



June 30, 2014

## StoneCastle Financial Corp. Completes Deployment of Initial Capital and Secures Credit Facility

NEW YORK, June 30, 2014 (GLOBE NEWSWIRE) -- StoneCastle Financial Corp. (Nasdaq:BANX) ("StoneCastle Financial" or the "Company"), an investment company registered with the Securities and Exchange Commission ("SEC"), announced today it has completed the deployment of the capital raised in its initial public offering into investments.

The Company also closed a \$45 million revolving credit facility (the "Facility") of which \$25 million has been committed. A substantial portion of the committed funds have been deployed pursuant to the Company's investment objective and strategies. The Facility closed on June 9, 2014, has a five-year term and a stated maturity in June 2019, and was priced at 3-month LIBOR + 2.85%. The Facility is secured by substantially all of the assets of the Company. "The proceeds from the Facility will be used to continue investing in attractive community banks," said Joshua Siegel, Chairman and Chief Executive Officer of StoneCastle Financial.

"We are pleased to report that we have invested the net proceeds of the capital raised in our initial public offering, in accordance with our projected time horizon and stated investment objectives. This confirms our belief that the combination of our deep industry experience, and the unique benefits of StoneCastle Financial as a publicly traded investment company, is meeting a significant need in the community banking industry," said Siegel.

"We are particularly pleased with the number of investments we've completed this quarter, including a \$10 million preferred equity investment in Katahdin Bankshares Corp. of Maine. In addition to Katahdin, StoneCastle Financial completed \$41.6 million of additional investments since March 31, 2014," said Siegel. The Company's current regional concentrations are the Midwest 47%, South 26%, Northeast 25%, and the West 2%.

A breakdown of StoneCastle Financial's portfolio investments as of June 30, 2014 consisted of the following investments:

	Amount (in millions)	% of Total Investments
Long Term Investments	\$121.5	91.6%
Cash and Short-Term Investments	\$11.1	8.4%
Total	\$132.6	100.0%

### About StoneCastle Financial Corp.

StoneCastle Financial is an SEC registered non-diversified, closed-end investment company listed on the NASDAQ Global Select Market under the symbol "BANX." StoneCastle Financial intends to make long-term, passive, non-control investments in community banks seeking capital for organic growth, acquisitions, share repurchases and other refinancing activities. Its investment objective is to provide current income and, to a lesser extent, capital appreciation. StoneCastle Financial is managed by StoneCastle Asset Management LLC.

### Disclaimer and Risk Factors:

There is no assurance that StoneCastle Financial will achieve its investment objective. StoneCastle Financial is subject to numerous risks, including investment and market risks, management risk, income and interest rate risks, banking industry risks, preferred stock risk, convertible securities risk, debt securities risk, liquidity risk, valuation risk, leverage risk, non-diversification risk, credit and counterparty risks, market discount from net asset value risk and market disruption risk. Shares of closed-end investment companies may trade above (a premium) or below (a discount) their net asset value. Shares of StoneCastle Financial may not be appropriate for all investors. Investors should review and consider carefully StoneCastle Financial's investment objective, risks, charges and expenses. Past performance does not guarantee future results. Learn more at [www.stonecastle-financial.com](http://www.stonecastle-financial.com).

The Company's annual report and regulatory filings with the SEC are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on the Company's website at [www.stonecastle-financial.com](http://www.stonecastle-financial.com), and may discuss these or other factors affecting the Company.

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