

**HARVEST CAPITAL CREDIT CORPORATION ANNOUNCES DECEMBER 31, 2015
FINANCIAL RESULTS**

NEW YORK, March 15, 2016 — Harvest Capital Credit Corporation (“Harvest Capital” or the “Company”) (NASDAQ: HCAP) announced financial results for the fourth quarter and year ended December 31, 2015.

FINANCIAL HIGHLIGHTS

	Q4-15		Q4-14		FY-15		FY-14	
	Amount	Per share						
Core net investment income (1)	\$3,395,364	\$0.54	\$2,265,419	\$0.36	\$9,486,651	\$1.52	\$8,520,964	\$1.38
Net investment income	\$3,395,364	\$0.54	\$2,112,676	\$0.34	\$9,651,015	\$1.54	\$8,265,253	\$1.34
Net change in unrealized (depreciation) appreciation	(\$1,199,629)	(\$0.19)	(\$45,737)	(\$0.01)	(\$2,182,647)	(\$0.34)	\$464,416	\$0.07
Net realized (losses) gains on investments	(\$100,972)	(\$0.02)	\$676,570	0.11	(\$1,057,355)	(\$0.17)	\$665,813	0.11
Net income	\$2,094,763	\$0.33	\$2,743,509	\$0.44	\$6,411,013	\$1.03	\$9,395,482	\$1.52
Weighted average shares outstanding (basic and diluted)	6,263,609		6,212,352		6,249,346		6,185,061	

- (1) Core Net Investment Income and Core Net Investment Income per share are non-GAAP financial measures. Reconciliations of Core Net Investment Income and Core Net Investment Income per share to the most directly comparable GAAP financial measure and other information regarding these non-GAAP financial measures are set forth in Schedule 1 hereto.

PORTFOLIO ACTIVITY

	12/31/2015	09/30/2015	12/31/2014
Portfolio investments at fair value	\$142,760,426	\$144,183,124	\$115,834,428
Total assets	\$149,137,859	\$149,715,525	\$119,870,004
Net assets	\$89,414,256	\$89,326,077	\$90,872,315
Shares outstanding	6,269,669	6,260,087	6,222,673
Net asset value per share	\$14.26	\$14.27	\$14.60

	Q4-15	Q4-14	FY-15	FY-14
Portfolio activity during the period:				
New debt commitments/investments	\$12,740,700	\$ 24,475,000	\$52,890,380	\$ 76,887,088
Exits of debt commitments/investments	(11,788,074)	\$ (6,864,657)	(\$17,240,515)	(\$27,739,040)
Net activity	\$952,626	\$17,610,343	\$35,649,865	\$49,148,048

	As of December 31,	
	2015	2014
Number of portfolio company investments	33	29
Number of portfolio company debt investments	30	27
Weighted average yield of debt investments at fair value (1)	13.9%	15.1%

- (1) Computed as (a) annual stated amount of interest or yield earned plus the net annual amortization of original issue discount and other deferred fees earned on accruing debt investments, divided by (b) total debt investments at fair value. CRS Reprocessing, LLC was excluded from the calculation as of December 31, 2014 because it was on non-accrual status at that date. Solex Fine Foods, LLC was excluded from the calculation as of December 31, 2014 and December 31, 2015 because it was on non-accrual status as of those dates. Shinnecock CLO 2006-1, Ltd. and other equity components of the investment portfolio are also excluded from this calculation either because they do not have stated interest rates or are non-income producing.

FOURTH QUARTER OF 2015 AND FULL YEAR OPERATING RESULTS

For the quarter ended December 31, 2015, the Company reported a 23.6% decrease in net income, a 49.9% increase in core net investment income and a 60.7% increase in net investment income, compared to the quarter ended December 31, 2014. Net income for the quarter ended December 31, 2015 was \$2.1 million, or \$0.33 per share, compared to \$2.7 million, or \$0.44 per share, for the quarter ended December 31, 2014. Core net investment income was \$3.4 million, or \$0.54 per share, for the quarter

ended December 31, 2015, compared to \$2.3 million, or \$0.36 per share, for the quarter ended December 31, 2014. Net investment income was \$3.4 million, or \$0.54 per share, for the quarter ended December 31, 2015, compared to \$2.1 million, or \$0.34 per share, for the quarter ended December 31, 2014. The decrease in net income was primarily attributable to a \$1.2 million increase in the change in net unrealized depreciation on investments for the quarter ended December 31, 2015, as compared to the quarter ended December 31, 2014. Net investment income and core net investment income increased in the quarter ended December 31, 2015, as compared to the quarter ended December 31, 2014, primarily as a result of the acceleration of interest income in conjunction with the payoff of loans during the quarter and an increase in investment income due to growth in the portfolio.

For the year ended December 31, 2015, the Company reported a 31.8% decrease in net income, an 11.3% increase in core net investment income and a 16.8% increase in net investment income, compared to the year ended December 31, 2014. Net income for the year ended December 31, 2015 was \$6.4 million, or \$1.03 per share, compared to \$9.4 million, or \$1.52 per share, for the year ended December 31, 2014. Core net investment income was \$9.5 million, or \$1.52 per share, for the year ended December 31, 2015, compared to \$8.5 million, or \$1.38 per share, for the year ended December 31, 2014. Net investment income was \$9.7 million, or \$1.54 per share, for the year ended December 31, 2015, compared to \$8.3 million, or \$1.34 per share, for the year ended December 31, 2014. The decrease in net income was primarily attributable to a \$1.7 million increase in realized losses on investments and a \$2.6 million increase in the change in unrealized depreciation on investments for the year ended December 31, 2015, as compared to the year ended December 31, 2014. Net investment income and core net investment income increased in the year ended December 31, 2015 primarily as a result of higher investment income due to growth in the portfolio.

As of December 31, 2015, our total portfolio investments at fair value and total assets were \$142.8 million and \$149.1 million, respectively, compared to \$115.8 million and \$119.9 million at December 31, 2014. Net asset value per share was \$14.26 at December 31, 2015, compared to \$14.27 at September 30, 2015 and \$14.60 at December 31, 2014.

During the fourth quarter of 2015, the Company made three investments totaling \$12.7 million. One was an investment in a new portfolio company and two were additional investments in existing portfolio companies. Also during the quarter, the Company received two loan payoffs and sold part of another loan for a total of \$11.8 million. The investment activity for the quarter ended December 31, 2015 was as follows:

NEW AND INCREMENTAL INVESTMENTS

On October 9, 2015, the Company made an additional \$4.5 million debt investment in Northeast Metal Works LLC. The investment consisted of an incremental \$3.8 million senior secured term loan and an incremental revolver commitment of \$0.7 million, both carrying an interest rate of LIBOR + 14.00% with a 0.20% LIBOR floor. This brought Harvest Capital's commitment to Northeast Metal Works to \$13.3 million.

On October 22, 2015, the Company made a \$5.1 million debt investment in WorkWell, LLC. The investment consisted of a \$4.8 million senior secured term loan and a \$0.3 million revolver, both carrying an interest rate of LIBOR + 11.50% with a 0.50% LIBOR floor. The Company also made a \$0.3 million equity investment in WorkWell, LLC.

On November 27, 2015 and December 16, 2015, the Company made additional debt investments in WBL SPE II, LLC. The investments consisted of \$3.2 million in senior secured term loans with a fixed interest rate of 14.50%. This brought the Company's total commitment to WBL SPE II, LLC to \$7.5 million.

INVESTMENT PAYOFFS

On November 10, 2015, the Company received a full repayment at par of its \$3.6 million junior secured term loan investment in Americana Holdings LLC. The Company also received a \$0.1 million prepayment fee on its debt investment and was paid \$1.5 million for its revenue linked security. The Company generated a gross internal rate of return ("IRR") of 35.7% on this investment.

On December 23, 2015, the Company sold, at slightly above cost, \$3.0 million of its \$7.5 million junior secured term loan investment in Bradford Soap International, Inc. to another lender.

On December 30, 2015, the Company received a full repayment at par of its \$5.2 million junior secured term loan investment in Optimal Blue, LLC and received a prepayment fee of \$0.1 million. The Company generated an IRR of 17.2% on the debt investment and retained its equity investment in the company.

"We are very pleased to report that Harvest Capital has again generated core net investment income in excess of its dividend in the fourth quarter and due to the solid financial results earlier in the year, has out-earned the dividend for all of 2015," declared Richard P. Buckanavage, President and CEO. "With core net investment income for 2015 of \$1.52 per share compared to dividends of \$1.35 per share, we covered the dividend by \$0.17 per share. On a taxable income basis, we estimate that \$0.18 per share will be spilled over into 2016. Shareholders should take comfort in the stability of Harvest Capital's 2016 distributions given this fact," observed Mr. Buckanavage. "In addition to strong profitability in the fourth quarter, the portfolio performance also remained solid. The weighted average risk rating stood at 1.98 versus 1.97 in the prior quarter and net asset value per share was stable at \$14.26 per share compared to \$14.27 per share at the end of the third quarter," added Mr. Buckanavage. "We believe these results that include earning our dividend for the quarter and year and maintaining a stable NAV per share over the past two quarters distinguishes Harvest Capital in the BDC sector", concluded Mr. Buckanavage.

CREDIT QUALITY

The Company employs various risk management and monitoring tools to categorize and assess its investments. No less frequently than quarterly, the Company applies an investment risk rating system which grades the credit risk of all debt investments on a scale of 1 to 5. Under this system, an investment with a grade of 1 involves the least amount of risk and indicates performance from the portfolio company that exceeds underwritten expectations. Investments graded 2 involve a level of risk that is similar to the

risk at the time of origination or acquisition. The portfolio company is generally performing as expected and the risk factors associated with our ability to ultimately recoup our investment are neutral to favorable. All new investments are initially assessed a grade of 2. Investments graded 3 indicate that the portfolio company is performing below expectations and requires closer monitoring. Investments graded 4 indicate performance substantially below expectations where some loss of return but no loss of principal is expected and payments are generally not more than 90 days past due. An investment grade of 5 indicates that the risk to our ability to recoup our investment has substantially increased since origination or acquisition, the portfolio company likely has materially declining performance, and some loss of return and principal is expected. For debt investments with an investment grade of 5, most or all of the debt covenants are out of compliance and payments are substantially delinquent.

As of December 31, 2015, the weighted average risk rating of the debt investments in the Company's portfolio increased to 1.98 from 1.97 in the previous quarter. Also, as of December 31, 2015, five of the Company's thirty debt investments were rated 1, nineteen investments were rated 2, three investments were rated 3, two investments were rated 4, and one investment was rated 5. Only one loan was on non-accrual status at December 31, 2015.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2015, the Company had \$3.1 million of cash and restricted cash and \$25.3 million of undrawn capacity on its \$55.0 million senior secured revolving credit facility. The credit facility is secured by all of the Company's assets and has an accordion feature that allows the size of the facility to increase up to \$85.0 million. The revolver period under the credit facility extends through April 30, 2017 and the final maturity date is October 29, 2018.

Additional sources of liquidity are the six level 2 broadly syndicated loans held by the Company totaling \$15.6 million at fair value as of December 31, 2015. Since actionable trading environments exist for these loans, they could be sold and the proceeds re-invested in our core lower-middle market strategy as an additional source of liquidity.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO DECEMBER 31, 2015

On February 3, 2016, the Company declared monthly distributions of \$0.1125 per share payable on each of February 25, 2016, March 24, 2016, and April 28, 2016.

On February 9, 2016, the Company received \$0.9 million for its \$1.8 million debt and \$0.3 million equity investments in Solex Fine Foods, LLC. The debt investment had been on non-accrual since December 2014 and was fair valued at \$0.9 million at December 31, 2015.

On February 29, 2016, our investment in Infinite Aegis, LLC ("IA") was paid off as a result of the purchase of the majority of IA's assets by Infinite Care, LLC ("IC"). We received par for our \$9.1 million debt investment in IA plus \$1.4 million in accrued and unpaid interest and fees. In conjunction with the

payoff of our investment in IA, we invested \$3.0 million into the common equity of IC alongside a majority equity investment from a private equity firm. We also provided a \$6.0 million senior secured term loan and a \$1.0 million senior secured revolver (unfunded at close). The new senior secured debt investment carries an interest rate of LIBOR + 12.00% with a LIBOR floor of 0.42% and mature in February 2019.

On March 8, 2016, our board of directors authorized a \$3.0 million open market stock repurchase program. Pursuant to our program, we are authorized to repurchase up to \$3.0 million in the aggregate of our outstanding stock in the open market. The timing, manner, price and amount of any share repurchases will be determined by our management in its discretion, and no assurances can be given that any common stock, or any particular amount, will be purchased. Unless amended by our board of directors, the repurchase program will expire on the earlier of December 31, 2016 and the repurchase of \$3.0 million of our outstanding shares of common stock. The program may be suspended, extended, modified, or discontinued at any time.

CONFERENCE CALL

The Company will host a conference call on Tuesday, March 15, 2016 at 11:00 a.m. Eastern Time to discuss its fourth quarter and year-end results. All interested parties are invited to participate in the conference call by dialing (888) 566-6060 (domestic) or (973) 200-3100 (international). Participants should enter the Conference ID 54266579 when prompted.

ABOUT HARVEST CAPITAL CREDIT CORPORATION

Harvest Capital Credit Corporation (NASDAQ: HCAP) provides customized financing solutions to privately held small and mid-sized companies in the U.S., generally targeting companies with annual revenues of less than \$100 million and annual EBITDA of less than \$15 million. The Company's investment objective is to generate both current income and capital appreciation primarily by making direct investments in the form of subordinated debt, senior debt and, to a lesser extent, minority equity investments. Harvest Capital Credit Corporation is externally managed and has elected to be treated as a business development company under the Investment Company Act of 1940.

Forward Looking Statements

Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of assumptions, risks and uncertainties, which change over time. Actual results may differ materially from those anticipated in any forward-looking statements as a result of a number of factors, including those described from time to time in filings by the Company 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.

Harvest Capital Credit Corporation
Statements of Assets and Liabilities

	December 31,	
	2015	2014
ASSETS:		
Non-affiliated/non-control investments, at fair value (cost of \$135,198,490 at 12/31/15 and \$111,109,709 at 12/31/14)	\$ 135,516,729	\$ 112,508,798
Affiliated investments, at fair value (cost of \$9,031,772 at 12/31/15 and \$4,019,908 at 12/31/14)	7,243,697	3,325,630
Total investments, at fair value (cost of \$144,230,262 at 12/31/15 and \$115,121,617 at 12/31/14)	142,760,426	115,834,428
Cash	595,047	103,047
Restricted cash	2,474,362	2,068,724
Interest receivable	1,112,885	550,849
Accounts receivable - other	304,969	75,046
Deferred offering costs	1,023,246	119,640
Deferred financing costs	748,637	1,012,862
Other assets	118,287	105,408
Total assets	\$ 149,137,859	\$ 119,870,004
LIABILITIES:		
Revolving line of credit	\$29,698,293	\$26,075,140
Unsecured notes	27,500,000	—
Accrued interest payable	412,099	77,363
Accounts payable - base management fees	739,517	549,761
Accounts payable - incentive management fees	848,841	835,628
Accounts payable - administrative services expenses	220,872	150,001
Accounts payable and accrued expenses	282,949	271,155
Payable for securities purchased	—	998,708
Other liabilities	21,032	39,933
Total liabilities	59,723,603	28,997,689
Commitments and contingencies	—	—
NET ASSETS:		
Common stock, \$0.001 par value, 100,000,000 shares authorized, 6,269,669 issued and outstanding at 12/31/15 and 6,222,673 issued and outstanding at 12/31/14	6,270	6,223
Capital in excess of common stock	89,989,686	89,424,498
Accumulated realized (losses) gains on investments	(1,066,131)	665,813
Net unrealized (depreciation) appreciation on investments	(1,469,836)	712,812
(Distributions in excess of) undistributed net investment income	1,954,267	62,969
Total net assets	89,414,256	90,872,315
Total liabilities and net assets	\$ 149,137,859	\$ 119,870,004
Common stock issued and outstanding	6,269,669	6,222,673
Net asset value per common share	\$14.26	\$14.60

Harvest Capital Credit Corporation
Statements of Operations

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Investment Income:				
Interest:				
Cash - non-affiliated/non-control investments	\$ 4,871,030	\$ 3,155,961	\$ 16,032,738	\$ 10,876,938
Cash - affiliated investments	204,407	18,893	477,407	185,649
PIK - non-affiliated/non-control investments	202,993	266,356	1,091,792	1,319,362
PIK - affiliated investments	—	9,204	—	90,671
Amortization of fees, discounts and premiums, net	1,082,378	459,360	2,472,126	1,531,989
Total interest income	6,360,808	3,909,774	20,074,063	14,004,609
Other income	213,623	330,616	252,833	707,438
Total investment income	6,574,431	4,240,390	20,326,896	14,712,047
Expenses:				
Interest expense - revolving line of credit	351,753	232,674	921,284	293,319
Interest expense - unused line of credit	23,378	70,515	243,800	374,230
Interest expense - deferred financing costs	66,057	65,157	264,228	255,801
Interest expense - unsecured notes	481,251	—	1,785,976	—
Interest expense - deferred offering costs	46,827	—	167,255	—
Total interest expense	969,266	368,346	3,382,543	923,350
Professional Fees	142,427	113,701	747,032	595,264
General and administrative	220,887	215,915	869,391	701,593
Base management fees	739,517	549,954	2,710,993	1,860,597
Incentive management fees	848,841	686,071	2,234,551	2,144,889
Administrative services expense	220,872	150,000	729,978	498,201
Total expenses	3,141,810	2,083,987	10,674,488	6,723,894
Less waivers:				
Incentive fees waived	—	—	—	(320,827)
Total net expenses	3,141,810	2,083,987	10,674,488	6,403,067
Net investment income, before tax	3,432,621	2,156,403	9,652,408	8,308,980
Excise tax credit (expense)	(37,257)	(43,727)	(1,393)	(43,727)
Net investment income	3,395,364	2,112,676	9,651,015	8,265,253
Net realized (losses) gains on investments	(100,972)	676,570	(1,057,355)	665,813
Net change in unrealized (depreciation) appreciation on investments	(1,199,629)	(45,737)	(2,182,647)	464,416
Total unrealized and realized gains (losses) on investments	(1,300,601)	630,833	(3,240,002)	1,130,229
Net increase in net assets resulting from operations	\$ 2,094,763	\$ 2,743,509	\$ 6,411,013	\$ 9,395,482
Net investment income per share	\$0.54	\$0.34	\$1.54	\$1.34
Net increase in net assets resulting from operations per share	\$0.33	\$0.44	\$1.03	\$1.52
Weighted average shares outstanding (basic & diluted)	6,263,609	6,212,352	6,249,346	6,185,061
Dividends declared per common share	\$0.34	\$0.34	\$1.35	\$1.35

SCHEDULE 1

Reconciliations of Net Investment Income to Core Net Investment Income

	Three months ended December 31,				Year ended December 31,			
	2015		2014		2015		2014	
	Amount	Per share (1)	Amount	Per share (1)	Amount	Per share (1)	Amount	Per share (1)
Net investment income	\$3,395,364	\$0.54	\$2,112,676	\$0.34	\$9,651,015	\$1.54	\$8,265,253	\$1.34
Excise tax expense (credit) on capital gains	—	—	26,576	—	(\$21,802)	—	29,665	—
Capital gains incentive fees	—	—	\$126,167	\$0.02	(\$142,562)	(\$0.02)	\$226,046	\$0.04
Core net investment income	\$3,395,364	\$0.54	\$2,265,419	\$0.36	\$9,486,651	\$1.52	\$8,520,964	\$1.38

(1) All per share amounts are basic and diluted unless indicated otherwise.

The purpose of Core Net Investment Income is to present Net Investment Income without the effect of incentive fees related to items not included in Net Investment Income, and without the effect of any excise taxes related to realized capital gains and losses. Incentive fees are reflected above the Net Investment Income line on the income statement and thus affect Net Investment Income for GAAP purposes. However, realized gains or losses and unrealized appreciation or depreciation are reflected below the Net Investment Income line item on the income statement. Accordingly, capital gains incentive fees are reflected above the Net Investment Income line item in the income statement even though the related realized gains or losses and unrealized appreciation or depreciation are reflected below the Net Investment Income line item on the income statement. Any excise taxes related to realized capital gains and losses are also reflected above the Net Investment Income line item in the income statement even though the related realized gains or losses and unrealized appreciation or depreciation are reflected below the Net Investment Income line item on the income statement. Core Net Investment Income adds the capital gains incentive fee and any excise taxes related to realized capital gains and losses back to Net Investment Income so the capital gains incentive fee, any excise taxes related to realized capital gains and losses and the related realized gains or losses and unrealized appreciation or depreciation are all excluded from Net Investment Income.

The capital gains incentive fee is determined and paid annually with respect to cumulative realized capital gains (but not unrealized capital gains) to the extent such cumulative realized capital gains exceed cumulative realized and unrealized capital losses through the end of such fiscal year (less the aggregate amount of any previously paid capital gain incentive fee). The Company also records an expense accrual relating to the capital gains incentive fee payable by the Company to its investment adviser when (i) the cumulative unrealized and realized gains on its investments exceed all cumulative realized and unrealized capital losses on its investments and (ii) the capital gains incentive fee that would be payable exceeds the aggregate amount of any previously paid capital gain incentive fees given the fact that a capital gains incentive fee would be owed to the investment adviser if the Company were to liquidate its investment portfolio at such time. Any decrease in unrealized appreciation in subsequent periods will result in the reversal of some or all of such previously recorded expense accrual. The actual incentive fee payable to the Company's investment adviser related to capital gains is determined and payable in arrears at the end of each fiscal year and is only based on cumulative realized capital gains, including realized capital gains for such period, but not unrealized capital gains. The Company recorded net change in unrealized depreciation of \$1,199,629 in the

quarter ended December 31, 2015, compared to net change in unrealized depreciation of \$45,737 in the quarter ended December 31, 2014. The Company recorded net change in unrealized depreciation of 2,182,647 for the year ended December 31, 2015 compared to net change in unrealized appreciation of 464,416 for the year ended December 31, 2014. For the three months ended December 31, 2015 and December 31, 2014, the Company recorded incentive fees of \$0 and \$126,167, respectively, related to the net realized and unrealized capital gain or loss activity during the applicable periods. For the year ended December 31, 2015 and December 31, 2014, incentive fees of (\$142,562) and \$226,046, respectively, related to the net realized and unrealized capital gain or loss activity during the applicable periods.

Investor & Media Relations Contacts

Harvest Capital Credit Corporation

Richard Buckanavage
President & Chief Executive Officer
(212) 906-3592
rbuckanavage@harvestcaps.com

Craig Kitchin
Chief Financial Officer
(678) 392-3150
ckitchin@harvestcaps.com

Source: Harvest Capital Credit Corporation