



Industry Update  
**Business Development Companies**  
Q4 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 12/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	2023 Est. Revenue
<b>Business Development Companies</b>							
Ares Capital Corporation	ARCC	\$20.03	99.1%	\$22,508	\$22,920	\$2,547	\$2,752
FS KKR Capital Corp.	FSK	\$19.97	96.0%	\$13,567	\$15,384	\$1,832	\$1,809
Blue Owl Capital Corporation	OBDC	\$14.76	96.7%	\$12,491	\$13,462	\$1,521	\$1,561
Blackstone Secured Lending Fund	BXSL	\$27.64	95.0%	N/A	N/A	N/A	\$1,178
Prospect Capital Corporation	PSEC	\$5.99	77.8%	\$6,274	\$7,854	\$886	\$906
Golub Capital BDC, Inc.	GBDC	\$15.10	98.2%	\$5,646	\$5,733	\$603	\$634
Main Street Capital Corporation	MAIN	\$43.23	97.8%	\$5,635	\$4,468	\$485	\$502
Hercules Capital, Inc.	HTGC	\$16.67	92.4%	\$4,172	\$3,336	\$438	\$487
Sixth Street Specialty Lending, Inc.	TSLX	\$21.60	98.2%	\$3,499	\$3,174	\$419	\$451
Goldman Sachs BDC, Inc.	GSBD	\$14.65	88.7%	\$3,452	\$3,558	\$446	\$450
Oaktree Specialty Lending Corporation	OCSL	\$20.42	95.1%	\$3,081	\$3,266	\$398	\$400
New Mountain Finance Corporation	NMFC	\$12.72	96.1%	\$3,114	\$3,280	\$356	\$363
Capital Southwest Corporation	CSWC	\$23.70	97.6%	\$1,702	\$1,429	\$169	\$192
SLR Investment Corp.	SLRC	\$15.03	93.4%	\$1,675	\$2,539	\$224	\$236
BlackRock TCP Capital Corp.	TCPC	\$11.54	85.7%	\$1,536	\$1,719	\$205	\$240
Saratoga Investment Corp.	SAR	\$25.86	89.6%	\$1,086	\$1,172	\$139	\$144
PennantPark Floating Rate Capital Ltd.	PFLT	\$12.10	98.1%	\$1,056	\$1,180	\$139	\$152
PennantPark Investment Corporation	PNNT	\$6.91	97.7%	\$929	\$1,157	\$145	\$136
Fidus Investment Corporation	FDUS	\$19.69	92.6%	\$915	\$1,023	\$121	\$132
BlackRock Capital Investment Corporation	BKCC	\$3.87	96.8%	\$547	\$618	\$78	\$79

Source: Capital IQ

## 2

## Valuation Metrics

## Return Profile, Trading Multiples

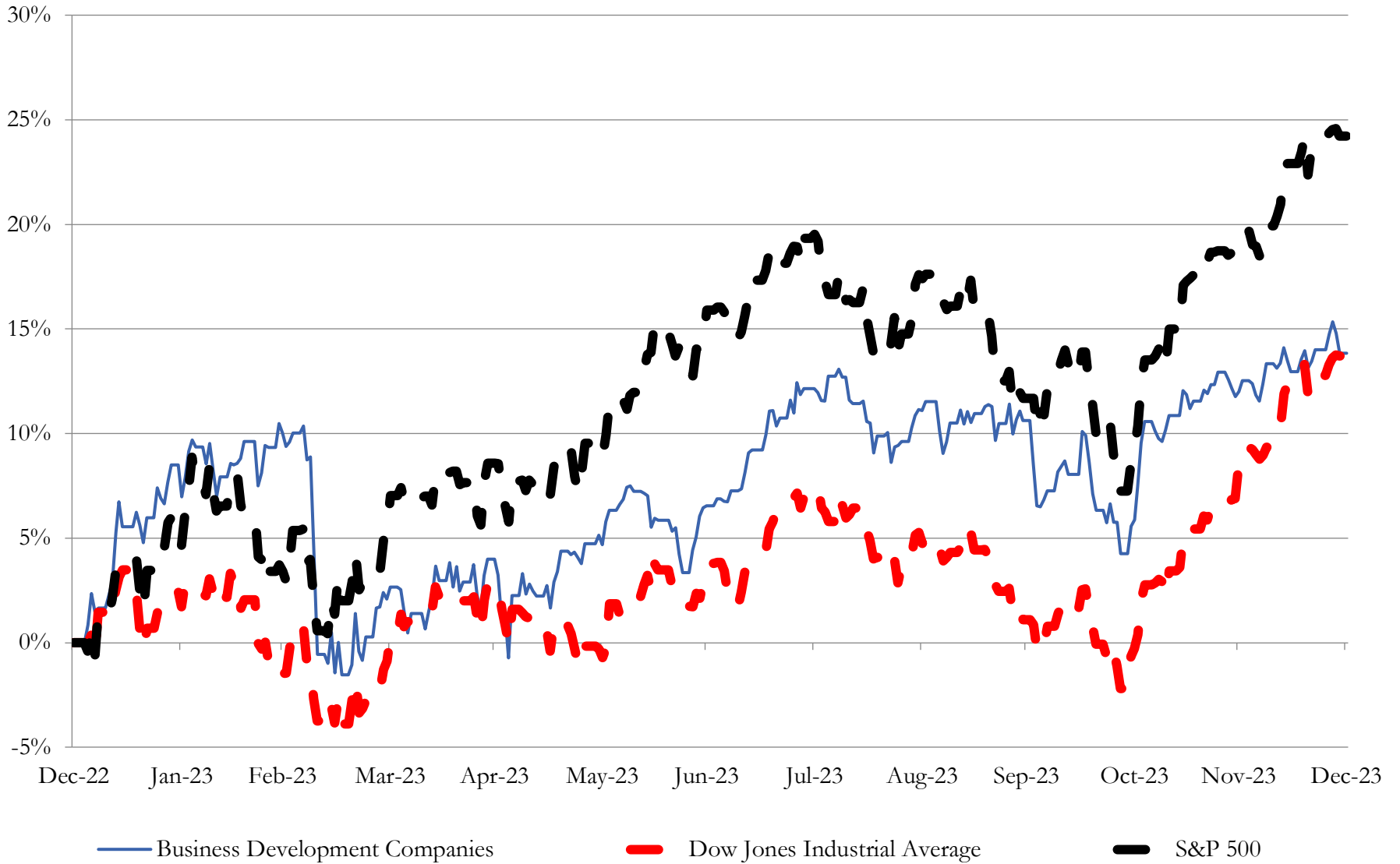
Company Name	Ticker	Return Profile					Trading Multiples	
		Return on Assets	Return on Equity	Dividend Yield	Revenue Growth	5-yr Beta	TEV / LTM Revenue	Price / Book
<b>Business Development Companies</b>								
Ares Capital Corporation	ARCC	5.2%	12.7%	9.4%	28.3%	1.0x	8.9x	1.1x
FS KKR Capital Corp.	FSK	5.4%	9.5%	14.8%	18.2%	1.4x	7.4x	0.8x
Blue Owl Capital Corporation	OBDC	5.3%	13.4%	9.3%	34.3%	1.0x	8.3x	1.0x
Blackstone Secured Lending Fund	BXSL	N/A	N/A	10.3%	N/A	N/A	N/A	N/A
Prospect Capital Corporation	PSEC	4.9%	2.1%	11.5%	19.0%	1.0x	7.3x	0.6x
Golub Capital BDC, Inc.	GBDC	4.9%	10.2%	10.0%	55.5%	0.6x	9.4x	1.0x
Main Street Capital Corporation	MAIN	6.2%	18.2%	8.0%	40.5%	1.3x	11.7x	1.5x
Hercules Capital, Inc.	HTGC	7.1%	18.6%	11.1%	49.1%	1.4x	9.6x	1.5x
Goldman Sachs BDC, Inc.	GSBD	6.3%	9.5%	11.8%	33.2%	1.2x	7.8x	1.0x
Sixth Street Specialty Lending, Inc.	TSLX	6.5%	15.4%	9.2%	45.6%	1.1x	8.5x	1.3x
Oaktree Specialty Lending Corporation	OCSL	6.2%	8.5%	10.2%	44.5%	1.2x	8.5x	1.0x
New Mountain Finance Corporation	NMFC	5.1%	9.2%	9.8%	23.3%	1.2x	8.8x	1.0x
SLR Investment Corp.	SLRC	4.0%	7.2%	10.8%	40.6%	1.1x	7.5x	0.8x
BlackRock TCP Capital Corp.	TCPC	5.3%	0.5%	14.6%	18.0%	1.5x	7.6x	0.9x
Capital Southwest Corporation	CSWC	6.4%	11.9%	10.1%	65.2%	1.3x	11.1x	1.4x
PennantPark Floating Rate Capital Ltd.	PFLT	5.5%	6.7%	10.5%	32.1%	1.7x	7.7x	1.1x
Saratoga Investment Corp.	SAR	5.7%	6.6%	12.3%	61.8%	1.4x	7.9x	0.9x
PennantPark Investment Corporation	PNNT	5.5%	-6.2%	11.7%	38.5%	1.6x	6.5x	0.9x
Fidus Investment Corporation	FDUS	5.4%	10.8%	14.9%	33.6%	1.5x	7.6x	1.0x
BlackRock Capital Investment Corporation	BKCC	5.7%	4.8%	10.3%	46.0%	1.5x	7.1x	0.9x
	<b>Mean</b>	<b>5.6%</b>	<b>8.9%</b>	<b>11.0%</b>	<b>38.3%</b>	<b>1.3x</b>	<b>8.4x</b>	<b>1.0x</b>
	<b>Median</b>	<b>5.5%</b>	<b>9.5%</b>	<b>10.4%</b>	<b>38.5%</b>	<b>1.3x</b>	<b>7.9x</b>	<b>1.0x</b>

Source: Capital IQ

# 3

## LTM Equity Performance

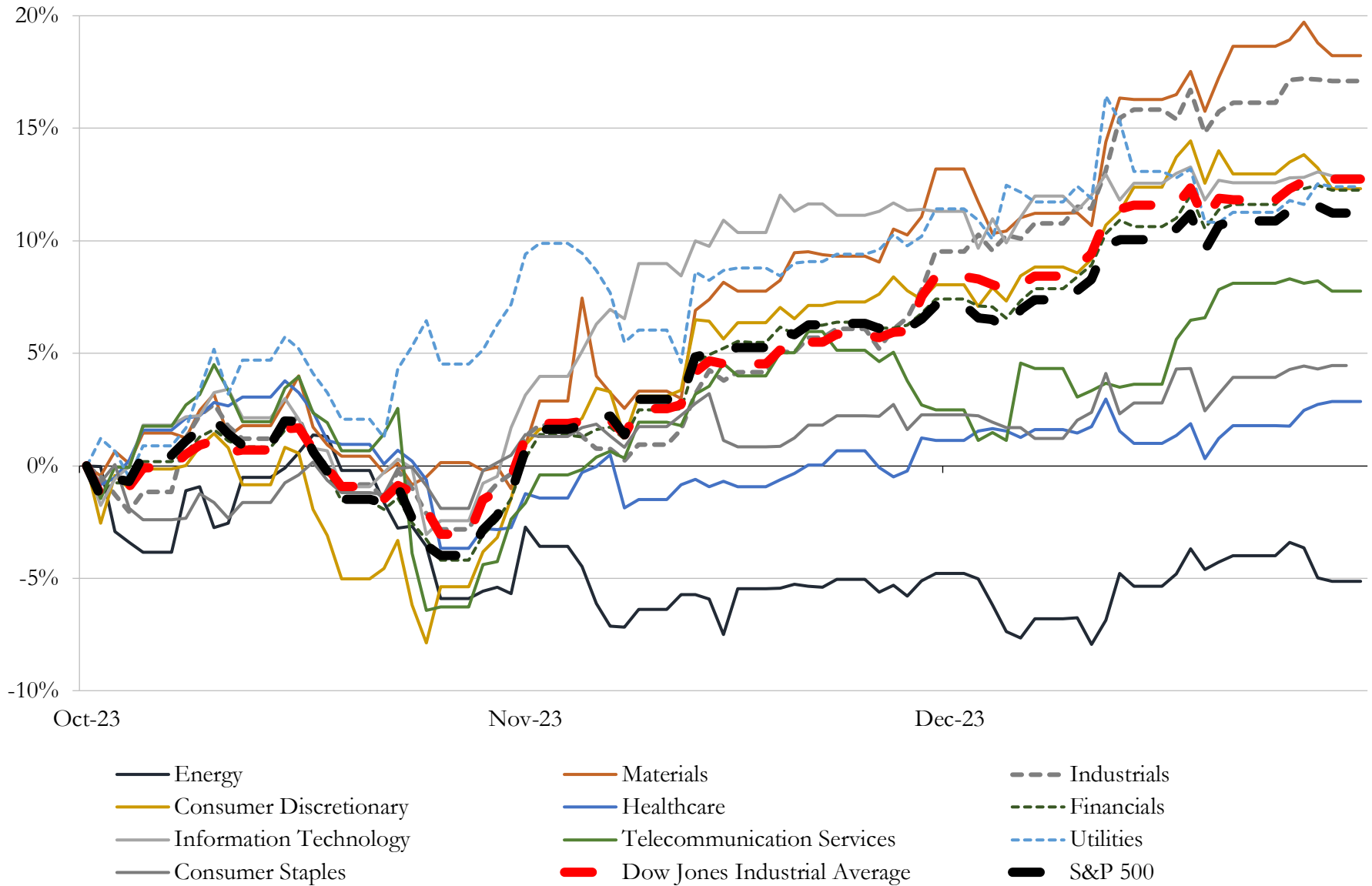
Major Indexes



Source: Capital IQ

# 4 Change in Market Capitalization by Sector

Last Three (3) Months as of December 31, 2023

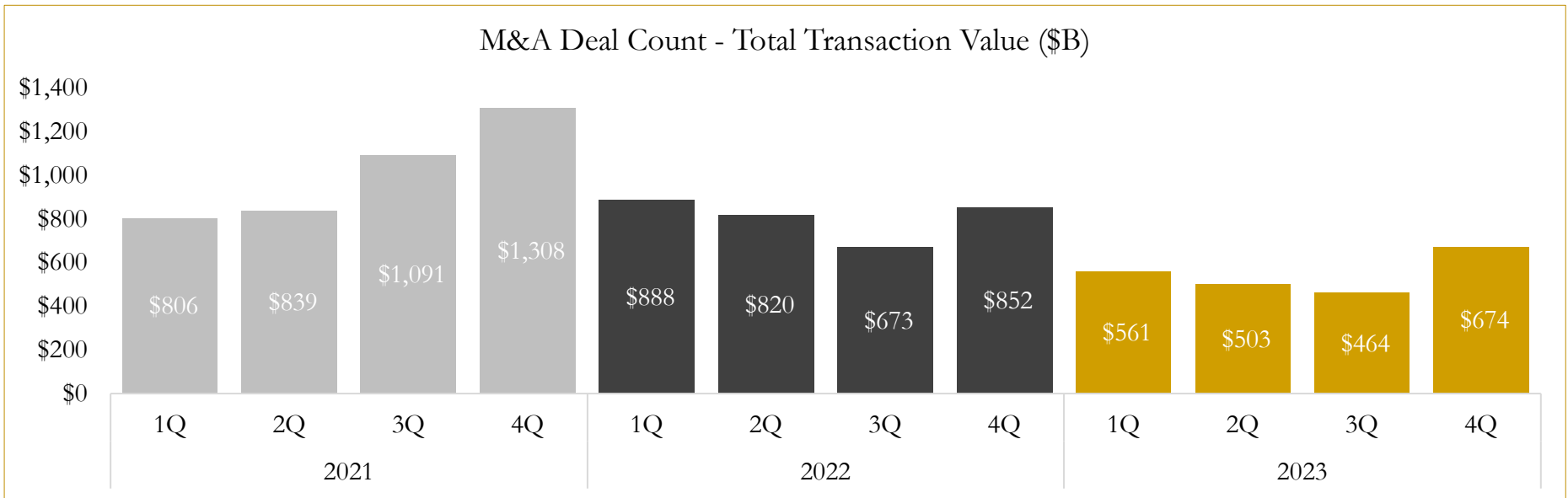
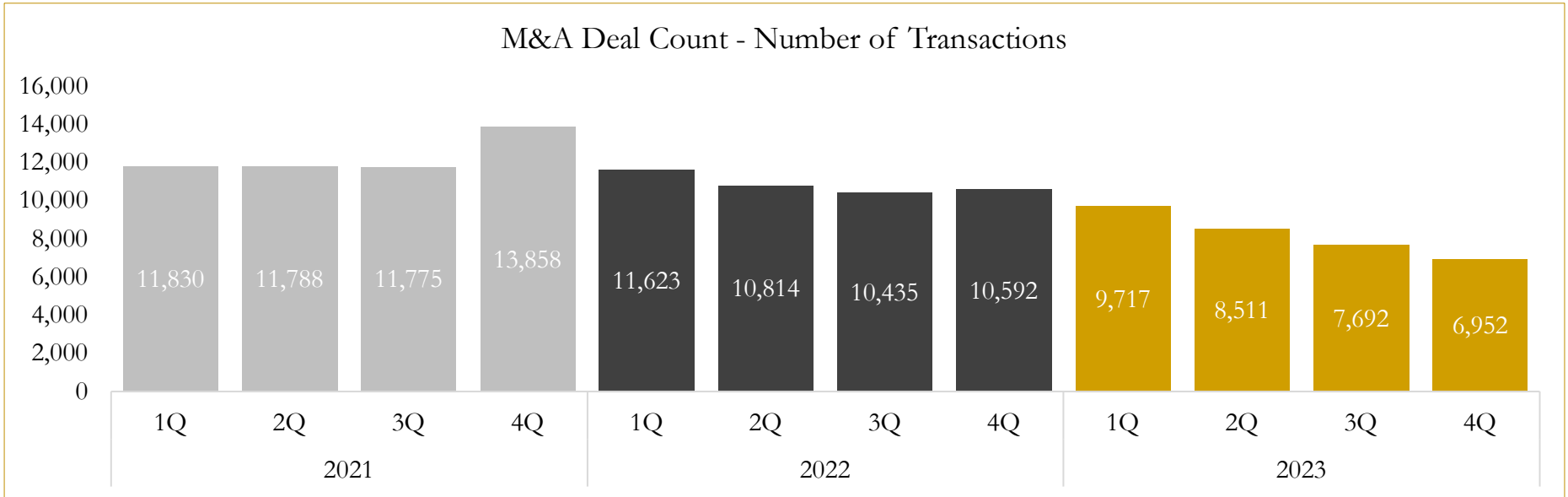


Source: Capital IQ

# 6

## M&A Deal Flow Statistics

Last Three (3) Years as of December 31, 2023



Source: Capital IQ

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- **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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