



FOR IMMEDIATE RELEASE

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March 16, 2007 - Balboa Capital Secures \$15 Million of Subordinated Financing from Babcock & Brown

(Irvine, CA) Balboa Capital announced today that it has secured up to \$15 million of subordinated financing from global investment and advisory firm Babcock & Brown (ASX: BNB). The growth capital will support the company's various expansion initiatives. Bruce Kropschot, of Kropschot Financial Services, served as exclusive financial advisor to Balboa.

Balboa plans to use the capital to expand its middle ticket and small ticket equipment leasing origination activities. David Chiurazzi, Chief Financial Officer, stated, We are enthusiastic about our partnership with Babcock & Brown. Their investment provides the company with the flexible long term capital which will fuel the next phase of our growth.

Babcock & Brown is a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments

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About Balboa Capital Corporation

Balboa Capital is one of the largest privately-held equipment finance companies in the United States, delivering easy to use convenience financing and game changing technology to Small Ticket and Middle Market Direct businesses and Vendor and Broker partners. Celebrating twenty years in business in 2008, Balboa Capital offers leases and loans from \$5,000 to \$5,000,000. Balboa Capital is based in Irvine, California, with remote offices throughout the U.S. including offices in Scottsdale and San Francisco.