HARVEST
CAPITAL CREDIT

# HARVEST CAPITAL CREDIT CORPORATION ANNOUNCES DECEMBER 31, 2017 FINANCIAL RESULTS

**NEW YORK, April 2, 2018** — Harvest Capital Credit Corporation ("Harvest Capital" or the "Company") (NASDAQ: HCAP) announced financial results for the fourth quarter and year ended December 31, 2017.

## FINANCIAL HIGHLIGHTS

| | Q4-17 | | Q4-16 | | FY-17 | | FY-16 | |
|---|---|---|---|---|---|---|---|---|
| | Amount | Per share | Amount | Per share | Amount | Per share | Amount | Per share |
| **Net investment income** | **$1,924,508** | **$0.30** | **$2,432,880** | **$0.39** | **$8,236,854** | **$1.28** | **$10,052,422** | **$1.60** |
| **Core net investment income (1)** | **$1,924,508** | **$0.30** | **$2,432,880** | **$0.39** | **$8,973,657** | **$1.40** | **$10,052,422** | **$1.60** |
| Net realized (losses) gains on investments | — | — | ($54,906) | ($0.01) | ($8,062,441) | ($1.26) | ($517,586) | ($0.08) |
| Net change in unrealized appreciation (depreciation) | $(432,485) | $(0.07) | $398,801 | $0.06 | $1,458,173 | $0.23 | ($3,528,349) | ($0.56) |
| **Net income** | **$1,492,023** | **$0.23** | **$2,776,775** | **$0.44** | **$1,632,586** | **$0.25** | **$6,006,487** | **$0.96** |
| Weighted average shares outstanding (basic and diluted) | 6,474,769 | | 6,282,324 | | 6,412,215 | | 6,282,360 | |

(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

| | December 31, 2017 | December 31, 2016 | | |
|---|---|---|---|---|
| Portfolio investments at fair value | $ 115,600,678 | $ 134,101,534 | | |
| Total assets | $ 128,152,840 | $ 142,989,647 | | |
| Net assets | $ 81,781,429 | $ 87,122,296 | | |
| Shares outstanding | 6,457,588 | 6,287,496 | | |
| Net asset value per share | $ 12.66 | $ 13.86 | | |
| | | | | |
| | **Q4 - 17** | **Q4 - 16** | **FY - 17** | **FY - 16** |
| Portfolio activity during the period: | | | | |
| New debt investment commitments | $ 12,215,000 | $ 3,850,000 | $ 52,942,222 | $ 29,730,723 |
| New equity investments | 521,146 | 225,000 | 4,114,786 | 4,125,000 |
| Exits of debt investment commitments | (9,190,481) | (7,481,897) | (58,610,753) | (21,921,522) |
| Principal repayments | (773,819) | (3,766,426) | (17,128,341) | (18,215,262) |
| Exits of equity investments | — | — | (180,597) | (390,284) |
| Net activity | $ 2,771,846 | $ (7,173,323) | $ (18,862,683) | $ (6,671,345) |

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Number of portfolio company investments | 31 | 31 |
| | | |
| Weighted average yield of debt and other income producing investments (1): | | |
| Cash | 11.3% | 12.3% |
| PIK | 1.4% | 1.4% |
| Fee amortization | 2.6% | 1.7% |
| Total | 15.3% | 15.4% |
| | | |
| Weighted average yield on total investments (2): | | |
| Cash | 10.2% | 11.5% |
| PIK | 1.2% | 1.3% |
| Fee amortization | 2.3% | 1.6% |
| Total | 13.7% | 14.4% |

(1) The weighted average annualized effective yield on debt and other income-producing investments is computed using the effective interest rates for our debt and other income producing investments, including cash and PIK interest as well as the accretion of deferred fees. The individual investment yields are then weighted by the respective fair values of the investments (as of the date presented) in calculating the weighted average effective yield as a percentage of our debt and other income-producing investments. Infinite Care, LLC was excluded from the calculation as of December 31, 2017 because it was on non-accrual status on that date. CRS Reprocessing, LLC and Peekay Acquisition, LLC were excluded from the calculation as of December 31, 2016 because they were on non-accrual status on that date. Shinnecock CLO 2006-1, Ltd. and other equity components of the investment portfolio were also excluded from these calculations either because they do not have stated interest rates or are non-income producing.

(2) The weighted average yield on total investments takes the same yields but weights them to determine the weighted average effective yield as a percentage of the Company's total investments. The weighted average annualized yield on the Company's investments for a given period will generally be higher than what investors in our common stock would realize in a return over the same period because the dollar-weighted average annualized yield does not reflect the Company's expenses or any sales load that may be paid by investors.

## FOURTH QUARTER 2017 OPERATING RESULTS

For the quarter ended December 31, 2017, the Company reported a $1.3 million decrease in net income, compared to the quarter ended December 31, 2016. Net income was $1.5 million, or $0.23 per share, compared to net income of $2.8 million, or $0.44 per share, for the quarter ended December 31, 2016. The decrease in net income for the quarter ended December 31, 2017 was primarily attributable to lower net investment income and a negative change in net realized and unrealized gains on investments in the quarter ended December 31, 2017, as compared to the quarter ended December 31, 2016.

For the quarter ended December 31, 2017, the Company reported a $0.5 million decrease in net investment income, compared to the quarter ended December 31, 2016. Net investment income income was $1.9 million, or $0.30 per share, for the quarter ended December 31, 2017, compared to $2.4 million, or $0.39 per share, for the quarter ended December 31, 2016. Net investment income decreased during the quarter ended December 31, 2017, as compared to the quarter ended December 31, 2016, primarily as a result of lower total investment income, partially offset by lower total expenses in the quarter ended December 31, 2017. Investment income was lower primarily as a result of a smaller investment portfolio during the quarter ended December 31, 2017 as compared to the quarter ended December 31, 2016.

As of December 31, 2017, our total portfolio investments at fair value and total assets were $115.6 million and $128.2 million, respectively, compared to $134.1 million and $143.0 million at December 31, 2016. Net asset value per share was $12.66 at December 31, 2017, compared to $13.86 at December 31, 2016.

During the fourth quarter of 2017, the Company made investments in three companies totaling $12.7 million. One of the investments was in a new portfolio company and two were additional investments in existing portfolio companies. The Company also had investment sales and payoffs totaling $9.2 million during the three months ended December 31, 2017. The investment activity for the quarter ended December 31, 2017 was as follows:

### NEW AND INCREMENTAL INVESTMENTS

On October 18, 2017, the Company made an additional $3.2 million senior secured debt investment and a $0.5 million equity investment in an existing portfolio company, King Engineering Associates, Inc. The debt investment carries an interest rate of LIBOR plus 10.00%.

On November 16, 2017, the Company made senior secured debt investments in Surge Busy Bee Holdings LLC. The debt investments consist of a $5.0 million term loan that carries an interest rate of LIBOR plus 10.00%, a $2.5 million term loan that carries a cash interest rate of 12.00% plus 2.00% PIK interest, and a $0.5 million revolver commitment that carries an interest rate of LIBOR plus 8.00%.

During the fourth quarter of 2017, the Company made increases to and advances under its senior secured revolver commitment to Infinite Care, LLC totaling $1.1 million.

### INVESTMENT SALES AND PAYOFFS

On October 25, 2017, the Company received a full repayment at par on its $0.8 million senior secured debt investment in Flight Engine Leasing V, LLC ("FLV"). The Company generated an internal rate of return ("IRR") of 15.5% on its debt investment in FLV. IRR is the rate of return that makes the net present value of all cash flows into or from the investment equal to zero, and is calculated based on the amount of each cash flow received or invested by the Company and the day it was invested or received.

On October 31, 2017, the Company received a full repayment at par on its $0.1 million senior secured debt investment in Flight Engine Leasing III, LLC ("FLIII"). The Company generated an IRR of 16.6% on its investment in FLIII.

On November 20, 2017, the Company received a full repayment at par on its $3.7 million senior secured debt investment in Chemical Information Services, LLC ("CIS"). The Company generated an IRR of 14.5% on its investment in CIS.

On December 28, 2017, the Company received a full repayment at par on its $4.6 million senior secured debt investment in Multicultural Radio Broadcasting, Inc ("MRBI"). The Company generated an IRR of 12.4% on its investment in MRBI.

The Company's Chairman and CEO, Joseph Jolson, made the following comments: “I apologize for the delay in reporting our fourth quarter 2017 results. As a co-founder and Chairman of Harvest Capital Credit, I have been pleased to be a small part of the company’s success during most of the past five years. Recently, I was asked to take on the additional role as CEO and to help position the company for future growth. As part of the year-end closing process, we determined that certain internal controls needed to be modified to improve the timely reporting of current portfolio developments to our finance and administrative services department. In addition, it had become increasingly clear that our A-Z approach for our investment staff was limiting their ability to consistently focus on originating attractive risk adjusted return opportunities. As a result of that assessment, we identified a material weakness in our internal controls over financial reporting as disclosed in our Form 10-K, and have restructured our operations into three functional areas: Business Development, Portfolio Management, and Finance and Administration.

Rich Buckanavage, who is routinely our largest originator, will lead our business development efforts and will be supported by four investment professionals. Jim Fowler, who I have worked with for most of the past 20 years, has accepted the role of Chief Investment Officer of Harvest Capital Credit to oversee our portfolio management efforts. In addition, we are scheduled to complete our planned transition of our finance and investment administration functions to Bill Alvarez and his team in New York. I want to publicly thank our CFO, Craig Kitchin, and our CCO, Renee Lefebvre, for all their efforts during the past seven years in helping to make this business a success.

Looking forward, I am excited about the opportunity to help grow Harvest Capital Credit into one of the leading providers of financing solutions to the lower middle market. We have a strong base and are well positioned for growth with excess capacity of more than $30 million to put to work by year end 2018. We are evaluating the recently passed BDC reform legislation, which could allow us to grow assets to approximately $200 million without raising new equity capital under certain conditions.”

**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 uses a five-level numeric scale. The following is a description of the conditions associated with each investment rating:

- Investment Rating 1 is used for investments that are performing above expectations, and whose risks remain favorable compared to the expected risk at the time of the original investment.

- Investment Rating 2 is used for investments that are performing within expectations and whose risks remain neutral compared to the expected risk at the time of the original investment. All new loans are initially rated 2.
- Investment Rating 3 is used for investments that are performing below expectations and that require closer monitoring, but where no loss of return or principal is expected. Portfolio companies with a rating of 3 may be out of compliance with financial covenants.
- Investment Rating 4 is used for investments that are performing substantially below expectations and whose risks have increased substantially since the original investment. These investments are often in workout. Investments with a rating of 4 are those for which there is an increased possibility of some loss of return but no loss of principal is expected.
- Investment Rating 5 is used for investments that are performing substantially below expectations and whose risks have increased substantially since the original investment. These investments are almost always in workout. Investments with a rating of 5 are those for which some loss of return and principal is expected.

As of December 31, 2017, the weighted average risk rating of the debt investments in the Company's portfolio was 2.23, up from 2.02 in the previous quarter. Also, as of December 31, 2017, eight of the Company's twenty-four debt investments were rated 1, ten investments were rated 2, three investments were rated 3, two investments were rated 4 and one investment was rated 5. As of December 31, 2017, one investment was on non-accrual status.

## LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2017, the Company had $11.5 million of cash and restricted cash and $38.3 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.

Additionally, the Company holds four syndicated loans totaling $10.5 million at fair value as of December 31, 2017. These investments could be sold and the proceeds re-invested in our core lower-middle market strategy, as attractive opportunities arise.

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO DECEMBER 31, 2017

During the first quarter of 2018, the Company repurchased 64,897 shares of its common stock at an average price of $10.75 per share.

During the first quarter of 2018, the Company increased its debt investment in Infinite Care, LLC by $0.4 million through two over-advances on its revolver commitment. The Company also took control of the borrower's equity after accelerating the debt and auctioning the borrower's equity in a public sale. The Company bid a portion of its outstanding debt to gain control of the portfolio company. Upon completion of this process, the Company converted $2.0 million of its debt investment in the borrower to preferred equity.

On January 24, 2018, the Company made a $7.0 million senior secured debt investment and a $0.2 million preferred equity investment in Coastal Screen and Rail, LLC. The debt investment consists of a $6.5 million term loan and a $0.5 million revolver. The term loan carries an interest rate of 10.50% cash plus 1.50% PIK. The revolver carries an interest rate of LIBOR + 8.00% on funded balances.

On February 8, 2018, the Company declared monthly distributions of $0.095 per share payable on each of February 28, 2018, March 27, 2018 and April 26, 2018.

On March 7, 2018, the Company received a full repayment at par plus a 2% prepayment fee on its $2.0 million junior secured debt investment in Turning Point Brands, Inc. The Company generated a 15.0% IRR on its investment.

On March 12, 2018, the Company received $3.9 million for its $4.6 million debt and $0.3 million equity investments in WorkWell, LLC. The Company also entered into a royalty agreement with the sponsor allowing it to recover up to another $0.1 million on its investment subject to certain future events. The Company generated a combined IRR of 5.2% on its debt and equity investments in WorkWell, LLC.

On March 28, 2018, our board of directors appointed Joseph A. Jolson (Chairman of our board of directors) as the Chief Executive Officer of the Company, effective as of such date. Mr. Jolson succeeds Richard P. Buckanavage, who stepped down from his positions as Chief Executive Officer and President on March 28, 2018, to assume the role of Managing Director - Head of Business Development, effective as of such date. In addition, Mr. Buckanavage continues to serve as a principal and member of the investment committee of our investment adviser, along with Mr. Jolson. On March 28, 2018, our board of directors also appointed James Fowler as the Chief Investment Officer of the Company. Mr. Fowler is also a member of the investment committee at our investment adviser. The addition of Mr. Fowler strengthens the investment team at our investment adviser following the resignation of Ryan T. Magee, a Vice President of the Company and a principal of our investment adviser, on March 8, 2018.

In addition, on March 28, 2018, as part of the previously announced process initiated by the Company to transition the provision of administrative services to the Company from JMP Credit Advisors to HCAP Advisors, our investment adviser, the board accepted the resignations of Craig R. Kitchin, the Company's Chief Financial Officer and Secretary, and Renee Lefebvre, the Company's Chief Compliance Officer, each effective as of April 2, 2018. Mr. Kitchin and Ms. Lefebvre are employed by JMP Credit Advisors. To succeed Mr. Kitchin and Ms. Lefebvre, our board of directors appointed William Alvarez as Chief Financial Officer, Chief Compliance Officer, and Secretary, effective as of April 2, 2018. The resignations of Mr. Kitchin and Ms. Lefebvre are not related to the events disclosed in the Company's Rule 12b-25 filing on March 15, 2018.

## CONFERENCE CALL

The Company will host a conference call on Monday, April 2, 2018 at 9:00 a.m. Eastern Time to discuss its fourth quarter 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 1386145 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

This press release contains forward-looking statements subject to the inherent uncertainties in predicting future results and conditions. Any statements that are not of historical fact (including statements containing the words "believes", "plans", "anticipates", "expects", "estimates", and similar expressions) should also be considered to be forward-looking statements. Certain factors could cause actual results and conditions to differ materially from those projected in these forward-looking statements. These factors are identified from time to time in our filings with the Securities and Exchange Commission. We undertake no obligation to update such statements to reflect subsequent events, except as may be required by law.

**Harvest Capital Credit Corporation**

Consolidated Statements of Assets and Liabilities

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| **ASSETS:** | | |
| Non-affiliated/non-control investments, at fair value (cost of $80,790,705 at 12/31/17 and $120,162,148 at 12/31/16) | $ 82,902,537 | $ 119,032,736 |
| Affiliated investments, at fair value (cost of $26,365,364 at 12/31/17 and $15,994,294 at 12/31/16) | 25,983,871 | 12,137,552 |
| Control investments, at fair value (cost of $11,984,621 at 12/31/17 and $2,943,277 at 12/31/16) | 6,714,270 | 2,931,246 |
| Total investments, at fair value (cost of $119,140,690 at 12/31/17 and $139,099,719 at 12/31/16) | 115,600,678 | 134,101,534 |
| | | |
| Cash | 4,233,597 | 4,472,749 |
| Restricted cash | 7,230,840 | 3,084,229 |
| Interest receivable | 287,408 | 578,140 |
| Accounts receivable – other | 37,688 | 27,135 |
| Deferred offering costs | 146,446 | 98,549 |
| Deferred financing costs | 508,284 | 542,342 |
| Other assets | 107,899 | 84,969 |
| **Total assets** | $ 128,152,840 | $ 142,989,647 |
| | | |
| **LIABILITIES:** | | |
| Revolving line of credit | $ 16,721,853 | $ 26,946,613 |
| Unsecured notes (net of deferred offering costs of $1,004,448 at 12/31/17 and $715,258 at 12/31/16). | 27,745,552 | 26,784,742 |
| Accrued interest payable | 139,148 | 421,534 |
| Accounts payable - base management fees | 582,912 | 693,190 |
| Accounts payable - incentive management fees | — | 202,235 |
| Accounts payable - administrative services | 397,463 | 276,214 |
| Accounts payable - accrued expenses | 782,726 | 499,907 |
| Other liabilities | 1,757 | 42,916 |
| **Total liabilities** | 46,371,411 | 55,867,351 |
| | | |
| Commitments and contingencies (Note 8) | | |
| | | |
| **NET ASSETS:** | | |
| Common stock, $0.001 par value, 100,000,000 shares authorized, 6,519,978 issued and 6,457,588 outstanding at 12/31/17 and 6,313,272 issued and 6,287,496 outstanding at 12/31/16 | 6,520 | 6,313 |
| Capital in excess of common stock | 93,043,208 | 90,433,114 |
| Treasury shares at cost, 62,390 and 25,776 at 12/31/17 and 12/31/16, respectively | (724,039) | (322,137) |
| Accumulated realized losses on investments | (8,923,961) | (1,537,506) |
| Net unrealized depreciation on investments | (3,540,012) | (4,998,185) |
| Undistributed net investment income | 1,919,713 | 3,540,697 |
| Total net assets | 81,781,429 | 87,122,296 |
| **Total liabilities and net assets** | $ 128,152,840 | $ 142,989,647 |
| | | |
| Common stock outstanding | 6,457,588 | 6,287,496 |
| | | |
| Net asset value per common share | $ 12.66 | $ 13.86 |

**Harvest Capital Credit Corporation**
Consolidated Statements of Operations

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| **Investment Income:** | | | | |
| Interest: | | | | |
| Cash - non-affiliated/non-control investments | $ 2,732,468 | $ 3,608,929 | $ 10,811,964 | $ 16,055,958 |
| Cash - affiliated investments | 221,530 | 340,902 | 2,583,523 | 1,253,098 |
| Cash - control investments | 594,116 | 69,350 | 813,486 | 133,966 |
| PIK - non-affiliated/non-control investments | 191,876 | 498,619 | 959,768 | 1,462,755 |
| PIK - affiliated investments | (92,669) | — | 568,482 | — |
| PIK - control investments | 264,837 | 17,878 | 264,837 | 35,978 |
| Amortization of fees, discounts and premiums, net: | | | | |
| Non-affiliated/non-control investments | 218,473 | 616,817 | 2,247,071 | 1,819,960 |
| Affiliated investments | (34,068) | 12,654 | 147,859 | (24,003) |
| Control investments | 53,881 | 799 | 71,072 | 799 |
| Total interest income | 4,150,444 | 5,165,948 | 18,468,062 | 20,738,511 |
| Other income | (13,969) | 31,352 | 236,198 | 154,963 |
| **Total investment income** | **4,136,475** | **5,197,300** | **18,704,260** | **20,893,474** |
| | | | | |
| **Expenses:** | | | | |
| Interest expense - revolving line of credit | 114,669 | 260,470 | 717,465 | 1,183,431 |
| Interest expense - unsecured notes | 440,235 | 481,251 | 2,022,195 | 1,925,004 |
| Interest expense - unused line of credit | 86,487 | 48,245 | 276,197 | 146,728 |
| Interest expense - deferred financing costs | 53,401 | 73,956 | 233,993 | 278,733 |
| Interest expense - deferred offering costs | 44,845 | 50,691 | 198,966 | 196,872 |
| Loss on extinguishment of debt | — | — | 581,734 | — |
| Total interest expense | 739,637 | 914,613 | 4,030,550 | 3,730,768 |
| | | | | |
| Professional fees | 328,462 | 283,191 | 1,170,805 | 827,793 |
| General and administrative | 235,988 | 344,427 | 1,087,786 | 1,021,516 |
| Base management fees | 582,912 | 693,189 | 2,597,120 | 2,899,416 |
| Incentive management fees | — | 202,235 | 58,005 | 1,394,382 |
| Administrative services expense | 300,000 | 276,214 | 1,394,925 | 905,586 |
| **Total expenses** | **2,186,999** | **2,713,869** | **10,339,191** | **10,779,461** |
| **Net Investment Income, before taxes** | **1,949,476** | **2,483,431** | **8,365,069** | **10,114,013** |
| | | | | |
| Income tax expense | 63,565 | — | 63,565 | — |
| Excise tax expense | (38,597) | 50,551 | 64,650 | 61,591 |
| **Net Investment Income, after taxes** | **1,924,508** | **2,432,880** | **8,236,854** | **10,052,422** |
| | | | | |
| Net realized (losses) gains: | | | | |
| Non-affiliated / Non-control investments | — | (54,906) | (5,962,020) | 624,677 |
| Affiliated investments | — | — | (2,100,421) | (1,142,263) |
| Net realized losses on investments | — | (54,906) | (8,062,441) | (517,586) |
| Net change in unrealized appreciation (depreciation) | | | | |
| Non-affiliated / Non-control investments | 1,067,665 | 1,734,995 | 3,377,985 | (464,342) |
| Affiliated investments | 96,034 | (1,324,164) | 1,601,553 | (3,051,977) |
| Control investments | (1,596,184) | (12,030) | (3,521,365) | (12,030) |
| Net change in unrealized appreciation (depreciation) on investments | (432,485) | 398,801 | 1,458,173 | (3,528,349) |
| **Total net unrealized and realized losses on investments** | **(432,485)** | **343,895** | **(6,604,268)** | **(4,045,935)** |
| | | | | |
| **Net increase in net assets resulting from operations** | **$ 1,492,023** | **$ 2,776,775** | **$ 1,632,586** | **$ 6,006,487** |

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| Net investment income per share | $0.30 | $0.39 | $1.28 | $1.60 |
| Net increase in net assets resulting from operations per share | $0.23 | $0.44 | $0.25 | $0.96 |
| Weighted average shares outstanding (basic and diluted) | 6,474,769 | 6,282,324 | 6,412,215 | 6,282,360 |
| Distributions paid per common share | $0.44 | $0.34 | $1.45 | $1.35 |

## SCHEDULE 1

## Reconciliations of Net Investment Income to Core Net Investment Income

| | Three months ended December 31, | | | | Twelve months ended December 31, | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2017 | | 2016 | |
| | Amount | Per share (1) | Amount | Per share (1) | Amount | Per share (1) | Amount | Per share (1) |
| Net investment income | $1,924,508 | $0.30 | $2,432,880 | $0.39 | $8,236,854 | $1.28 | $10,052,426 | $1.60 |
| Loss on extinguishment of debt | — | — | — | — | 581,734 | 0.09 | — | — |
| Interest expense on redeemed bonds during required 30 day notice period | — | — | — | — | 155,069 | 0.02 | — | — |
| Core net investment income | $1,924,508 | $0.30 | $2,432,880 | $0.39 | $8,973,657 | $1.40 | $10,052,426 | $1.60 |

(1) All per share amounts are basic and diluted unless indicated otherwise. Per share totals might not foot due to rounding.

The purpose of core net investment income is to present net investment income without the effect of certain non-recurring charges, 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. During the twelve months ended December 31, 2017, this resulted in excluding the non-recurring charges related to the Company's redemption of its 2020 Notes. During this period, in conjunction with the redemption of its 2020 Notes, the Company expensed the unamortized deferred finance costs related to the 2020 Notes that were redeemed and recorded this as a loss on extinguishment of debt. Additionally, the Company was required to give the note holders a 30 day notice period before redeeming the 2020 Notes. As such, the Company had twice the amount of debt on its balance sheet for 30 days than it otherwise would have had and incurred additional interest expense as a result. The cost of these two items has been added to net investment income in the calculation of core net investment income.

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