

# Industry Update Business Development Companies Q2 2023

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## **Financial Performance** Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name			Size Profile	<b>Revenue Metrics</b>			
	Ticker	Price at 06/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	2023 Est. Revenue
Business Development Companies							
Ares Capital Corporation	ARCC	\$18.79	90.6%	\$21,739	\$22,231	\$2,429	\$2,578
FS KKR Capital Corp.	FSK	\$19.18	85.0%	\$13,452	\$15,488	\$1,778	\$1,826
Blue Owl Capital Corporation	OBDC	\$13.42	96.7%	\$11,955	\$13,393	\$1,436	\$1,551
Blackstone Secured Lending Fund	BXSL	\$27.36	98.5%	NA	NA	NA	\$1,119
Prospect Capital Corporation	PSEC	\$6.20	75.7%	\$6,186	\$7,702	\$815	\$859
Golub Capital BDC, Inc.	GBDC	\$13.50	93.6%	\$5,553	\$5,737	\$558	\$617
Main Street Capital Corporation	MAIN	\$40.03	87.7%	\$5,245	\$4,420	\$460	\$500
Hercules Capital, Inc.	HTGC	\$14.80	90.9%	\$3,968	\$3,225	\$406	\$448
Goldman Sachs BDC, Inc.	GSBD	\$13.86	76.6%	\$3,465	\$3,637	\$421	\$443
Sixth Street Specialty Lending, Inc.	TSLX	\$18.69	94.3%	\$3,349	\$3,141	\$382	\$425
Oaktree Specialty Lending Corporation	OCSL	\$19.43	89.4%	\$3,223	\$3,336	\$348	\$405
New Mountain Finance Corporation	NMFC	\$12.44	91.5%	\$3,147	\$3,297	\$340	\$378
SLR Investment Corp.	SLRC	\$14.27	88.7%	\$1,683	\$2,553	\$212	\$228
BlackRock TCP Capital Corp.	TCPC	\$10.91	76.1%	\$1,596	\$1,793	\$199	\$207
Capital Southwest Corporation	CSWC	\$19.72	92.9%	\$1,513	\$1,337	\$137	\$163
PennantPark Floating Rate Capital Ltd.	PFLT	\$10.65	80.6%	\$1,105	\$1,183	\$132	\$143
Saratoga Investment Corp.	SAR	\$26.99	93.5%	\$1,098	\$1,146	\$115	\$138
PennantPark Investment Corporation	PNNT	\$5.89	86.4%	\$1,002	\$1,156	\$140	\$148
Fidus Investment Corporation	FDUS	\$19.60	92.2%	\$920	\$982	\$112	\$122
BlackRock Capital Investment Corporation	ВКСС	\$3.28	81.4%	\$526	\$619	\$72	\$79

Source: Capital IQ

# **Valuation Metrics**

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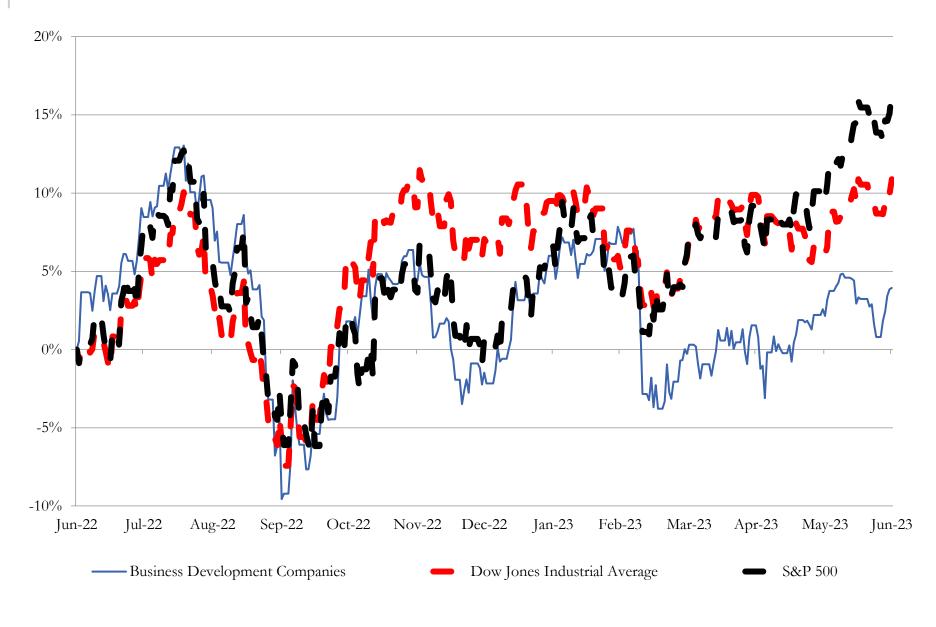
Return Profile, Trading Multiples

Company Name		Return Profile					<b>Trading Multiples</b>	
	Ticker	Return on Assets	Return on Equity	Dividend Yield	Revenue Growth	5-yr Beta	TEV / LTM Revenue	Price / Book
Business Development Companies								
Ares Capital Corporation	ARCC	5.3%	9.0%	10.0%	28.5%	1.0x	8.9x	1.0x
FS KKR Capital Corp.	FSK	5.2%	3.9%	13.9%	18.6%	1.4x	7.6x	0.8x
Blue Owl Capital Corporation	OBDC	5.1%	14.7%	10.3%	32.0%	1.0x	8.3x	0.9x
Blackstone Secured Lending Fund	BXSL	N/A	N/A	9.5%	N/A	N/A	N/A	N/A
Prospect Capital Corporation	PSEC	4.4%	-3.2%	11.7%	19.3%	1.0x	7.6x	0.7x
Golub Capital BDC, Inc.	GBDC	4.3%	6.5%	9.0%	59.8%	0.7x	9.9x	0.9x
Main Street Capital Corporation	MAIN	6.1%	16.9%	8.3%	42.2%	1.3x	11.4x	1.4x
Hercules Capital, Inc.	HTGC	6.7%	20.9%	11.8%	44.9%	1.4x	9.8x	1.3x
Goldman Sachs BDC, Inc.	GSBD	6.0%	5.6%	12.7%	25.3%	1.2x	8.2x	1.0x
Sixth Street Specialty Lending, Inc.	TSLX	6.3%	13.8%	8.7%	36.1%	1.1x	8.8x	1.1x
Oaktree Specialty Lending Corporation	OCSL	5.5%	6.1%	11.3%	35.7%	1.2x	9.3x	1.0x
New Mountain Finance Corporation	NMFC	4.7%	7.6%	10.2%	22.0%	1.2x	9.3x	0.9x
SLR Investment Corp.	SLRC	3.7%	5.8%	10.9%	47.3%	1.1x	8.0x	0.8x
BlackRock TCP Capital Corp.	TCPC	4.9%	2.2%	11.3%	18.3%	1.4x	8.0x	0.8x
Capital Southwest Corporation	CSWC	6.0%	10.0%	11.4%	59.1%	1.3x	11.0x	1.2x
PennantPark Floating Rate Capital Ltd.	PFLT	5.1%	-0.3%	11.8%	34.7%	1.6x	8.3x	1.0x
Saratoga Investment Corp.	SAR	4.8%	7.6%	10.6%	58.5%	1.4x	9.5x	0.9x
PennantPark Investment Corporation	PNNT	5.5%	-14.3%	12.8%	41.4%	1.6x	7.1x	0.8x
Fidus Investment Corporation	FDUS	5.2%	8.8%	12.0%	28.8%	1.5x	8.2x	1.0x
BlackRock Capital Investment Corporation	BKCC	5.3%	3.2%	11.4%	45.6%	1.4x	7.3x	0.8x
	Mean	5.3%	6.6%	11.0%	36.7%	1.3x	8.8x	1.0x
Source: Capital IQ	Median	5.2%	6.5%	11.3%	35.7%	1.3x	8.3x	0.9x

# LTM Equity Performance

Major Indexes

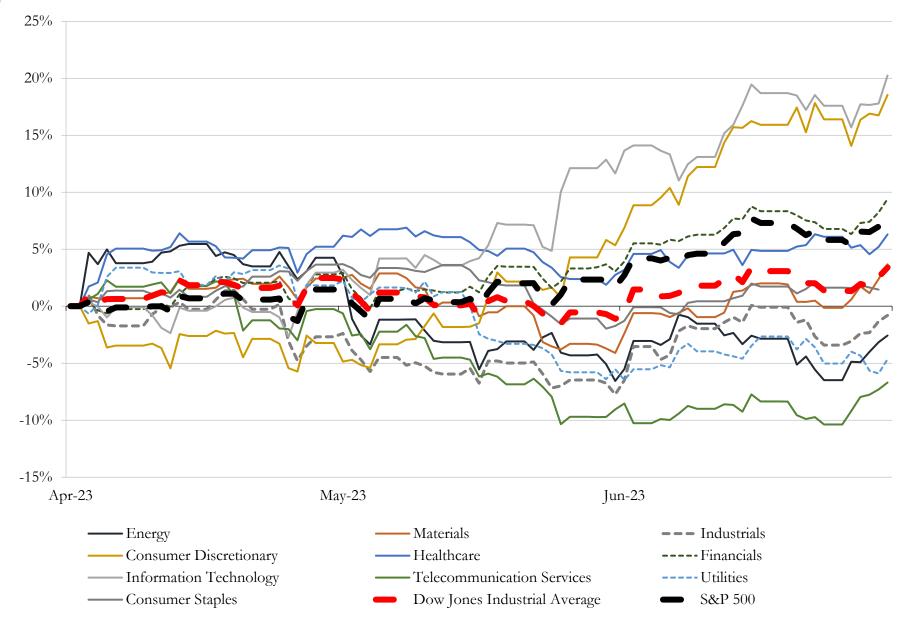
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Source: Capital IQ

## Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2023



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### Valuation & Financial Advisory

- Portfolio Valuation (ASC 820)
- Complex & Illiquid Securities (Level 3)
- Cryptoasset /Blockchain Valuations
  O Locked Token Valuations
- Enterprise Valuations
- Fairness & Solvency Opinions • SPAC Fairness
- Estate & Gift Valuations
- Purchase Price Allocation (ASC 805)
- Goodwill Impairment Testing (ASC 350)
- Stock-based Compensation (ASC 718, IRC 409A)

### **Investment Banking**

- Mergers & Acquisitions
  - o Sell-Side Advisory
  - o Sale of Minority Ownership Positions
  - o Leveraged Buyouts
  - Majority Recapitalizations
  - o Corporate Divestitures

#### Corporate Financial Services

- Financial Modeling
- Investor Presentation
- Valuation Analysis
- Strategic Advisory

For questions or inquiries regarding our services, please contact:

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