

## CAPITAL MARKETS ANNOUNCEMENT

Medley Capital Corporation Announces the Closing of its Offering of \$70 Million of 6.50% Notes due 2021

Sandler O'Neill + Partners, L.P. served as joint book-running manager for this offering.

This transaction represents the second BDC bond offering that Sandler O'Neill has acted as book-runner on this year, and this transaction is the 47<sup>th</sup> senior note or subordinated note transaction since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter or book-runner.<sup>1</sup>

### About the Offering:

Medley Capital Corporation ("MCC") (NYSE: MCC) announced the closing of its offering of \$70 million in aggregate principal amount of 6.50% senior unsecured notes due 2021. The Notes have been assigned a rating of "BBB-" by Kroll Bond Rating Agency.

The Notes may be redeemed in whole or in part at any time or from time to time at the Company's option on or after January 30, 2019. The Company has also granted the underwriters a 30-day option to purchase up to an additional \$10.5 million in aggregate principal amount of Notes to cover over-allotments. The Company intends to use the net proceeds from the offering to redeem its outstanding \$40.0 million in unsecured notes that mature on March 30, 2019, repay a portion of the outstanding indebtedness under its revolving credit facility, fund new investment opportunities and for general corporate purposes.

The Notes are expected to be listed on the New York Stock Exchange and to trade thereon within 30 days of the original issue date under the trading symbol "MCX".

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

### About the Company:

Medley Capital Corporation is a business development company headquartered in New York. MCC's investment objective is to generate current income and capital appreciation by lending directly to privately held middle-market companies.

December 17, 2015

**\$70 Million**

6.50% Senior Unsecured Notes  
Due 2021

**MEDLEY**  
CAPITAL CORPORATION

Joint Book-Running Manager  
**SANDLER O'NEILL + PARTNERS**

### Financial Highlights (FYE 9/30/2015)<sup>2</sup>

(\$ in thousands)

Total Assets	\$1,257,210
Total Net Assets	619,920
Total Investment Income	149,196
Total Net Investment Income	72,936

(1) Source: SNL Financial and Sandler O'Neill + Partners, L.P.

(2) Source: Company filings

### Sandler O'Neill Contacts:

**Bob Kleinert**  
Managing Principal  
(212) 466-7806

**Jacques de Saint Phalle**  
Principal  
(212) 466-7721

**Michael Bracken**  
Managing Director  
(212) 466-7815

**Christopher Donohoe**  
Managing Director  
(212) 466-7755

**Jennifer Docherty**  
Managing Director  
(212) 466-7796

**Meirav Azoulay**  
Associate Director  
(212) 466-7775

**James Furey**  
Associate Director  
(212) 466-7934

**Lars Mudrak**  
Analyst  
(212) 466-7751

**SANDLER O'NEILL + PARTNERS, L.P.**

New York - Atlanta - Boston - Chicago - San Francisco