

HERCULES TECHNOLOGY GROWTH CAPITAL INC

Form 10-Q

May 08, 2012

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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, 2012

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.

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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 May 7, 2012, there were 49,715,269 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, 2012 (unaudited)	December 31, 2011
Assets		
Investments:		
Non-control/Non-affiliate investments (cost of \$681,242 and \$642,038, respectively)	\$ 692,695	\$ 651,843
Affiliate investments (cost of \$3,254 and \$3,236, respectively)	1,094	
Control investments (cost of \$10,889 and \$11,266, respectively)	675	1,027
Total investments, at value (cost of \$695,385 and \$656,540, respectively)	694,464	652,870
Cash and cash equivalents	48,433	64,474
Interest receivable	5,962	5,820
Other assets	14,507	24,230
Total assets	\$ 763,366	\$ 747,394
Liabilities		
Accounts payable and accrued liabilities	\$ 6,545	\$ 10,813
Wells Fargo Loan		10,187
Long-term Liabilities (Convertible Debt)	70,624	70,353
Long-term SBA Debentures	200,750	225,000
Total liabilities	277,919	316,353
Commitments and Contingencies (Note 10)		
Net assets consist of:		
Common stock, par value	50	44
Capital in excess of par value	532,951	484,244
Unrealized depreciation on investments	(578)	(3,431)
Accumulated realized losses on investments	(40,165)	(43,042)
Distributions in excess of investment income	(6,811)	(6,774)
Total net assets	485,447	431,041
Total liabilities and net assets	\$ 763,366	\$ 747,394
Shares of common stock outstanding (\$0.001 par value, 100,000,000 authorized)	49,721	43,853

Net asset value per share		\$	9.76	\$	9.83
	See notes to consolidated financial statements (unaudited)				

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Anthera Pharmaceuticals Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt Matures December 2014 Interest rate Prime + 7.30% or Floor rate of 10.55%	\$ 25,000	\$ 24,645	\$ 24,645
Aveo Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt Matures September 2015 Interest rate Prime + 7.15% or Floor rate of 11.90%	\$ 26,500	26,500	27,295
Cempra, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt Matures December 2015 Interest rate Prime + 7.05% or Floor rate of 10.30%	\$ 10,000	9,757	9,757
Chroma Therapeutics, Ltd. ⁽⁵⁾	Drug Discovery & Development	Senior Debt Matures November 2013 Interest rate Prime + 7.75% or Floor rate of 12.00%	\$ 6,693	7,131	7,271
Concert Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt Matures October 2015 Interest rate Prime + 3.25% or Floor rate of 8.50%	\$ 20,000	19,478	19,478
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt Matures January 2015 Interest rate Prime + 4.40% or Floor rate of 10.15%	\$ 12,000	11,706	11,806

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NeurogesX, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 6.25% or			
		Floor rate of 9.50%	\$ 15,000	14,691	14,800
NextWave Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt			
		Matures June 2015			
		Interest rate Prime + 4.30% or			
		Floor rate of 9.55%	\$ 6,000	5,940	5,940
Paratek Pharmaceuticals, Inc.	Drug Discovery & Development	Senior Debt			
		Matures upon liquidation			
		Interest rate Fixed 10.00%	\$ 45	45	45
PolyMedix, Inc. ⁽³⁾	Drug Discovery & Development	Senior Debt			
		Matures September 2013			
		Interest rate Prime + 7.10% or			
		Floor rate of 12.35%	\$ 5,889	5,762	5,762
Total Debt Drug Discovery & Development (26.12%)*				125,655	126,799

See notes to consolidated financial statements (unaudited)

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

Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Intelepeer, Inc.	Communications & Networking	Senior Debt			
		Matures May 2013			
		Interest rate Prime + 8.12%	\$ 4,146	\$ 4,014	\$ 4,097
		Senior Debt			
		Matures December 2012			
		Interest rate Prime + 4.25%	\$ 1,100	1,100	1,058
Total Intelepeer, Inc.				5,114	5,155
OpenPeak, Inc.	Communications & Networking	Senior Debt			
		Matures July 2015			
Pac-West Telecomm, Inc.	Communications & Networking	Interest rate Prime + 8.75%	\$ 7,685	7,498	7,498
		Senior Debt			
		Matures October 2013			
		Interest rate Prime + 7.50% or			
PeerApp, Inc. ⁽⁴⁾	Communications & Networking	Floor rate of 12.00%	\$ 4,074	3,943	3,885
		Senior Debt			
		Matures April 2013			
		Interest rate Prime + 7.50% or			
PointOne, Inc.	Communications & Networking	Floor rate of 11.50%	\$ 1,471	1,526	1,526
		Senior Debt			
		Matures April 2015			
		Interest rate Libor + 9.00% or			
		Floor rate of 11.50%	\$ 7,733	7,559	7,375
		Senior Debt	\$ 375	369	355
		Matures September 2015			

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Interest rate Libor + 9.00% or

Floor rate of 11.50%

Total PointOne, Inc. Stoke, Inc. ⁽⁴⁾	Communications & Networking	Senior Debt		7,928	7,730
		Matures May 2013			
		Interest rate Prime + 7.00% or			
		Floor rate of 10.25%	\$ 2,192	2,164	2,186
Total Debt Communications & Networking (5.76%)*				28,173	27,980

See notes to consolidated financial statements (unaudited)

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

Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Central Desktop, Inc.	Software	Senior Debt			
		Matures April 2014			
		Interest rate Prime + 6.75% or			
		Floor rate of 10.50%	\$ 2,713	\$ 2,628	\$ 2,669
Box.net, Inc. ⁽⁴⁾	Software	Senior Debt			
		Matures March 2015			
		Interest rate Prime + 3.75% or			
		Floor rate of 7.50%	\$ 9,647	9,477	9,190
		Senior Debt			
		Matures July 2014			
		Interest rate Prime + 5.25% or			
		Floor rate of 8.50%	\$ 1,451	1,484	1,484
		Senior Debt			
		Matures July 2016			
		Interest rate Prime + 5.13% or			
		Floor rate of 8.88%	\$ 5,000	4,994	4,994
Total Box.net, Inc.				15,955	15,668
Clickfox, Inc.	Software	Senior Debt			
		Matures July 2013			
		Interest rate Prime + 6.00% or			
		Floor rate of 11.25%	\$ 3,416	3,359	3,387
Kxen, Inc. ⁽⁴⁾	Software	Senior Debt	\$ 3,000	2,978	2,841
		Matures January 2015			
		Interest rate Prime + 5.08% or			

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SugarSync Inc.	Software	Floor rate of 8.33% Senior Debt			
		Matures April 2015			
		Interest rate Prime + 4.50% or			
Tada Innovations, Inc.	Software	Floor rate of 8.25% Senior Debt	\$ 2,000	1,957	1,887
		Matures June 2012			
		Interest rate Prime + 3.25% or			
White Sky, Inc.	Software	Floor rate of 6.5% Senior Debt	\$ 100	95	95
		Matures June 2014			
		Interest rate Prime + 7.00% or			
		Floor rate of 10.25%	\$ 1,293	1,254	1,267
Total Debt Software (5.73%)*				28,226	27,814

See notes to consolidated financial statements (unaudited)

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

Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Maxvision Holding, LLC. ⁽⁷⁾⁽⁸⁾	Electronics & Computer Hardware	Senior Debt			
		Matures December 2013			
		Interest rate Prime + 8.25% or			
		Floor rate of 12.00%, PIK			
		interest 5.00%	\$ 4,048	\$ 3,999	\$
		Senior Debt			
		Matures December 2013			
		Interest rate Prime + 6.25% or			
		Floor rate of 10.00%, PIK			
		interest 2.00%	\$ 2,323	2,303	12
		Revolving Line of Credit			
		Matures December 2013			
		Interest rate Prime + 6.25% or			
		Floor rate of 10.00%	\$ 868	1,005	663
Total Maxvision Holding, LLC			7,307	675	
Total Debt Electronics & Computer Hardware (0.14%)*				7,307	675
Althea Technologies, Inc.	Specialty Pharmaceuticals	Senior Debt			
		Matures October 2013			
		Interest rate Prime + 7.70% or			
		Floor rate of 10.95%	\$ 9,711	9,666	9,874
Pacira Pharmaceuticals, Inc. ⁽³⁾⁽⁴⁾	Specialty Pharmaceuticals	Senior Debt	\$ 10,953	11,001	11,138
		Matures November 2014			

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		Interest rate Prime + 6.25% or			
		Floor rate of 11.00%			
		Senior Debt			
		Matures November 2014			
		Interest rate Prime + 8.65% or			
		Floor rate of 12.65%	\$ 14,612	14,123	14,306
Total Pacira Pharmaceuticals, Inc.				25,124	25,444
Quatrx Pharmaceuticals Company	Specialty Pharmaceuticals	Convertible Senior Debt			
		Matures March 2012			
		Interest rate 8.00%	\$ 1,888	1,888	2,354
Total Debt Specialty Pharmaceuticals (7.76%)*				36,678	37,672
Achronix Semiconductor Corporation	Semiconductors	Senior Debt			
		Matures January 2015			
		Interest rate Prime + 10.60% or			
		Floor rate of 13.85%	\$ 2,387	2,309	2,381
Kovio Inc.	Semiconductors	Senior Debt			
		Matures March 2015			
		Interest rate Prime + 5.50% or			
		Floor rate of 9.25%	\$ 1,250	1,221	1,156
		Senior Debt			
		Matures March 2015			
		Interest rate Prime + 6.00% or			
		Floor rate of 9.75%	\$ 3,000	2,923	2,805
Total Kovio Inc.				4,144	3,961
Total Debt Semiconductors (1.31%)*				6,453	6,342

See notes to consolidated financial statements (unaudited)

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
AcelRX Pharmaceuticals, Inc. ⁽³⁾	Drug Delivery	Senior Debt			
		Matures December 2014			
		Interest rate Prime + 3.25% or			
		Floor rate of 8.50%	\$ 10,000	\$ 9,807	\$ 9,561
		Senior Debt			
		Matures December 2014			
		Interest rate Prime + 3.25% or			
		Floor rate of 8.50%	\$ 10,000	9,806	9,560
Total AcelRX Pharmaceuticals, Inc.				19,613	19,121
Alexza Pharmaceuticals, Inc. ⁽³⁾⁽⁴⁾	Drug Delivery	Senior Debt			
		Matures October 2013			
		Interest rate Prime + 6.5% or			
		Floor rate of 10.75%	\$ 9,190	9,327	9,519
BIND Biosciences, Inc.	Drug Delivery	Senior Debt			
		Matures July 2014			
		Interest rate Prime + 7.45% or			
		Floor rate of 10.70%	\$ 4,707	4,510	4,651
Revanche Therapeutics, Inc.	Drug Delivery	Senior Debt			
		Matures March 2015			
		Interest rate Prime + 6.60% or			
		Floor rate of 9.85%	\$ 22,000	21,510	21,641
Total Debt Drug Delivery (11.31%)*				54,960	54,932
Gelesis, Inc.	Therapeutic	Senior Debt	\$ 3,428	3,571	3,571

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		Matures April 2013			
		Interest rate Prime + 8.75% or			
Gynesonics, Inc.	Therapeutic	Floor rate of 12.00%			
		Senior Debt			
		Matures October 2013			
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$	4,991	4,871
		Senior Debt			4,943
		Matures November 2012			
		Interest rate Fixed 8.00%	\$	181	142
					142
Total Gynesonics, Inc.					5,013
					5,085
Oraya Therapeutics, Inc. ⁽⁴⁾	Therapeutic	Senior Debt			
		Matures March 2015			
		Interest rate Prime + 4.75% or			
		Floor rate of 9.50%	\$	7,500	7,236
Novasys Medical, Inc.	Therapeutic	Senior Debt			7,236
		Matures January 2013			
		Interest rate Fixed rate 8.00%	\$	65	60
					60
Total Debt Therapeutic (3.29%)*					15,880
					15,952

See notes to consolidated financial statements (unaudited)

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Ahhha, Inc.	Internet Consumer & Business Services	Senior Debt Matures January 2015			
		Interest rate Fixed 10.00%	\$ 350	\$ 346	\$ 345
Blurb, Inc.	Internet Consumer & Business Services	Senior Debt Matures December 2015			
		Interest rate Prime + 5.25% or Floor rate 8.50%	\$ 8,000	7,589	7,589
NetPlenish	Internet Consumer & Business Services	Senior Debt Matures April 2015			
		Interest rate Fixed 10.00%	\$ 500	485	485
Reply! Inc. ⁽⁴⁾	Internet Consumer & Business Services	Senior Debt Matures June 2015			
		Interest rate Prime + 6.87% or Floor rate of 10.12%	\$ 13,000	12,765	12,667
Tectura Corporation	Internet Consumer & Business Services	Senior Debt Matures December 2012			
		Interest rate 11.00% Revolving Line of Credit	\$ 5,625	6,829	6,829
		Senior Debt Matures August 2012			
		Interest rate 11.00% Revolving Line of Credit	\$ 1,802	1,889	1,889
		Matures July 2012	\$ 17,413	17,814	17,814
		Interest rate 11.00% , PIK			

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		interest 1.00%		
Total Tectura Corporation			26,532	26,532
Trulia, Inc. ⁽⁴⁾	Internet Consumer & Business Services	Senior Debt		
		Matures March 2015		
		Interest rate Prime + 2.75% or		
		Floor rate of 6.00%	\$ 5,000	4,887
		Senior Debt		4,551
		Matures March 2015		
		Interest rate Prime + 5.50% or		
		Floor rate of 8.75%	\$ 5,000	4,887
				4,765
Total Trulia, Inc.			9,774	9,316

See notes to consolidated financial statements (unaudited)

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
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	\$ 7,484	\$ 7,370
		Senior Debt			
		Matures September 2015			
		Interest rate LIBOR + 7.00% or			
		Floor rate of 8.50%	\$ 11,350	11,211	10,950
		Revolving Line of Credit			
		Matures September 2015			
		Interest rate Libor + 6.00% or			
		Floor rate of 7.50%	\$ 300	285	280
Total Vaultlogix, Inc.				18,980	18,600
Votizen	Internet Consumer & Business Services	Senior Debt			
		Matures February 2013			
		Interest rate Fixed 5.00%	\$ 100	100	100
Wavemarket, Inc.	Internet Consumer & Business Services	Senior Debt			
		Matures September 2015			
		Interest rate Prime + 5.75% or			
		Floor rate of 9.50%	\$ 10,000	9,759	9,759
Total Debt Internet Consumer & Business Services (17.59%)				86,330	85,393
Cha Cha Search, Inc.	Information Services	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 6.25% or			
		Floor rate of 9.50%	\$ 3,000	2,935	2,822
InXpo, Inc.	Information Services	Senior Debt			
		Matures March 2014			
		Interest rate Prime + 7.50% or			
		Floor rate of 10.75%	\$ 2,875	2,812	2,812
Jab Wireless, Inc.	Information Services	Senior Debt	\$ 20,272	20,012	20,012
		Matures August 2016			
		Interest rate Prime + 5.25% or			

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RichRelevance, Inc.	Information Services	Floor rate of 6.75% Senior Debt Matures January 2015 Interest rate Prime + 3.25% or Floor rate of 7.50%	\$ 5,000	4,902	4,699
Total Debt Information Services (6.25%)				30,661	30,345
Optiscan Biomedical, Corp.	Medical Device & Equipment	Senior Debt Matures December 2013 Interest rate Prime + 8.20% or Floor rate of 11.45%	\$ 10,750	11,016	11,193
Total Debt Medical Device & Equipment (2.31%)*				11,016	11,193
Navidea Biopharmaceuticals, Inc. (pka Neoprobe) ⁽³⁾	Diagnostic	Senior Debt Matures December 2014 Interest rate Prime + 6.75% or Floor rate of 10.00%	\$ 7,000	6,764	6,764
Total Debt Diagnostic (1.39%)				6,764	6,764

See notes to consolidated financial statements (unaudited)

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
deCODE genetics ehf. ⁽⁵⁾	Biotechnology Tools	Senior Debt Matures September 2014 Interest rate Prime + 10.25% or Floor rate of 13.50%, PIK interest 2.00%	\$ 5,000	\$ 4,750	\$ 4,900
Labcyte, Inc.	Biotechnology Tools	Senior Debt Matures May 2013 Interest rate Prime + 8.60% or Floor rate of 11.85%	\$ 2,020	2,051	2,090
Total Debt Biotechnology Tools (1.44%)*				6,801	6,990
ScriptSave (Medical Security Card Company, LLC)	Healthcare Services, Other	Senior Debt Matures January 2016 Interest rate Prime + 8.75% or Floor rate of 11.25%	\$ 19,133	18,826	19,180
MedCall	Healthcare Services, Other	Senior Debt Matures January 2016 Interest rate 7.79% or Floor rate of 9.50%	\$ 5,168	5,063	5,063
Pacific Child & Family Associates, LLC	Healthcare Services, Other	Senior Debt Matures January 2015 Interest rate LIBOR + 8.00% or Floor rate of 10.50%	\$ 4,319	4,327	4,465
		Revolving Line of Credit Matures January 2015 Interest rate LIBOR + 6.50% or Floor rate of 9.00%	\$ 1,500	1,486	1,385
		Senior Debt Matures January 2015 Interest rate LIBOR + 10.50% or Floor rate of 13.00%, PIK interest 3.75%	\$ 5,900	6,335	6,512
Total Pacific Child & Family Associates, LLC				12,148	12,362
Total Debt Health Services, Other (7.54%)				36,037	36,605
Entrigue Surgical, Inc.	Surgical Devices	Senior Debt Matures December 2014 Interest rate Prime + 5.90% or Floor rate of 9.65%	\$ 3,000	2,901	2,939
Transmedics, Inc. ⁽⁴⁾	Surgical Devices	Senior Debt Matures February 2014 Interest rate Prime + 9.70% or Floor rate of 12.95%	\$ 8,375	8,647	8,647
Total Debt Surgical Devices (2.39%)*				11,548	11,586

See notes to consolidated financial statements (unaudited)

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Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
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%	\$ 10,000	\$ 10,046	\$ 10,246
		Senior Debt			
		Matures November 2015			
		Interest rate Libor + 7.50% or			
		Floor rate of 10.00%	\$ 9,464	9,276	9,475
		Senior Debt			
		Matures November 2015			
		Interest rate Libor + 7.50% or			
		Floor rate of 10.00%	\$ 9,703	9,511	9,312
Total Women's Marketing, Inc.				28,833	29,033
Westwood One Communications	Media/Content/ Info	Senior Debt			
		Matures October 2016			
		Interest rate of 8.00%	\$ 20,869	19,040	19,458
Total Debt Media/Content/Info (9.99%)*				47,873	48,491
Alphabet Energy, Inc.	Clean Tech	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 5.75% or			
BrightSource Energy, Inc.	Clean Tech	Floor rate of 9.00%	\$ 104	100	100
		Senior Debt	\$ 35,000	35,551	35,551
		Matures November 2012			

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		Interest rate Prime + 7.25% or			
		Floor rate of 10.50%			
EcoMotors, Inc.	Clean Tech	Senior Debt			
		Matures February 2014			
		Interest rate Prime + 6.10% or			
		Floor rate of 9.35%	\$ 4,364	4,321	4,362
Enphase Energy, Inc. ⁽³⁾	Clean Tech	Senior Debt			
		Matures June 2014			
		Interest rate Prime + 5.75% or			
		Floor rate of 9.00%	\$ 4,898	4,812	4,724
Integrated Photovoltaics, Inc.	Clean Tech	Senior Debt			
		Matures February 2015			
		Interest rate Prime + 7.38% or			
		Floor rate of 10.63%	\$ 3,000	2,886	2,886
NanoSolar, Inc.	Clean Tech	Senior Debt			
		Matures September 2014			
		Interest rate Prime + 7.75% or			
		Floor rate of 11.00%	\$ 8,488	8,156	8,155
Propel Biofuels, Inc.	Clean Tech	Senior Debt			
		Matures September 2013			
		Interest rate of 11.00%	\$ 1,155	1,201	1,179
SCIenergy, Inc. ⁽⁴⁾	Clean Tech	Senior Debt			
		Matures October 2014			
		Interest rate 6.25%	\$ 202	202	202
		Senior Debt			
		Matures August 2015			
		Interest rate Prime + 4.90% or			
		Floor rate of 8.15%	\$ 5,000	4,892	4,875
Total SCIenergy, Inc.				5,094	5,077
Solexel, Inc.	Clean Tech	Senior Debt			
		Matures June 2013			
		Interest rate Prime + 8.25% or			
		Floor rate of 11.50%	\$ 6,867	451	446
		Senior Debt	\$ 791	7,155	7,155
		Matures June 2013			

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Interest rate Prime + 7.25% or

Floor rate of 10.50%

Total Solexel, Inc.			7,606	7,601
Stion Corporation	Clean Tech	Senior Debt		
		Matures February 2015		
		Interest rate Prime + 6.75% or		
		Floor rate of 10.00%	\$ 9,757	9,456
				9,456
Total Debt Clean Tech (16.29%)*			79,183	79,091
Total Debt (126.61%)			619,545	614,624

See notes to consolidated financial statements (unaudited)

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

Portfolio Company	Industry	Type of Investment⁽¹⁾	Principal Amount	Cost⁽²⁾	Value⁽³⁾
Acceleron Pharmaceuticals, Inc.	Drug Discovery & Development	Common Stock Warrants		\$ 39	\$ 42
		Preferred Stock Warrants	Series A	69	273
		Preferred Stock Warrants	Series B	35	51
Total Warrants Acceleron Pharmaceuticals, Inc.				143	366
Anthera Pharmaceuticals Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		984	250
Cempra, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		187	54
Chroma Therapeutics, Ltd. ⁽⁵⁾	Drug Discovery & Development	Preferred Stock Warrants	Series D	490	500
Concert Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series C	367	260
Dicerna Pharmaceuticals, Inc.	Drug Discovery & Development	Common Stock Warrants		28	
		Preferred Stock Warrants	Series A	236	58
		Preferred Stock Warrants	Series B	311	170
Total Warrants Dicerna Pharmaceuticals, Inc.				575	228
EpiCept Corporation ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		4	4
Horizon Pharma, Inc. ⁽³⁾	Drug Discovery & Development	Preferred Stock Warrants	Series C	231	
Merrimack Pharmaceuticals, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		155	446
NeurogesX, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		503	302
NextWave Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series A-1	126	129
Paratek Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series F	137	32
PolyMedix, Inc. ⁽³⁾	Drug Discovery & Development	Common Stock Warrants		480	247
Portola Pharmaceuticals, Inc.	Drug Discovery & Development	Preferred Stock Warrants	Series B	152	270
Total Warrants Drug Discovery & Development (0.64%)*				4,534	3,088
Affinity Videonet, Inc.	Communications & Networking	Preferred Stock Warrants	Series A	102	167
IKANO Communications, Inc.	Communications & Networking	Preferred Stock Warrants	Series D	118	
Intelepeer, Inc.	Communications & Networking	Preferred Stock Warrants	Series C	102	216
Neonova Holding Company		Preferred Stock Warrants	Series A	94	53

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	Communications & Networking				
OpenPeak, Inc.	Communications & Networking	Preferred Stock Warrants	Series E	149	149
Pac-West Telecomm, Inc.	Communications & Networking	Common Stock Warrants		121	