



HOULIHAN
CAPITAL

Value. Added.



Industry Observations – September 30, 2018

Business Development Company
Industry

Select Business Development Company - Public Company Industry Data As of September 30, 2018

(USD in millions, except per share data)

Company Name	Ticker	Market Data				Debt / Total Capital	LTM Operating Data			CY 2018 Revenue Estimate
		Price at 09/30/18	% of 52 Week High	Equity Value	Enterprise Value		Total Assets	LTM Revenue	LTM Normalized EPS	
Business Development Companies										
Apollo Investment Corporation	AINV	\$5.44	87.7%	\$1,169.05	\$2,061.02	40.8%	\$2,386.79	\$255.74	\$0.26	\$255.43
Ares Capital Corporation	ARCC	\$17.19	97.8%	\$7,328.07	\$11,524.57	38.6%	\$12,297.00	\$1,251.00	\$0.93	\$1,313.71
BlackRock Capital Investment Corporation	BKCC	\$5.90	77.9%	\$418.99	\$648.30	30.0%	\$799.47	\$87.55	\$0.43	\$84.50
Capital Southwest Corporation	CSWC	\$18.98	95.9%	\$310.19	\$519.15	39.4%	\$516.51	\$42.60	\$0.76	\$47.49
Capitala Finance Corp.	CPTA	\$8.71	87.1%	\$139.37	\$385.38	57.4%	\$527.86	\$48.37	\$0.61	\$47.37
CM Finance Inc.	CMFN	\$8.60	86.9%	\$117.39	\$223.12	40.8%	\$314.53	\$40.79	\$0.87	\$42.65
Equus Total Return, Inc.	EQS	\$1.99	81.2%	\$26.90	\$29.55	21.4%	\$56.58	\$0.46	-\$0.13	\$0.00
Fidus Investment Corporation	FDUS	\$14.62	86.3%	\$357.65	\$602.12	42.4%	\$713.50	\$71.29	\$0.81	\$73.04
Oaktree Specialty Lending Corporation	OCSL	\$4.96	-	\$699.16	\$1,211.57	42.0%	\$1,632.76	\$136.23	\$0.24	\$133.84
Firsthand Technology Value Fund, Inc.	SVVC	\$16.94	99.7%	\$123.70	\$93.70	0.0%	\$199.18	\$2.33	-\$0.24	\$1.38
FS Investment Corporation	FSIC	\$7.05	80.6%	\$1,686.04	\$3,026.38	42.9%	\$3,698.67	\$401.97	\$0.55	\$401.34
Garrison Capital Inc.	GARS	\$8.28	92.5%	\$132.89	\$342.01	57.4%	\$442.78	\$38.91	\$0.67	\$40.16
Gladstone Capital Corporation	GLAD	\$9.50	95.8%	\$264.11	\$420.91	40.5%	\$415.42	\$45.16	\$0.50	\$47.30
Gladstone Investment Corporation	GAIN	\$11.43	93.2%	\$375.16	\$566.68	39.1%	\$639.04	\$60.24	\$0.31	\$59.00
Golub Capital BDC, Inc.	GBDC	\$18.75	96.3%	\$1,125.12	\$2,010.05	47.6%	\$1,877.58	\$146.69	\$0.78	\$153.85
GSV Capital Corp.	GSVC	\$6.91	73.6%	\$141.80	\$138.40	28.9%	\$411.83	\$0.99	-\$0.60	\$1.21
180 Degree Capital Corp.	TURN	\$2.17	86.8%	\$67.56	\$51.62	0.0%	\$93.34	\$1.16	-\$0.08	\$0.00
Hercules Capital, Inc.	HTGC	\$13.16	94.2%	\$1,262.53	\$1,941.76	44.3%	\$1,823.05	\$201.06	\$0.73	\$205.66
Horizon Technology Finance Corporation	HRZN	\$11.41	95.3%	\$131.56	\$242.00	45.5%	\$252.16	\$28.45	\$0.67	\$30.81
KCAP Financial, Inc.	KCAP	\$3.31	82.8%	\$123.03	\$216.13	37.4%	\$279.74	\$27.41	\$0.24	\$28.07
Main Street Capital Corporation	MAIN	\$38.50	92.1%	\$2,332.40	\$3,265.09	38.6%	\$2,524.46	\$229.87	\$1.60	\$233.15
PT Express Transindo Utama Tbk	TAXI	\$0.01	34.1%	\$12.96	\$122.90	122.5%	\$104.56	\$17.45	\$0.00	\$0.00
Medley Capital Corporation	MCC	\$3.82	62.1%	\$208.09	\$478.54	54.8%	\$788.77	\$73.76	\$0.23	\$61.33
Mill City Ventures III, Ltd.	MCVT	\$0.60	75.0%	\$6.64	\$4.74	0.0%	\$10.41	\$0.17	-\$0.03	\$0.00
Monroe Capital Corporation	MRCC	\$13.57	91.7%	\$277.43	\$463.64	46.4%	\$499.07	\$56.91	\$0.97	\$58.21
MVC Capital, Inc.	MVC	\$9.65	88.0%	\$181.62	\$260.40	32.0%	\$357.02	\$22.41	\$0.19	\$23.17
New Mountain Finance Corporation	NMFC	\$13.50	93.1%	\$1,027.44	\$2,077.53	51.1%	\$2,205.94	\$211.97	\$0.86	\$231.54
OHA Investment Corporation	OHAI	\$1.53	90.8%	\$30.77	\$59.41	50.4%	\$107.65	\$10.25	\$0.04	\$0.00
OFS Capital Corporation	OFS	\$11.90	90.2%	\$158.87	\$357.53	53.7%	\$408.54	\$38.56	\$0.79	\$41.89
PennantPark Floating Rate Capital Ltd.	PFLT	\$13.15	89.8%	\$509.85	\$866.74	42.2%	\$941.88	\$64.77	\$0.62	\$77.25
PennantPark Investment Corporation	PNNT	\$7.46	95.2%	\$522.11	\$855.81	42.3%	\$1,141.38	\$108.52	\$0.46	\$105.65
Prospect Capital Corporation	PSEC	\$7.33	96.4%	\$2,675.18	\$4,786.42	40.4%	\$5,838.82	\$657.85	\$0.49	\$683.68
Saratoga Investment Corp.	SAR	\$23.08	81.6%	\$172.04	\$383.17	59.9%	\$441.13	\$41.54	\$1.45	\$44.23
Solar Capital Ltd.	SLRC	\$21.38	94.8%	\$903.54	\$1,164.98	34.4%	\$1,665.29	\$154.20	\$1.09	\$152.95
Solar Senior Capital Ltd.	SUNS	\$16.71	90.8%	\$268.04	\$451.72	41.5%	\$483.84	\$38.87	\$0.89	\$39.95
Stellus Capital Investment Corporation	SCM	\$13.64	95.5%	\$217.61	\$480.11	56.5%	\$524.76	\$42.92	\$0.73	\$52.04
BlackRock TCP Capital Corp.	TCPC	\$14.23	85.2%	\$836.81	\$1,505.94	47.3%	\$1,685.21	\$189.22	\$0.96	\$190.33
THL Credit, Inc.	TCRD	\$8.07	83.5%	\$263.68	\$455.37	40.0%	\$558.37	\$69.70	\$0.71	\$67.52
Oxford Square Capital Corp.	OXSQ	\$7.12	94.7%	\$350.70	\$472.25	29.0%	\$522.72	\$54.53	\$0.40	\$57.79
TPG Specialty Lending, Inc.	TSLX	\$20.39	96.4%	\$1,327.94	\$2,207.83	44.7%	\$1,978.48	\$225.30	\$1.22	\$252.46
TP ICAP plc	TCAP	\$3.49	47.7%	\$1,963.67	\$0.00	27.3%	\$62,337.37	\$2,251.08	\$0.31	\$1,760.78
WhiteHorse Finance, Inc.	WHF	\$13.90	88.0%	\$285.59	\$468.38	38.1%	\$541.84	\$60.50	\$0.72	\$62.30

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

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Select Business Development Company – Valuation Metrics As of September 30, 2018

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics				Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	Price / TBV	Price / BV	P/Normal EPS	TEV / LTM Revenue
Business Development Companies									
Apollo Investment Corporation	AINV	4.7%	4.8%	4.9%	-4.4%	0.84x	0.84x	20.5x	8.1x
Ares Capital Corporation	ARCC	4.4%	12.1%	4.6%	16.0%	1.01x	1.01x	18.9x	9.2x
BlackRock Capital Investment Corporation	BKCC	5.0%	4.7%	5.1%	-13.3%	0.78x	0.78x	13.9x	7.4x
Capital Southwest Corporation	CSWC	4.0%	14.5%	4.2%	38.2%	1.01x	1.01x	25.4x	12.2x
Capitala Finance Corp.	CPTA	4.0%	-0.5%	4.0%	-20.8%	0.64x	0.64x	13.3x	8.0x
CM Finance Inc.	CMFN	5.4%	9.2%	5.8%	31.5%	0.68x	0.68x	9.4x	5.5x
Equus Total Return, Inc.	EQS	-2.6%	4.0%	-2.6%	-34.8%	0.61x	0.61x	NM	63.8x
Fidus Investment Corporation	FDUS	4.1%	12.6%	4.2%	3.6%	0.90x	0.90x	17.4x	8.4x
Oaktree Specialty Lending Corporation	OCSL	3.2%	-12.1%	3.4%	-32.4%	0.83x	0.83x	19.9x	8.9x
Firsthand Technology Value Fund, Inc.	SVVC	-3.4%	29.1%	-3.6%	110.1%	0.66x	0.66x	NM	40.1x
FS Investment Corporation	FSIC	4.7%	-0.7%	4.8%	-3.7%	0.79x	0.79x	12.1x	7.5x
Garrison Capital Inc.	GARS	4.2%	5.5%	4.3%	6.4%	0.72x	0.72x	11.8x	8.8x
Gladstone Capital Corporation	GLAD	5.2%	14.7%	5.3%	18.4%	1.07x	1.07x	18.4x	9.3x
Gladstone Investment Corporation	GAIN	3.5%	24.2%	3.6%	17.9%	0.99x	0.99x	31.9x	9.4x
Golub Capital BDC, Inc.	GBDC	3.6%	9.2%	3.6%	6.8%	1.16x	1.16x	24.4x	13.7x
GSV Capital Corp.	GSVC	-2.4%	11.2%	-3.3%	-29.5%	0.66x	0.66x	NM	140.5x
180 Degree Capital Corp.	TURN	-2.8%	17.3%	-2.9%	-32.2%	0.75x	0.75x	NM	44.3x
Hercules Capital, Inc.	HTGC	5.5%	12.2%	5.6%	6.9%	1.28x	1.28x	16.9x	9.7x
Horizon Technology Finance Corporation	HRZN	5.1%	9.1%	5.2%	6.9%	0.98x	0.98x	17.6x	8.5x
KCAP Financial, Inc.	KCAP	3.7%	2.1%	4.0%	-8.0%	0.70x	0.70x	12.6x	7.9x
Main Street Capital Corporation	MAIN	5.1%	15.5%	5.2%	16.8%	1.61x	1.61x	24.3x	14.2x
PT Express Transindo Utama Tbk	TAXI	-15.2%	-700.3%	-17.4%	-22.9%	NM	4.73x	0.0x	6.7x
Medley Capital Corporation	MCC	3.4%	-23.9%	3.4%	-27.2%	0.59x	0.59x	15.5x	6.5x
Mill City Ventures III, Ltd.	MCVT	-3.2%	12.5%	-3.2%	-41.0%	0.64x	0.64x	NM	27.1x
Monroe Capital Corporation	MRCC	5.5%	2.5%	5.6%	16.2%	1.02x	1.02x	12.1x	8.1x
MVC Capital, Inc.	MVC	2.7%	-4.6%	2.8%	11.9%	0.76x	0.76x	48.7x	11.6x
New Mountain Finance Corporation	NMFC	4.5%	9.6%	4.6%	18.5%	0.99x	0.99x	17.7x	9.8x
OHA Investment Corporation	OHAI	2.5%	-8.3%	2.6%	-22.8%	0.62x	0.62x	32.7x	5.8x
OFS Capital Corporation	OFS	4.0%	9.6%	4.1%	15.6%	0.87x	0.87x	14.3x	9.3x
PennantPark Floating Rate Capital Ltd.	PFLT	3.5%	6.7%	3.6%	21.9%	0.95x	0.95x	20.9x	13.4x
PennantPark Investment Corporation	PNNT	4.0%	6.6%	4.1%	-15.8%	0.82x	0.82x	15.3x	7.9x
Prospect Capital Corporation	PSEC	4.6%	8.9%	4.7%	-6.2%	0.78x	0.78x	14.2x	7.3x
Saratoga Investment Corp.	SAR	4.1%	11.0%	4.2%	16.2%	1.00x	1.00x	15.0x	9.2x
Solar Capital Ltd.	SLRC	3.7%	8.1%	4.4%	9.3%	0.97x	0.97x	19.4x	7.6x
Solar Senior Capital Ltd.	SUNS	3.7%	8.4%	4.4%	28.4%	0.99x	0.99x	18.6x	11.6x
Stellus Capital Investment Corporation	SCM	4.0%	11.6%	4.1%	5.6%	0.97x	0.97x	18.0x	11.2x
BlackRock TCP Capital Corp.	TCPC	5.2%	7.6%	5.5%	12.4%	0.97x	0.97x	14.7x	8.0x
THL Credit, Inc.	TCRD	5.5%	-1.7%	5.6%	-13.0%	0.79x	0.79x	10.3x	6.5x
Oxford Square Capital Corp.	OXSQ	4.5%	11.0%	4.6%	-18.4%	0.94x	0.94x	17.1x	8.7x
TPG Specialty Lending, Inc.	TSLX	5.7%	11.7%	5.8%	5.6%	1.25x	1.25x	16.9x	9.8x
TP ICAP plc	TCAP	0.1%	2.4%	0.0%	24.8%	10.77x	0.83x	12.8x	0.0x
	Mean	2.3%	-18.7%	2.3%	2.1%	0.87x	1.02x	18.3x	19.1x
	Median	4.0%	9.2%	4.2%	6.4%	0.81x	0.83x	17.5x	9.2x

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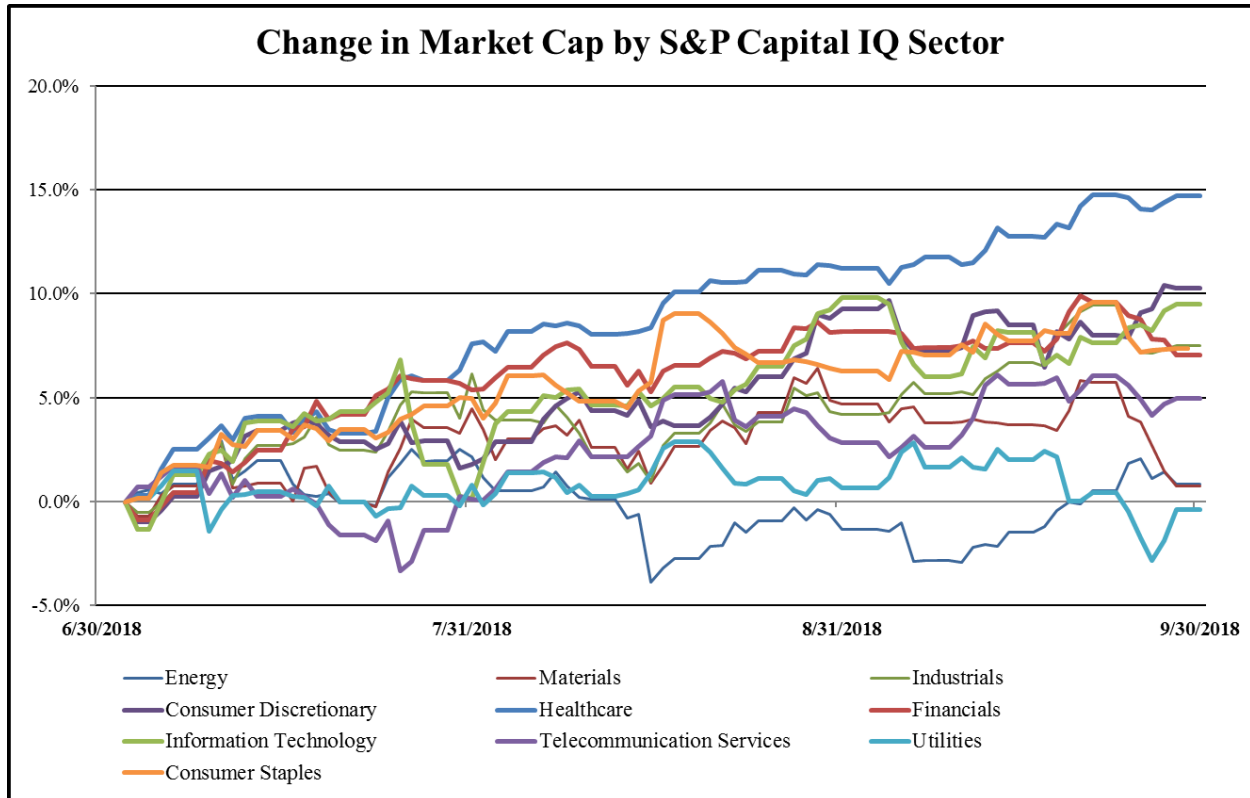
Select Business Development Company – M&A Transactions September 30, 2017 through September 30, 2018

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Equity Value
5/31/2018	Samsung Electronics Co., Ltd.	1/0/1900	Technology Hardware, Storage and	\$306,899.75
11/7/2017	Daimler AG	BlackRock, Inc.	Automobile Manufacturers	\$90,875.45
12/22/2017	NewStar Financial, Inc., Portfolio of Investment Assets	GSO Capital Partners LP; GSO Diamond Portfolio	Specialized Finance	\$2,370.70
9/19/2018	Energy Project Finance Debt Business of GE Energy Financial	Starwood Property Trust, Inc.	Specialized Finance	\$2,160.00
10/20/2017	Sterling Jewelers Inc., \$1 Billion Prime-Only Credit Quality	Comenity Bank	Specialized Finance	\$960.20
8/29/2018	NXT Capital, LLC	ORIX Corporation USA	Specialized Finance	\$900.00
10/2/2017	Neff Corporation	United Rentals (North America), Inc.	Trading Companies and Distributors	\$621.78
10/5/2017	Global Cash Card Inc.	Automatic Data Processing, Inc.	Specialized Finance	\$490.00
12/22/2017	NewStar Financial, Inc.	Arnhold and S. Bleichroeder Holdings, Inc.	Specialized Finance	\$475.40
6/29/2018	Shore Premier Finance Division of Union Bank & Trust	Centennial Bank (Conway, AR)	Specialized Finance	\$402.70
10/5/2017	Access Point Financial, Inc.	Watani Investment Company K.S.C. c; Wafra	Specialized Finance	\$350.00
7/3/2018	Victory Park Capital Advisors, LLC	Pacific Current Group Limited	Asset Management and Custody	\$281.12
5/18/2018	First Bank Lubbock Bancshares, Inc.	Heartland Financial USA, Inc.	Regional Banks	\$185.56
11/1/2017	Ares Capital Management LLC, Venture Lending Portfolio Assets	Bearcub Acquisitions LLC	Specialized Finance	\$125.80
1/31/2018	US Premium Finance Holding Company	Ameris Bancorp	Specialized Finance	\$76.14
7/26/2018	AmericaTowne, Inc.	ATI Modular Technology Corp.	Interactive Media and Services	\$27.03
1/1/2018	BBN Financial Corporation	Atlantic Community Bancshares, Inc.	Specialized Finance	\$17.00
10/1/2017	Siena Capital Finance LLC	1/0/1900	Specialized Finance	\$4.03
10/27/2017	CapX Partners (nka:Accord CapX LLC)	Accord Financial Corp.	Specialized Finance	\$2.22
4/12/2018	ASAP Expo Inc. (nka:GreenBox Pos LLC)	GreenBox POS, LLC	Real Estate Services	\$0.28
9/29/2018	Brooks Community Federal Credit Union	North Star Credit Union	Specialized Finance	NA
9/30/2018	Toledo Postal Employees Credit Union, Inc.	Champion Credit Union, Inc.	Specialized Finance	NA
9/1/2018	Palmetto Trust Federal Credit Union	Self-Help Credit Union	Specialized Finance	NA
9/1/2018	Simply Service Federal Credit Union	Highmark Federal Credit Union	Specialized Finance	NA
9/1/2018	Dallas Credit Union	Neighborhood Credit Union	Specialized Finance	NA
8/31/2018	Times Federal Credit Union	Hawaiian Financial Federal Credit Union	Specialized Finance	NA
9/1/2018	Peoples-Neighborhood Federal Credit Union	D.C. Federal Credit Union	Specialized Finance	NA
9/1/2018	Taft Employees Credit Union	Total Choice Federal Credit Union	Specialized Finance	NA
8/31/2018	Melrose Credit Union	Teachers Federal Credit Union	Specialized Finance	NA
8/29/2018	Co-Op Toledo Credit Union, Inc.	Superior Federal Credit Union	Specialized Finance	NA
8/21/2018	Rogers Employees Federal Credit Union	Personal Care America Federal Credit Union	Specialized Finance	NA
8/27/2018	D&S Factors LLC	The Internet Truckstop, LLC	Specialized Finance	NA
8/17/2018	Ukrainian Future Credit Union	Selfreliance Ukrainian American Federal Credit	Specialized Finance	NA
6/19/2018	Projector Federal Credit Union	Teachers Federal Credit Union	Specialized Finance	NA
9/1/2018	Des Moines County Postal Credit Union	Alliant Credit Union	Specialized Finance	NA
7/19/2018	Vend Lease Company, Inc.	LEAF Commercial Capital, Inc.	Specialized Finance	NA
7/13/2018	Ditch Witch Equipment Company, Inc.	Ditch Witch Northwest Inc.	Trading Companies and Distributors	NA
7/10/2018	Allied Affiliated Funding L.P.	Axiom Bank	Specialized Finance	NA
5/31/2018	Air Transport Group Holdings, Inc.	Pharmagreen Biotech Inc.	Pharmaceuticals	NA
6/29/2018	Louisville Metro Police Officers Credit Union, Inc.	Commonwealth Credit Union, Inc.	Specialized Finance	NA
8/1/2018	Collateral Management Business of Kramer Van Kirk Credit	THL Credit Advisors LLC	Specialized Finance	NA
6/20/2018	Bolstr Inc.	KeyCorp	Interactive Media and Services	NA
6/8/2018	Penguin Computing, Inc.	SMART Global Holdings, Inc.	Technology Hardware, Storage and	NA
9/1/2018	National Geographic Federal Credit Union	O.A.S. Staff Federal Credit Union	Specialized Finance	NA
6/6/2018	Manufactured Housing Floorplan Loan Portfolio	Triad Financial Services, Inc.	Specialized Finance	NA
6/1/2018	Renewable Energy Lending, LLC	MMA Energy Capital, LLC	Specialized Finance	NA
6/4/2018	Far West Capital Inc	Advantage Business Capital, Inc.	Specialized Finance	NA
5/8/2018	Phoenix Capital Group, LLC	Gulf Coast Bank and Trust Company	Specialized Finance	NA
4/27/2018	Local 142 Federal Credit Union	Air Force Federal Credit Union	Specialized Finance	NA
8/1/2018	Kekaha Federal Credit Union	Aloha Pacific Federal Credit Union	Specialized Finance	NA
4/16/2018	Toccoa Branch of DOCO Credit Union	Peach State Federal Credit Union	Specialized Finance	NA
6/4/2018	iPayment Holdings, Inc.	Paysafe Group Limited	Data Processing and Outsourced	NA
4/2/2018	Woodfield Fund Administration LLC	Ultimus Fund Solutions, LLC	Research and Consulting Services	NA
4/6/2018	Dugway Federal Credit Union	Mountain America Federal Credit Union	Specialized Finance	NA
8/1/2018	TIP OF TEXAS Federal Credit Union	One Source Federal Credit Union	Specialized Finance	NA
4/1/2018	Floodwood Area Credit Union	Northwoods Credit Union	Specialized Finance	NA

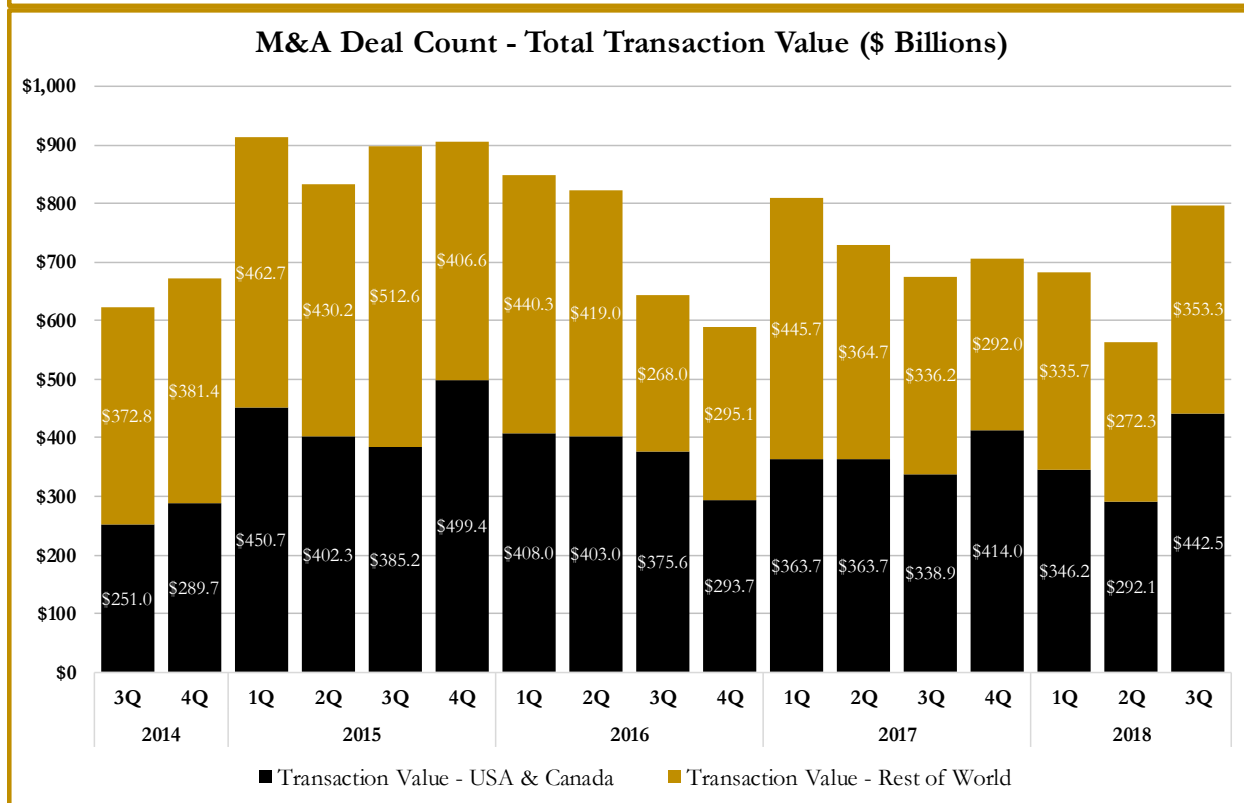
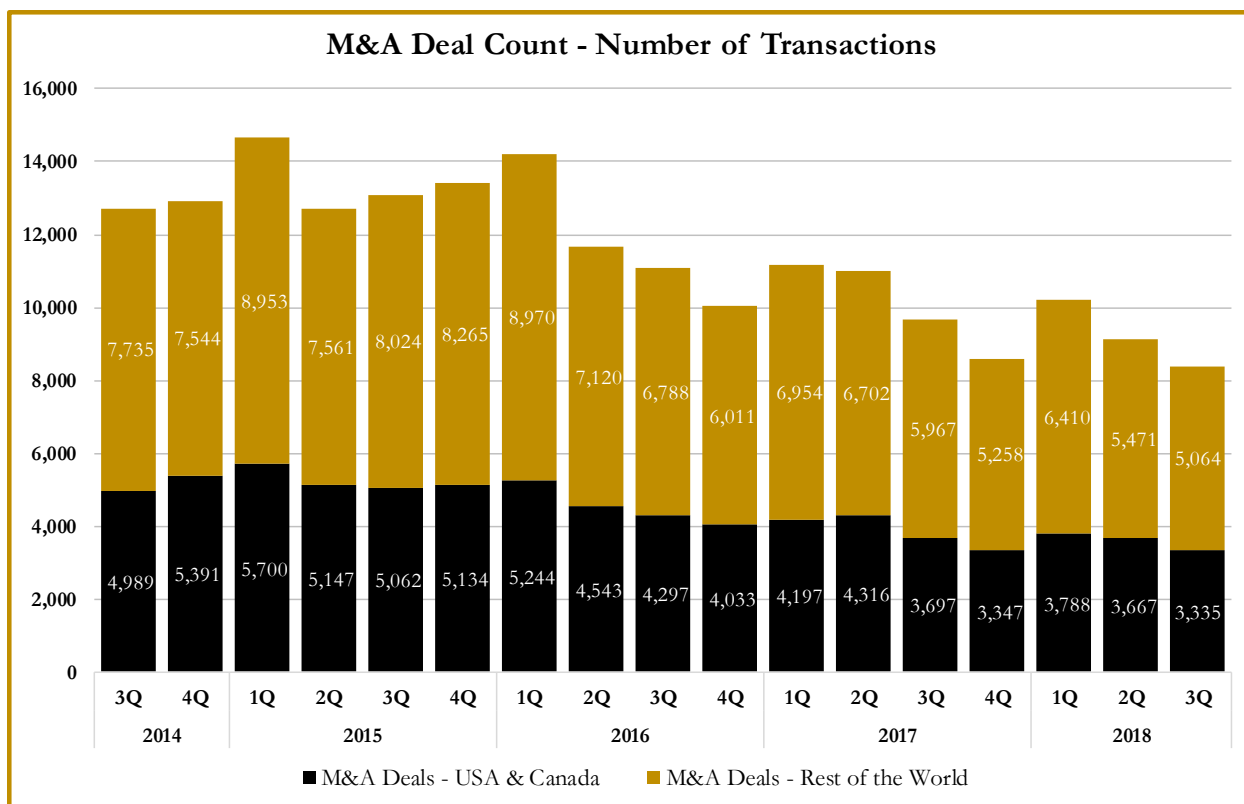
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of September 30, 2018

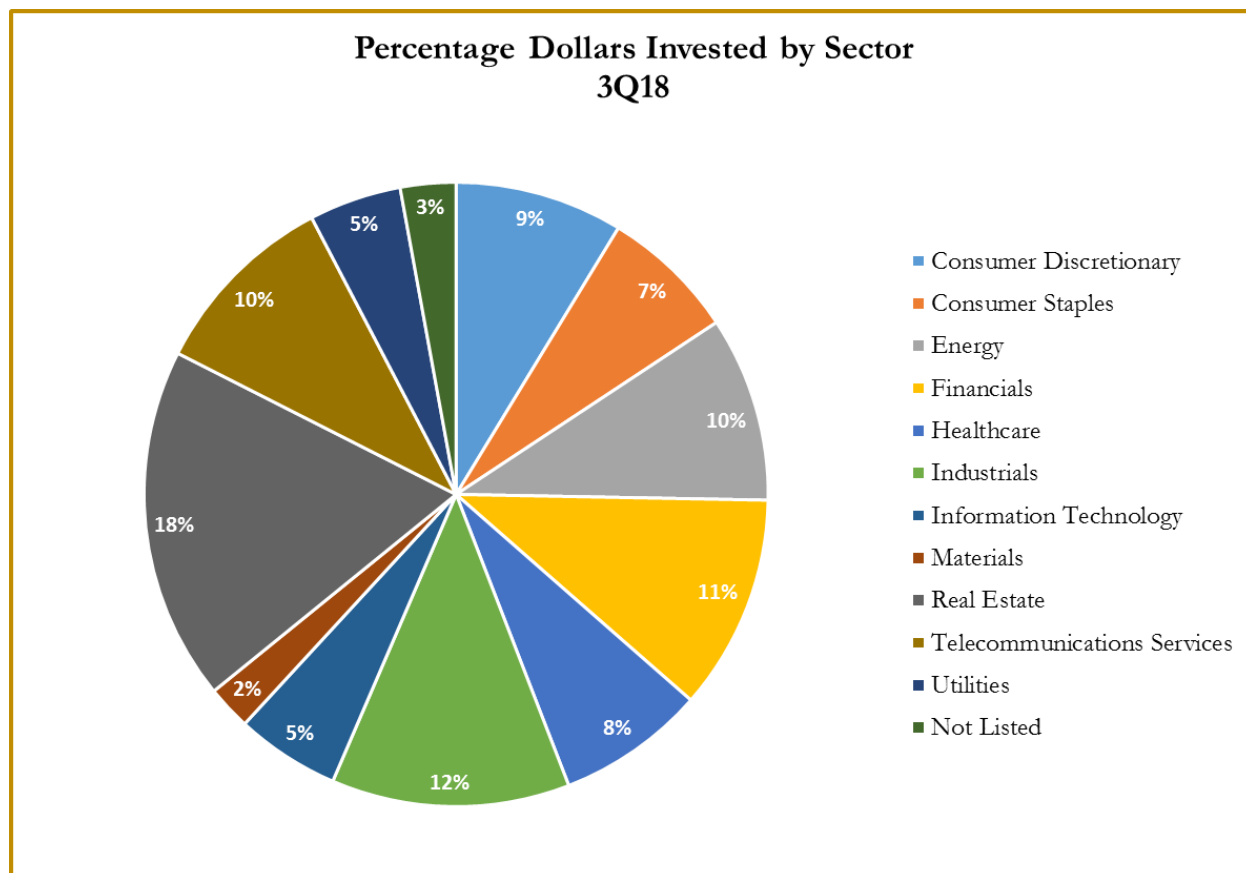


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of September 30, 2018



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of September 30, 2018





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