



Fidus Investment Corporation Granted Third SBIC License

April 17, 2019

EVANSTON, Ill., April 17, 2019 (GLOBE NEWSWIRE) -- Fidus Investment Corporation (NASDAQ:FDUS) ("Fidus" or the "Company") today announced that its wholly owned subsidiary, Fidus Mezzanine Capital III, L.P., has received a license from the U.S. Small Business Administration ("SBA") to operate as a Small Business Investment Company ("SBIC"). This is the third SBIC license granted to the Company through its SBIC subsidiaries.

As an SBIC, Fidus Mezzanine Capital III, L.P. will be subject to a variety of regulations and oversight by the SBA concerning, among other things, the size and nature of the companies in which it may invest as well as the structure of those investments. The license will allow Fidus Mezzanine Capital III, L.P. to obtain leverage by issuing SBA-guaranteed debentures, subject to the issuance of a leverage commitment by the SBA. SBA debentures are loans issued to an SBIC which have interest payable semi-annually and a ten-year maturity. The interest rate is fixed shortly after issuance at a market-driven spread over U.S. Treasury Notes with ten-year maturities. Current statutes and regulations permit Fidus Mezzanine Capital III, L.P. to borrow up to \$175 million in SBA debentures.

"Having been a meaningful participant in the SBIC program for a long time, we are very pleased to have received our third SBIC license," said Edward Ross, Chief Executive Officer of Fidus Investment Corporation. "With access now up to \$175 million of attractive long-term debt capital, we have incremental liquidity to continue to selectively grow our investment portfolio in a deliberate manner while maintaining an acute focus on capital preservation and generating attractive risk-adjusted returns. We look forward to continuing to work with the SBA on funding lower middle market companies that have defensive characteristics and positive long-term outlooks that operate in industries we know well and that generate excess free cash flow for debt service and growth."

ABOUT FIDUS INVESTMENT CORPORATION

Fidus Investment Corporation provides customized debt and equity financing solutions to lower middle-market companies, which management generally defines as U.S. based companies with revenues between \$10 million and \$150 million. The Company's investment objective is to provide attractive risk-adjusted returns by generating both current income from debt investments and capital appreciation from equity related investments. Fidus seeks to partner with business owners, management teams and financial sponsors by providing customized financing for change of ownership transactions, recapitalizations, strategic acquisitions, business expansion and other growth initiatives.

Fidus is an externally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company under the Investment Company Act of 1940, as amended. In addition, for tax purposes, Fidus has elected to be treated as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended. Fidus was formed in February 2011 to continue and expand the business of Fidus Mezzanine Capital, L.P., which commenced operations in May 2007 and is licensed by the U.S. Small Business Administration as a small business investment company.

FORWARD-LOOKING STATEMENTS

This press release may contain certain forward-looking statements which are based upon current expectations and are inherently uncertain. Any such statements, other than statements of historical fact, are likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under the Company's control, and that the Company may or may not have considered; accordingly, such statements cannot be guarantees or assurances of any aspect of future performance. Actual developments and results are highly likely to vary materially from these estimates and projections of the future as a result of a number of factors, including those described from time to time in the Company's filings with the Securities and Exchange Commission. Such statements speak only as of the time when made, and are based on information available to the Company as of the date hereof and are qualified in their entirety by this cautionary statement. The Company undertakes no obligation to update any such statement now or in the future, except as required by applicable law.

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