

June 18, 2012

Horizon Technology Finance Set to Join Russell 3000 Index

FARMINGTON, Conn., June 18, 2012 (GLOBE NEWSWIRE) -- Horizon Technology Finance Corporation (Nasdaq:HRZN) (the "Company" or "Horizon"), a leading specialty finance company that provides secured loans to venture capital and private equity backed development-stage companies in the technology, life science, healthcare information and services, and clean-tech industries, today announced that it is set to join the broad-market Russell 3000(R) Index when Russell Investments reconstitutes its comprehensive set of U.S. and global equity indexes on June 25, 2012. Based on its membership in the Russell 3000 Index, which remains in place for one year, Horizon will also automatically be included in the widely followed Russell 2000(R) Index for U.S. small-cap stocks.

Annual reconstitution of Russell's U.S. indexes captures the 4,000 largest U.S. stocks as of the end of May, ranking them by total market capitalization. The Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for both passive and active investment strategies. In the institutional marketplace, an industry-leading \$3.9 trillion in assets currently are benchmarked to the Russell indexes.

Robert D. Pomeroy, Jr., Chairman and Chief Executive Officer of Horizon, said, "We are excited to join the Russell family of indexes, significantly increasing Horizon's visibility in the investment community. Our membership represents an important milestone for Horizon that reflects the considerable success we have achieved in the execution of our investment strategy. As we maintain our focus on taking advantage of high-quality investment opportunities and generating attractive risk-adjusted returns, our inclusion in these key investment benchmarks will help further expand our Company's shareholder base."

The Russell 3000 also serves as the U.S. component to the Russell Global Index, which Russell launched in 2007. Total returns data for the Russell 3000 and other Russell Indexes is available at http://www.russell.com/indexes/data/US_Equity/Russell_US_Index_returns.asp.

About Horizon Technology Finance

Horizon Technology Finance Corporation is a business development company that provides secured loans to development-stage companies backed by established venture capital and private equity firms within the technology, life science, healthcare information and services, and clean-tech industries. The investment objective of Horizon Technology Finance is to maximize total risk-adjusted returns by generating current income from a portfolio of directly originated secured loans as well as capital appreciation from warrants to purchase the equity of portfolio companies. Headquartered in Farmington, Connecticut, with a regional office in Walnut Creek, California, the Company is externally managed by its investment advisor, Horizon Technology Finance Management LLC. Horizon's common stock trades on the NASDAQ Global Select Market under the ticker symbol "HRZN." In addition, the Company's 7.375% Senior Notes due 2019 trade on the New York Stock Exchange under the ticker symbol "HTF." To learn more, please visit www.horizontechnologyfinancecorp.com.

About Russell

Russell Investments ("Russell") is a global asset manager and one of only a few firms that offers actively managed, multi-asset portfolios and services that include advice, investments and implementation. Working with institutional investors, financial advisors and individuals, Russell's core capabilities extend across capital markets insights, manager research, Indexes, portfolio implementation and portfolio construction.

Russell has approximately \$155 billion in assets under management (as of 3/31/2012) and works with 2,400 institutional clients, more than 580 independent distribution partners and advisors, and individual investors globally. Founded in 1936, Russell is a subsidiary of The Northwestern Mutual Life Insurance Company.

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements," which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. The Company undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.

CONTACT: Horizon Technology Finance Corporation

Christopher M. Mathieu

Chief Financial Officer

(860) 676-8653

chris@horizontechfinance.com

Investor Relations and Media Contacts:

The IGB Group

Leon Berman / Michael Cimini

(212) 477-8438 / (212) 477-8261

lberman@igbir.com / mcimini@igbir.com

Source: Horizon Technology Finance Corporation

News Provided by Acquire Media