



GOLUB CAPITAL

FOR IMMEDIATE RELEASE

Contact: Lawrence Golub, President, 212.750.6060

**GOLUB CAPITAL HOLDS FIRST CLOSING ON FIFTH FUND WITH \$700
MILLION OF CAPITAL.
PLANNED TOTAL FUND TO BE \$1 BILLION.**

TOTAL FIRM-WIDE AVAILABLE CAPITAL NOW \$2.5 BILLION

OVER \$750 MILLION INVESTED YEAR-TO-DATE

NEW YORK – October 20, 2006 – Golub Capital Incorporated today announced the first closing for Golub Capital Partners V, L.P. (“GCPV” or “the Fund”) with \$700 million of available capital. Most of the capital was provided by existing limited partners. Golub Capital expects to hold a second closing later this year to bring the total to \$1 billion.

With GCPV and other existing funds, Golub Capital now has more than \$2.5 billion of capital available for debt financings. The firm is experiencing a record year for new investments. Golub Capital has invested \$750 million so far this year, which represents growth of more than 50% over 2005. Concurrent with this closing, Golub Capital has expanded its initial investment per transaction range to \$5 million to \$75 million.

With its larger asset base, Golub Capital will seek to complete more and larger “buy and hold” one-stop debt financings. Golub Capital one-stops are attractive to sponsors because the financings eliminate (1) the uncertainty of the identity of the permanent junior debt lenders; and (2) the time and distraction of syndication.

Golub Capital has completed the following one-stop debt financings so far this year: Best Lighting Products, Crunch Fitness, C&M Conveyor, Extreme Fitness, and Zenith Products Corporation (with co-investors).

“Our business continues to set new records for activity and performance. Sponsors appreciate our competitive pricing, our rock-solid reliable execution, and our creative problem-solving. Our investors like our low fees and consistent, attractive returns,” said Golub Capital President Lawrence Golub.

GCPV offers its investors an unusual, low fee structure. The Fund’s management fee is 1.25%, one of the lowest among debt funds and lower than the fee charged by externally managed publicly-traded Business Development Companies. In addition, the Fund charges no management fees whatsoever on unfunded limited partner commitments. Investors are only charged fees on capital that is actually at work in portfolio investments.

About Golub Capital Incorporated

Golub Capital is one of the most active providers of one-stop debt facilities, senior and subordinated debt, second lien debt, preferred stock, and co-investment equity to middle market companies. The firm is committed to being a value-added and user-friendly partner to owners, senior management and transaction sponsors. With a broad investment mandate and long-term time horizon, Golub Capital has a high level of flexibility in structuring investments. Typical investments ranging from \$5 million to \$75 million, with additional capital available for future growth. Golub Capital is a national firm with offices in Atlanta, Chicago, New York and San Francisco. For more information, please visit www.golubcapital.com.