



Industry Update

# Business Development Companies

Q3 2023

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			Revenue Metrics		
		Price at 09/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	2023 Est. Revenue
<b>Business Development Companies</b>							
Ares Capital Corporation	ARCC	\$19.47	96.5%	\$21,667	\$22,231	\$2,429	\$2,578
FS KKR Capital Corp.	FSK	\$19.69	94.7%	\$13,328	\$15,488	\$1,778	\$1,826
Blue Owl Capital Corporation	OBDC	\$13.85	96.7%	\$12,014	\$13,393	\$1,436	\$1,552
Blackstone Secured Lending Fund	BXSL	\$27.36	94.0%	NA	NA	NA	\$1,120
Prospect Capital Corporation	PSEC	\$6.05	77.3%	\$6,328	\$7,862	\$852	\$876
Golub Capital BDC, Inc.	GBDC	\$14.67	97.2%	\$5,489	\$5,737	\$558	\$617
Main Street Capital Corporation	MAIN	\$40.63	94.2%	\$5,235	\$4,420	\$460	\$497
Hercules Capital, Inc.	HTGC	\$16.42	91.0%	\$3,941	\$3,225	\$406	\$448
Goldman Sachs BDC, Inc.	GSBD	\$14.56	88.1%	\$3,446	\$3,637	\$421	\$443
Sixth Street Specialty Lending, Inc.	TSLX	\$20.44	97.5%	\$3,356	\$3,141	\$382	\$425
Oaktree Specialty Lending Corporation	OCSL	\$20.12	92.8%	\$3,223	\$3,336	\$348	\$405
New Mountain Finance Corporation	NMFC	\$12.95	98.1%	\$3,170	\$3,297	\$340	\$378
SLR Investment Corp.	SLRC	\$15.39	95.7%	\$1,688	\$2,553	\$212	\$228
BlackRock TCP Capital Corp.	TCPC	\$11.74	86.0%	\$1,510	\$1,793	\$199	\$209
Capital Southwest Corporation	CSWC	\$22.90	98.1%	\$1,528	\$1,337	\$137	\$163
PennantPark Floating Rate Capital Ltd.	PFLT	\$10.66	86.5%	\$1,120	\$1,183	\$132	\$142
Saratoga Investment Corp.	SAR	\$25.70	89.0%	\$1,070	\$1,156	\$129	\$138
PennantPark Investment Corporation	PNNT	\$6.58	93.1%	\$993	\$1,156	\$140	\$148
Fidus Investment Corporation	FDUS	\$19.20	90.3%	\$893	\$982	\$112	\$122
BlackRock Capital Investment Corporation	BKCC	\$3.71	93.9%	\$519	\$619	\$72	\$79

Source: Capital IQ

## 2

## Valuation Metrics

## Return Profile, Trading Multiples

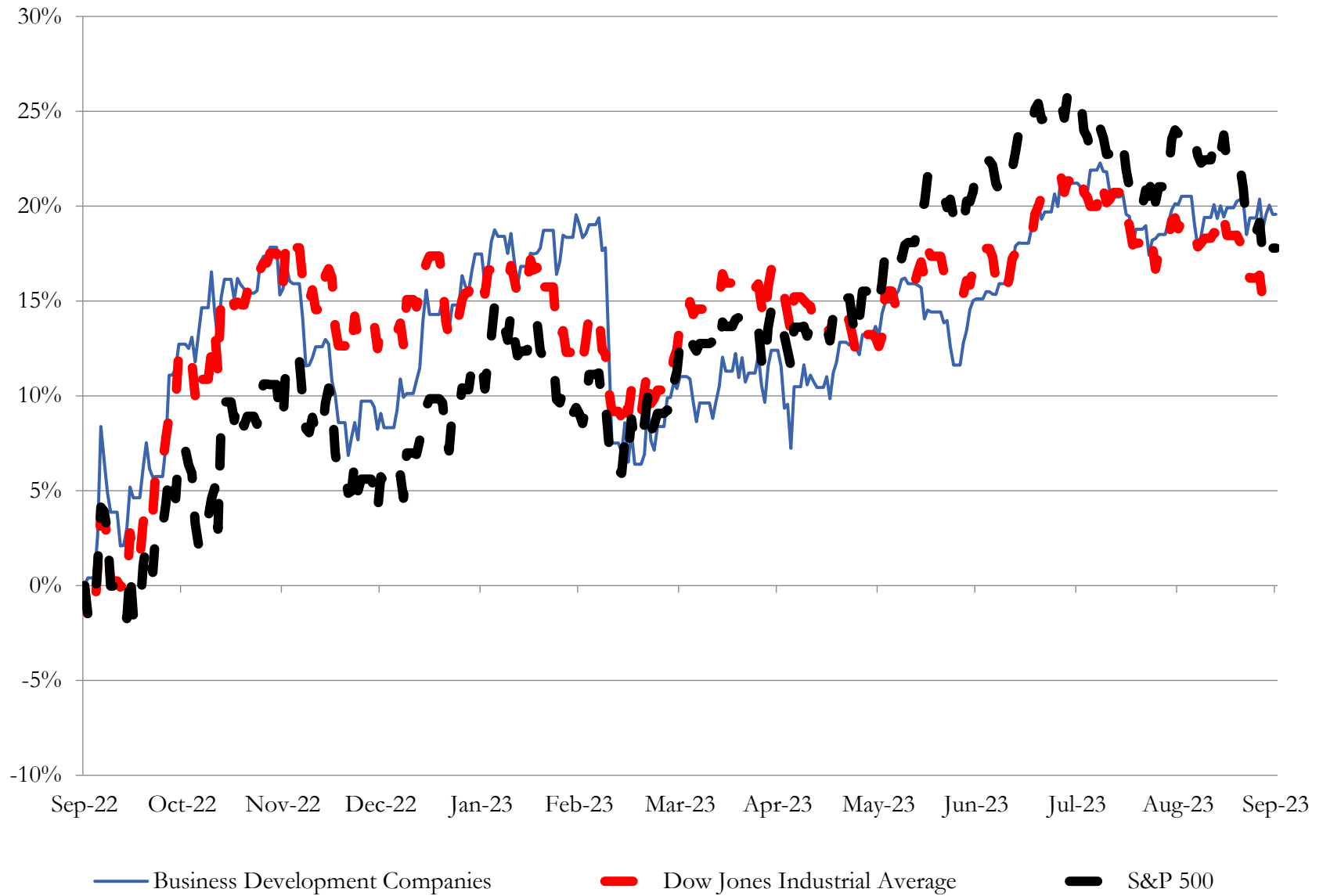
Company Name	Ticker	Return Profile				Trading Multiples		
		Return on Assets	Return on Equity	Dividend Yield	Revenue Growth	5-yr Beta	TEV / LTM Revenue	Price / Book
<b>Business Development Companies</b>								
Ares Capital Corporation	ARCC	5.3%	9.0%	10.1%	28.5%	1.1x	8.9x	1.0x
FS KKR Capital Corp.	FSK	5.2%	3.9%	15.1%	18.6%	1.4x	7.5x	0.8x
Blue Owl Capital Corporation	OBDC	5.1%	14.7%	9.8%	32.0%	0.9x	8.4x	0.9x
Blackstone Secured Lending Fund	BXSL	N/A	N/A	10.4%	N/A	N/A	N/A	N/A
Prospect Capital Corporation	PSEC	4.6%	-2.0%	12.2%	19.9%	1.0x	7.4x	0.7x
Golub Capital BDC, Inc.	GBDC	4.3%	6.5%	10.3%	59.8%	0.7x	9.8x	1.0x
Main Street Capital Corporation	MAIN	6.1%	16.9%	7.1%	42.2%	1.3x	11.4x	1.5x
Hercules Capital, Inc.	HTGC	6.7%	20.9%	11.9%	44.9%	1.4x	9.7x	1.5x
Goldman Sachs BDC, Inc.	GSBD	6.0%	5.6%	12.9%	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	1.2x
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%	10.0%	22.0%	1.2x	9.3x	1.0x
SLR Investment Corp.	SLRC	3.7%	5.8%	10.9%	47.3%	1.1x	8.0x	0.9x
BlackRock TCP Capital Corp.	TCPC	4.9%	2.2%	12.8%	18.3%	1.5x	7.6x	0.9x
Capital Southwest Corporation	CSWC	6.0%	10.0%	11.2%	59.1%	1.2x	11.1x	1.4x
PennantPark Floating Rate Capital Ltd.	PFLT	5.1%	-0.3%	11.5%	34.7%	1.7x	8.5x	1.0x
Saratoga Investment Corp.	SAR	5.5%	9.4%	11.9%	69.3%	1.4x	8.3x	0.9x
PennantPark Investment Corporation	PNNT	5.5%	-14.3%	13.1%	41.4%	1.6x	7.1x	0.9x
Fidus Investment Corporation	FDUS	5.2%	8.8%	15.0%	28.8%	1.5x	8.0x	1.0x
BlackRock Capital Investment Corporation	BKCC	5.3%	3.2%	11.8%	45.6%	1.4x	7.2x	0.9x
	<b>Mean</b>	<b>5.3%</b>	<b>6.7%</b>	<b>11.4%</b>	<b>37.3%</b>	<b>1.3x</b>	<b>8.7x</b>	<b>1.0x</b>
	<b>Median</b>	<b>5.3%</b>	<b>6.5%</b>	<b>11.4%</b>	<b>35.7%</b>	<b>1.2x</b>	<b>8.4x</b>	<b>1.0x</b>

Source: Capital IQ

# 3

## LTM Equity Performance

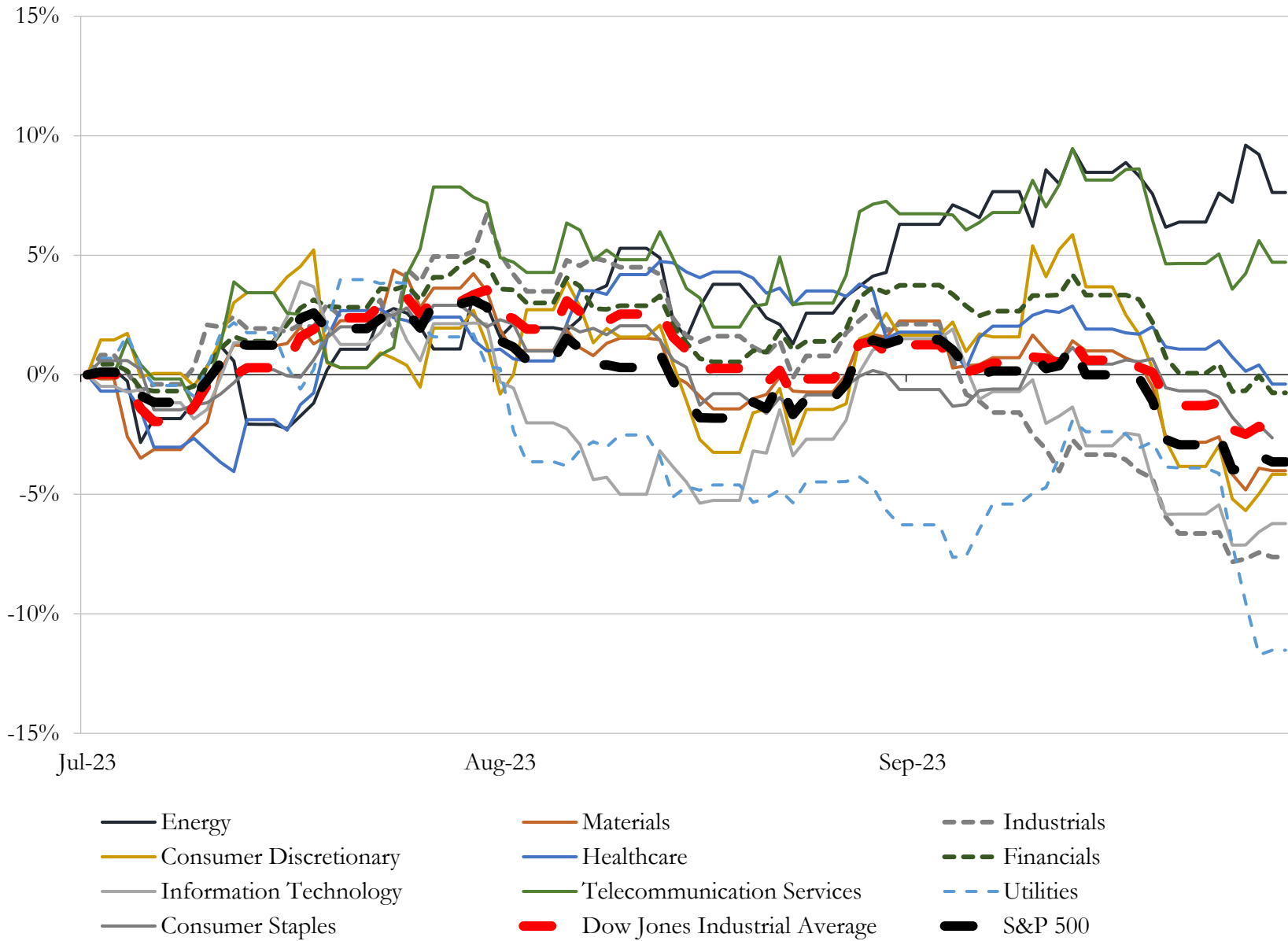
Major Indexes



Source: Capital IQ

# 4 Change in Market Capitalization by Sector

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



Source: Capital IQ

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### Valuation & Financial Advisory

- **Portfolio Valuation (ASC 820)**
- **Complex & Illiquid Securities (Level 3)**
- **Cryptoasset /Blockchain Valuations**
  - 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**
  - Sell-Side Advisory
  - Sale of Minority Ownership Positions
  - Leveraged Buyouts
  - Majority Recapitalizations
  - 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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