

Saratoga Investment Corp.
6.75% Notes Due 2023

Final Pricing Term Sheet
December 13, 2016

Issuer:	Saratoga Investment Corp.
Title of the Securities:	6.75% Notes due 2023 (the "2023 Notes")
Initial Aggregate Principal Amount Being Offered:	\$65,000,000
Option to Purchase Additional Notes:	Up to an additional \$9,750,000 aggregate principal amount of Notes within 30 days
Underwriting Discount:	\$0.78125 per Note; \$2,031,250 total (assuming the over-allotment option is not exercised)
Net Proceeds to the Issuer, before Expenses:	\$24.21875 per Note; \$62,968,750 total (assuming the over-allotment option is not exercised)
Initial Public Offering Price:	100% of aggregate principal amount
Denominations:	Issue the Notes in denominations of \$25.00 and integral multiples of \$25.000 in excess thereof
Principal at Time of Payment:	100% of the aggregate principal amount; the principal amount of each Note will be payable on its stated maturity date.
Type of Note:	Fixed rate note
Coupon Rate:	6.75% per annum
Day Count:	30/360
Original Issue Date:	December 21, 2016
Stated Maturity Date:	December 30, 2023
Date Interest Starts Accruing:	December 21, 2016
Interest Payment Date:	Every March 30, June 30, September 30, and December 30, beginning March 30, 2017. If an interest payment date falls on a non-business day, the applicable interest payment will be made on the next business day and no additional interest will accrue as a result of such delayed payment.

Interest Periods:	The initial interest period will be the period from and including December 21, 2016, to, but excluding, the initial interest payment date, and the subsequent interest periods will be the periods from and including an interest payment date to, but excluding, the next interest payment date or the stated maturity date, as the case may be.
Regular Record Dates for Interest:	March 15, June 15, September 15, December 15, beginning March 15, 2017
Optional Redemption:	The Notes may be redeemed in whole or in part at any time or from time to time at Issuer's option on or after December 21, 2019 upon not less than 30 days nor more than 60 days written notice by mail prior to the date fixed for redemption thereof, at a redemption price of 100% of the outstanding principal amount of the Notes to be redeemed plus accrued and unpaid interest payments otherwise payable thereon for the then-current quarterly interest period accrued to the date fixed for redemption.
Repayment at Option of Holders:	Holder will not have the option to have the Notes repaid prior to the stated maturity date.
Listing:	Issuer intends to list the Notes on the New York Stock Exchange, within 30 days of the original issue date under the trading symbol "SAB."
CUSIP / ISIN:	80349A 406/US80349A4067
Joint Book-Running Managers:	Ladenburg Thalmann & Co. Inc. BB&T Capital Markets Compass Point William Blair

The issuer has filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for this offering.