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Saratoga Investment Corp. Celebrates Five Year Anniversary by Ringing NYSE's Closing Bell®

NEW YORK, July 22, 2015 /PRNewswire/ -- Saratoga Investment Corp. (NYSE: SAR) ("Saratoga Investment" or "the Company"), a business development company, today announced it will visit the New York Stock Exchange ("NYSE") to ring the Closing Bell® in celebration of the Company's five year anniversary. Saratoga Investment's Chairman and Chief Executive Officer Christian Oberbeck, who will be joined by the Company's Board of Directors and members of the management team, will ring the Closing Bell® on Thursday, July 23, 2015 at 4:00 p.m.

"All of us at Saratoga Investment are extremely proud of what we've accomplished over the past five years," said Mr. Oberbeck. "Since 2010, we have been guided by a very clear, long-term strategy of building a best-in-class BDC with an exceptional management team, expanding our assets under management, and broadening our investor base. Our goal has always been to create a strong investment company with a distinctive franchise in the BDC marketplace that provides superior returns to the investment community."

"Our success rests on the prudent investment judgment and disciplined capital deployment exercised by the extremely talented and committed team of investment professionals that we have built over the course of the last five years," said Michael Grisius, President and Chief Investment Officer. "Even as the market tightens, multiples increase and yields depress, we feel that our careful and considered investment approach will enable us to continue the pursuit of the strategy that has served us so well since 2010."

Over the last five years, Saratoga Investment has reached a number of important financial and performance milestones, including:

- Superior shareholder returns - Saratoga Investment has achieved annualized rates of return in excess of 18% for the past one-, three- and five-year periods, positioning the Company as one of the top four or better performing BDC's for each period
- Expanding the Core Team of Expert Investment Professionals and Support Staff - doubled the number of investment professionals since 2010
- Continuously Improving Financial Performance - net investment income yield increased to approx. 9%, up from approx. 5% in 2010
- Improving Credit Quality - Over 95% of Saratoga Investment's investment portfolio holds its highest possible credit rating, up from only 29% in 2010 before Saratoga management took over, with no realized losses throughout the last five years in newly originated investments by Saratoga Investment
- Growing Assets Under Management - more than tripled from \$80 million to over \$260 million, and including the assets managed by the Company in the collateralized loan obligation fund, total assets are up to over \$560 million
- Expanding Strong and Long-Term Liquidity Base and Borrowing Capacity - currently completing \$150 million borrowing capacity (ten year fixed debentures) in first Small Business Investment Company ("SBIC") fund, with "Green Light" letter received from U.S. Small Business Administration to continue the application process to obtain an additional \$75 million borrowing capacity in a second fund. Baby Bonds issuance in 2013 provided an additional \$48.3 million of liquidity, together with \$45 million revolving credit facility with Madison Capital amended and extended in 2014
- Launching Quarterly Cash Dividend Policy - in fiscal 2015, Saratoga Investment achieved a long-term goal of establishing a policy of paying regular, quarterly, cash dividends

About Saratoga Investment Corp.

Saratoga Investment Corp. is a specialty finance company that provides customized financing solutions to U.S. middle-market businesses. The Company invests primarily in mezzanine debt, senior and unitranche leveraged loans and, to a lesser extent, equity to provide financing for change of ownership transactions, strategic acquisitions, recapitalizations and growth initiatives in partnership with business owners, management teams and financial sponsors. Saratoga Investment Corp.'s objective is to create attractive risk-adjusted returns by generating current income and long-term capital appreciation from its debt and equity investments. Saratoga Investment Corp. has elected to be regulated as a business development company under the

Investment Company Act of 1940 and is externally-managed by Saratoga Investment Advisors, LLC, an SEC-registered investment advisor focusing on credit-driven strategies. Saratoga Investment Corp. owns an SBIC-licensed subsidiary and manages a \$300 million collateralized loan obligation ("CLO") fund. It also owns 100% of the subordinated notes of the CLO. These diverse funding sources, combined with a permanent capital base, enable Saratoga Investment Corp. to provide a broad range of financing solutions.

Forward Looking Statements

This press release contains certain forward-looking statements. These forward-looking statements are subject to risks and uncertainties and other factors enumerated in this press release and the filings Saratoga Investment Corp. makes with the SEC. Saratoga Investment Corp. undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/saratoga-investment-corp-celebrates-five-year-anniversary-by-ringing-nyses-closing-bell-300116663.html>

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