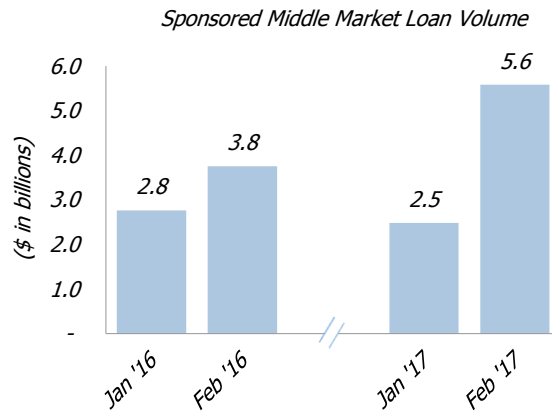


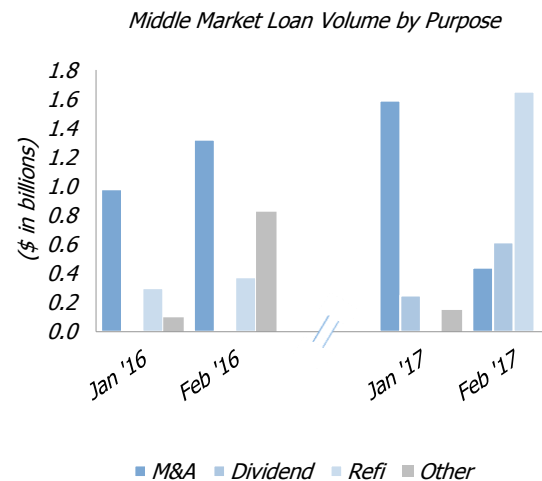
# State of the Market Snapshot

## Early 2017 Loan Volume has Increased Relative to 2016...



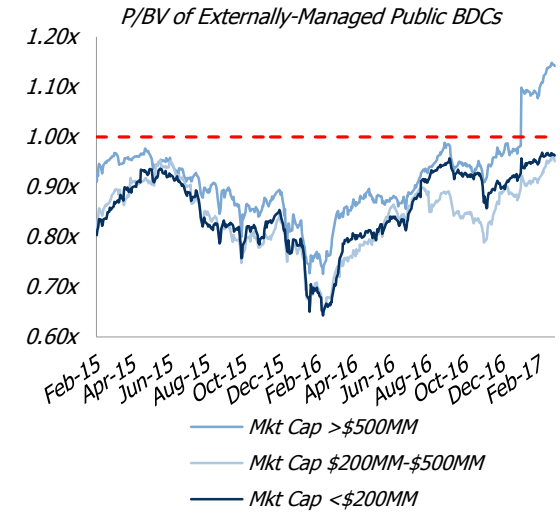
Source: Thomson Reuters LPC

## ...Driven by Strong M&A and Refinancing Activity



Source: S&P Capital IQ Leveraged Commentary & Data

## BDC Market Values Trend Higher, Positioning them to Raise Additional Equity



Source: S&P Capital IQ Leveraged Commentary & Data

## Investors are Confident and Eager to Increase Investment in Private Debt

**93%**

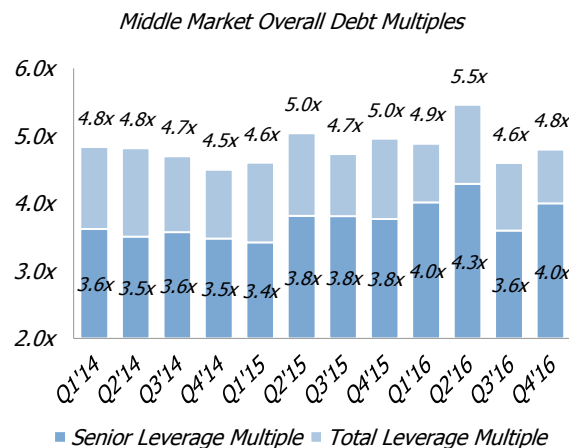
Of private credit investors felt that the asset class met or exceeded expectations in 2016

**57%**

Of private credit investors intend to increase their capital commitments in 2017 relative to 2016

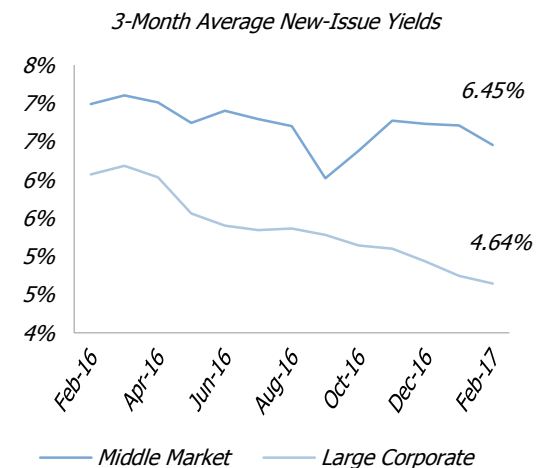
Source: Prequin Survey Data

## Leverage Levels Remain Healthy



Source: S&P Capital IQ Leveraged Commentary & Data

## Middle Market vs Large Corporate Spread at 12 Month High, May Lead to Decline in Middle Market Pricing

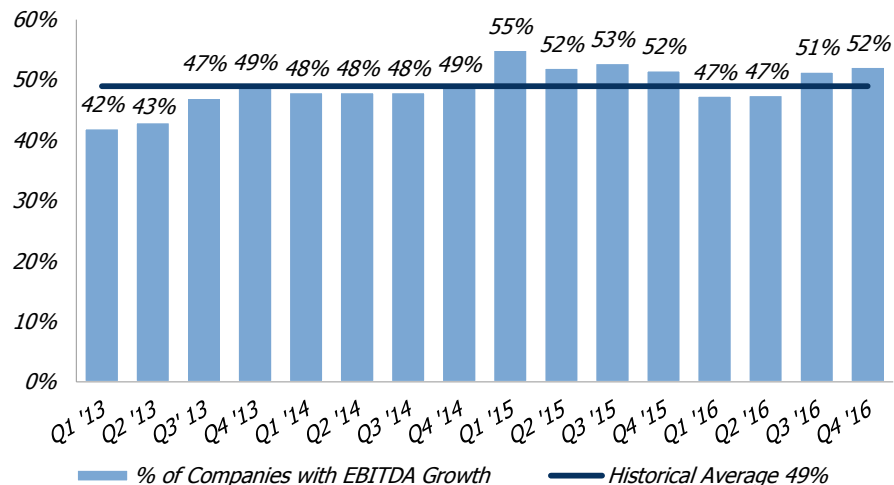


Source: S&P Capital IQ Leveraged Commentary & Data

# Key Company Performance Metrics

## Company EBITDA Growth – % of Companies

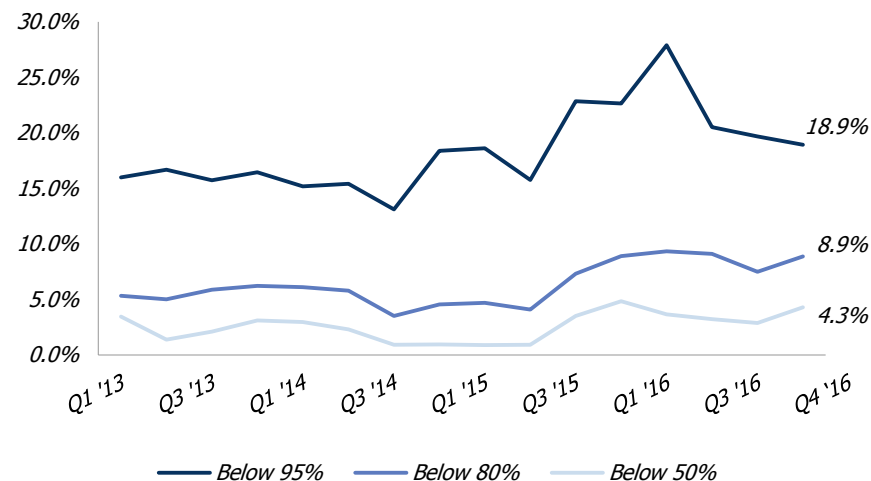
Quarterly Year-over-Year



Source: Lincoln International's Valuations Database

Note: Represents the percentage of companies that grew as compared to the prior year quarter

## Loan Pricing Relative to Par – All Companies



Source: Lincoln International's Valuations Database

## Revenue Growth Rates by Industry

Quarterly Year-over-Year

Sector	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16
Business Service	3.5%	(.02%)	3.4%	2.7%	(1.3%)	(10.0%)	3.8%	1.3%	3.2%	8.3%	0.9%	4.0%	(2.3%)	(1.3%)	3.9%	0.7%
Consumer	0.4%	2.2%	4.7%	1.2%	3.2%	4.4%	1.6%	5.5%	7.2%	3.2%	4.5%	1.1%	5.6%	2.9%	3.4%	2.7%
Industrials	(3.5%)	(6.9%)	(4.9%)	(4.4%)	2.0%	1.6%	6.7%	2.6%	1.9%	(3.3%)	(2.1%)	(3.7%)	(4.4%)	(0.4%)	(1.9%)	(3.0%)
Energy	11.0%	(7.7%)	(3.3%)	6.4%	4.5%	(1.3%)	6.5%	10.2%	11.8%	(16.3%)	(23.2%)	(27.7%)	(24.6%)	(27.7%)	(27.2%)	(16.8%)
Healthcare	3.1%	4.9%	6.6%	5.5%	(0.7%)	3.5%	6.0%	5.9%	4.5%	6.6%	10.6%	7.6%	3.0%	8.5%	10.2%	1.5%
Technology	(7.9%)	(7.3%)	0.4%	4.6%	2.8%	3.8%	4.7%	5.5%	0.4%	2.6%	0.9%	4.4%	0.8%	3.5%	1.3%	3.3%
Total (All Industries)	0.6%	(0.4%)	2.4%	2.4%	2.0%	2.9%	4.2%	5.1%	3.7%	2.6%	1.5%	1.5%	1.2%	1.3%	1.3%	0.3%

Source: Lincoln International's Valuations Database

# Current Market Terms and Conditions

## Lincoln's View on Pricing and Terms

Borrowers by EBITDA:	<\$15mm of EBITDA		\$15mm to \$40mm of EBITDA		>\$40mm of EBITDA	
	Pricing	Multiples	Pricing	Multiples	Pricing	Multiples
<b>Asset Based Senior</b>	<ul style="list-style-type: none"> <li>▪ L + 200 - 275</li> <li>▪ LIBOR Floor: none</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 175 - 250</li> <li>▪ LIBOR Floor: none</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 150 - 225</li> <li>▪ LIBOR Floor: none</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>
<b>Cash Flow Senior</b>	<ul style="list-style-type: none"> <li>▪ L + 475 - 575</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2.75x - 3.25x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 450 - 550</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3.00x - 4.00x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 425 - 525</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3.00x - 4.00x EBITDA</li> </ul>
<b>Senior Stretch</b>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 525 - 625</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3.75x - 4.75x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 500 - 600</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.00x - 5.00x EBITDA</li> </ul>
<b>Unitranche</b>	<ul style="list-style-type: none"> <li>▪ L + 750 - 850</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.00x - 5.00x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 725 - 825</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.50x - 5.50x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 700 - 800</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.75x - 6.00x EBITDA</li> </ul>
<b>2<sup>nd</sup> Lien Loans</b>	<ul style="list-style-type: none"> <li>▪ L + 1000 - 1100</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.00x - 5.00x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 900 - 1000</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.50x - 5.50x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ L + 900 - 1000</li> <li>▪ LIBOR Floor: 100</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.75x - 6.00x EBITDA</li> </ul>
<b>Sub Debt</b>	<ul style="list-style-type: none"> <li>▪ Cash of 11.0% - 13.0%</li> <li>▪ PIK of 1.0% - 2.0%</li> <li>▪ All-in of 12.0% - 14.0%</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.00x - 5.00x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cash of 10.0% - 11.0%</li> <li>▪ PIK of 1.0% - 2.0%</li> <li>▪ All-in of 11.0% - 13.0%</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.50x - 5.50x EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cash of 10.0% - 11.0%</li> <li>▪ PIK of 1.0% - 2.0%</li> <li>▪ All-in of 11.0% - 12.0%</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4.75x - 6.00x EBITDA</li> </ul>
<b>Equity</b>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ Approximately 35% - 40% of Total Capitalization</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ Approximately 35% of Total Capitalization</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ Approximately 35% of Total Capitalization</li> </ul>

# Global Debt Advisory



## Global Debt Advisory Officers

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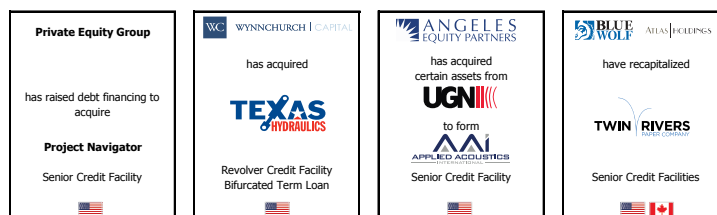
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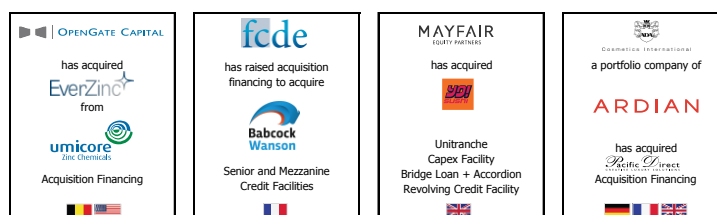
**Dominik Spanier**, Managing Director (Frankfurt)  
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## Recent U.S. Capital Raise Assignments



## Recent European Capital Raise Assignments



## Lincoln International's Value Proposition

- Robust process ensures best available pricing and terms
- Strong relationships with over 300 capital sources throughout the world
- Multiple capital structure alternatives enhances certainty of closing
- Provides clients with transparency and control over financing process
- Independence assures there is no conflict of interest
- Maximum leverage of time and resources for management team and financial sponsor

