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Horizon Technology Finance Closes Over-Allotment Option in Connection With Public Offering of 7.375% Senior Unsecured Notes Due 2019

FARMINGTON, Conn., April 18, 2012 (GLOBE NEWSWIRE) -- Horizon Technology Finance Corporation (Nasdaq:HRZN) (the "Company" or "Horizon") today announced that in connection with the public offering of \$30.0 million in aggregate principal amount of 7.375% senior unsecured notes due 2019, which closed on March 23, 2012, the underwriters have exercised their option to purchase an additional \$3.0 million in aggregate principal amount of notes to cover over-allotments, bringing the total size of the offering to \$33.0 million.

The Company intends to invest the net proceeds of this public offering for investment in portfolio companies in accordance with its investment objective and strategies, and for working capital and general corporate purposes.

Stifel, Nicolaus & Company, Incorporated acted as sole book-running manager of this offering. BB&T Capital Markets, a division of Scott & Stringfellow, LLC, and Sterne, Agee & Leach, Inc. served as co-lead managers and Wunderlich Securities, Inc. acted as co-manager for this offering.

This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the notes referred to in this press release in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

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 Horizon Technology Finance Management LLC, an investment advisor registered with the Securities and Exchange Commission. 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."

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.

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