

Press Release

Stellus Capital Investment Corporation Declares Dividend of \$0.1812 Per Share

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HOUSTON—December 10, 2012 (BUSINESS WIRE)

Stellus Capital Investment Corporation (NYSE: SCM) announced today that on December 7, 2012 its Board of Directors declared a dividend for the partial 2012 fourth quarter of \$0.1812 per share payable on December 27, 2012 to common shareholders of record on December 21, 2012.

The Company's dividend reinvestment plan ("DRIP") provides for reinvestment of dividends, unless stockholders elect to receive cash. As a result, if the Company's Board of Directors declares a cash dividend, the Company's stockholders who have not "opted out" of the Company's DRIP will have their cash dividends automatically reinvested in additional shares of the Company's common stock, rather than receiving cash dividends.

The Company expects to use primarily newly issued shares to implement the plan, whether its shares are trading at a premium or at a discount to net asset value. Under such circumstances, the number of shares to be issued to a stockholder is determined by dividing the total dollar amount of the distribution payable to such stockholder by 95% of the market price per share of our common stock at the close of trading on the payment date fixed by the Company's board of directors. Market price per share on that date will be the closing price for such shares on the NYSE or, if no sale is reported for such day, at the average of their reported bid and asked prices. The Company reserves the right to purchase shares in the open market in connection with our implementation of the plan. Shares purchased in open market transactions by the plan administrator will be allocated to a stockholder based on the average purchase price, excluding any brokerage charges or other charges, of all shares of common stock purchased in the open market.

About Stellus Capital Investment Corporation: Stellus Capital Investment Corporation is an externally-managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940. The Company's investment objective is to maximize the total return to its stockholders in the form of current income and capital appreciation by investing primarily in private middle-market companies (typically those with \$5.0 million to \$50.0 million of EBITDA (earnings before interest, taxes, depreciation and amortization)) through first lien, second lien, unitranche and mezzanine debt financing, often with a corresponding equity investment. The Company's investment activities are managed by its investment adviser, Stellus Capital Management. To learn more about Stellus Capital Investment Corporation, visit www.stelluscapital.com/scic.

FORWARD-LOOKING STATEMENTS: Statements included herein may contain "forward-looking statements" which relate to future performance or financial condition. 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 including the final prospectus that will be filed 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.