2015			
		Interest rate Prime + 5.50% or			
		Floor rate of 10.25%	\$ 10,000	9,798	10,079
Total Oraya Therapeutics, Inc.				10,298	10,579
USHIFU, LLC	Medical Device & Equipment	Senior Debt ⁽¹¹⁾ Matures April 2016			
		Interest rate Prime + 7.75% or			
		Floor rate of 11.00%	\$ 6,000	5,856	5,856
Total Debt Medical Device & Equipment (9.69%)*				49,545	50,030
Navidea Biopharmaceuticals, Inc. (pka Neoprobe) ⁽³⁾	Diagnostic	Senior Debt Matures December 2014			
		Interest rate Prime + 6.75% or			
		Floor rate of 10.00%	\$ 5,741	5,691	5,752
Tethys Bioscience Inc.	Diagnostic	Senior Debt ⁽¹¹⁾			

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		Matures December 2015			
		Interest rate Prime + 8.40% or			
		Floor rate of 11.65%	\$ 10,000	9,940	10,026
Total Debt Diagnostic (3.06%)*				15,631	15,778
Labcyte, Inc.	Biotechnology Tools	Senior Debt Matures May 2013			
		Interest rate Prime + 8.60% or			
		Floor rate of 11.85%	\$ 761	834	834
		Senior Debt ⁽¹¹⁾ Matures June 2016			
		Interest rate Prime + 6.70% or			
		Floor rate of 9.95%	\$ 5,000	4,890	4,995
Total Labcyte, Inc.				5,724	5,829
Total Debt Biotechnology Tools (1.13%)*				5,724	5,829